

HOUSE OF ASSEMBLY

Tuesday, September 27, 1966.

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

STATE FINANCES.

The Hon. FRANK WALSH (Premier and Treasurer): I move:

That Standing and Sessional Orders be so far suspended as to enable Notice of Motion, Other Business No. 1, to be proceeded with forthwith. I believe it would be reasonable to expect that, with the assistance of members opposite, the motion to be moved by the Leader could be disposed of by 5 p.m. today.

Motion carried.

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

That in consequence of the gross mismanagement of the finances of the State, the Government has caused irreparable damage to the welfare of the people and has forfeited the confidence of the members of this House.

Over many months the Opposition has pointed out deficiencies in the Government's financial measures. From time to time, we have seen allocations of funds and decisions by the Government which, we believe, have acted against the interests of the people of South Australia. These matters were brought to a head last week; last Thursday has been referred to by a political commentator as "Black Thursday" because of the effect of this Government's actions on the future of the universities in this State and because of the inability of the Government to meet the grants recommended by the Australian Universities Commission for the building and maintenance of our two universities. It was with much gravity that this move was requested, and it was matched only by the seriousness of the position and the effects that we believed this Government's financial measures were having in sabotaging tertiary education in this State.

What started the trouble in the State's finances? We do not have to go far back, in fact, only to the last election when, following many futile and empty promises including a reference to accuracy in budgeting made by the then Leader of the Opposition, the Government assumed office in March, 1965—in a year which was running with a credit balance and which finished with \$1,200,000 in credit. The Government, at the start of the financial year 1965-66, had in the Budget Account a credit of \$1,200,000, but after 12 months' management by this Socialist Government the credit

has been depleted: the Budget is in deficit by \$6,800,000 and the Budget and Loan Accounts have run down in one year by \$9,250,000. According to the last Treasury statement, as at the end of August, the Consolidated Revenue Account was in deficit by over \$13,000,000, therefore today this State is in the worst position of any State in Australia regarding its tertiary education.

That is the result of the establishment of a high rate of spending which the Government feels obliged to maintain, but which is impossible to maintain. I believe this has come about because the Treasurer cannot control the expenditure of spend-thrift Ministers who are engaged in a power struggle for accession to the leadership of the Labor Party, Ministers who are trying to spend their way to popularity in the Labor Party and in the eyes of the community. It is interesting to know that some of the more vigorous Ministers are obtaining funds at the expense of the more modest Ministers. The Attorney-General has a high rate of spending in departments under his control, whereas the Minister of Agriculture, who last week said that he was modest about his department, has indeed something to be modest about.

Mr. Hughes: Modest about achievements, and you know what he meant. He was not talking on finance.

Mr. HALL: We will speak of finance.

Mr. Hughes: Then tell the truth.

Mr. HALL: I will. I have no intention of doing otherwise, and I hope the member for Wallaroo will take this information to his district soon. There is talk up the street of rumours about Government expenditure, and we hear that the Attorney-General is spending money like a drunken sailor. These remarks bring no credit to Parliament or to the Attorney-General. The previous Government had an impeccable record in university education. The Flinders University of South Australia was established by a date that was projected years prior to its being established. The university began functioning on schedule, the former Government having honoured its promises and supported the university's establishment, as well as the strengthening of the University of Adelaide. Now, apparently, the standards and the work of South Australia's universities are to be sacrificed and used as a lever for this Government's approach to the Commonwealth Government for more money in the way of general assistance grants.

The Minister of Education has recently been most reticent when replying to questions concerning university finance, but we know now the reason for that reticence. In reply to the member for Wallaroo, I can only say that we indeed wish to deal with facts and figures concerning South Australia's participation in the university grants recommended by the Australian Universities Commission. In this regard New South Wales, Victoria and South Australia are subject to the same type of financing from the Commonwealth Government. However, whereas the New South Wales Government took 90 per cent of the moneys available to it, and Victoria, 94.3 per cent, South Australia took only 76.5 per cent. Overall, therefore, our grant was 23.5 per cent down on the sum recommended by the commission, the average State grant being only 10.6 per cent down on the grants recommended.

We find, too, that South Australia has received an increase of 19.1 per cent in its grant for university purposes in the next triennium over the grant in the last triennium, whereas the overall Australian increase in expenditure on universities will be 31.2 per cent over expenditure in the last triennium. The Minister of Education in the House last week emphasized the fact that South Australia had made grants to the Institute of Technology, but I believe he used that only as an excuse for the State Government's inability to meet grants available for South Australia's universities.

South Australia's increased expenditure on colleges of advanced education is 200 per cent, whereas it is 250 per cent in the other States. However, the other States are not only meeting their obligations to the colleges of advanced education (and more than meeting them by South Australian standards): they are also shouldering much more responsibility for university education. The acceptance of an inadequate sum from the Commonwealth Government is the result of this Government's action. Senator Gorton, in his statement to the Senate, has clearly indicated that it is on the initiative of the South Australian Treasurer and his Ministers. The Minister said:

The reductions which are not uniform over all Australia, but which vary in incidence from State to State, arose as a request from the Premiers at the June Premiers' Conference to the effect that consultations in some detail should take place between the Commonwealth and each State concerning the recommendations of the Universities Commission, for which the State Treasurers must provide half the capital and a little more than half the recurrent. These discussions took place with each State separately at both the official and the Minis-

terial level, and each State indicated the upper limit of the programme which it felt it could support.

Therefore, on the statement of the Commonwealth Minister, the South Australian Government selected the sum it thought it could match for the South Australian universities. It may be asked where this Government has mismanaged its finances and where it could obtain more money in this State so that it could match its responsibilities on tertiary education. If we again refer to the Attorney-General and the administration of his portfolios, we find some interesting facts for the year 1965-66, a year during which Government revenues rose by 6.6 per cent and during which departments under the control of the Attorney raised their expenditure by 15.2 per cent. Surely this is the self-evident truth of the position we have of overspending in regard to what this State can afford. It is of little use for the Attorney to say there is use for this money to do specific jobs.

The Hon. D. A. Dunstan: Would you cut public relief?

Mr. HALL: The Attorney would govern the State by spending money and running a deficit, but the State will inevitably come to disaster soon.

The Hon. D. A. Dunstan: You want a disaster at the expense of the poor.

Mr. HALL: The disaster is already upon us in regard to the South Australian universities.

The Hon. D. A. Dunstan: Let the kids starve now!

The SPEAKER: Order! I ask members to have respect for the Speaker, and I remind them that interjections are out of order.

Mr. HALL: Turning from the Attorney, let us look at the land deals in which this Government has been involved. The previous Government bought land for the proposed new Government printing works.

Mr. Hughes: I notice you soon go off the starving children!

Mr. HALL: Mr. Speaker, the past Government spent about \$400,000 in buying land at Kent Town for a printing works. The incoming Government decided that that was not the right place to put the works and, for \$300,000, bought land at Netley, adjacent to a vacant 16-acre lot which had been purchased by the Municipal Tramways Trust and which the Government has arranged to exchange for land at the Islington sewage works; so a sum of nearly \$700,000 is involved. As the Auditor-General points out in his report, this land costing

\$400,000 is surplus to the Government's requirements. When will the Government begin to realize on the \$400,000 worth of surplus land? Why did it need to buy 10 acres at Netley next to the 16 acres owned by the M.T.T.?

Again referring to the Auditor-General's Report, why did the Government buy, as a parking station for the M.T.T., \$12,000 worth of land which the M.T.T. knew nothing about and which it did not require? This is just another of the peculiar things on which the Auditor-General has had to report. Why does the Treasurer continue to allocate \$200,000 a year for the purchase of established homes? Why does the Attorney-General enter into socialistic experiments with a computer to the extent of \$84,000 on this year's Budget? Let members opposite laugh at their Government's inability to match Commonwealth grants for the important research and learning centres of South Australia. The figures I have referred to total \$1,096,000. These are the actual figures (without reference to the Attorney's overspending, service pay, equal pay, or free books).

Let me comment briefly on free books. Some schools in this State, through their welfare clubs, own *Readers* which they hire to children. Some of these *Readers* in some schools are current and in good condition and, although they have been offered to the Education Department under the new free books scheme, the department has refused to accept them. In other words, those welfare clubs can throw the books away. This type of policy is well in keeping with the one we have grown used to in South Australia under Socialist management.

No excuse or explanation can prove anything but that the Government is squandering money in many directions. The details I have already given indicate clearly that large sums could have been used to match grants from the Commonwealth Government. I believe this State has two specific responsibilities, the first being to obtain from the Commonwealth Government as much money as it can for the operation of this State's affairs, and the second (an even greater responsibility), to maintain its Budget in a condition that will enable it to go on from year to year in a satisfactory manner in the management of our State's economy. However, this Government refuses to do that. We have taken extraordinary measures in this year's Budget in loading \$4,500,000 of Budget responsibility on to the Loan Account, and we have robbed the Highways Fund of \$1,000,000. These are temporary

expedients, yet we are still budgeting for a further deficit in the Budget Account of more than \$2,000,000.

The finances of the State are out of control, and there is an ever widening divergence between the income of the State and the expenditure of the Treasurer and his Ministers. We in South Australia have few natural resources, but we have become known for our excellence of work and research. In fact, we have sold our expertise, our research, and our application to the job. Not only the universities will suffer as regards their financial needs: the community in general will suffer because the basis for future prosperity has not been supplied by the present Government. I believe that the Treasurer, flanked by his spendthrift Ministers, has charted a course of financial expenditure not related to the revenues of the State, and this can only lead to disaster for South Australia. Therefore, I ask him to resign from office and to test this matter in the only final test that can be held, by going to the people and asking them whether they approve of his actions.

The Hon. G. G. PEARSON (Flinders): I second the motion. I congratulate the Leader of the Opposition on the short, explicit, and succinct manner in which he presented the facts—

Mr. Ryan: That's the joke of the century.

The Hon. G. G. PEARSON: —of this rather tragic situation. Brevity does not in any way detract from the force of his remarks: on the contrary, I think it rather adds greater force to his facts. If the honourable member for Wallaroo (Mr. Hughes) wants facts, let him digest the statements the Leader has made and see whether he can take comfort from them or whether he can derive any credit for the administration of this Government.

Mr. Hughes: I was challenging him regarding his remarks about the way the Minister of Agriculture administered his department.

The Hon. G. G. PEARSON: In March, 1965, this Government was elected on a wave of support from the public which showed their confidence in what they hoped was the ability of the Labor Party to administer the affairs of the State. Preceding that election, and in order to establish a claim to govern, the then Leader of the Opposition presented a policy speech to the electors of South Australia. It is extremely interesting to read again, 18 months later, what the Treasurer said on that occasion. Perhaps the following was the most important statement he made:

Ours is not a policy for extravagance, it is one for accuracy in budgeting.

If that is true, then all that the Opposition has been trying to say in this House over the last six to eight months is completely wrong. I leave it to the judgment of the people of the State to decide who is right in this matter—the Government or the Opposition. I would be prepared to test this matter tomorrow if the electoral machinery could be devised to act so quickly. When he was elected 18 months ago, the Treasurer enjoyed the confidence of the public. However, everything he has done since then has alienated this confidence from him, disillusioned the electors of the State and, unfortunately, brought to their notice in every possible way the fact that he has not been (and apparently is not) able to administer the affairs of the State so as to maintain the finances in anything like a reasonable balance. In his policy speech, he said:

Ours is a policy based on broad principles from a platform that will achieve social progress and promote the welfare of the people as a whole.

I wonder whether he is, in fact, in these measures promoting the welfare of the people as a whole, because I believe at this time the Government has not only forfeited the confidence of the members of this House but has also alienated and forfeited the confidence of the people of the State.

As I move around in this State, I am confronted constantly with the remark: "How long will this continue? When can we have a change of Government?" I went away for six months; before I left this country there were murmurings of discontent which grew louder in volume through the country areas. At that stage those murmurings had not been heard so much in the metropolitan area. On returning, I was astonished to find just how much the climate had changed in the metropolitan area and how many people, who were admittedly and avowedly supporters of the Labor Party and had voted for the election of this Government, had, because of their bitter disillusionment, completely changed their view. It was not uncommon for people to tell me in the street, in taxicabs, on other forms of public transport, and in other public places that, although they had assisted by their vote to put this Government into office, they were anxious for an opportunity to throw it out.

One could spend much time going through the electoral promises of the Treasurer that deal with financial matters in particular, and in referring to the promises made and to the lack of effect that has been given to them.

I do not intend to traverse the whole long list because it would take far longer than the time available to me. The Treasurer made the following important statement in his policy speech:

Labor will insist on the establishment of regional hospitals as already mentioned.

Earlier in that paragraph he referred specifically to hospitals at Tea Tree Gully and in the south-western districts. As far as I know, no progress whatever has been made on either of those proposals. He dealt at great length with mental institutions in South Australia. I remind the House that we often heard the Attorney-General, when in Opposition, talk, in his best form, about the shocking job we had made in the administration of mental institutions. After a long peroration on this matter, the Treasurer said:

Labor will:

- i. immediately increase Government infirmary accommodation;
- ii. subsidize the erection and running of small cottage district infirmaries in co-operation with voluntary organizations which have already indicated their willingness to help in such projects, and
- iii. immediately speed up the re-housing of mental hospital patients in modern buildings adequate for their needs.

Yet, on the Notice Paper at this time, there is a motion in the name of the member for Burnside (Mrs. Steele) which she has found it necessary to move in order to see whether something can be done to speed up the completion of two important institutions of this type. The Treasurer also dealt with a most important aspect of this State's economy—transport—when he said:

Increased fares are not the answer concerning the use of the buses and a job of work awaiting a Minister is to set a policy in motion to make use of the buses by encouraging people to travel by bus.

Incidental to that statement, he also said:

It will be the responsibility of the Minister to insist that the Commissioner re-organize services without any increase in fares.

That is rather interesting because, recently, we have seen a proposed increase in bus fares not only for adults but also for students attending schools (which, I think, is particularly unfortunate). Also, we have seen a general rise in railway fares, and there has been a general and rather severe increase in railway freight charges. The Treasurer said it would be necessary to get more business for the railways. The Opposition agrees with that, and it has always agreed with it. The Treasurer went on to say:

To achieve our purposes a complete investigation will be made into freight rates with a view to reductions, and instead of making freight reductions only to the large organizations, the small man must be considered.

I do not know exactly what the Treasurer meant by that statement but, if it meant anything at all, it meant a reduction in freight charges not only for the big man but also for the small man, which would mean a reduction generally over the whole range of freight charges. However, what have we seen? For instance, the freight charges on wheat to Port Lincoln from Kimba has increased by 4c a bushel. If that is a reduction I do not want to see another like it. We also had undertakings by the Government in regard to specific phases of education. We were told that the State would have free school books. They have not been provided although it is proposed that they will be. Already I hear murmurings of disillusionment and discontent about this from parents, from school organizations and from the staff which mans the schools. This proposal will obviously not turn out nearly as well as those listening to the Treasurer's policy speech hoped it would. I forecast also that this will cost much more than the Treasurer has allowed for in his budgetary preparation.

Of course, there are a whole host of other matters contained in the policy speech to which I could refer. However, I believe I have touched on enough important items to illustrate to the House just how the policy enunciated by the Treasurer has not been carried out, how the people of the State have been misled in these matters and, in other words, how the Government has sold the people short. Arising from this series of failures to do what he promised to do, the confidence of the people has been sadly undermined. "Confidence" is something about which I have heard since I was a lad but never grasped what it was alleged to mean in terms of public activity and finance. Many people, in addition to me, regarded it as an ethereal thing to be trotted out as a bogey when it suited a speaker. Recently, it has been illustrated to the least sophisticated elector what is involved in the term "confidence". It has been clearly established that confidence begins with Government financial administration, and if people are uncertain about that and about the financial results of the Government's administration, this concern spreads like a cancer through the commercial and economic fabric of the community.

Soon, people wonder about the future and invariably begin to lose confidence in their

operations: they lose confidence in the future and wonder how much more taxation and charges will be increased. They are aware now that fares, land taxation, water rates, and other charges have been increased substantially, and there seems to be no relaxation by the Government in its endeavours for additional revenues. People in whose hands the economic welfare of the community rests are being attacked by the increasing taxation measures of this Government. Consequently, the State's economy has slowed down. Once, we looked forward to several new industries establishing in this State in every quarter, but that has ceased, and it is a long time since the Premier announced that a worthwhile and new industry would be coming to this State. He has grasped at the few straws that have been offered and has recited several things that were pre-planned many years ago and are now coming to fruition.

Various companies have had heavy investments in this State and had to supplement them by additional expansion, but if they had not been committed, I doubt whether they would have announced the expansion at this stage. Some of the most pertinent industries here have shown a heavy reduction in their operations. As an illustration, let us consider the building industry. The figures quoted by the Commonwealth Bureau of Census and Statistics showed that the year ended June, 1965, was a highlight in the building industry. Between June, 1965, and June, 1966, the position fell away sharply. For example, 1,825 fewer houses were commenced during that period; 611 fewer flats were commenced; the total number of dwellings commenced fell by 2,436; the number of other new buildings fell by 9,066; and the total value of new buildings for that year declined by \$22,191,000. In the same period 697 fewer houses were completed; 36 more flats were completed; 6,668 more other buildings were completed; and the net increase in the value of buildings completed was \$5,810,000.

It is significant to note that it was the long-term building projects that provided the above increase, for obvious reasons. The confidence of the industry is indicated by the number of buildings under construction; 958 fewer houses were under construction; 309 fewer flats; and the total value of buildings under construction declined by \$10,228,000. The report for August, 1966, states:

During the three months ended August, 1966, the number of houses and flats approved for private owners totalled 1,997, a decrease

of 79 from the figure of 2,076 for the previous three months, and 240 less than the 2,237 approved during the three months ended August, 1965. The value of other new buildings approved (private and Government combined) was \$11,848,000 which was \$1,373,000 more than for the previous three months, but \$10,894,000 less than for the three months ended August, 1965. The value of all buildings approved was \$37,897,000, an increase of \$6,356,000 on the figure for the previous three months, but \$6,919,000 less than for the three months ended August, 1965.

It costs more to build now than it did in 1965, but we find this heavy reduction in value of buildings completed. Those figures include about 500 houses for which the Housing Trust has applied for approval, but which, on my information, will not be commenced before January, 1967. I can only surmise the reason for seeking approval at this early stage, but it may be an attempt to boost building approval figures. In spite of these figures, the Treasurer insists that everything is fine and dandy and that we can look forward to better things. An article in the press recently queried his statement in this House about the future outlook, and the Treasurer re-affirmed that what he had said in this Chamber was correct. Apparently, others do not view it that way, and it is idle for the Treasurer to affirm in this House what people outside do not believe. They have lost confidence in him, and there can be no better reason for disbelieving him than that. People outside believe that facts speak louder than words and the problem of unemployment (for which the Government is not totally responsible, but is part responsible) stems from the fact that industry is not enlarging and that new industries are not being established here. We have talked about the expanding economy of the State for many years: however, it is no longer expanding but is going back. Leaders in the building industry claimed that the Treasurer was avoiding the unemployment issue by telling this House that the State's unemployment figures showed a brighter outlook. Then followed a whole series of unrestrained comments of the people, who I think would normally be the Treasurer's strongest political supporters. The Acting Secretary of the Amalgamated Society of Carpenters and Joiners (Mr. Ellis) said:

Mr. Walsh should straighten out his facts about unemployment and speak to trade union leaders before claiming that prospects are brighter. Unless the State Government had some secret plan up its sleeve, about which it had not told the unions, the A.S.C.U. could not see any improved employment for its members before Christmas . . . Mr. Walsh's forecast of improved employment made the union

leaders, who were voicing concern about unemployment and retrenchments, look "silly". Then, the Secretary of the Bricklayers Union (Mr. Lutz) said he agreed with Mr. Ellis for the most part that the Treasurer's statements did not give a true picture of the employment position in the State's building industry. These people represent a large sector of the general community, and their comments are not isolated, but in line with the general complaint that has been voiced by union leaders throughout this State for a number of months. In a letter to the Editor some time ago a gentleman (whose signature appears at the foot of the letter) said:

The slogan "Live Better with Labor" is fast becoming a complete misnomer. In the short time this Government has been in power the following shocks have been received:—

and I commend the gentleman for his summary up until (at that time) November, 1965— Land taxes and death duties are to be increased. Stamp duties on cheques are to be doubled. Bus fares have shot up, train fares are to be "rounded off" to the nearest 5c—

and we know they are going up much more than that now—

comprehensive and third party car insurances have skyrocketed. The vicious 1 per cent on car purchases has been retained despite assurances to the contrary. Housing Trust rents are to be raised steeply, thereby penalizing the people who can least afford it. . . . To cap it all, my water rates bill has arrived for £50 (no excess).

This, of course, was before the conversion to decimal currency. He continues:

It used to be £25. By the time we get our "free" school books in 1967-68 they will cost well over £300. It is surely time we started saying "Labor Must Go."

These comments are being heard continuously, but I think the most significant and trenchant, as well as the most authoritative, comment on this situation is voiced by the leader writer of the *Journal of Industry*, who, in the September, 1966, issue, under the heading "An Ominous Trend", states:

Certain facts that lie behind this year's Budget Speech of the South Australian Treasurer make unpleasant reading and reflect a trend in the finances of the State that is, to put it mildly, disturbing and ominous. The Treasurer has budgeted for an estimated deficiency of \$2,300,000 for the financial year 1966-67. This deficit is to be funded from Treasury Trust and Deposit Accounts.

This article is extremely well written by someone who has analysed facts and who has expressed in terse and succinct language the facts he has discovered. He continues:

The facts referred to (which can be verified from the Budget Papers) are that as at June

30, 1965, that is, within a few months of the present Government taking office, there was a surplus in the Consolidated Revenue Account of \$1,200,000.

Let me explode the statement circulating in the State that this Government arrived in office to find an empty Treasury! That is not true, and the writer of this article (whom I do not think I have ever met) makes a categorical statement in a responsible journal. He continues:

The first year of the Government's administration produced a deficit in this account of \$6,800,000, reducing the previous surplus to an accumulated deficit of \$5,600,000. This year's estimated deficit of \$2,300,000 adds up to an accumulated deficit as at June 30, 1967, of \$7,900,000—since this Government came into office. It is of very great interest to note that the monthly statement of revenue and expenditure for July, 1966, that is, the first month in the new financial year, shows a deficit of \$1,200,000 for the month, compared with deficits of \$462,000 and \$418,000 for the months of July in 1965 and 1964 respectively. This is an ominous trend!

If the gentleman had had the figures, as this House has had them, he could have added the September deficit which is probably the heaviest on record for the month of September. The editorial continues:

The \$64,000 question is: How is the Government proposing to permanently fund these continuing deficits? In his Budget Speech the Treasurer stated that this accumulated deficit had been temporarily funded by drawing on trust and deposit accounts with the Treasury. While this is an expedient that has certainly been used before by previous Governments as a temporary measure, it must be pointed out that the moneys in trust and deposit accounts are held in trust for, and have been deposited by, various organizations and Government departments for specific purposes, and will eventually have to be repaid by the Government.

In addition to that, what the writer probably did not realize was the fact that the Treasurer at this moment is undoubtedly financing himself heavily on lag of revenue temporary finance. He has taken out Treasury bills for lag of revenue to finance present deficits. Although that may be in order and quite proper, we know that revenue from the Commonwealth's repayments of the Loan Account do not flow into the State at regular monthly intervals, and that it must be borne in mind that every penny of these Treasury bills for lag of revenue must be repaid before June 30, 1967. The Treasurer cannot escape that deadline, no matter how he may manipulate his finances during the year.

Mr. Shannon: He can retire before then.

The Hon. G. G. PEARSON: Every one of these bills must be met from somewhere by

June 30, 1967. The States' liabilities under the terms of the Financial Agreement regarding interest and sinking fund cannot be avoided, because the Commonwealth Government deducts the relevant sums before paying the States. The writer continues:

This means that these moneys cannot be earmarked for any permanent reduction of Treasury deficits. If the Government proposes to utilize Loan funds to extinguish its deficits, it should be made quite clear to the public of South Australia that in this event, the Financial Agreement Act, 1927, positively indicates that if the Government used this facility, future allocations from the Loan Council could be adversely affected. The South Australian Government could, of course, reduce the range and cost of the services which it now provides, but only one other alternative appears open to it—to still further increase taxes and charges. Most South Australians have by now had quite enough of this sort of thing!

So have I, and the sooner we can get an election to resolve this matter, the more I, and the electors of this State shall be pleased.

The Hon. D. N. BROOKMAN (Alexandra): I support the motion. It has arisen as a result of recent events culminating in the very unhappy Budget introduced recently, and as a result of the demonstration that we are unable to meet our tertiary education requirements. This Government's record is one of failures all the way, broken promises by the score, and simple counter-attacks on anybody and everybody who criticizes it without for one minute admitting any fault on its own side. Listen to a few of these promises! In the election campaign only about 18 months ago the present Treasurer promised the Labor Party would move for a Parliament of 56 members with eventual abolition of the Legislative Council. He brought in a Bill to provide for the 56-member Parliament but it was so ludicrously drawn up that, obviously, the Legislative Council could not accept it. The Government brought this in during 1965 with a definition of the metropolitan area that had been drawn up in 1954, 11 years before.

The Hon. D. A. Dunstan: What did you do in 1955?

The Hon. D. N. BROOKMAN: The 1965 Bill appeared to have been deliberately drawn up to ensure that it would be rejected in another place. The Treasurer (formerly the Leader of the Opposition) said, prior to the election, that the Labor Party would oppose any proposal for six Ministers in the House of Assembly, but the Labor Party broke its promise only a few months after, and that was not the only one it has broken. The Labor

Party we have been told, is opposed to Executive control, but this is operating much more freely now than it ever has operated, and with less reference to Parliament. The Treasurer said that Labor would build huge hospitals, but this has not been done, and it is doing its best to forget the 500-bed hospital it promised at Tea Tree Gully. There is not one sign of progress there. In the former Leader's attack in the election campaign he particularly singled out the Hillcrest hospital which, he said, was badly needed for the development of mental health services. That hospital has been so tardily dealt with that we will not be able to qualify for the Commonwealth grant in respect of the institution.

The Treasurer also attacked transport facilities and spoke of the inefficiency of the Railways Commissioner who, he said, would have to brighten up. He said that there would be a reduction in fares and freight. In fact, he said, "Let the slogan be 'A reduction in fares and freight'." But what has happened? There is not the slightest sign of a reduction—only an increase. Even the famous promise of free school books was not qualified at the election campaign. However, if a person makes a promise at an election and does not put a time limit on it, it is justifiable for the people to infer that it will be brought in forthwith. In fact, of course, the promise did not mean that at all. All it means is that free books will be brought in to South Australia just in time to set the trap for the next State elections.

Mr. Ryan: You are opposed to it, anyway.

The Hon. D. N. BROOKMAN: The Treasurer said that Labor would raise succession duties on large estates. Initially, it did try to do that, but it forgot to mention in the election campaign that the new duties would also seriously affect moderate estates by the system of aggregate assessments. That Bill was rejected in another place in the interests of a large number of people in this State who had very moderate means. The Railways Commissioner was asked to re-organize his programme without an increase of fares. The Leader went to some trouble at the time to point out how the Labor Party understood what was going on regarding public works. The then Leader said that the Labor Party had three of the seven members on the Public Works Committee. He said, "You will appreciate that we are well versed in the method adopted before any public works are commenced." What is the position now? Were

they well versed in it? They say now that the Loan programme was over-committed.

I have a letter from the Chief Secretary, written a short time ago, saying that the previous Government over-committed in respect of the Loan programme and seriously embarrassed the hospital programme; yet the then Leader said that they had three members on the Public Works Committee, that they understood what was going on, and that they would honour all the recommendations of that committee. Concerning mining, the then Leader said a policy of fullest investigation of the mineral resources would be followed. Actually, the Mines Department has had one of the smallest increases of any department over the last two years; but that is a development department, so naturally it would not get such a good hearing. The Labor Government made an unwise, rash and blatant promise on the removal of road tax on Eyre Peninsula, but members on this side said it could not be removed legally. We said that before the election, and Sir Thomas Playford, who was leading our Party, stated it categorically. The Attorney-General said the opposite categorically, but what has happened? It was one of the first promises broken. All that members of the Government said was, "Very sorry, we have found out it is not possible to remove the road tax on Eyre Peninsula", but they accepted the votes and the resulting unfavourable poll to our side of politics because of their road tax propaganda. The Minister of Education was one of the most deeply involved in that, and I am waiting for the time when he apologizes to the electors of Eyre Peninsula for misleading them in that way.

Statements which, although not in the policy speech, have been reported in the press both before and after the election have been denied since. The Treasurer went to Kangaroo Island and was widely reported as promising a freight subsidy on the carriage of goods to and from the island. When I asked him about it in Parliament (after leaving it a few months to enable him to get firmly in the saddle) he said he did not say that at all, but he was happy to let the statement stand until the election, and that is the case with many promises. We know of the grape advertisement about which the Minister of Agriculture said he was horrified. That advertisement went in before the election and there was no protest from the then Leader about it at that time. It was only after the election that we heard a protest.

We all know the Playford Government had to make a modest increase in university fees before the election. The Labor Party said it would have the fees reduced, and after the election the Attorney-General went to the university and said that his Party opposed the last increase in fees and would certainly move to have them reduced. In this House a few months later I asked the Attorney-General about his statement, and I quoted from the university paper *On Dit*. He said he had been misquoted and that his remarks had been taken out of context. Therefore, I assumed that he was referring to a means test. So I have decided to use not the edition of *On Dit* but the *Sunday Mail*, which I assume is independent of *On Dit*. That paper also seems to have got an unequivocal statement from the Attorney. However, the Attorney has apparently backed away from that one.

Plenty of other promises were made. What does the Labor Party do and say about all this? The first thing it does is criticize another place, for it says, "The wicked Legislative Council will not let us get our legislation through." We know very well that the rejection of legislation in another place has had only a small effect on the Government's deficit, probably less than 10 per cent if it can be accurately assessed. We also know that the Government brought in not only the things it had promised but other things to affect the people of South Australia to which another place could not possibly agree.

Another claim the Government makes is that the old Government left an empty Treasury. That matter has already been dealt with, for Sir Thomas Playford was prudent enough to obtain a statement of what was in the Treasury when he left, and of course it shows that there was enough in there for a good and prudent Government to carry on with. However, it was not enough for an extravagant Government.

The Commonwealth Government is blamed, of course. This Government always says that the Commonwealth Government should help us do more, that it should give us more university and tertiary education grants and not insist on our matching them. The member for Glenelg (Mr. Hudson), if he is reported correctly, has actually claimed that university education should be taken over entirely by the Commonwealth Government. Well, as the Labor Party's policy is to abolish State Parliaments, as far as policy goes, at any rate, I suppose that is not surprising. However, is it fair, when one gets into trouble, to try to have the rules altered so that another organization has

to come in and rescue one? The Commonwealth Government, which is the Government of a country that is at present in a reasonably solid and vigorous situation, has huge defence commitments, and it is doing a good job, yet all we hear is that our troubles result from actions of that Government.

We know that the per capita grants for South Australia have been much higher than the grants to the large Eastern States. We know that we have not been badly treated in comparison with other States. We also know that in respect of tertiary education the other States receive over 90 per cent of the grants recommended because they are able to match the grants to that extent. However, this State has been able to match only 76.5 per cent of the recommendation. What a shameful situation this is, after all the things this Government has said about university education. Is it not therefore justified that we should raise a protest at this moment? The capital grants to the universities are going to be disastrous, because the Minister says, "Oh well, we have matched the grant on the Institute of Technology." He omits to stress the fact that the amount for the University of Adelaide is to a great degree reduced. The capital programme for the Adelaide university has been absolutely cut to ribbons, and following the building project now planned I do not know what the Adelaide university can do about further capital expenses.

The confidence of the State is being lost, not only because of the Government's broken promises but also because of its wild statements, which have had an effect on industry. What this Government and any other Government should do is provide the right conditions for industry to prosper and thereby attract industry. It has been said before (and it is perfectly true) that we must have a type of production that will enable us to compete in the Eastern States' markets, and at present we are not able to do that. In the meantime, even since notice of this motion was given, General Motors-Holden's has been attacked by the Attorney-General. The action of one of the largest employers in South Australia was described as "an irresponsible lock-out". I do not know how far we can go in insulting the leaders of our biggest employment organizations, nor do I know the full merits of the argument. However, I do know that this large organization had on its hands the dislocation of its production in Victoria, and I know also that it is important that it should match its production in the Eastern States so that it will not

over-produce, with a consequent dislocation later on. I do not know whether it should have stood these men down that day or waited another day, or what it should have done, so I shall not argue that point. However, the fact is that it has paid all these men (some one-quarter of its work force) for that day's work.

When I heard the Attorney on Thursday night I wondered whether General Motors-Holden's had said anything to the Government about the matter, and I am informed that it had done so. It sent a message to the Treasurer's office and, although the Treasurer was in Canberra, the message was received late on Thursday as to what it was going to do. Despite that, the Attorney-General is happy to insult this organization by calling this action "an irresponsible lock-out". I do not think it is fair to attack our big employers in that way, and I do not think one should even debate the merits of what it is doing without knowing just what is going on. Unless the Attorney knew something more than we know, I think he was extremely rash.

However, this is only what Labor has done in the past. In the 1950's it moved to acquire the leases of the Broken Hill Proprietary Company Limited and the allied plant. Fortunately, it could not achieve that, but that should have warned industry of the sort of treatment it might expect. This morning we read in the newspaper that the member for Glenelg (Mr. Hudson) discussed one possible way of increasing the State's income. The words used in the newspaper (I presume they were correct, and he can deny them if they were not) were:

We could pick a fight with B.H.P. over its royalties.

Pick a fight! That is one of the suggestions the member for Glenelg makes. He also suggests that possibly the State Government could pick a fight over the rent paid for perpetual leases. Well, it will get a fight, because many soldier settlers and other settlers will not like the rents of perpetual leases raised at the suggestion of the member for Glenelg, and I do not think the B.H.P. Company will like being told that the Government is going to pick a fight with it over royalties.

When we look at what is happening we see that the development departments in the State are being allowed to languish and the social service departments are the ones that are getting the great proportion of the money. I have already mentioned the Mines Department, which received one of the lowest increases. When we realize that in all cases salaries have increased, we see what little is left over for

the departments to spend. The Agriculture Department also has one of the lowest increases. I think the average increase in the votes of all departments over the last two years (since the last Playford Government) is 14.77 per cent, although the vote of the Agriculture Department has increased by only about 9.2 per cent. This is serious in some respects, because the expenditure on agricultural research centres has actually decreased. In the present Budget it is 2 per cent lower than it was two years ago. If salaries and wages are taken out it is found that, on research centres, contingencies have been reduced by 27.2 per cent.

We know the Government's policy against the freeholding of land, which has not helped the Government in its present position. We know the ideas of the member for Glenelg on perpetual leases. Only this week I received a quarterly review by an economist showing that incomes of farmers throughout Australia in relation to incomes of wage and salary earners had reduced in 10 years by 19 per cent. This is not only a matter of perpetual leases: many other costs can be loaded on to farmers such as land tax and the transport provisions introduced into this place.

Last year the House carried a sycophantic motion praising the Government for its activities regarding drought relief. The Budget provided for an expenditure of \$20,000 last year on drought relief, but the sum actually spent was only \$2,923—less than 15 per cent of the sum provided. At the time, the Minister referred to a letter that had been written by the Treasurer to the Prime Minister. Apart from asking for immediate assistance in drought relief, the Treasurer concluded his letter by saying that when the question of restocking arose it might be desirable to give some consideration to arrangements for reduced rail charges.

As the question of restocking has arisen, is there any intention whatever of considering reduced rail charges? Some people in the North transferred starving stock from close to Birdsville (on the Queensland border) to Mount Gambier. One man had to sell his stock in the South-East after it had been agisted there; he got back his costs but did not make a penny profit. He will be interested in restocking and in knowing how he can reduce the heavy cost of about \$20 a head of taking stock back to his property. The Government has blamed everybody but itself; it has destroyed the confidence of the people; it has allowed a deterioration in both primary

and secondary industries; and, by its recent action, it has seriously hindered the development of tertiary education. I support the Leader's statement that the Government should resign.

Mr. COUMBE (Torrens): It is indeed incredible that, in the short time of 18 months since the Labor Government took office, the finances of the State have drifted from a surplus to a deficit of over \$8,000,000. The Opposition believes that this has come about because of the Government's gross mismanagement of the financial affairs of the State and because of the dilemma in which it has found itself in having to honour its many election promises. Retribution has now overtaken the Government. Unfortunately, the people of South Australia are the ones who have to suffer. The welfare of the State has suffered; the Government has lost the confidence of the people and of the members of this House; and, it would seem from announcements last week, it has now lost the confidence of the universities.

The Opposition is gravely concerned about the recent down-turn in the State's economy and about the slowing down of the general development of South Australia. This motion was moved deliberately to bring to the notice of the people of South Australia and to the notice of the House the seriousness of the financial difficulties now facing South Australia just 18 months after the Labor Government came into office.

The time is well overdue to emphasize the Opposition's continued concern about this matter as evidenced by comments Opposition members have made in debates on the various lines of the Estimates and by questions they have asked about the down-turn. The time is now ripe to focus public attention on the mismanagement of public finances by the present Government, which has now lost the confidence of the House. The Opposition is concerned at the South Australian unemployment position, which has been canvassed before in this place. We deeply regret the Government's apparent indifference to this serious position.

Mr. Hughes: That isn't true, and you know it.

Mr. COUMBE: We have asked the Government what it intends to do to overcome the unemployment position and the Treasurer has neatly side-stepped questions on this matter. The member for Wallaroo (Mr. Hughes) is most concerned about the matters to which I am referring. We are bringing these matters before the people of South Australia because we are gravely concerned, as everybody should

be. When the Liberal and Country League Government, under Sir Thomas Playford, left office there was little or no unemployment: in fact, there was over-employment. We had a great shortage of skilled tradesmen. Today, however, South Australia has the worst employment position in Australia. Only 18 months ago, South Australia had the second-best employment figures in Australia, but today it has the highest *pro rata* unemployment figures in Australia: it has 1.7 per cent of its work force unemployed. This position has arisen in only 18 months. Of course, this emphasizes and highlights one of the reasons why the Opposition has moved this motion. It is a sad commentary on the present Government's first 18 months in office that development in South Australia has slowed down to a walk, whereas previously the State had continued industrial and other development.

Mr. Hughes: When the Treasurer went away last Thursday to try to do something for the State, you kicked over the traces, and you waited for him to go away before you did that.

Mr. COUMBE: There is an old saying: women and children first. The Opposition sincerely believes that the falling morale amongst businessmen and citizens of the State generally is disturbing, and definitely indicates a lack of confidence in the present Government. It is ironical that the platforms, principles, and election promises of the present Government allege its policy to be to distribute the fruits of prosperity more equitably. If the Government continues as it is doing at present, arguments about equitable distribution will become academic because there will be nothing left to distribute. Electors have long memories and, no doubt, many regret the defeat of the former Liberal and Country League Government under Sir Thomas Playford. They have had more than enough of the present Government, because the State's finances have never been in a worse condition, and the people of South Australia have completely lost confidence in the Government. The Government's mismanagement of the administration of education in this State is apparent, and people connected with tertiary education are concerned and are losing confidence in the Government.

The Commonwealth Government grant announced last week for tertiary education was cut from \$54,000,000 to \$41,000,000 as a result of representations by this Government. The Playford Government never refused to match a Commonwealth Government grant for education, roads, or hospitals. Contrast that attitude with the

sorry history of the present Labor Government over the past 18 months. The Flinders university was set up after receiving the support of every member of this House, but a matching grant to build a hall of residence was refused by the present Government. Members will also vividly remember the denial of a matching grant for special research. However, after an outcry, both in this House and outside, the Minister reluctantly agreed to match it, but said that the university might have some of its general purpose grant curtailed the following year. The South Australian grant from the Universities Grants Commission was cut back to about 76 per cent of what the commission recommended. Tasmania received 94 per cent (that is a Labor State receiving a grant from a Liberal Commonwealth Government). Victoria received 90 per cent, Western Australia 90 per cent, Queensland 88 per cent, and New South Wales 84 per cent, so why has South Australia been cut back to this ridiculous figure, and why should we lose more than any other State? Obviously, because of the mismanagement of the financial affairs of this State, the present Government has created a self-inflicted wound, because it cannot match the grant.

I listened with much interest to the Minister of Education's reply last Thursday to a question by the member for Glenelg (Mr. Hudson). I read *Hansard* and found that both the question and answer were extremely well prepared. The Minister said that we would be able to match the announced Commonwealth Government grant, and I am sure he will do that, but we must realize that the announced grant is 76 per cent of the commission's recommendation. The Minister said that he had a consultation with Senator Gorton, the Commonwealth Minister responsible for the administration of education and, no doubt, the Minister indicated to Senator Gorton that all that South Australia could find from its own resources would equal 76 per cent of what had been recommended by the commission.

Mr. Shannon: In other words, "Don't embarrass us by giving us too much!"

Mr. COUMBE: Last year, the Minister complained about the position and said that the Commonwealth was embarrassing this State because it was being over-generous with its offers of funds. I believe the Minister saw Senator Gorton this year before the amounts were announced, and that was correct procedure, but, as a result of the talks, South Australia is to receive only about 76 per cent

of the commission's recommendation. I read with considerable interest Senator Gorton's reply in the Senate last Thursday to a question from Senator Laught, who had expressed deep regret that South Australia had been cut back to the lowest figure, in proportion, of any State. Senator Gorton played the game and did not let down our Minister of Education. He said that the proportion of the grant was a matter for individual States but, reading between the lines, one could see that the present Labor Government had said that this was all it could match.

The effect of these cut-backs is regrettable. First, we are losing the opportunity to create a wonderful permanent asset in our universities and institutes of advanced education. That relates only to building, and I shall quote one of the effects this will have in the opinion of the Universities Commission. Many of us have had the opportunity to read various reports of university commissions, such as the Martin Report and the report of the Wark committee. I instance the following quotation:

The seriousness of the proposed cut-back in expenditures in South Australian universities threatens the ability of the Universities Commission to achieve one of its fundamental objectives. Under the Australian Universities Act, 1959, the commission is required "to perform its functions with a view to promoting the balanced development of universities, so that their resources can be used to the greatest possible advantage of Australia". It will be difficult for it to fulfil this aim if the adoption of its recommendations in any one State is to depend upon the fiscal policy of the Government either of that State or of the Commonwealth itself.

We are saying that, as a result of the financial mismanagement of the affairs of this State, the present Government cannot match the grant recommended by the commission, so that South Australia is being denied much of the money that should go to its universities. This means, in effect, that in the next triennium the two universities and the South Australian Institute of Technology will go short by about \$13,000,000 of the sum originally recommended by the Universities Commission. We say that is the direct result of the present Government's mismanagement of the State's financial affairs. That is why the Government has lost the confidence of this House, the general public and the universities.

Both the Adelaide and Flinders universities will have to defer many absolutely necessary and vital capital works, when many of their schemes and plans have been based on the

fact that they would receive the full Commonwealth grant. Such plans have been carefully evolved by competent committees and experts over a long period of time; all of them have been based on receiving the grants, as well as on calculations of population growth and certain student enrolments in the various faculties. The capital grant recommended to the Adelaide university was about \$9,500,000, of which only about \$3,800,000 has been taken up. That illustrates the re-thinking that will have to take place at both universities. We know that it is absolutely necessary for the Institute of Technology to erect a large complex of buildings to the north of Adelaide which will take much money over successive triennia. That organization submitted three plans to the Universities Commission: one showed what was required to fulfil the institute's needs in the next triennium to take a certain number of students.

The student population is rising tremendously and much faster than that of the universities. The second plan was a cut-back on the first; and the third was the bare bone (the students would receive buildings but would have to go without certain facilities). The third plan has apparently been granted. The Commonwealth has offered the grants but the State will not underwrite them. Unfortunately, from a political angle if I may say so, the Minister said he would match all the grants announced by the Commonwealth Government. That sounds very nice, but it is passing the buck completely to the Commonwealth Government, which will bear the odium. Not everybody knows the true facts of the case, that is, that the Commonwealth has offered the greater sum and that South Australia is accepting less. Why has South Australia had the biggest cut? Why do we have to accept only 76 per cent of what the Commonwealth has offered (thereby losing about \$13,000,000), compared with the greater sums that other States have been able to take up?

It will indeed be a tragedy if, in the future, the universities or the Institute of Technology have to introduce further student quotas, in order to restrict the numbers entering the various faculties. I fail to see completely why, if a student is properly qualified and matriculated, as well as willing and able to undertake a course, he should be restricted from entering a university merely because of the financial mismanagement of a Government of the day. Research is a continuous process in any university. Although I shall be the first to

admit that the new research grants have not yet been announced, they may not be matched. Once that happens, we shall be in difficulties. The time and the capital are being lost now; once lost, they will never be recovered. Will commerce and industry be denied the flow of qualified people that they have expected in the past?

The present Labor Government has shown by its actions that it cannot match the grants announced by the Commonwealth, but the previous Liberal and Country League Government matched every grant offered to it. That is the difference between the two types of Government. When we went out of office, there was a surplus in the Treasury; today, we have a deficit of \$8,000,000—all within 18 months. That, again, is the difference between the two types of Government. The Government stands charged of gross mismanagement of the State's finances: it has damaged the welfare of the people of this State, and has lost the confidence of this House and of the people. The sooner it resigns, the better it will be for everybody in South Australia.

Mr. McANANEY (Stirling): I emphatically support what the previous speakers have had to say. I do not intend to talk about broken promises. I think I said the first time I spoke after the Government got into power that it would not be able to keep its rash promises and that the electors would catch up with it in time. That is what one hears around the State now. Now we have these restrictions on the amount by which we are able to match these university grants. Why have we got into this situation? We had the post-war period when it took a certain amount of rehabilitation to get things going again. Then, over the past 10 years there have been increasing grants for hospitals; every year there is a gradual increase as there is in respect of grants for universities.

In fact, over the last six years those grants have nearly doubled. Why do we find all of a sudden that this Government cannot match certain Commonwealth grants or give an increase in order to keep up with increased hospital expenditure? The total was not much more than the sum for the previous years. The Government has had to use Loan funds to the extent of \$2,600,000 to maintain the gradual increase to which I have referred. Our economy was expanding rapidly and it could bear these extra necessary expenses if we were going to maintain our universities and similar institutions. There must be some reason for this, and I think it has been emphasized that it is

caused by this lack of confidence because the Government has run into a deficit of over \$8,000,000. In addition, there is the financial expert of the Government who said last night that it was only an insignificant deficit amounting to \$8 for every person in South Australia. He went on to talk about the Commonwealth deficit, saying how big it was and how terrible it was in comparison. Yet he (a professor of economics) talks this sort of poppycock in the House.

Mr. Rodda: That is the expert from Glenelg?

Mr. McANANEY: Yes. When we analyse the Commonwealth Budget, what is this deficit? There is a deficit of this amount, and there is the amount the Commonwealth Government provides to the State for capital works. Other works also come out of that Budget, and, when day-to-day expenditure is analysed, the Commonwealth Government is budgeting for a surplus—and I defy anybody on the other side to prove otherwise. The Commonwealth Government is budgeting for a surplus and it is using this Budget as a fiduciary weapon at a time when there is a slight recession all over Australia—and I emphasize the word "slight". In South Australia, however, there is a big recession. That is why we are unable to collect our anticipated revenue. The Government's financial experts at the Treasury budgeted on the fact that the good economy of this State would go on at the expanded rate it has maintained over the years. Further, immediately we got into the period when there was a lack of confidence, industry slowed down and revenue from stamp duties and other sources dropped back, so the Government ran into a deficit. When the economy runs down, the Government gets itself into this position. The Government says we should wipe away or excuse a deficit of \$8,000,000 because the Commonwealth Government is budgeting similarly. However, it is not; it is budgeting for a surplus.

The member for Burra has told us of his social credit theories, and I admit that there are times when money must be pumped into the economy to keep industry going. That is what the Commonwealth Government has done so well over the last 10 years. It has kept a reasonable balance and at almost all times we have had full employment. There is full employment in Australia today; it is only in South Australia that there is unemployment. In the June quarter 5,500 more people were employed in Australia, whereas in South Australia there was a drop of 900 in those employed. That means lower income for the

Government and fewer goods produced, and that is why we are in the position we are in now.

Housing approvals throughout Australia have increased, whereas in South Australia they have fallen. Why has this sudden change taken place in South Australia during the term of office of this Government: it is this lack of confidence we have in South Australia today which has slowed things down and which has prevented our matching grants as we should match them. There are now, through Commonwealth Government action, increased deposits in the banking system, and there is money available to be borrowed, but it is not being availed of in this State. In other States industry is going ahead, but here there is this lack of confidence.

Why, in South Australia, were 2,000 fewer cars bought in August this year than in August, 1965? In Western Australia, a State that has been quoted as budgeting for a deficit this year, more cars were bought in August than in the same month last year. Why? It gets back to lack of confidence. The drought has been advanced as a reason for this lack of confidence. Certainly, we had only the fourth biggest grain harvest on record, and there were slight revenue losses in that respect, but that was more than counter-balanced by our record return from livestock and wool production at reasonable prices. Farmers' incomes were normal last year, so there must be some reason why farmers will not spend. It must be the fact that the member for Glenelg is sitting on the wall like a vulture saying, "What next? Which group of people can we attack next on taxation?" All charges are going up, and there is a tendency not to spend because people do not know what is liable to happen next.

This additional education grant for South Australia is essential. Having been at the university 30 years ago I say without fear of contradiction that the young students there today are a more serious-minded group of people than the students in my day. Many in my day were children of wealthy parents and were there merely to fill in time; but at the university now one must work hard to be successful. Indeed, unless one is successful, one cannot continue on the course. The students know that this is their one opportunity in life to really get ahead, so are we to restrict the facilities available to these young people by not matching these Commonwealth grants?

It comes down to a matter of priorities. I admit that only a certain sum is available to the States at any time. However, when there is

a booming economy enough revenue comes in to meet the requirements. I say it is a shame and a disgrace if this Government cannot match the grants in the same way as have the other States.

Yesterday I received, from a school cleaner, a letter that indicates the lack of confidence in this Government. The State Government entered into a contract with that person for the washing of the windows of a school three times a year. Although this person has already washed the windows three times, the Government comes in and tells him he is not going to get payment for the last three months of the year. We have had questions by the member for Unley about the actions of people in private enterprise. All I can say is that if private enterprise did this sort of thing it would be severely criticized by this Government. The Attorney-General has screamed in this place about dishonest companies. He has said in effect that nearly every company in South Australia is dishonest, and that it is necessary to have inspectors going around and checking on their activities. I say that the Attorney-General should get his inspectors to inquire into this case of a person who has not received a fair go from the Government.

This lack of confidence in the integrity of the Government is building up, and I consider that to be one of the worst features. I wholeheartedly support the motion. Many people who normally vote Labor are asking when the next election is to take place, and when they are told it is 18 months away their attitude is "Gee, do we have to wait that long?" I am sure that if the Government went to the country today it would be defeated, because the people know that it made many rash promises it could not carry out. It has let the economy of the State run down, for when goods are not produced the Government does not get taxation from production. That is why it cannot match these grants.

The Minister of Education screamed about irresponsible criticism, and he has said that the Opposition would have to do the same thing this Government has done if it got back into office. He went on to say that there would have been unemployment, no matter what the Government had done. The Attorney-General broke out as an expert on deficit budgeting. I point out that for the months December-April this present Government was actually working with a substantial surplus and that was the period during which this unemployment was building up. If the Government had any justification for deficit budgeting it was

in that particular period. However, this Government really got into this big deficit in May and June (whether or not it had paid its accounts up till then I do not know), and it did not cope with the position quickly enough.

If the Attorney-General is correct in his statement about deficit budgeting, surely the time for deficit budgeting is now when the unemployment is at its worst. However, all the Government can say is that it has run out of money and resources and can do nothing about it. I maintain that the only thing that it can do about it is restore confidence in private industry so that conditions will be created whereby people can work without fear of interference from a socialistic Government. If that state of affairs comes about, we might get somewhere. I support this motion of no confidence. I am sure that this matter should be taken to the people of South Australia, and I am confident about what the people would do.

Mr. MILLHOUSE (Mitcham): I was away from the House last week—

Mr. Curren: Wasn't that nice for us?

Mr. MILLHOUSE: I am glad to hear the member for Chaffey missed me. I hope the honourable member will enjoy listening to what I have to say now. All I knew of the doings in Parliament last week was what I learned from a few headlines I was able to snatch time to read. I was absolutely staggered to read of the situation facing our universities as a result of the ineptitude of the present Government, and I was glad indeed to learn of the motion of no confidence which has been moved by the Leader of the Opposition today, because I believe it is more than deserved. Ever since the present Government came into office and the present Treasurer took over the reins of the Treasury, there has been a feeling growing in the community of loss of confidence in the present Government, and I believe it has come to a head as a result of the deliberate action of the present Government in cutting down the amounts that will be available to our universities in the coming triennium.

We have said often on this side of the House that the duty of the Government is to create conditions in which the community can prosper. The previous Government did that, and did it for about 30 years, but this Government in a matter of months has spoilt the prosperity of South Australia and it has failed to do anything about it. That is why I believe there is a growing loss of confidence in

the community. At the beginning of this debate, the Attorney-General, who I notice is now no longer in the Chamber (I suppose he is taking it easy in his room and listening in the comparative tranquillity of that place to what is being said here), suggested—

Mr. Curren: He is doing some useful work.

Mr. MILLHOUSE: It is a pity he is not here, because there are a few things I want to say which might interest him and his prickly colleague, the Minister of Education, who I notice is also absent from the Chamber. It is rather noticeable this afternoon, Mr. Speaker, that very few Government members are here to support the Treasurer during this debate. Not even one member of the Government so far has offered to speak in this debate, and hardly any has even bothered to be in the House to support the Government front bench. Earlier in this debate the Attorney-General said something silly about our wanting to take it out on the poor, or something like that, and cut down poor relief.

Mr. Coumbe: That was the member for Wallaroo.

Mr. MILLHOUSE: I am sorry; I thought it was the Attorney-General. What the Attorney-General, the member for Wallaroo, or whoever it was on the Government side should know is that the job of the Government is to create the conditions in which that poverty does not exist. If there has been an increase in the numbers seeking relief, it is because this Government has not done its real job, which is to create conditions of prosperity in South Australia. Why has this State changed from having one of the soundest economies in Australia when we were in office to having one which is the most vulnerable to any economic ills which may befall this country? That is the question we ask, and that is the question the people in South Australia are asking all the time. Why has there been this change in the economic climate and outlook in this State compared with other States? I point out that the only thing that has changed here in the last 18 months is the Government. Our economy is still based in the same way as it was based. Everything is the same.

Mr. Curren: It is still prosperous.

Mr. MILLHOUSE: Does the honourable member really believe that? If he does, let him get up in this debate and defend his point of view. The honourable member has been very quiet so far, except for a few silly interjections, and so have other members opposite. If he thinks the State is prosperous, let the honourable member get up and make

a speech about it and justify his position. I do not know whether the people in his district think the State is prosperous. To my great disappointment I certainly cannot believe it is at present, and every statistic I see goes to prove that. The State is now in the worst position of any State in the Commonwealth and, as I have said, the only thing that has changed is the Government; the implication that the Government is responsible for this is irresistible.

Only last night I was talking to a man employed by a large Australia-wide organization, the products of which, I think, have been used by all members of this House and by everybody in South Australia at one time or another. The experience of this organization might be of some interest, even to the Treasurer. Over the years South Australia has been notable to this organization for the stability of the results it has achieved and for the steady growth of its business here. Yet, in the first eight months of this year, the results from South Australia have been the worst of any State in the Commonwealth. This is merely one more example of what is happening here, and that experience can be multiplied many times over. The same man, who is a traveller for this company, told me that before the last State election interest in politics in South Australia was extremely low: people never talked politics at all. Now, every shopkeeper on whom he calls to sell his products is talking politics and those politics are not favourable to the present Government; why—because those people are feeling the squeeze. They are feeling the effects of the adverse economic conditions in the State.

These are merely examples in our community that may be multiplied time and time again, and we all know that is the position: the Government knows that is the position. There is a steady loss of confidence in the present Government. One looks at its finances and finds them going further and further into deficit. When the previous Government left office at the end of February, 1965, the State finances were running just a bit better than the Budget Estimates prepared the previous September and, of course, the result was that at the end of June, 1965, the State had a surplus—and a whopping great surplus. That was the position when the last Government went out of office, and the present Government knows it. Since then, we have got further and further into the red. As I have said, this growing loss of confidence has been brought to a head by what has happened in the last week—by the

announcement of the sums that the present Government is able to match as grants from the Commonwealth Government.

Now, I want to say something about education and about the way in which it has been handled by this Government. I point out to members opposite that probably no subject is given a higher priority by most people than education; nothing is more important to the Australian people than education. As members know, the Gallup polls endorse that opinion. The fact is that Australia as a whole has not, over the years, spent a high proportion of its national income on education. I believe that the principle on which we should be working now (and I am talking particularly of tertiary education) is that every boy and girl who matriculates should have a place in the university if she or he wants to go there. This is particularly important for South Australia. As we know, this State is not well endowed with natural resources; I suppose that of all the mainland States we have been the least blessed with natural resources. Therefore, we should make every use and take every advantage of the human resources we have in South Australia. It is sheer waste not to be able to provide universities and other places for those who want to go there. However, this is the inevitable result of the budgeting about which we have been told in the last week or so.

Before I examine the figures, I should comment (and I do so with great respect) on the conduct of the Minister of Education in this matter. On September 14, I asked the Minister a question in this House about the allocation of funds in the coming triennium, and the Minister tried to deny that he knew what was happening and what sums were to be allocated. I do not believe the Minister told the truth on that occasion, and he can make faces at me if he likes. On September 14, just a week before the announcement was made by Senator Gorton in the Senate, the Leader of the Opposition asked a question about the coming allocations, to which the Minister replied:

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.

This, Sir, was said a week before Senator Gorton's announcement. The Minister can take this lightly if he likes.

The Hon. R. R. Loveday: I can take it lightly because you are accusing me of being a liar—

Mr. MILLHOUSE: I am.

The Hon. R. R. Loveday: —which I am not.

Mr. MILLHOUSE: I then asked the Minister the following question (and let him reflect now on his answer):

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?

Surely my question was plain enough and its import clear: I did my best to make it plain to the Minister. He replied:

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.

The Hon. R. R. Loveday: Where is the lie?

Mr. MILLHOUSE: If that was not a lie, it was a deliberate suppression of the truth because, a week later, Senator Gorton made the following statement on this matter in the Senate:

The reductions which are not uniform over all Australia but which vary in incidence from State to State, arose as a request from the Premiers at the June Premiers' Conference, to the effect that consultations in some detail should take place between the Commonwealth and each State concerning the recommendations of the Universities Commission, for which State Treasurers must provide half the capital and a little more than half the recurrent. These discussions took place—

I think the word I used was "discussions"—with each State separately, at both the official and the Ministerial level, and each State indicated the upper limit of the programme which it felt it could support.

The Hon. R. R. Loveday: So what!

Mr. MILLHOUSE: The Senator continued:

The variations in the programme proposed for each State flow very largely from these discussions but it is not to be assumed that in the absence of such discussions the Commonwealth would have offered to support, throughout Australia, a programme of the magnitude of that suggested by the Universities Commission.

Does the Minister really stand up to his answer to me on September 14 that he had not had discussions with the Commonwealth Government, in view of what Senator Gorton said and in view of the common sense of the situation? We know (and the Government knows we know) that this had been an open secret for weeks. It was even in the newspapers, yet we had our Minister of Education blandly saying a week before that he could not say or would not say the position, and that he did not know.

The Hon. R. R. Loveday: Are you still suggesting that I am a liar?

Mr. MILLHOUSE: Either the Minister deliberately misled members or he is entirely incompetent in his Ministry: there is no alternative explanation. He either did it deliberately or did not know what was going on in his own department. One cannot reconcile Senator Gorton's statement with the Minister's answer in any other way. Looking back on it, we know that the Minister did this. Perhaps he knew it was an unpleasant shock to the people of this State and tried to put off the evil day as long as he could. It has now caught up with him, and what is the result? Universities in this State are to suffer more than any other university in Australia. The Leader has illustrated that the drop in the recommended amount is greater for South Australia in nearly every respect than in any other State. On page 583 of *Commonwealth Hansard* there is a table setting out the expenditure from the Commonwealth and State grants and fees: it shows figures for capital and recurrent expenditure and the amount approved in 1964-66, and the proposed programme for 1967-69. What do we find in these tables? I defy the Minister to say that he did not know this when he answered my question.

Mr. Hughes: You are saying he is a liar?

Mr. MILLHOUSE: I am on this point. He deliberately misled this House. The member for Wallaroo spoke about the truth when the Leader was speaking, but it is a pity that his own Minister did this.

Mr. Hughes: I would rather believe him than you.

Mr. MILLHOUSE: You can believe whom you like. I am saying that the obvious fact—

The Hon. R. R. Loveday: You think I am a liar?

Mr. MILLHOUSE: —as shown by this table is that South Australia is the only State in which there has been a reduction in the capital expenditure grant. In 1964-66 approved expenditure for this State was \$11,366,000, but the proposed programme for the next triennium is \$8,206,000—a reduction (on my figures) of over \$3,000,000. In every other State there has been a substantial increase in the grants for capital expenditure, but in South Australia there has been a substantial decrease. In New South Wales the grant was increased from \$35,550,000 to \$40,000,000; in Victoria from about \$30,000,000 to about \$41,000,000; in Queensland from about \$10,000,000 to about \$15,000,000; in Western Australia from nearly \$6,000,000 to \$6,800,000; and in Tasmania from nearly \$3,000,000 to about \$4,500,000. They are all increases, but in South Australia the grant dropped from over \$11,000,000 to just over \$8,000,000. What a sad position for this State.

Does the Minister say (and I hope he will reply in this debate) that the commission made a mistake in the case of South Australia and miscalculated our needs? Does he say there is something peculiar about the commission's recommendations in relation to South Australia that does not apply to other States? What possible justification can there be for cutting down South Australia in this way, when every other State has received an increase? This is one table to which I refer, but of course the Minister said that he knew nothing about this on September 14.

The Hon. R. R. Loveday: I didn't say that.

Mr. MILLHOUSE: Well, if the Minister did not say it straight out his reply was so circuitous—

The Hon. R. R. Loveday: A moment ago you said I did say it.

Mr. MILLHOUSE: I am prepared to say that the Minister deliberately misled this House in the answer he gave. The Minister can call it what he likes, but I do not believe that he did not know about it and I challenge

him to deny that he knew those figures on September 14.

The Hon. R. R. Loveday: Well, well!

Mr. MILLHOUSE: Either that, or the Minister is entirely incompetent, and I have a higher opinion of his ability than that. Let us consider other figures. On page 584 of Commonwealth *Hansard*, "University Buildings" is the first heading, and in South Australia for 1964-66 the approved programme was \$8,558,000 and the recommendation for the next triennium was \$13,362,000, a recommended increase of nearly \$5,000,000. Yet the proposed programme for university buildings in this State (\$6,136,000) is less than half of what was recommended. Will the Minister suggest that the commission recommended too much for South Australia? In no other State is there a reduction approaching the reduction in South Australia. In New South Wales the recommended figure was about \$37,000,000 and the proposed programme \$30,300,000; in Victoria the recommended figure was about \$31,500,000 and the proposed programme about \$29,000,000; in Queensland the figures were about \$15,000,000 and about \$10,000,000; for Western Australia, about \$5,000,000 and about \$3,000,000; in Tasmania, over \$2,000,000 was the recommended figure and the proposed programme \$1,900,000. The recommended programme here represents \$13,362,000, against the proposed programme of \$6,136,000. If this were not so serious it would be, as the Minister is trying to make it, laughable. How the Minister can sit in here with a grin on his face, when he is doing this to the universities of this State, I do not know.

Mr. Clark: You're responsible for the grin.

Mr. MILLHOUSE: Let us look at some of the other figures to see if they make the Minister any less comfortable than he apparently is: the recommended figure for student residences in South Australia is \$2,160,000, whereas the proposed programme is \$860,000.

Mr. Hudson: How much of that is being paid by the Commonwealth?

Mr. MILLHOUSE: The member for Glenelg has returned! Whether he intends to take part in this debate or not, I do not know, but let me remind the honourable member, who is doing his best rather belatedly to defend his Government, that we in South Australia are in exactly the same position as that of every other State.

Mr. Hudson: Why don't you answer the question?

Mr. MILLHOUSE: Every other State has to take up the moneys in the same way as South Australia has been invited to, yet what

do we find in the other States under this heading?

Mr. Hudson: How much of that is provided by the Commonwealth?

Mr. MILLHOUSE: I shall not be side-tracked on this. If the member for Glenelg wishes to make a speech, as I hope he will (of course he may wish but may not be allowed by his front bench to make a speech, for that happens often enough), let him get up and make a point instead of interjecting, as he so often tries to do!

Members interjecting:

The DEPUTY SPEAKER: Order! There are too many interjections. The honourable member for Mitcham.

Mr. MILLHOUSE: You are jolly kind to protect me, Mr. Deputy Speaker. Let me compare the figures in this State with those in other States. The member for Glenelg will no doubt find these of interest. The recommended figure for student residences in New South Wales is \$10,234,000, the proposed programme being \$5,376,000; Victoria's recommended figure is \$7,149,000, as against a figure of \$6,427,000 for the proposed programme; Queensland's is \$3,690,000 both for the proposed and recommended programmes; Western Australia, \$748,000 for both; and Tasmania, \$802,000 for both. However, the recommended programme for South Australia is \$2,160,000, as against \$860,000 for the proposed programme.

Mr. Hudson: Now read out the next column, which shows how much the Commonwealth provides!

Mr. MILLHOUSE: I shall be happy to do so, because I think in every case the sum is exactly half. Well?

Mr. Hudson: Well, read it out!

Mr. MILLHOUSE: I hope the honourable member will do me the courtesy at least of listening to the figures, because I am giving them to him for his benefit.

Mr. Hudson: I can read and listen at the same time.

Mr. MILLHOUSE: The proposed programme—

The Hon. Sir Thomas Playford: Is not the member for Glenelg representing the university in this House?

Mr. MILLHOUSE: I do not know whom he represents, but I am sure that he does not represent a majority of electors in the District of Glenelg.

The DEPUTY SPEAKER: Order! There are too many audible conversations among members. The honourable member for Mitcham.

Mr. MILLHOUSE: Let us see who is providing money for the student residences: of the proposed programme of \$5,376,000 for New South Wales, the Commonwealth share is \$2,688,000 (I hope the member for Glenelg will check to make sure that it is half in each case); of Victoria's \$6,427,000, the Commonwealth share is \$3,214,000; of Queensland's \$3,690,000, the Commonwealth share is \$1,845,000; of South Australia's proposed programme of \$860,000, the Commonwealth share is \$430,000; of Western Australia's \$748,000, the Commonwealth share is \$374,000; and of Tasmania's proposed programme of \$802,000, the Commonwealth share is \$401,000. Now is the member for Glenelg satisfied that I have answered the point he made? The same proportion of money is coming from every State as that for South Australia, and yet the reduction here is substantially greater than it is anywhere else in the Commonwealth.

The Attorney-General, after all, is the leading Minister in the present Government—the man who has all the ideas, either good or bad, which the Government brings forward (most of them are bad, of course), but he himself is, at least in part, the product of a residential college. He, at least, should be sold on this argument, because he gained quite a few advantages from his time at St. Marks. Yet he lets the Government do this on the line "residential colleges" and on this whole question! How many times has the Attorney-General, when he was only the humble member for Norwood, gone down to the university and prated about what the Labor Party would do, if ever it came to office in this State? The times that he went to the university and said that are legion, and yet this is what his Government is now doing to university education in South Australia.

In summing up these tables, we see that the recommended programme for South Australia is \$17,290,000 and that the proposed programme is \$8,206,000. Less than half in total is being spent than was recommended in South Australia. We see, too, that the sums in South Australia are substantially less than those anywhere else: the figure for New South Wales is \$54,000,000-odd, and the proposed programme is \$40,000,000; Victoria's is \$46,000,000—proposed programme \$41,000,000; Queensland's recommended programme is nearly \$21,000,000—proposed programme, \$15,000,000; Western Australia, \$8,500,000—proposed programme, \$6,800,000; Tasmania, nearly \$5,000,000—proposed programme, over \$4,500,000; and South Australia, with a recom-

mended programme of over \$17,000,000, has a proposed programme of \$8,206,000.

The Hon. Sir Thomas Playford: Less than half!

Mr. MILLHOUSE: Less than half. Whether any member on the other side—

The Hon. Sir Thomas Playford: It must be a mistake.

Mr. MILLHOUSE: Whether any member on the other side, either on the front bench or even on the back bench, will get up and say these figures are a mistake, I do not know, although I would sincerely welcome such a statement. Will the Minister or any of his supporters (and he has a few more now, I notice) get up and say this was a mistake, or even have the courage to get up and explain why South Australia is doing so much worse than any other State? Dead silence! We shall see whether any member on the other side explains these things. This is a motion of no confidence in the present Government. As I have said, this feeling of no confidence throughout the community (and, I believe, in this House, if members opposite were free to express their private opinions) has been building up for a long time. But surely this is the last straw. There is no more important matter in Australia today in the minds of the people, and rightly so, and on this matter the Government is letting this State down. In particular, it is letting down the universities of this State: the University of Adelaide and the Flinders university.

The Leader, when he spoke, challenged the Government to an election, and I heartily endorse that. I would take on the Government Party at any time on this or any other matter and am confident of the result. I doubt, though, whether the Government will take up our challenge: because it, too, knows what the result will be. Of course the Treasurer has one very good reason why he should take up the challenge if he is confident of the result, as this is his only hope of going on for another term in this Parliament. However, I bet that the Government will not. I bet that not one other Minister on the front bench will take up the challenge for any other reason. The Government knows what the result would be if an election were held within the next few weeks after all the stupid things it has done since it came to office. We cannot take it any further than that, and I am confident that if this challenge were accepted and we went to the people, the result would be an overwhelming defeat for the Government. That would

lead in due course (it would be hard work) to a return to sanity in Government in South Australia. For me (and I speak for the people of this State) that day cannot come too soon.

Mr. HEASLIP (Rocky River): I support the motion. The Government has caused irreparable damage to the welfare of the people and has destroyed the confidence of the people in its administration. I think that the motion is well worded where it says "irreparable damage", damage that has been permitted by the Labor Government, particularly by its refusal to accept grants for the universities.

Mr. Burdon: You had 30 years to do this and what was your attitude?

Mr. HEASLIP: I will not debate that, but I know that the action of the Labor Government has caused irreparable damage to the young people of South Australia. We have heard so much about it; this is one of the promises that helped Labor get into Government. The Government spoke of the importance of education and the need for university facilities, yet no action has been taken. On the contrary, the Government has refused to match the grant that was made available by the Commonwealth Government to provide further facilities to the universities in Adelaide and in South Australia. That is the position today and, because of the Government's refusal to match the grant, many young South Australian people will be refused admission to the universities. They will be refused the right which is theirs, under a stable Government, of getting the proper education to which they are entitled. This Government has refused them that.

Despite all the lip service, all the promises made in Opposition, and all the criticism of the past Government, Labor has now refused to give that right to the young people of South Australia. Eighteen months ago the present Government was elected after 30 years of Liberal and Country League Government, and I cannot blame the people of South Australia for electing the Government: they did not know what they were doing. No-one knew what a socialistic Government meant or what effect it would have. The people have grown up over the past 30 years without the experience of a socialistic Government and so, like most Australians, they thought they would give the underdog a go. They are always for the underdog; that is a trait of Australians and I think it is a very good one. They barracked for the underdog, the socialistic Government, not knowing what they voted for. This Government has now been

in power for 18 months, and the Leader of the Opposition has challenged it to go to the people to ascertain whether the people still want it.

Mr. McKee: You don't mean that.

Mr. HEASLIP: I am saying that, and I mean it. I am sure that the Labor Government will vote itself out of power. It still has 18 months to go, and I am sure it will hang on as long as it can because it knows that, if it goes to the people tomorrow, it will not come back here next day. We had an interjection from the member for Chaffey about the prosperity of South Australia and I will read from *Hansard* a remark already made, because it is not only the member for Chaffey who is under an illusion but also the member for Port Pirie. In July, 1965, the member for Port Pirie made a remark by way of interjection.

The DEPUTY SPEAKER: Interjections are out of order.

Mr. HEASLIP: This came also by way of interjection when I was speaking. The member for Port Pirie said:

Since the Labor Party has become the Government of this State, conditions have been so good that we cannot prevent people coming here.

Mr. McKee: That is in the press again today; people are wanting to come here.

Mr. HEASLIP: He went on to say:

Migration has doubled because there is a Labor Government in power. They come from a low-wage State to a high-wage State to reap the benefits of the prosperity under a Labor Government.

Mr. Deputy Speaker, if all the members of the Government think that way, why do they not go to the people and have an election? All I can say is that if members opposite think that South Australia today under the Labor Government is prosperous, they do not know very much about the conditions in South Australia. In 18 months we have gone from having the highest employment record to having the worst employment record. Nobody maintains that it is Australian conditions that are doing that, because the Australian employment position is the same as it was 18 months ago and is stable. Unemployment in this State is now 1.7 per cent, and it has all come about since the present Government came into power; and it is no good any honourable member opposite saying that it is not the fault of the Labor Government. Not only the manufacturers but people in all walks of life have lost confidence in the Government of this State, and everything is running down because of the instability and because of the big deficit that South Australia has accumulated in a short time.

Mr. McKee: You know we are at war, too.

Mr. HEASLIP: That interjection (which you, Mr. Deputy Speaker, will say is out of order) is absolutely stupid.

Mr. McKee: Your Prime Minister has already announced it.

The DEPUTY SPEAKER: Order!

Mr. HEASLIP: Thank you, Mr. Deputy Speaker. The member for Port Pirie lived through the Second World War, and he knows that wars create employment. There was no unemployment during the Second World War. However, we do not want wars to create employment. We have a war today and we have unemployment. If the honourable member for Port Pirie likes to call it a war—

Mr. McKee: Are we making any war equipment?

Mr. HEASLIP: Whose fault is that? The Labor Government is in power, and it could take some action to try to get some contracts.

The DEPUTY SPEAKER: Order! I ask the honourable member to address the Chair, and I remind honourable members that interjections are out of order.

Mr. HEASLIP: Thank you, Mr. Deputy Speaker. A most peculiar statement appeared in today's *Advertiser*. The report in the newspaper is of comments made by, I think, the Government's economic adviser. Under the heading "State Deficit Small", the following appears:

The State Government's deficit of \$8,000,000 was small when compared with the Commonwealth's proposed deficit of \$270,000,000. Mr. Hudson, M.P. (who is just walking out) told a meeting of the South Australian Economic Society last night.

I could not think of any worse comparison for the member for Glenelg to make on this question of deficits. The Commonwealth Government does not yet have an accumulated deficit, as does this State; it has all the resources and the means of recovering the money, and it can face up to its responsibilities. It is spending money where money has to be spent, if we are going to keep Australia.

Mr. Curren: It is spending it overseas on war equipment.

Mr. HEASLIP: Yes, and assisting in a war overseas to protect Australia, and that is a responsibility that every Australian ought to be proud to face up to, instead of being weak-kneed about it. What are the responsibilities of the South Australian Government? The main one is to educate our young people. However, it is refusing to accept \$13,000,000 that the Commonwealth Government has offered. Every Parliament over the last 30 years in South Australia has faced up to meeting these

responsibilities, but a Socialist Government comes in and after 18 months it refuses to meet them. The damage is being done to the young people of South Australia, the very people on whom we will depend in years to come, for those people are being refused education because of the mis-spending of money in South Australia by this Socialist Government. The Government promised much and it has spent so much money unwisely that today the young people of South Australia are being refused their rights regarding education. Some of the promises the Government made in order to get into power have not been fulfilled. The report of the comments of this so-called economist continued:

Answering a question, Mr. Hudson said that there were two possibilities—

in my opinion, two despicable ways—

for the State to improve its income: by picking a fight with the B.H.P. on its royalties, as it was paying much less than it could.

Not "much less than it should", but "much less than it could". I remember the time when the Labor Party, then in Opposition, tried to get the Playford Government to dishonour the agreement with the Broken Hill Proprietary Company Limited and to turn it into a socialistic undertaking by taking away the company's rights. Where would we be in South Australia were it not for the B.H.P. Company today? We have 1.7 per cent of the people unemployed, and we would be much worse off if it were not for that company, which has spent its money in South Australia and employed people here. The present Government does not have enough money to give us education, let alone run an organization like that company. Where would we be today if the Labor Party had had its way then?

The member for Glenelg said that the other way to make up the deficit was to pick a fight over the rent paid for perpetual leasehold land. If I had the time, I should like to enlarge on the rents on perpetual leases and on the added costs to primary producers that have come about by the actions of the Government. Primary producers are vitally important to South Australia, as they are to all other States, although they are probably more vital to South Australia. Everything the present Government has done has made it more difficult for primary producers to produce at a price at which they can sell on markets overseas.

Primary producers are the only section of people in South Australia who create new money and bring it into the State. If we did not have primary producers we could not

have secondary industries. However, the Government has given them scant attention and is making it more and more difficult for them to compete. The present Government has received much more money than the previous Government received, and if that money had been applied wisely South Australia would still be in the forefront in Australia. Although the people put this Government in office for three years, I believe they now realize the mistake they made. Because of increased land tax and water rates and increases in other charges, the people would like to have another chance to express their opinion on this Socialist Government. If the Government is sincere, it will accept this opportunity offered to it by the Leader of the Opposition to go to the people to ascertain their opinion.

Mr. NANKIVELL (Albert): I support the motion. I am principally concerned with the curtailment that has taken place in university expenditure, particularly with relation to its projected effect rather than to its immediate effect. Although I do not have a copy of the Martin Report, I am sure no objection will be taken to the validity of an extract of that report, included in the *South Australian Teachers Journal*, which states:

The welfare of the individual and of society provide grounds for an enlarged national commitment in education. It is both realistic and useful to regard education as a form of national investment in human capital. Although there is a sense in which education continues through a lifetime, formal education does not usually extend beyond the period of six to 18 years. This is the period of investment in education from which the nation may expect a series of beneficial returns.

I do not think anybody denies the validity of that statement, which is correct and to the point. At page 97 of the 1965 Commonwealth Grants Commission's report a comparison of State expenditures on universities is included, which shows that South Australia spent the most per capita on university education in 1963 of any State.

A full table set out at page 96 shows that, in the year 1963, New South Wales spent on university education \$13,348,000; Victoria, \$6,588,000; Queensland, \$3,110,000; South Australia, \$4,302,000; Western Australia, \$2,386,000; and Tasmania, \$1,036,000. The relative per capita payments for this year were: New South Wales, \$3.27; Victoria, \$2.13; Queensland, \$1.98; South Australia \$4.22; Western Australia, \$3.05; and Tasmania, \$2.84. Therefore, the previous Government had a record of promoting the development of and providing facilities for tertiary education. I

suppose that Flinders university is one of the finest new universities in Australia and one of the few built as a complete university. The previous Government can well take pride in that university, which was built in order to anticipate future requirements. The figures of enrolments for 1961 included in the Martin Report showed that South Australia had 78,633 persons in the 17 to 22 years age group with 6,250 enrolled in universities. This means that university enrolment for that age group was 7.9 per cent.

It can also be seen from the report that there is an increasing percentage of students receiving secondary education. In the seven-year period from 1954 to 1961 there was a 17.77 per cent increase in students under 17 years completing secondary education in South Australia. The report draws attention to the fact that in 1963 there were 117,900 students at universities, teachers or technical colleges in Australia. The projected figure for 1967 was 158,900; for 1971, 213,100; and for 1975, 248,000. The report shows that there will be 1,400,000 persons in the 17 to 22 years age group by 1975, which is an increase of about 400,000 in 12 years. This will mean a bigger percentage of students wanting to go to university in 1975. To me, it seems that 1975 will be a key year for tertiary education. In this year it is expected that the new medical school at the Flinders university will have its first graduate. I am concerned that we are not able to train sufficient numbers of our own people in the medical and other faculties. We accept quotas and it may be impossible to remove them, but no quota should be set to prohibit any person with the capacity to undertake a course successfully from undertaking that course. If we do not have the facilities we cannot provide these courses, and the report of the committee on medical training stated that unless we had 45 doctors being trained at the Flinders university by 1975 our ability to supply requirements would slip back further than it is now.

We depend on 45 importations each year—we hope we will get 30 from the United Kingdom and 15 from other States. In addition, we are trying to ease the position by making it possible for doctors trained elsewhere to practise in South Australia, but this is not the remedy. We are not providing facilities by reducing capital expenditure for university buildings. This is an important issue, and I protest that this Government, by its actions, is severely curtailing university expenditure.

The Minister said that the total to be spent is about the same; there is to be an increase for technological expenditure and on colleges for advanced education, with the Institute of Technology to be considerably expanded.

This will ease pressure from the universities, as not all people attending universities are suitable, and there is a need to provide greater variety in technological courses so that some people may take full advantage of them and be educated to the limit of their abilities. The Government's proposal means a curtailment of the provision of these facilities, and these people will not be allowed to develop their capacities to the full. I support my Leader wholeheartedly, and suggest that, if the Government wants further evidence, it should ask the people what they think, the same as I have done. The Government would get a shock, as would the Opposition, if the Government accepted the challenge.

The Hon. FRANK WALSH (Premier and Treasurer): I shall not deal in any way with universities as I have a Cabinet colleague who is competent and capable of dealing with that aspect. It has been an absolute tradition during my time in this House that whenever the Leader of a Government had to leave the State on important State business (and I was in Opposition long enough to know) that the Opposition played the game whilst the Leader of the Government was away. But what happened on this occasion? I left Adelaide last Thursday for Canberra and attended a function of the greatest importance to the people of this State and to the State's future. Today I tabled a copy of the complete report that I presented to the Prime Minister and some of his colleagues concerning natural gas.

Never before in my political life in this State have I witnessed such an effort to stab someone in the back while he was on such important business for the State. Up to now, every time I have submitted a project of importance to this House there has been a cry of "wolf", and the suggestion that it could not be achieved. Every move this Government has made has been written down by the Opposition. The Opposition wants more money: the member for Torrens wants me to spend beyond what this Parliament has already agreed to on the Loan Estimates. Members of the Opposition talk about unemployment with their tongue in their cheeks. They should examine the position in Queensland.

Mr. Hughes: Talk about fair play!

The Hon. FRANK WALSH: They would not know what it is. I do not wish to be

involved in the disabilities of another State, but if it were not for the assistance of the Commonwealth Government by granting \$20,000,000 to assist the Queensland sugar growers, they would find it difficult to get out of their financial difficulties. What would be the unemployment position in Queensland if the Commonwealth Government had not assisted that State? What would the member for Torrens do to solve that problem? Do members opposite appreciate the Commonwealth Government's assistance to drought-stricken States, following the last two previous Loan Council meetings? Do they think that, because of disabilities suffered in other States, we should get away scot-free? The effects on this State of the deteriorated positions in other States are incalculable. In reply to what the member for Alexandra (Hon. D. N. Brookman) said about projects promised for Kangaroo Island, I say deliberately that I have never failed to honour promises, whether they be made by way of statements in the House or outside it. I have asked only that I be correctly reported and interpreted on matters I have raised. Because of the policy speech that I delivered to the people of South Australia, we have been accused—

Mr. Hughes: It must have been a pretty good speech, because they've quoted from it often enough.

The Hon. FRANK WALSH: I have never known a document to be quoted so much. If that is the only peg on which members opposite can hang their hats, they are not doing much to advance their own policies. South Australia's future will be a very good one, indeed. If my representations to the Commonwealth Government on behalf of this Government are successful, the State's position will be greatly improved, but I have certainly received no assistance from the Opposition in that regard.

Mr. Ryan: Destruction!

Mr. Hughes: Sabotage!

The Hon. FRANK WALSH: On August 11 last I presented the Loan Estimates to this House, and on August 31 I presented the Revenue Estimates. In each case I gave to members a full and factual statement of the State's finances over the year 1965-66, and set out fully the Government's proposals for the forthcoming year. I made no attempt to disguise the financial difficulties being encountered, nor to suggest they could be treated lightly. On the contrary, it was made clear that firm and even unpopular steps were necessary and would be taken in the interests of good management of the finances of the State. As the

Budgets proposed lower expenditures for many services than all members would have wished, and called for increases in taxes and charges, no fair-minded observer could regard them as making other than a responsible approach. In fact, the press and quite a number of public men, who are clearly not normally supporters of a Labor Government, have acknowledged that they represent a responsible approach. Members opposite have shown complete irresponsibility in their approach to finance. They have been doing everything possible to press the Government into increased expenditure, but, at the same time, they have been opposing and making as difficult as possible any increases in revenue. Let Opposition members deny that. They have had all afternoon to do so. Then they show their complete lack of sincerity by attacking the Government, because the first two months of financial experience this year show the normal trend of revenues running temporarily behind expenditures. If the Opposition was really honest in its no-confidence motion in relation to finance it should have directed it to the Loan Estimates or to the Revenue Estimates. Opposition members have supported the first line.

Mr. Ryan: Not one opposed it!

The Hon. FRANK WALSH: The traditional method would have been to move for a reduction in some line on the Estimates. However the Leader has preferred to do it on a summary of two months' figures which, clearly, he is either unable or unwilling to interpret fairly and correctly.

Mr. McKee: "Unable" would be correct!

The Hon. FRANK WALSH: A statement has already been made in the House which has indicated that the figures, unless taken with care and honesty, are capable of misinterpretation. Of course, the figures for two months show a considerable deficit because, whilst expenditures are being fully met, revenues do not begin to run strongly until later in the year. The aggregate expenditures to August 31 were \$41,447,000. One-sixth of the year had passed and on a proportionate basis perhaps 16.7 per cent (or one-sixth) of the Budget might be expected to have been spent. The total Budget, as estimated, is \$258,018,000, so that for the two months 16.1 per cent has been spent, and this is clearly less than one-sixth. Moreover, included in these expenditures are five fortnightly pays for teachers out of 26 in a full year, and also five pays for the administrative and clerical staff of the Education Department. The extra fortnightly pay for teachers and other staff has added about \$1,350,000 to the

August expenditure. Moreover, the payments for interest during August were \$6,067,000 as against an estimated average of \$4,197,000 a month for the year 1966-67.

Mr. McAnaney: That doesn't represent one-sixth.

Members interjecting:

The SPEAKER: Order! I will not allow this debate to get out of hand. I consider that it has been conducted on quite a reasonable plane throughout, and it will not deteriorate now. The honourable the Treasurer!

The Hon. FRANK WALSH: Regarding land tax revenue, for the two months to the end of August only \$86,000 was received. This was from delayed payments of last year's accounts, as the accounts had not gone out yet for this year. There is no reasonable doubt that the year's estimate of \$7,800,000 will be received, and this would mean an average of \$1,300,000 for each two months. On land tax alone this seasonal factor accounts for over \$1,200,000. On water and sewerage rates there is no reasonable doubt that about \$22,150,000 will be received in the full year, which is equal to about \$3,700,000 for each two months. Because of the time of rendering accounts, only \$312,000 was received in the two months, so there was a temporary lag of about \$3,400,000 on this account. Liquor tax shows a comparable situation: only \$87,000 was received in two months, but one-sixth of the total reasonably expected would be \$260,000. For education recoveries, mainly from the Commonwealth, one-sixth of the annual anticipation would be \$914,000. Only \$205,000 was received by the end of August, leaving a difference of over \$700,000, and this, it is expected, will be made good in September. Railways and harbours each show a seasonal lag in revenues of several hundreds of thousands of dollars, which it is expected will be made good out of the seasonal traffic, and particularly of grain. Moreover, as yet the receipts have not reflected the proposals to secure additional revenues through rail charges, stamp duties, liquor licences and other fees. Of course, we are accused of increasing taxation. I do not know what the Opposition would have done about these things had it been in power. When these abnormal factors which I have listed are brought into account, there is no reason to believe that the State's finances are running in any way out of line with the Budget proposals. The last year of the previous Government (1964-65) opened with surpluses in Revenue Account, Loan Account, and the Uranium Account, of \$8,600,000, and the Playford Government budgeted to over-spend to absorb all of this and run into deficit to the

extent of \$1,176,000; that is, it proposed in one year to spend over \$9,750,000 more than it received.

Mr. Hughes: Is that so?

The Hon. FRANK WALSH: Yes. These figures are factual.

Mr. McKee: No-one mentioned that today.

The Hon. FRANK WALSH: As it turned out, 1964-65 was a most favourable year in the rural season, in full employment, and in general economic activity, and as a result the over-spending was reduced to \$7,437,000. In the first full year of my Government, the rural season was by no means so favourable, and economic activity, because of the drought in the Eastern States and other causes, fell back. No-one can deny that these things occurred. It is obvious that droughts in other States of Australia have a bearing on secondary industry in this State. To maintain services at a reasonable level, the combined accounts ran down by about \$9,240,000 in 1965-66. The Loan Budget for 1966-67 provides for an improvement by about \$2,321,000, whilst the Revenue Budget estimates for 1966-67 an increase in deficit of \$2,316,000. This means that for the present year a nominal improvement of \$5,000 is forecast. I have not hidden any of this, and I certainly do not expect to be stabbed in the back over the other efforts that my Government has made. The target is to hold the line during 1966-67. Such a target, reversing the previous downward trend, particularly during a period when the economy is still rather sluggish on earlier standards, surely represents both a high degree of responsibility and good management by any standards.

As to causing damage to the welfare of the people, this criticism comes very strangely from a Party which kept our social service standards far below the acknowledged Australian standards adopted in the other States. In order to keep its taxes lower than elsewhere, and in particular to release privileged people from a fair contribution to such levies as land taxes and succession duties, the previous Government kept its social service payments very low.

Mr. Lawn: They admit that.

The Hon. FRANK WALSH: I have already said that the last year the previous Government was in office opened with surpluses in various accounts. Therefore, that Government had much greater opportunities than this Government has had since being elected to office. In my oft-quoted policy speech I said that any public works my Party was committed to would be carried out during the term of office

of this Government. However, on looking at his report I find that the Auditor-General has indicated to this Parliament that in terms of expenditure enough public works had already been reported on to last for the next three years, without any more, and I think that if we examined the matter closely we would find that many of these works were left-overs of the extravagant former Government.

Mr. Hurst: The Auditor-General says that.

Mr. McAnaney: You have members on the Public Works Committee.

The Hon. FRANK WALSH: My Government, following its election mandate, has made many increases in services, particularly in education and social welfare, to bring them closer to accepted Australian standards. Also, it has given service pay to its employees. The Playford Government, before its defeat, had reluctantly acknowledged that, as a matter of common fairness, as well as to retain its essential employees, it would be obliged to provide for service pay, but its proposals were unrealistic and unacceptable to the electorate. Far from having damaged irreparably the welfare of the people, this Government has moved to repair the damage and mis-treatment carried out by the previous Government. This whole motion of no confidence has no substance and should be disposed of as quickly as possible. However, the Minister of Education has some facts he wishes to relate to the House, and I make way for him to do so now.

The Hon. R. R. LOVEDAY (Minister of Education): Judging by the publicity that preceded this debate, both in yesterday's and today's press, we would have expected a shattering explosion, but what we heard from the Leader of the Opposition was merely a damp squib. One of the interesting features of this debate is that none of the Opposition members has deigned to analyse the motion or to ask whether there is any real sense in it. It refers to the gross mismanagement of the finances of the State. When Opposition members spoke in the debate on the first line of the Budget not one of them was prepared to state specifically what things should not have been done by the Government. They spoke only in general terms about mismanagement, wasteful expenditure and plundering; they used other extravagant words and phrases but not one of them came down from the general to the particular, because they dared not do that. They knew that had they been in office the deficit would have been much the same.

The motion also refers to irreparable damage to the welfare of the people. I have not heard one member opposite tell us which sections of the people have suffered this irreparable damage. In fact, not one section of the community has been said to be suffering this irreparable damage.

Mr. McAnaney: What about the unemployed?

The Hon. R. R. LOVEDAY: The honourable member knows perfectly well that the number of unemployed today has been brought about by the stagnation that exists in the Commonwealth, which has been reflected in the motor car industry. What is more, this point was instanced even today by Sir Leslie Martin when he was talking to the press about the situation existing in this State. Do members opposite contradict what Sir Leslie Martin said about this?

Mr. Millhouse: If you ask us to accept what he says on this point, why don't you and your Government accept the recommendations he made?

The SPEAKER: Order! I ask members to refrain from interjecting in this debate.

The Hon. R. R. LOVEDAY: On the other hand, the Government, in talking about the welfare of the people, can say that many sections of the people (and large sections) have had their general welfare greatly improved by the present Government, if the word "welfare" is interpreted in the sense of a better material situation. If "welfare" is defined in terms of people being better off economically, we can cite large sections of the community that have become far better off as a result of this Government's being in office. When the Opposition talks about irreparable damage to the welfare of the people, what does it mean? Why does it not say specifically what it means? It just generalizes, as usual.

Today's *News* states that the debate will centre on funds available for the universities and colleges in South Australia. I am prepared to make that the main issue in my remarks but I think it is necessary to deal with some of the other statements made by members opposite. One would have thought that if the Leader were going to prove that the finances of the State were so grossly mismanaged, he would have at least dealt with them, but instead he made statements such as, "Spendthrift Ministers indulged in a power struggle for the position of leadership". What utter nonsense! He also said that the Attorney-General was spending money like a drunken sailor.

On what does a drunken sailor spend money? As far as I have been able to observe, he usually spends it on alcohol and prostitutes, and I can find nothing in the Budget relating to the Attorney-General's having spent money on alcohol and prostitutes. However, as Minister of Aboriginal Affairs, the Attorney-General had a 14 per cent increase in expenditure for matters affecting Aborigines. So far, not one word has been uttered by Opposition members in criticism of this expenditure; in fact, the member for Gumeracha (Hon. Sir Thomas Playford) has demanded in the past that the Attorney-General should spend more on this particular aspect.

Also, there has been an increase in public relief and provision has been made to meet the cost of additional children in welfare institutions. I have not heard Opposition members saying that this expenditure should have been cut. In fact, the only criticism has been from the member for Burnside (Mrs. Steele), who demanded an end to recoveries of relief under the relief recoveries system; she wanted us to spend more, and yet the Leader of the Opposition criticized the Attorney-General for spending this money. The Attorney engaged some inspectors to examine the work of companies, against which extra revenue was raised. The Attorney-General appointed an additional judge and magistrates, but increased fees resulted from court revenue. Both the member for Mitcham and the Hon. Mr. Potter urged these appointments, which were not criticized by the Opposition. Increased expenditure this year in the Electoral Department was \$14,000, not the sum referred to by the Leader of the Opposition. If they were honest, why did not Opposition members specify what they wanted reduced?

Mr. Casey: They would not know.

The Hon. R. R. LOVEDAY: The Leader of the Opposition said that the Government purchased land for a printing office and that this was most wasteful. People in glass houses should not throw stones. The Auditor-General, in his report, criticizes the previous Government for buying a house with 2½ acres for \$100,000 in 1964 when only a portion of the land was required and the house was unoccupied. Again, 22½ acres was purchased by the previous Government in 1964 and not used. The site on which the previous Government elected to put the Bedford Park Teachers College was most expensive and the cost of earth removals fantastic. When the previous Government started to buy Laffer's land at a

fantastic price, it did not find out that the fault line ran through the middle of the land and that multi-storeyed buildings could not be built on it. The Leader of the Opposition should be more careful!

Mr. Heaslip: That Government did not have an \$8,000,000 deficit!

The Hon. R. R. LOVEDAY: The Leader said that, on the initiative of State Ministers, reductions had been made in the amounts recommended by the Australian Universities Commission. True, but he did not tell the full story. The point made by Senator Gorton has not been referred to by Opposition members, and the member for Rocky River (Mr. Heaslip) said that this Government had lost \$13,000,000 that the Commonwealth Government would have given to it. There is nothing further from the truth, for Senator Gorton said:

The reductions, which are not uniform over all Australia but which vary in incidence from State to State, arose as a request from the Premiers at the June Premiers' Conference, to the effect that consultations in some detail should take place between the Commonwealth and each State concerning the recommendations of the Universities Commission, for which State Treasurers must provide half the capital and a little more than half the recurrent.

These discussions took place, with each State separately, at both the official and Ministerial level, and each State indicated the upper limit of the programme which it felt it could support. The variations in the programmes proposed for each State flow very largely from these discussions but it is not to be assumed that in the absence of such discussions the Commonwealth would have offered to support, throughout Australia, a programme of the magnitude of that suggested by the Universities Commission.

Indeed we felt, just as the States felt, that in total the suggested programme made too great a demand on the resources available for education, having regard to the competing claims of other tertiary institutions and of primary, secondary and technical education, and that some reduction was necessary.

Opposition members said that the Government passed the odium on to the Commonwealth Government, but that is anything but the truth. I have had reasonable discussions with Senator Gorton and have nothing to complain about with regard to them.

Mr. Millhouse: I thought you had not had discussions with him!

The Hon. R. R. LOVEDAY: I am not passing the odium to the Commonwealth Government. Members opposite may examine all the speeches I have made about the need for further finance for education and will find that never once have I blamed the Commonwealth Government as such. I have said that Com-

monwealth money is required, but I have not blamed the Commonwealth Government. The Leader of the Opposition said that this Government was making a political football of education. Who has been making the universities a political football? This has been the theme song all day.

If members opposite were so much concerned about the needs of education, instead of talking as they have talked today, they would have been honest enough to recognize that more money is needed by the States for education. In that case, they should have joined this Government in its approach to the Commonwealth Government; instead of that they have been trying to blame this Government. For years people have been talking about the need for more finance for education: responsible bodies associated with education in Australia have been talking in this strain, and Opposition members know that it is necessary. My predecessor often said so, but today Opposition members are making our universities a political football. I will show that this State is still pulling its weight with regard to tertiary education despite its disabilities. That may surprise the member for Mitcham.

Mr. Millhouse: It surprises me as much as your admission that you had discussions with Senator Gorton.

The Hon. R. R. LOVEDAY: This afternoon the member for Mitcham implied that I was a liar, and he made no bones about it.

Mr. Hughes: He said you were.

The Hon. R. R. LOVEDAY: I did not rise on a point of order, because I did not want to interrupt him. He said there could be no alternative, but that I was a liar or incompetent and there was no other explanation.

Mr. Millhouse: I said that, and I'll stick by it, too.

The Hon. R. R. LOVEDAY: There is another simple explanation.

The SPEAKER: Order! Order! Did I hear the honourable member for Mitcham say that he said it and would say it again?

Mr. Millhouse: What I said was that I would stick by it, and I do, too.

The SPEAKER: I consider that that is offensive in the extreme and I ask the honourable member for Mitcham to withdraw that remark.

The Hon. Sir THOMAS PLAYFORD: Mr. Speaker, on a point of order—

The SPEAKER: I am dealing with the honourable member for Mitcham and I am giving him the opportunity to withdraw.

Mr. MILLHOUSE: With great respect, Sir, I said I will stick by it.

The SPEAKER: The honourable member leaves me no alternative but to name him.

The Hon. Sir THOMAS PLAYFORD: On a point of order, Sir, I understand that a point of order was taken about the honourable member's speech, but it should be taken at the time he makes the speech. The honourable member's speech was made at least an hour ago—

Mr. Millhouse: Two hours ago!

The Hon. Sir THOMAS PLAYFORD: —and nobody took an exception to it.

The SPEAKER: I was not in the Chair when the speech was made. I am not referring to that at all. I am asking the honourable member to withdraw the implication he made by interjection.

Mr. Heaslip: He didn't say it.

Mr. Burdon: Of course he did; he admitted it!

The SPEAKER: Order! The Minister of Education said that the member for Mitcham charged him with being a liar and incompetent, and the member for Mitcham admitted saying it and said that he would stick by it. I consider that to be offensive and, therefore, I give the honourable member one further opportunity to withdraw. Otherwise, he must be named.

Mr. MILLHOUSE: I said that the Minister deliberately misled this House or that, if he did not do it deliberately, he was incompetent in his office. I believe that to be so. I regret having to say it but I cannot withdraw it.

Members interjecting:

The SPEAKER: Order! Those are the words I heard and, if the honourable member does not withdraw, I name him.

Mr. MILLHOUSE: The word "lie" may have been used by the Minister in interjecting to me. I cannot deny that, but what I said, I stick by. I would not have said it otherwise. I do not say things I am not prepared to stand by.

Mr. Ryan: Don't twist it.

The Hon. D. N. BROOKMAN: On a point of order, Mr. Speaker, I ask what is happening to the point of order raised by the member for Gumeracha (Hon. Sir Thomas Playford) that the remarks of the honourable member for Mitcham were made over an hour ago when he was making a speech.

The SPEAKER: I have explained to the House that I am not calling the honourable member for Mitcham to order for anything that happened an hour ago. I have asked the hon-

ourable member to withdraw the insult he issued by way of interjection.

The Hon. Sir THOMAS PLAYFORD: On a further point of order, Mr. Speaker, the words now being objected to were deliberately brought into the debate by the Minister of Education.

Members interjecting:

Mr. Casey: They were not. Get your facts right!

The SPEAKER: Order! The honourable member has refused to withdraw, and he has been named in regard to the matters now before the House. The honourable the Treasurer!

The Hon. FRANK WALSH: Before proceeding further, I move:

That the sitting of the House be extended beyond 6 p.m.

Motion carried.

The Hon. FRANK WALSH: Standing Order 167 provides:

Whenever any such member shall have been named by the Speaker or by the Chairman of Committees, such member shall have the right to be heard in explanation or apology, and shall, unless such explanation or apology be accepted by the House, then withdraw from the Chamber; whereupon, if the offence has been committed by such member in the House, Mr. Speaker shall, on a motion being made, no amendment, adjournment, or debate being allowed, forthwith put the question, "That such member be suspended from the service of the House for the remainder of this particular sitting day"; . . .

I move:

That the honourable member for Mitcham be suspended from the service of the House for the remainder of this day's sitting.

The SPEAKER: I ask the member for Mitcham to withdraw from the Chamber.

Mr. Millhouse having left the Chamber:

The SPEAKER: The Treasurer has moved that the honourable member for Mitcham be suspended from the service of the House for the remainder of this day's sitting. Is the motion seconded?

Mr. RYAN: Yes, Sir.

The House divided on the motion.

Ayes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hurst, Hutchens, Langley, Lawn, Loveday, McKee, Ryan and Walsh (teller).

Noes (17).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall (teller), Heaslip, McAnaney, Nankivell, and Pearson, Sir Thomas Playford, Messrs.

Quirke, Rodda, and Shannon, Mrs. Steele, Messrs. Stott and Teusner.

Majority of 2 for the Ayes.

Motion for suspension thus carried.

[*Sitting suspended from 6.5 to 7.30 p.m.*]

The Hon. R. R. LOVEDAY: Prior to the dinner adjournment I was about to point out that there was a simple explanation in connection with the matter raised by the member for Mitcham (Mr. Millhouse). If members look at the answers that I gave to these two questions asked by that member, they will see that at no time did I say that I was unaware of what the Commonwealth proposed to do, but that the point I made was that there had been no public statement by Senator Gorton (which was correct). They will find that the other statements in my answers were also perfectly correct. The explanation was simply that the Prime Minister in letters to the Treasurer dated August 9, 1966, stated what the Commonwealth was prepared to do in regard to both universities and the Institute of Technology. These letters were confidential.

Mr. Heaslip: Why didn't you tell us?

The Hon. R. R. LOVEDAY: The letters were marked "Confidential" and we were requested not to reveal any information until Senator Gorton had had the opportunity to make his statement in the Commonwealth Parliament.

Mr. Heaslip: You could have told the honourable member that.

The Hon. R. R. LOVEDAY: What the honourable member is saying has nothing to do with the questions asked by the member for Mitcham. If the honourable member cares to examine my answers, he will find that they were perfectly correct in the circumstances.

Mr. Heaslip: Technically, yes.

The Hon. R. R. LOVEDAY: In addition, when I was asked by the Vice-Chancellors of the universities whether I was aware of the situation, I told them they could discuss this with their councils in confidence (and the Parliamentary representatives on the university councils and the members who are interested in the Institute of Technology know this) so that these three institutions should not have this information delayed any longer than was necessary, and to the best of my knowledge they respected that confidence. That is the explanation of the matter and, if the honourable member cares to read my replies in *Hansard*, he will see that they contain nothing in the way of an untruth. As far as I am concerned, that matter is closed.

Mr. Heaslip: The honourable member for Mitcham didn't say it was an untruth. He gave an alternative.

The Hon. D. N. Brookman: You left the clear impression that you did not know.

The Hon. R. R. LOVEDAY: At no stage did I say that I did not know and, if the honourable member cares to read *Hansard*, he will see that that is perfectly clear. I shall now refer to other remarks made by the members of the Opposition this afternoon. The member for Torrens (Mr. Coumbe) was dealing essentially with tertiary institutions and what grants they will receive this year. He asked why South Australia had been cut back on these grants to the extent that it was. He said that South Australia had lost 24 per cent of the money offered. Here again, the honourable member was talking about what the Australian Universities Commission recommended to the Commonwealth, not what was offered. The Commonwealth Government itself has offered certain grants. Members opposite have talked about what they have described as the very severe cut in respect of South Australia, and one member cited part of a report by Stewart Cockburn in the *Advertiser* of September 23 headed, "Big Swing Ahead to Technology", in which Mr. Cockburn said:

Under the Australian Universities Commission Act, 1959, the commission is required "to perform its functions with a view to promoting the balanced development of universities so that their resources can be used to the greatest possible advantage of Australia."

It will be difficult for it to fulfil this aim if the adoption of its recommendations in any one State is to depend upon the fiscal policy of the Government either of that State, or of the Commonwealth itself.

Let us recognize that the Australian Universities Commission makes recommendations as a specialist body and that it has no ceiling so far as those recommendations are concerned: it has no responsibility regarding what Governments can afford in this matter. Each Government has a wider responsibility than has the commission and must weigh the relative priorities of all claims for expenditure. A Government cannot pass to an expert committee its responsibility. This afternoon members have been talking as though the States automatically accepted what the Australian Universities Commission had recommended. However, this was not the case at all.

Mr. Heaslip: It is the Government.

The Hon. R. R. LOVEDAY: The honourable member himself said we had lost

\$13,000,000 because we were not prepared to accept what the Australian Universities Commission had recommended.

Mr. Heaslip: No. I said we had not been prepared to match it.

The Hon. R. R. LOVEDAY: If there were similar commissions in the fields of primary and secondary education, hospital services, social welfare, and many other essential services, it is certain that the recommendations for expenditure based on desirable expenditure in individual fields would be beyond the capacity of the Government. Let us examine this reduction in the Australian Universities Commission recommendation for South Australia. In the 1964-66 triennium South Australia was faced with major development of the Flinders university. For 1967-69 there are proposals for major development of the Institute of Technology, as well as proposals for continued development of Flinders university. If the Institute of Technology is to be given the opportunity to develop, this development must inevitably limit the amount of capital that can be made available for the university, and this point was either played down or deliberately avoided by all Opposition members who spoke this afternoon, except one. Members who can recollect what they have said know that that is so.

A similar situation to that in which South Australia is placed this year has never occurred before. This State has not had an Institute of Technology getting right off the ground from the initial stages and a second stage of major development taking place in a second university at the same time. All this talk about what the previous Government has done and how it never failed to match a grant is beside the point, because a completely new stage has arisen in South Australia in regard to tertiary education.

Stewart Cockburn also said in the report to which I have referred that there had been a massive swing towards technology. I consider that to be an overstatement of what is happening. In 1964-66, the approved programmes for South Australian universities and colleges of advanced education, including the recommendations of the Robertson committee on research grants, were about \$39 a head of population. Of the other States, Western Australia had the highest figure, about \$36 a head. The average for the five States other than South Australia was about \$33 a head. Thus, South Australia was about \$3 a head above Western Australia, and about \$6 a head above the five-States average. South Australia's high

per capita figure was largely due to the heavy costs of capital development on a new university at Bedford Park, now known as the Flinders University of South Australia.

I want members to pay attention to what I am about to say regarding the 1967-69 recommendations of the A.U.C. Had those recommendations been accepted in full by the Commonwealth and each of the six States, the gap between South Australia's programmes and those of the other States would have been widened even further. Taking the figures used in Senator Gorton's statement, and making an estimate of the Robertson committee's recommendations (because these have not yet been given for this year), and basing them on past experience and on preliminary discussions for 1967-69, it appears that total programmes for universities and colleges of advanced education would have been about \$60 a head in South Australia, compared with about \$52 a head for Victoria and Western Australia (the highest of the other States) and \$50 a head for the average of the other five States. This means that South Australian programmes would have been about \$10 a head above the average of the other States, if the A.U.C. recommendations had been adopted.

Now that means, with our population, that for every \$1 we were above the average of other States the extra amount would be over \$1,000,000, so we would have been about \$11,000,000 ahead of the average of other States had we been able to accept the A.U.C. recommendations in full (and that is what the members of the Opposition were talking about this afternoon) in relation to our population and what the other States are doing.

Mr. Hudson: The Commonwealth was not offering to pay that.

The Hon. R. R. LOVEDAY: Of course it was not. I said earlier that the Commonwealth Government was not prepared to come to the party on the A.U.C. recommendations. It did accept the Wark committee's recommendations in full, because it was most anxious to get the Institutes of Technology off the ground. I was very surprised to hear nothing from the Opposition this afternoon in relation to this matter, because members of the Opposition have been saying we need more industries and more production, and of course this can only come to any extent in secondary industries. If those members care to consult expert opinion on the question of the development of secondary industries in Australia, they will find that one of the remarks that has been made by people who are most conversant with this problem is

that we lack technical know-how and we lack the technologists and the technicians, so I do not think any members of the Opposition, if they care to consider, will quarrel with getting the South Australian Institute of Technology off the ground. If we are to do that, as has been suggested by the Commonwealth, then the universities suffer because the State itself is not in a financial position to support more than what has been said to be done.

Mr. Heaslip: Why isn't it?

The Hon. R. R. LOVEDAY: I have just pointed out what the position would have been had the A.U.C. recommendations or anything like it been accepted. Let us come back to this question of the big cut. The figures accompanying Senator Gorton's statement show a greater reduction below A.U.C. recommendations for South Australia than for other States, but this is due largely to the exceptionally high levels recommended for South Australia by the A.U.C. However, never before in South Australia has this situation arisen where there has been a second university in the second stage of major development and an Institute of Technology at the very start of its major development. This is the reason, of course, for this situation.

The Hon. D. N. Brookman: Wouldn't the Commonwealth have given more if you had asked for it?

Mr. Heaslip: And if you had matched it?

The Hon. R. R. LOVEDAY: That is a possibility; I am not debating that at all, and I am not denying that that is so, if we had been able to match it; but I am saying that the State is pulling its weight just as much as are the other States, and that it is unreasonable to expect the State to go out on a limb on a per capita basis to the extent of, say, \$8 or \$10 per capita in order to achieve this objective.

The Hon. D. A. Dunstan: You would have to increase taxes to get the money, or cut down on other items.

The Hon. R. R. LOVEDAY: Yes. Members opposite have not suggested a single item that could have been cut. They complain about the extra taxation, but they want everything. This brings me around to this point: the planning of Flinders university was started during the life of the previous Government, and I am sure that the previous Government had in mind also the development of the Institute of Technology. These figures I have quoted show clearly that the previous Government embarked on a programme of development of tertiary institutions which, however desir-

able, could not be sustained at the expected rate of development with normal State revenues. That is the position. Now members opposite are complaining because the chickens have come home to roost. This development was planned, but it was planned without due recognition of the fact that the State revenues could not support it.

Mr. Heaslip: It would have been carried out, too.

The Hon. R. R. LOVEDAY: Including the estimate for the Robertson committee's recommendations, the programmes now envisaged for universities and colleges of advanced education would be about \$49 a head for South Australia, fractionally more for Victoria and Western Australia, less for New South Wales, Queensland and Tasmania, and about \$46 a head for the average of those five States. If we take the two programmes separately, then the proposed programme for universities would be about \$39 a head for South Australia (which is closely the same as for three other States), greater than those for the two other States, and above the five-States average. For advanced education, the South Australian programmes of about \$10 per capita are greater than those for three other States, below those for two States, and above the five-States average.

These figures show that per capita South Australian provisions for universities will compare more than favourably with those of other States. We know that this is not as much as the members would like. Does any honourable member think that as Minister of Education I do not wish to see the universities prosper and have the funds they need? Since this Government came into office, and right from the inception, I have been pursuing a policy as Minister of Education of going out and making speeches showing the public the state of education from the point of view of the need of finance for it, and everywhere I have been I have had remarks made to me by people that they were very pleased to have the facts put before them. The people in South Australia are fully behind the move to get more funds for education, and they are awake to the fact that the State is unable to meet the needs of education. Instead of approaching this problem as they have done, from the point of view of condemnation of the State Government in regard to its present Budget, members opposite should be joining with us, as I said earlier, to ensure that as a State

we go forward to get increased funds for education, including the universities.

Mr. Heaslip: But you are not going forward.

Mr. Hudson: If the Commonwealth Government came in \$1 for \$1 on expenditure we would do a lot better.

The Hon. R. R. LOVEDAY: Exactly. I notice that the Wark committee's recommendation has just said, "Well, we think that on the current expenditure the Commonwealth should give dollar for dollar." However, the Commonwealth has turned it down. In other words, the Wark committee recognized the financial difficulties of the States. In tonight's *News* this question of the financial problems of the universities has been dealt with. The final paragraph of that article states:

A change in the formula of Commonwealth and State contributions might be needed.

I go further than "might" and say "must take place". What is the situation in regard to this financial question? Let us look at what Dr. Schoenheimer has had to say on this matter. He says:

In June each year, with one voice, the Commonwealth, at the Loan Council meeting and the Premiers' Conference, bluntly refuses the States the money they say they must have for overall expenditure on education. With another voice in August and September, the Commonwealth tells the States that they must commit such-and-such a proportion of their inadequate education funds to tertiary education or else they will not receive the full Commonwealth subsidy.

In other words, the Commonwealth under this system of matching grants is virtually telling the States that a proportion of their education money must be put towards tertiary education, irrespective of the States' responsibilities in other directions. I commend Senator Gorton for bringing in the Ministers this year and discussing with them individually what the States might be able to do. This was a rational approach instead of saying, "The Commonwealth will fix such an amount irrespective of what the States can do", and then having the whole thing played around with as a political football, and the State Parliamentary Oppositions saying, "Ah, the States did not match the grants, but we did years ago". What nonsense it all is! Why don't we face up to the situation?

The figures I have quoted show that per capita South Australian provisions for universities still compare more than favourably with those of other States. A comparison between the South Australian programmes for 1964-66 and 1967-69, taking the figures from Senator

Gorton's statement but amending them by including the South Australian Institute of Technology and advanced education for each year and again making an estimation of the Robertson committee recommendations, shows (1) a proposed increase of over 22 per cent in university programmes; (2) a proposed increase of over 100 per cent in advanced education programmes. On the face of it, this appears to be a swing towards advanced education, but note:

- (a) The absolute increase proposed for university programmes is almost \$8,000,000 compared with about \$5,500,000 for advanced education.
- (b) Universities in 1964-66 were rather high because of Bedford Park building development; advanced education is rather high in 1967-69 because of proposed Institute of Technology building development, and this distorts the picture.

Let us see what some members opposite have said about the needs of education in recent months. The member for Stirling (Mr. McAnaney) earlier this year said there was no crisis in education. At page 171 of *Hansard*, he said:

So it cannot be said that our tertiary education is in any way lacking.

Then the Hon. Mr. DeGaris in another place said that the campaign on the need for more finance for education was developing a political characteristic. Who was developing the political characteristic? In the debate I had through the press and later with Senator Gorton on the question whether South Australia was pulling its weight, who started the argument and who made it political? My occupation as Minister in this direction is to show the South Australian people that these needs exist, that they are urgent needs and that we should all be standing together with a view to getting what we want in education. Then the Hon. Mr. Dawkins said earlier this year:

I refuse to believe there is any real crisis in education.

So, when the Minister of Education in South Australia sets out to show the position to the public, what we get are these sort of comments about lack of co-operation, trying to insinuate that it is being done with a political motive, and nothing else.

Let me now say something about the needs of more finance for education generally and let me give members a little picture on this subject, if they do not already have it in their minds. I point out again, as I have pointed

out many time previously to the public, that the State revenue since 1947 has increased 5½ times, from \$38,000,000 to \$216,000,000, and the net expenditure from revenue on education has increased 12 times. Obviously, this cannot go on; yet one cannot help but say that education needs much more money and that the rate of increase should not be denied in the interests of the nation. When there was a teach-in at the Adelaide university earlier this year, I showed that in the last five years, under the heading "Miscellaneous Grants", the university grants had increased by 91 per cent. How does that relate to the increases of other Government institutions and departments? Obviously, this is out of all proportion. Similar grants to the South Australian Institute of Technology for those five years have increased by 79 per cent—again, a very high increase, but it was all badly needed. This increase must continue if the public are to get the educational facilities needed. So it is just nonsense to introduce a motion like this one now before us and make a question of university grants the central theme.

Let us look now at rising costs in the primary and secondary fields. Teachers' salaries in the last five years have increased by \$10,962,000, an increase of 72 per cent. The cost of training teachers college students has increased in the last five years by 113 per cent, by \$2,156,000. The cost per pupil in primary schools has increased by \$23 in the last five years; in area schools it has increased by \$58, in high schools by \$36, and in technical high schools by \$60. These figures do not include payments for interest, sinking fund, pensions, maintenance of buildings, or provision of furniture. So, over the whole educational field, there is a tremendous upsurge in costs, brought about largely by the fact that the students in our secondary schools are going further in ever greater numbers and achieving a higher education, which means that the numbers going to the universities and the Institute of Technology are also ever increasing. This is a rate of increase out of proportion to the other increases natural in the other State organizations. This fact has to be faced.

I think I have demonstrated that the programme in tertiary education in this State that was entered into by the previous Government was a programme which, however desirable, could not be sustained on the current revenue of the State. That is why we have come to this situation today. It is all nonsense to say that we could and should have accepted anything like the full recommendations of the

Australian Universities Commission. Whilst those recommendations may have been most desirable, they were not within the financial capacity of the State to meet. What is more, the Commonwealth was not prepared to go even that far, as I have already demonstrated.

The Hon. D. N. Brookman: Didn't every State match the full recommendation of the Wark committee?

The Hon. R. R. LOVEDAY: I do not wish to answer that, because I have not examined the point. However, we know that the Commonwealth Government was prepared to accept the full recommendations of the Wark committee in every instance. I believe I have dealt with the essential part of this debate—the question of university finance. I have linked it with finance for education generally, because this is not just an isolated problem but one facing all States. It happens that it has hit us hard at this juncture because, as I said earlier, we are now at the second major stage of development of the Flinders university. Also, we are getting the Institute of Technology off the ground in its first major stage of development. Finally, we are pulling our weight when compared with the other States. I hope the motion will be rejected most firmly by the House and that it will be seen by those people who care to study the details of this matter, and are not led away by a lot of vague generalities, that the motion has no basis in truth whatever.

The Hon. C. D. HUTCHENS (Minister of Works) moved:

That the House do now divide.

The Hon. B. H. TEUSNER: On a point of order, Mr. Speaker. The Standing Orders provide that the mover of a motion is entitled to the right of reply. I ask your ruling whether that right of reply should be given to the Leader of the Opposition.

The SPEAKER: Standing Order No. 182 provides:

A motion "That the House do now divide," moved and seconded, shall take precedence of all other business, and shall be immediately put from the Chair without any discussion taking place.

Mr. HEASLIP: On a point of order, Mr. Speaker. Does not the mover of any motion have the right to reply before it is put to a vote?

The SPEAKER: I have just answered that question. Standing Order No. 182 applies, and the procedure we are adopting now has been adopted on previous occasions since I have been a member of this House.

Mr. Shannon: It is commonly called the guillotine.

Mr. Heaslip: It is the first time this has happened.

The House divided on the motion of the Hon. C. D. Hutchens:

Ayes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hurst, Hutchens (teller), Langley, Lawn, Loveday, McKee, Ryan, and Walsh.

Noes (16).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall (teller), Heaslip, McAnaney, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Rodda, and Shannon, Mrs. Steele, Messrs. Stott and Teusner.

Majority of 3 for the Ayes.

Motion thus carried.

The House divided on Mr. Hall's motion:

Ayes (16).—Messrs. Bockelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall (teller), Heaslip, McAnaney, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Rodda and Shannon, Mrs. Steele, Messrs. Stott and Teusner.

Noes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Corcoran, Curren, Dunstan, Hudson, Hughes, Hurst, Hutchens, Langley, Lawn, Loveday, McKee, Ryan, and Walsh (teller).

Majority of 3 for the Noes.

Motion thus negatived.

APPRENTICES ACT AMENDMENT BILL.

Received from the Legislative Council and read a first time.

THE ESTIMATES.

(Continued from September 22. Page 1800.)

The Hon. FRANK WALSH (Premier and Treasurer) moved:

That the Speaker do now leave the Chair and the House resolve itself into a Committee of Supply.

Mr. HALL (Leader of the Opposition): I should like to say one or two things, and surprisingly they deal with education and university grants. The Government has refused to face up to the criticisms that can be made of it in its mishandling of State finance, to the extent that it could have had money available but has devoted it, irresponsibly, to other sources.

Mr. Lawn: You are irresponsibly wasting the time of the House.

Mr. HALL: That interjection is uncalled for coming from a member of a Party that has

just gagged a debate in this House for the first time since I have been a member, a most shocking denial of the freedom of justice in this House.

The SPEAKER: Order! The Leader will know that he is not to reflect on a decision of the House.

Mr. HALL: Thank you, Sir. I accept your ruling, but my transgression was caused by an interjection from the opposite side. The Minister of Education, in his assessment of the situation in South Australia, has not faced up to the fact that money has been devoted to unnecessary causes despite the stringency that the Government claims is necessary with its finances.

Mr. Hughes: If you listened to the Minister correctly you would know that that is not correct.

Mr. HALL: Perhaps the member for Wallaroo should listen to me correctly, but he has been particularly touchy in this House. I wonder why? I have heard that his pre-selection is to be taken away from him by his Party: I see not other reason why he is so touchy at present. However the Government clouds the issue by introducing facts and figures to the House, the fact remains that many thousands of dollars have been spent by the Government that could have been available to it, to the State, and to the universities. Neither the Treasurer nor any Minister has satisfactorily explained to the House or to the people of this State why \$400,000 has been provided for the purchase of old houses. This amount could have been matched with a Commonwealth grant to make \$800,000 available.

Why is there no move to dispose of the surplus land at Kent Town worth \$400,000? This could be another \$800,000, so that in two items \$1,600,000 could be available, but the Minister of Education ignores this and says that this State, with other States, cannot match its responsibility in regard to education. This is not good enough. Many items have been dealt with by the Opposition, but not by the Government in its attitude to the House. We are not blaming other States; we are not blaming previous Governments; but we are blaming this government and its attitude to education. On several occasions recently the Treasurer has said that we stabbed him in the back whilst he was at Canberra on State business.

Mr. Hughes: You stabbed him last week.

Mr. HALL: How can the Treasurer say this in the light of the report in this

morning's newspaper about the views of one of his own backbenchers, the member for Glenelg. Whilst the Treasurer was in Canberra trying to gain industries for this State, the member for Glenelg was reported to have made two particularly effective statements against industries and people coming to this State.

Mr. Langley: You don't believe everything you read in the papers!

Mr. HALL: I don't believe the Government would support the member for Glenelg in his peculiar absurdities.

The SPEAKER: I ask members to restrain themselves by not interjecting. The debate is tense enough without unnecessary interjections.

Mr. HALL: I hope that I can remove some tenseness from this debate by alluding to the remarks of the member for Glenelg.

Mr. Shannon: On two vital items.

Mr. HALL: To help Government finances, the member for Glenelg said he could pick a fight in two areas. He said the Government could try to raise rents of perpetual leases, and that it could have another go at the Broken Hill Proprietary Company Limited. Apparently, he has been reading what the Labor Party did in Opposition and how much it did not help the Government of the day by its attitude towards getting industries for South Australia. Who would have thought that the member for Glenelg would have said these things when the Treasurer was in Canberra! Can we believe the charge that we are stabbing the Government in the back, when a Government backbencher is doing it more effectively?

Mr. Coumbe: It would frighten any industry off.

Mr. HALL: The Minister of Education recently referred to our criticism of the expenditure of the Electoral Department which criticism, he said, was not warranted because the expenditure had risen by only \$14,000 this year. This is no valid way of handling the matter, because we know that last year's Budget included referendum and other expenditures. The Minister, in referring to our criticism, completely ignored the question we asked.

The Hon. D. A. Dunstan: You were talking about the increase in expenditure.

Mr. HALL: Can the Attorney-General deny that the \$84,000 for entry into the computer field in this department is an added expense this year? If he had not entered this experimental socialistic field the money would have been available somewhere to match a Commonwealth grant.

The Hon. D. A. Dunstan: \$168,000?

Mr. HALL: The sum of \$84,000 multiplied twice would be the sum to be received from a matched grant. If the Minister of Education chooses to ignore the situation by referring to the total sum spent by the department, his criticism of the view on this side of the House is not valid. He said the Commonwealth Government was responsible for the ceiling on what the State accepted. We have said what the university should receive and that South Australia has not taken the same percentage as other States. The Minister said that South Australia had in the past spent more on education on a per capita basis, but how long has it taken him to appreciate the previous Government's exemplary record in respect of education? For how many years did we, when in Government, hear about how much we were not doing? Now, however, we find that we have apparently done too much and that the present Government cannot emulate our record in education. The Minister's general collection of facts has clouded the issue, and he has failed to face up to our charges. Our charges in these matters have not been answered. We believe that our views reflect the concern of the general public, and I repeat that our charges are completely unanswered.

The Hon. C. D. HUTCHENS (Minister of Works) moved:

That the House do now divide.

The House divided on the motion of the Hon. C. D. Hutchens:

Ayes (19).—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Bywaters, Casey, Clark, Coreoran, Curren, Dunstan, Hudson, Hughes, Hurst, Hutchens (teller), Langley, Lawn, Loveday, McKee, Ryan, and Walsh.

Noes (16).—Messrs. Boeckelberg, Brookman, Coumbe, Ferguson, Freebairn, Hall (teller), Heaslip, McAnaney, Nankivell, and Pearson, Sir Thomas Playford, Messrs. Rodda and Shannon, Mrs. Steele, Messrs. Stott and Teusner.

Pair.—Aye—Mr. Jennings. No—Mr. Quirke.

Majority of 3 for the Ayes.

Motion thus carried.

Motion to go into Committee of Supply carried.

In Committee of Supply.

MINISTER OF LANDS, MINISTER OF REPATRIATION AND MINISTER OF IRRIGATION.

Department of Lands, \$3,081,794.

The Hon. Sir THOMAS PLAYFORD: I previously drew attention to the fact that the Lands Department policy in not selling land, as provided under the Crown Lands Act,

debarred the State Government from receiving revenues that would otherwise accrue to it. However, the Minister did not give an adequate reason for the change in a policy that has existed for many years. If the present policy is to prevent aggregation, I point out that it will not do so. The Minister said that each application was dealt with on its merits, but can he say what are the determining factors in regard to each application?

The Hon. J. D. CORCORAN (Minister of Lands): I take it that the honourable member is referring to transactions in connection with perpetual lease and not freehold land. As he knows, no requirement exists in regard to freehold land.

The Hon. Sir Thomas Playford: What about converting perpetual lease into freehold land?

The Hon. J. D. CORCORAN: That is dealt with under section 220 of the Crown Lands Act; the honourable member knows that that provision exists and that it is a matter of policy whether the Government acts on it. I take it he was talking about the transfer of perpetual lease land from one individual to another.

The Hon. Sir Thomas Playford: I referred to the conversion of perpetual leases to freehold.

The Hon. J. D. CORCORAN: The Government has decided that this will no longer apply, except in exceptional circumstances, when the Government will vary its policy. If it is necessary to freehold land in order to develop a particular industry, the policy will be sufficiently flexible to cater for this facility. I have already told the honourable member that we have allowed the freeholding of some small parcels of perpetual lease land held by people with freehold land in order to make the properties complete.

Mr. NANKIVELL: There has been an increase in the amount provided for surveyors and it is probable that some of this increase is because of salary increases. Can the Minister say whether the recruiting of surveyors has improved in the last 12 or 18 months. I am concerned about the delay in the surveying of land to be opened up in the counties of Buckingham and Chandos. I understand that this delay arose because sufficient surveyors were not available. I should like the Minister to say whether there has been any increase in staff numbers and whether surveyors can be provided in order to speed up the work that I have mentioned.

The Hon. J. D. CORCORAN: I shall obtain information regarding staff numbers for the

honourable member. I am not aware of any increase or decrease that may have taken place. One of the reasons for the increased provision is that the cost of chartering aircraft recently increased by about 22 per cent. Further, the work that will be carried out by the department in this financial year will be farther away in country areas. Therefore, the cost of travelling expenses and living-away allowances will be increased. The physical survey will be carried out in the counties of Chandos and Buckingham, where we intend to open up land. To my knowledge, no work has been delayed for any lengthy period because staff were not available. However, I shall obtain further information for the honourable member.

The Hon. D. N. BROOKMAN: Can the Minister say what action, if any, he is taking in regard to a statement made by the Treasurer last year in a letter? The Treasurer said:

When the question of restocking arises, it may be desirable to give some consideration to special arrangements for reduced rail charges.

I am referring to the line dealing with provision of fodder for drought areas. As the Minister knows, people in some of those areas are restocking to the best of their ability, under much difficulty. Will the Minister make a statement about any special arrangements in relation to transport of stock to stations for restocking purposes?

The Hon. J. D. CORCORAN: From memory, I have received only one application in regard to this matter and I think it was referred to the Premier's Department. However, I shall examine the specific question and obtain this information for the honourable member.

Mr. SHANNON: I am not happy about the explanation of the policy of the Government in regard to conversion from perpetual lease to freehold tenure. Apparently we are to have a set of conditions whereby Jim Jones will be able to convert to freehold, but Bill Brown will not. One of the most dangerous aspects of government is the administration of flexibility, because this can lead to hardship and heartburning.

All the argument in the world will not convince a perpetual lease holder whose application for conversion is refused if his neighbour has been able to convert his lease. Another aspect that the Government should not have overlooked is that conversion can be a handy increment to the Treasury and, in difficult times, no avenue for securing additional funds would be left unexplored. Perpetual leaseholders have had to pay as much as \$10 an

acre to convert to freehold, and that has not been for highly-valued land. Most of the freehold land in this State has been hereditary since the time of Torrens, who created this type of security in which we have prided ourselves.

I know that the perpetual lease is also part of the Torrens system, but what encourages husbandry more than anything else that I know of is an owner's knowledge that improvements to his land will remain his asset and that he will be able to pass it on to his own people. An old Chinese proverb says that we should leave our land for those who follow us in better condition than it was when we got it.

Mr. Casey: Unfortunately, that is not always carried out, is it?

Mr. SHANNON: The member for Frome may be able to speak of the conditions in his district, but I do not know them. I think flexibility is dangerous from a Minister's point of view and I am opposed to denying a man the right to freehold his land.

Mr. HEASLIP: The member for Onkaparinga has said that he does not favour flexibility whereby some people will obtain transfers while other will not. I agree with the honourable member that that is bad. I do not know what the present Government's policy is regarding it, but it seems that there is no policy when one person can get it and another cannot. When the Minister was replying to the member for Gumeracha, I think he said that freehold could be granted to a business where this was thought to be of benefit to the State.

The Hon. Sir Thomas Playford: To a factory.

Mr. HEASLIP: Yes. A primary producer makes a living off his land, and he puts back into the land what he has taken out of it; he builds the land up and provides exports and money overseas for the people of South Australia, and he is in fact the backbone of this State. Is that primary producer to be denied the right to freehold his perpetual lease when some manufacturing industry will have the right to do so? In an article in today's *Advertiser* the member for Glenelg is reported as saying that there were two ways in which the Government could obtain increased revenue to reduce the State's \$8,000,000 deficit. The honourable member referred to "picking a fight over the rent paid for perpetual leasehold land". Can the Minister of Lands say whether the member for Glenelg had the backing of the Government in making that statement? Does it mean that the Government is

prepared to raise the rents of perpetual leaseholders to the extent that it will be uneconomic to the primary producer with a perpetual lease to carry on?

The Hon. J. D. CORCORAN: I assure the honourable member that the member for Glenelg was speaking purely and simply on his own behalf and certainly not on behalf of the Government. This matter was referred to by the Auditor-General in his report, and no doubt the member for Glenelg heard of this or saw it in the report and drew his own conclusions from that. I have also referred to the tremendous difficulties involved: in fact, one could almost say that it would be morally wrong. I should point out that there is a popular misconception with many people in this State that a perpetual lease is a 99-year lease. I should like to disabuse the minds of the people who believe this, because a perpetual lease, as the name implies, goes on in perpetuity.

Mr. Heaslip: There are two types.

The Hon. J. D. CORCORAN: I think the type the honourable member referred to (the one with any condition in it) was discontinued in about 1898. The type of perpetual lease that is issued nowadays and has been issued for many years goes on in perpetuity, and can be transferred, disposed of, or bequeathed. It can be bequeathed to a person in certain circumstances, and it can be transferred or disposed of with the consent of the Minister. It seems to me that the honourable member is trying to create the impression that there is something altogether different about freehold as compared with perpetual lease. In fact, the term of tenure, apart from some controls exercised by the Minister, is exactly the same. Freehold land can be taken away from a person for a public purpose under the Government's powers of acquisition, so I cannot see that this argument that there is so much need for freeholding of land purely on the basis of security of tenure is valid.

Members have expressed fear regarding the flexibility of our policy in this matter. I think it would be totally wrong if the Government was not in a position to be sufficiently flexible in its policy to cater for an industry. Although I shall not go into details, I can say that this has happened in the case of an industry, and I know that what we have done is in the best interests of the State. I assure honourable members that any decision on this matter is taken not by me alone but by the Government. It is not a case that the Government acts in this matter according to whether

it likes or dislikes a person, and I am surprised to think that any honourable member would even suggest that this would be an influencing factor with me. I assure members that such things would not influence the Government or me.

Mr. NANKIVELL: I have heard it rumoured that there has been a change in policy in fixing unimproved values for land transfers, and that whereas in the past unimproved values have been fixed by land tax values it is now proposed that these should be established by taking account of recent sale prices for similar land in the same area. Can the Minister say whether this is so? Also, there is a suggestion that, despite the fact that perpetual leases can be transferred, when it comes to the transference of an existing lease cognizance is given to the unimproved value that would be transferred from, say, my father to me or from me to my son, and that whereas a property might exist as one lease at present, in the event of the estate being wound up and transferred it might well be that that property has to be subdivided. Can the Minister also comment on this?

The Hon. J. D. CORCORAN: Regarding the first point, it is not correct that there has been any change in policy in fixing unimproved values for land transfer. Land tax values will be used, as they have always been. Regarding the honourable member's second point, I think he is aware of the provision in the Act whereby a person, if he is the holder of no other land, can in fact take over a property provided it does not constitute two complete living areas. Of course, if it did comprise two complete living areas, there would be a requirement for it to be subdivided. However, even though it may be over the limitation, if it was considered to comprise less than two complete living areas it could be transferred to one person.

Mr. FREEBAIRN: I remember the Minister last week talking about the transfer of perpetual lease land to big companies. I understand the Government would be reluctant to transfer land to big companies but I point out that the company type of ownership is becoming popular among farmers these days, there being so many advantages. If a farmer makes such a transfer, he can, for example, set up a superannuation fund for himself or his employees, or take other members of his family into share ownership. Has the Government a policy on the transfer of perpetual lease land to companies as distinct from individuals?

The Hon. J. D. CORCORAN: On the recommendation of the Land Board, the Govern-

ment has recently adopted a policy whereby no further perpetual lease land will be transferred or sublet to proprietary companies. The honourable member has pointed out advantages and inducements in that respect. The original purpose was to offer an incentive to develop the country. In the early days of this State this incentive was necessary, but now it is fast disappearing. The Government viewed with alarm the number of companies being formed, not for development purposes but in order to evade various forms of revenue-raising legislation. So, whilst we have been criticized for our policies of not allowing perpetual leases to be freeholded, thereby losing some revenue, we have taken some responsible steps to close loopholes whereby people have been forming companies in order to take or hold land.

Mr. McANANEY: I speak strongly against the Government's attitude towards proprietary companies. Apart from any concessions gained by doing that, it is not a way for a certain section of the community to get advantages for itself, because any small business anywhere can form itself into a proprietary company and get legitimate concessions. Therefore, the Government is penalizing one section of the community if it says that it cannot do something. It is wrong to penalize one section of the community merely because it is unfortunate enough to own leasehold land.

The Hon. Sir THOMAS PLAYFORD: The Minister's statement about companies causes me great concern, because most of our pastoral industry has been developed by companies. I doubt whether there is a pastoral lease of any size in South Australia not owned by a company. How does the Minister apply the new rule to pastoral industries and have a totally different rule for perpetual leases? Perpetual leases must continue. There is no suggestion that a person would have sufficient means by which to develop a pastoral property; I do not think that 5 per cent of our pastoral land is owned by individuals: it is practically all held by big pastoral companies. Anyone who knows anything about the pastoral industry realizes that the land could not be successfully held except by pastoral companies. Unless the Land Board has drastically altered its policy since I was associated with the Lands Department, it is strongly in favour of allocating pastoral lands to interests sufficiently substantial to develop the country and to withstand a drought period successfully. Will the Minister reconsider the statement he made a few moments ago about perpetual leases? The

Government has introduced a policy of interfering with perpetual leases that are only relatively small holdings. What is the significance of this new policy? Will it apply to pastoral leases or is it proposed to apply only to the small leases? I think it should not apply to either. It is a policy that cannot be justified.

The Hon. J. D. CORCORAN: The honourable member knows that a pastoral company is administered under the Pastoral Act by the Pastoral Board. For the very reasons he has explained—the need for substantial financial backing and for the development of these areas—the companies are allowed to remain. As regards the Crown Lands Act and perpetual leases and the need to prevent companies from taking them over, not only to avoid revenue-producing legislation but because of the limitation itself under the Crown Lands Act, it is almost impossible to administer it. If it is in that Act, we have a duty to see that it is administered.

Mr. HEASLIP: The Minister told me previously that a proprietary company owning a perpetual lease could get a transfer to freehold.

The Hon. J. D. Corcoran: No.

Mr. HEASLIP: I understood that that was what the Minister said earlier. It appeared to me that a proprietary company that was a genuine grazing company could not do so. I may have misunderstood the Minister's reply, but I particularly asked whether a manufacturing company could get a transfer of a perpetual lease to freehold when a genuine grazier would not be permitted to. I thought that the Minister said that the flexibility of the present Government's policy allowed it to give, where necessary, a business setting up as a manufacturing company the right to transfer from a perpetual lease to a freehold title. Did he say that?

The Hon. J. D. Corcoran: No.

The Hon. T. C. STOTT: The Minister will know that many soldier settlers use the spray system of irrigation on their blocks. The salinity in the water causes leaf fall which results in inferior fruit. Consequently the fruit is not accepted as export quality under the new legislation of the Citrus Organization Committee, and then there is criticism of oranges having to be dumped. On the other side of the river to the district of Chaffey, two prominent growers have adopted the dragline hose system, which is popular in California. This system, with low sprinklers,

does not spray water over the trees. Consequently, water with a higher salinity content does not damage the trees at all. I have watched this experiment closely and I can see tremendous improvement in the trees and in the quality of the oranges. I ask the Minister to give any assistance he can and to take up the matter with the Commonwealth Government or do whatever is necessary to make finance available to assist in removing some of these spray systems. I ask him to assist by helping some settlers, when they are replanting, to install the dragline hose system which, I believe, could revolutionize the citrus industry in South Australia, particularly in view of the high salinity of the Murray River.

Line passed.

Miscellaneous, \$554,394.

Mr. NANKIVELL: Can the Minister say for what purpose the \$78 provided last year for the purchase of land in the hundred of Baker was used?

The Hon. J. D. CORCORAN: I will find out for the honourable member.

Mrs. STEELE: Can the Minister elaborate on the allocation of \$3,000 for the purchase of land at Mount Lofty, and on the allocation of \$80,000 for the control of erosion of the Torrens bank in Botanic Park?

The Hon. J. D. CORCORAN: I will obtain that information and supply it to the honourable member.

Mr. FERGUSON: I refer to the provision for a grant towards improvements and additions for national parks and wild life reserves. Last year the western whipbird was discovered at the southern end of Yorke Peninsula, and this discovery was important to members of the Ornithological Society. There was some talk of acquiring a portion of land, under lease to the Waratah Gypsum Company for a flora and fauna reserve. The discovery of the western whipbird resulted in negotiations with that company for the establishment of the reserve. Is provision made this year for the completion of the reserve at the southern end of Yorke Peninsula?

The Hon. J. D. CORCORAN: The matter will be finalized this year. I appreciate the honourable member's interest in the matter and the generous and co-operative manner in which the Innes brothers have dealt with the department. They have been most helpful and it is indeed a pleasure to deal with these people who, I believe, have the interests of the area at heart. I am sure future generations of the State will be grateful for their generosity.

Mr. FREEBARN: In the provision for salaries for the Botanic Garden, provision of \$1,000 was made last year for a special 1½ per cent adjustment. Can the Minister say what that was for?

The Hon. J. D. CORCORAN: I notice that it was voted last year, not used, and has not been provided this year. I take it that it is not required.

Mrs. STEELE: Has the Minister any information about the provision of \$8,060 more towards running expenses of the national parks and wild life reserves?

The Hon. J. D. CORCORAN: Because of higher costs and increased numbers of reserves, the sum for running expenses has been increased by \$8,060. We contemplate obtaining more reserves this year, as I hope we will do next year and in the following year.

The Hon. D. N. BROOKMAN: The Obelisk Estate (now the Cleland Wild Life Reserve) is seriously infested with South African daisy, which grows rapidly after a fire. Small flora growth can survive occasional burning off, but not the effects of South African daisy. Perhaps a survey could be taken of the area to ascertain the extent of this infestation. Also, blackberries are a nuisance in the gullies. They can be sprayed and killed, but access to the weeds is difficult. Positive action should be taken before the scrub builds up again. Waterfall Gully, which is adjacent to this area, also suffers from the same infestations.

The Hon. J. D. CORCORAN: Spraying from helicopter was carried out last year and I think money was made available to do this in these reserves. However, I shall obtain detailed information for the honourable member.

Mr. NANKIVELL: Can the Minister say what work the Primary Producers Assistance Board has done?

The Hon. J. D. CORCORAN: Nil. It is more than five years since the Act was used, and this item may not appear next year.

Line passed.

MINISTER OF WORKS.

Minister of Works Department, \$31,149—passed.

Engineering and Water Supply Department, \$11,906,231.

The Hon. G. G. PEARSON: I cannot let this occasion pass without referring to Mr. J. R. Dridan who was Director and Engineer-in-Chief of this department. I am sure that members of this Chamber, of Cabinet, and the general public join with me in expressing our appreciation of his services to this State. He was head of this important department for

some years and had the rather outstanding capacity to be not only a first-class engineer but a first-class administrator. Such a combination of qualities is perhaps rare. Because of my association with him, I express my personal regard and my thanks to him for the co-operation, advice, and help, on the most expert level, that he gave me. The public owe him a great debt for the efficiency and ability with which he carried out his main function, and he shall be missed.

Coincidental with Mr. Dridan's retirement, several other senior officers have reached and are about to reach the retirement age. Mr. Arch Campbell, who was Engineer for Water Supply; Mr. J. W. Murrell, Engineer for Sewerage; Mr. H. J. N. Hodgson, Engineer for Water and Sewage Treatment; Mr. W. G. J. Bates, Engineer for design, who followed Mr. Campbell and who, if he has not retired now, is about to do so; and the Minister's secretary, Mr. H. L. Kneebone, an officer of outstanding ability with a long memory. He has been in the department for many years and could be relied upon to produce the history of any subject matter either from memory or from docket with which he was familiar. He will be hard to replace. I have great confidence in the officers who have come up the ladder so to speak, and who are to succeed retiring officers. Indeed, I believe it to be one of the hallmarks of a capable administrator that he ensure the availability of suitable men to fill these vacancies when they occur.

I take it that the allocation for "Development of Interior" relates to the departmental section responsible for the maintenance of roads, etc., in the Far North of the State. Here, again, the department has suffered a great loss in the death of its previous foreman (Mr. Whitford) in that area.

Can the Minister say whether the Government intends to implement the suggestion to transfer this activity to the Highways Department? People I have contacted have been generally satisfied with the services rendered by the Engineering and Water Supply Department, and seem to be reluctant to see this change made. Indeed, I doubt whether the Highways Department would be able to match the services at the costs on which the Engineering and Water Supply Department has operated. I am inclined to think that the present policy should be continued for at least another five or six years, at which time the changeover could again be considered.

The Hon. C. D. HUTCHENS (Minister of Works): I express my appreciation to the

honourable member for his kind remarks concerning retiring officers, and concur in his remarks. The department is most unfortunate to lose these men who, not only by their skill and knowledge but by their kindly disposition, have gained the respect of everybody with whom they have been associated. They have done much towards the State's development, and I shall be pleased to convey to Mr. Dridan and other officers the sentiments expressed by the honourable member. I am sure, too, that Mr. Kneebone, the Secretary of my department, will be grateful for the honourable member's kind remarks. Mr. Kneebone, who has been a loyal officer, will be sadly missed by the department when he leaves.

Provision is made under "Development of Interior" for expenditure, other than salaries and wages, for the operation and maintenance of water conservation and supply. I concur in the honourable member's remarks concerning the department's staff and activities in this area over many years. Mr. Whitford was dedicated to his work; hours meant nothing to him, as long as the job was done. I shall convey to his widow the sentiments expressed by the honourable member. The Government has resolved that the work at present undertaken in the Far North by the Engineering and Water Supply Department shall be transferred to the Highways Department at a date to be fixed, although I am not inclined to the view that it will not be for a period of years. Although the Engineering and Water Supply Department has done a good job in this regard the Government believes that the time has come when the changeover should be made.

Mr. SHANNON: I am not as happy as the Minister about the transfer of the work undertaken by the Engineering and Water Supply Department on roads outside council areas, and concur in the remarks made in this regard by my colleague the member for Flinders. I think we are obtaining better value for the money spent by the Engineering and Water Supply Department than we would possibly obtain from the Highways Department, with all due respect to the latter. Naturally, however, this matter will become one of Government policy finally. Some of the retiring officers are personal friends of mine, by virtue of the many occasions on which they have given evidence before the Public Works Committee. I am happy with the promotion of Mr. Beaney to succeed Mr. Dridan. The selection of this capable and assiduous officer is a wise one,

and Mr. Beaney is sure to measure up to the high standard set by his predecessors.

In certain areas in the Adelaide Hills difficulty is experienced in securing an adequate means of disposal of household waste water and drainage from septic tanks. Work is being carried out on drainage improvement in the catchment area and I understand that programme will continue, but smaller villages have this difficulty and in these areas it could be handled much more economically by common drains.

Effective work is beyond the financial ability of local government if it is not assisted and, although I do not suggest that the Government assist on more than a 50/50 basis, I request the Minister to discuss the matter with his engineers with a view to arriving at some satisfactory solution. In some areas, this waste water flows to the street and creates a health hazard.

Mr. CUMBE: The amount provided for foremen, mechanics, storemen, maintenance men and other employees in the Adelaide Water District is \$14,274 less than the amount paid last year, and the provision for materials, services, machinery hire and general expenses is \$125,783 less than the amount paid last year. Many new connections and extensions are being made in the Adelaide Water District and I should like the Minister's explanation of the reason for the decreased provisions.

The Hon. C. D. HUTCHENS: I have not a complete answer available, but I shall inquire, and inform the honourable member later.

The Hon. G. G. PEARSON: The Auditor-General's Report refers to the department with which we are dealing but the expected increases in revenue are not referred to in the lines. However, it is expected that revenue from country lands will increase as a result of the recent quinquennial assessment. The departmental rating of country lands is applied to the assessment of the unimproved value by the Commissioner of Land Tax, and there has been a substantial increase over the previous assessment in most cases. Therefore, the rates based on the new assessments will be substantially higher than those in previous years in relation to country land, but not in relation to metropolitan areas.

The Auditor-General, on page 83 of his report, sets out earnings, expenditure and deficits on the various phases of waterworks rating. The earnings in the metropolitan area last year were \$9,520,907, while the earnings in the country lands were \$3,872,351. The expenditure in the metropolitan area almost

precisely equalled the earnings. It was \$9,540,143, whereas the expenditure in the country was \$8,681,148. The deficit in the metropolitan area was \$19,236 and in the country area it was \$4,808,797. No statement has been made on the expected additional revenue as a result of the new assessment and I ask the Minister whether he will supply this information for the different water districts.

The Hon. C. D. HUTCHENS: I have not the figures, but shall have them prepared, because I know that this matter is important to country people.

Mr. McANANEY: Last year there was controversy over the barrages at Goolwa. Local residents said that they were still open, although the department said that they were closed. It is appreciated that evaporation would have caused the level in the lake to fall last year. Some delay occurred as a result of decisions having to be made in Adelaide as to when the barrages would be closed. As it is likely that this year will be a fairly dry one in the catchment area, with a reduced amount of water coming down, can the Minister assure me that every effort will be made this year to see that the barrages are closed in good time and that the level of the lake will be kept as high as possible?

The Hon. C. D. HUTCHENS: I do not accept that there was any neglect on the part of any officer of the Engineering and Water Supply Department to which the variation in the lake levels last year could be attributed. I assure the honourable member that everything possible will be done to see that this year the river and the lakes are kept at the highest possible level.

Line passed.

Public Buildings Department, \$6,556,123.

The Hon. Sir THOMAS PLAYFORD: Under "Buildings and Land—Government Offices", there is a line "Electric light and power, telephone services, cleaning by contract, stores, fuel, gas, minor equipment and sundries". Can the Minister say whether this line includes any amount for cleaning office windows?

The Hon. C. D. HUTCHENS: I would say that the line provides for the cleaning of windows.

Mr. McANANEY: Money spent on the maintenance of education buildings is shown under this line. As a result, the general public could not possibly know the total amount actually spent on account of education. Could these maintenance expenses in respect of the Education Department be shown under the line for that department?

Line passed.

Public Stores Department, \$315,795.

The Hon. G. G. PEARSON: I know that the Public Stores Department had an extensive store at Mile End. However, as I understand it, the Railways Commissioner desired to resume this land for his purposes, and there was a probability that the department would be required to find other premises. Can the Minister say whether this has eventuated? If it has been necessary for the department to vacate that area, where has the department located its new store?

The Hon. C. D. HUTCHENS: The Railways Commissioner is pressing for the department to relinquish this property, and plans are in progress for the building of a new store at Netley adjacent to the proposed site for the Government Printing Office.

Line passed.

Miscellaneous, \$77,413.

The Hon. G. G. PEARSON: I notice a sharp increase (\$11,000, or nearly 300 per cent) in the line "Contribution to Metropolitan Drainage Maintenance Fund towards deficiency". I know that this is a fixed commitment, and perhaps it is one of the bad deals we made many years ago. Apparently much work has been necessary to maintain the channels, and the fund has fallen into rather heavy deficit. Can the Minister elaborate on this?

The Hon. C. D. HUTCHENS: I think the assumption made by the honourable member is correct, but rather than make a guess on this matter I will call for a report.

Mr. COUMBE: Last year \$6,000 was allocated under the line "Contribution towards topographical survey of River Torrens". I appreciate the Minister's making this money available last year. Does the fact that nothing is allocated this year mean that the work has been completed?

The Hon. C. D. HUTCHENS: Apparently no money is available for the work this year, and I regret this very much. Certain work has been done, but at present the Government does not have the money to continue the work this year.

Mr. HALL: Last year \$6,000 was provided under the line "Water supplies and irrigation schemes—Preliminary surveys for". The actual expenditure last year was \$102,000, and as only \$50,000 is allocated this year there must be some reason for this very large variation. Could the Minister explain this?

The Hon. C. D. HUTCHENS: The anticipated expenditure on the investigation and

preliminary survey of the water supply which will be chargeable to revenue seems to show a great variation. I shall have inquiries made into this matter.

The Hon. G. G. PEARSON: On the same line, can the Minister tell me whether or not the stream-gauging of the Lower Tod River near Poonindie is continuing and what results have accrued from that work? If he cannot tell me tonight, will he make inquiries of the department? Some three years ago Mr. Beaney inspected the area with me and the district engineer, and we selected a site two miles upstream from the outlet of the Lower Tod River at Poonindie bridge. There, a stream-gauging arrangement was being set up to determine the flow of the river and the salinity of the water, with the probable result that in due course we could build another reservoir at that point, which gave promise of a yield of water similar to that of the Tod River itself.

The Hon. C. D. HUTCHENS: I will make inquiries.

Line passed.

MINISTER OF EDUCATION.

Minister of Education Department, \$17,357—passed.

Education Department, \$44,897,350.

The Hon. Sir THOMAS PLAYFORD: I note that under the item "Wages—cleaners, playground supervisors, labour as required", last year \$1,338,000 was voted, and \$1,399,964 was spent. This year \$1,360,800 is voted, a reduction of \$39,164. Is this the item over which there has been so much controversy in the press? Is the reduction the result of a change in departmental policy about the cleaning of school windows?

Mrs. STEELE: Under the heading "Recruitment and training of teachers" there is an increase in the lines "Principals, lecturers and staff" and "Allowances to students in training". Is that increase absorbed by increases in salaries or does it indicate that there has been an increase in the number of recruits? The increase is \$169,139 in the former case and \$174,362 in the other.

The Hon. R. R. LOVEDAY (Minister of Education): There is a decrease of \$39,164 for the wages of cleaners and playground supervisors. The saving on window cleaning was estimated to be \$225,000. There was an increased allowance of \$52,000 for cleaners, which was offset by the saving effected by a change in policy. The trouble with this line is that we have playground supervisors and so forth included in it. I do not think I have a dissection here that will answer the honourable

member's question. This decrease of \$39,164 is at the July rates. There is a total of \$1,444,800. For the basic wage there is an increase of \$89,000; for additional cleaners there is \$52,000. This totals \$1,585,800, less no window-cleaning \$225,000, making a net total of \$1,360,800. I have the dissection of these figures, and I will get the information the honourable member requires. As regards the increase of \$174,362 for allowances to students in training, that is dissected as an increase, at the July rates, of \$96,000 for additional students, giving a total of \$2,892,000 proposed for this year.

Mrs. Steele: How many students are there under the scheme to bring about that increase?

The Hon. R. R. LOVEDAY: I do not think I have a dissection of the number of students; all I have is the amount for the additional students. I will see whether I can find that in the other information that I have here. If it is not here I will get it for the honourable member.

Mr. HALL: Under "Salaries and wages" I refer to the primary, area, technical and high schools, in respect of which there is a total increase of \$3,870,888. That represents an increased expenditure of between 12 and 14 per cent. Perhaps the Minister can indicate how much of this is increased remuneration for teachers and how much is in respect of increased numbers.

The Hon. R. R. LOVEDAY: As regards primary schools, at the July rates, salaries and wages were \$14,047,500; basic wage increase, \$430,000; increments, \$158,500; equal pay, \$200,000; additional teachers (150), \$225,000; giving a total of \$15,061,000.

Mr. Shannon: Can you give any indication of what that means to the pay of individual teachers?

The Hon. R. R. LOVEDAY: The total for the first instalment this year is \$340,000; of that, \$200,000 is allocated in the primary schools. For area schools at the July rates salaries and wages were \$2,025,700; basic wage, \$60,500; increments, \$28,000; equal pay, \$22,000; additional teachers (30), \$45,000; and total, \$2,181,200. For technical schools at the July rate the salaries and wages were \$5,787,000; basic wage increase, \$146,000; increments, \$83,500; equal pay, \$46,600; additional teachers (118), \$182,500; and total, \$6,245,600. For high schools at the July rate the salaries and wages were \$6,494,300; basic wage, \$172,000; increments, \$85,500; equal pay, \$62,000; additional teachers (98), \$147,000; and total, \$6,960,800.

Mrs. STEELE: A sum of \$15,000 was voted in 1965-66 for contribution towards costs of developing and improving recreation grounds, although no actual payments were made, and no provision has been made this year. Does that indicate a change in policy by the department towards the provision of funds for developing and improving recreation grounds? At one time, the department provided contributions so that new schools could put in reticulation systems and level the grounds; this money was paid back over a period. Can the Minister say what is the position?

The Hon. R. R. LOVEDAY: No provision is made for 1966-67. This matter refers to joint schemes outside the school grounds, and no need exists for a provision this year.

Mrs. Steele: Could it be a case of the Adelaide High School, for instance, using grounds belonging to the Burnside council?

The Hon. R. R. LOVEDAY: Sometimes the council owns the grounds. A joint scheme now operates and provision is not necessary this year because the funds are not required.

The Hon. B. H. TEUSNER: I notice that \$13,337 was paid last year for damages and costs on account of children injured at schools. As there is no provision this year, does the Minister expect an injury-free school year or has the Government considered insuring children against injuries received on school grounds?

The Hon. R. R. LOVEDAY: I think that, at every school, children take out insurance against accidents on the school grounds.

The Hon. B. H. Teusner: It is not compulsory.

The Hon. R. R. LOVEDAY: I do not think it is, but I believe most of them take it out. I had never inquired what percentage of children take it out, but I will do so for the honourable member so that the whole picture can be seen. No provision was made in the Estimates last year but an expenditure was made because a special case occurred during the year. The same policy is being adopted this year. We hope there will not be an accident of this nature and we have not made any provision but, if an accident occurs, provision will be made.

Mr. HALL: Can the Minister say what is the total sum to be allocated this year for the purpose of subsidies for school committees?

The Hon. R. R. LOVEDAY: The total for subsidies is the same as the 1965-66 expenditure—\$499,000.

The Hon. Sir THOMAS PLAYFORD: I understand from public announcements that the

Government has altered the decision of the previous Government, which was to make Arbury Park available to the public, and has made it available to the Education Department. I believe people stop at Arbury Park from time to time, although I do not know the whole position. However, as I presume there will be some expenditure involved, can the Minister say what it is costing to maintain Arbury Park? Also, can he say to what extent it is being usefully employed?

The Hon. R. R. LOVEDAY: In order to answer the honourable member's questions, it would be better for me to bring down a full report, which would be of considerable interest to members. I believe provision for Arbury Park is included in allocations for in service training. However, I have no dissection of this line. The sum proposed this year is \$26,600 compared with \$15,300 last year. The grounds of Arbury Park are open to the public at weekends, but the building is used for in service training every week by the Education Department or other bodies.

Mr. Nankivell: Does the department maintain the grounds?

The Hon. R. R. LOVEDAY: Yes. The grounds around the house are used by the in service training group. A committee, including representatives of the National Fitness Council, the Highways Department and the District Council of Stirling, has worked out a plan for the division of the area for various activities. However, I shall obtain a complete report as it is desirable that members should know the full details of the use of Arbury Park.

Mr. NANKIVELL: What effect has the new policy of allowances paid to students had on recruitment?

The Hon. R. R. LOVEDAY: The department is obtaining a good quality student at present, and headmasters speak highly of the standard and type of student now coming to them from the colleges.

Mr. Nankivell: Are you getting sufficient recruits?

The Hon. R. R. LOVEDAY: Yes, and of a higher quality.

Line passed.

Libraries Department, \$851,182.

Mrs. STEELE: The first line under "Contingencies" shows a decrease of \$14,372; is this an overall reduction in the various activities of the library or has any particular section been reduced?

The Hon. R. R. LOVEDAY: As I have no individual details of the decrease, I shall obtain information for the honourable member.

The Hon. Sir THOMAS PLAYFORD: The capital cost under the Libraries (Subsidies) Act has been reduced. Can the Minister say whether there has been a tightening up of departmental policy, or is there less demand for new libraries and a lessening of demand because libraries have been established?

The Hon. R. R. LOVEDAY: A lessening of demand has occurred in some directions, but the only way to show the full picture would be to bring down a detailed report, as different libraries are involved at different stages of development.

Line passed.

Museum Department, \$163,543; Art Gallery Department, \$81,260—passed.

Miscellaneous, \$10,641,970.

Mr. HALL: Can the Minister explain the University of Adelaide additional purpose grant, which seems to be complicated because the burden has been shifted to some degree to the Loan Account and a proper comparison cannot be made of support for the university compared with last year? I assure the Minister that \$1,200,000 was allocated in the Loan Estimates for the Adelaide university, making a total this year, added to the proposed vote, of \$8,590,000. Is this comparison correct?

The Hon. R. R. LOVEDAY: The previous year's figures for the Adelaide university included the whole year for the Flinders university's recurrent expenditure and the whole year's capital expenditure for both the Adelaide and Flinders universities (that is, the previous year). The asterisk against "Flinders university" refers to that university for 1967 only. Item 1 refers to the Adelaide university grant of \$7,390,000, as approved by Cabinet after consideration of the university budget. The provision includes \$548,000 for Flinders university payments for 1966. For 1966-67, the provisions relating to building grants for the University of Adelaide, the Flinders University of South Australia, and the Institute of Technology have been included in the Loan Estimates.

The provision in the Estimates of Expenditure is towards recurrent purposes and research. For Flinders, the provisions for the remainder of the present triennium are included with those of the University of Adelaide. The provision for the Flinders university for the first half of 1967 is shown separately as \$946,000, a grant approved by Cabinet to cover the January to June, 1967, payments.

Mr. COUMBE: Can the Minister say whether the provision of \$208,000 for residential colleges (most of which are situated in my district) includes grants for capital works or for any other item, and can he give any details?

The Hon. R. R. LOVEDAY: The only notes I have are that the allocation represents approved grants for the Commonwealth, an increase of \$46,750 over last year's expenditure. Senator Gorton's speech may contain something of value, but it is at present with *Hansard*. I will endeavour to obtain more information for the honourable member.

The Hon. Sir THOMAS PLAYFORD: Can the Minister give a reason for the decreased vote in the general purpose grant for the Institute of Technology? Whereas \$1,740,000 was voted and spent last year, only \$1,350,000 is allocated this year, resulting in a reduction of \$390,000. I point out that the Minister previously said in another debate that the institute was receiving a large increase.

The Hon. R. R. LOVEDAY: I believe that some provision other than this would be made for capital expenditure in the Loan Estimates. I pointed out that the provisions for the 1966-67 Institute of Technology grants for buildings were included in the Loan Estimates.

The Hon. Sir Thomas Playford: This is a general purpose grant, not a capital grant.

The Hon. R. R. LOVEDAY: I have a note here to the effect that it is more difficult to estimate an appropriate rate of increase for recurrent purposes for the Institute of Technology in 1967, above that of 1966, because of the proposed new arrangements for advanced education. Provision has been included for known requirements to complete approved arrangements for 1966. For the first half of 1967, the provision for grants is about 10 per cent above that of the first half of 1966 which was rather low, because of the timing of the grants made. The appropriate increase for the whole of the academic year, 1967, will depend on the outcome of the advanced education arrangements and on the extent of teaching outside those special arrangements.

The Hon. Sir Thomas Playford: But this shows a decrease of \$390,000.

The Hon. R. R. LOVEDAY: I am afraid that is all the information I have in my notes. I will have to obtain some more information for the honourable member.

Mrs. STEELE: Can the Minister explain the function of the Imperial Relations Trust Fellowship?

The Hon. R. R. LOVEDAY: It enables a teacher to study at the University of London under the aegis of the Imperial Relations Trust. Applications are invited, selections are on merit, and there is one every two years in South Australia.

Line passed.

MINISTER OF LABOUR AND INDUSTRY.

Department of Labour and Industry, \$434,213.

Mr. COUMBE: The line "Apprenticeship Commission" is the result of a Bill passed last session setting up an Apprenticeship Commission. Can the Minister say what fees were paid to the authority that the new commission has superseded?

The Hon. C. D. HUTCHENS (Minister of Works): I shall obtain the information for the honourable member.

Mr. HEASLIP: No provision was made last year for commissioners in the vote for the Industrial Commission. However, \$17,000 is proposed this year, and I should like the Minister to explain this new line.

The Hon. C. D. HUTCHENS: Two new commissioners have been appointed and the constitution of the Industrial Commission is now entirely different from what it was previously. That is the reason for the provision of this amount for commissioners.

Mr. HALL: I refer to the provision of \$195,860 for inspectors and technical officers in the Inspectorial Branch of the department. As this sum is about 17 per cent more than the \$167,830 voted last year I ask the Minister whether the increased provision is because of an increase in the staff or whether it is because of increased remuneration for the staff.

The Hon. C. D. HUTCHENS: The increased provision represents a little of each: it is to provide for automatic increments and for an additional scaffolding inspector who has already been appointed at Whyalla.

Line passed.

Miscellaneous, \$15,570—passed.

MINISTER OF AGRICULTURE AND MINISTER OF FORESTS.

Minister of Agriculture, \$20,507—passed.
Agriculture Department, \$2,102,874.

The Hon. Sir THOMAS PLAYFORD: A pamphlet *The Bruce Box—A Success Story* has been issued and I am informed that the use of the dump box in South Australia for the pack-

ing of oranges is to be prohibited. I am also informed that there is no shortage of timber for the manufacture of the dump box but that the department is rather embarrassed by all the marketable timber on hand. Will the Minister of Agriculture say whether he decided to prohibit the use of dump cases for the packing of citrus and, if he did, when the decision will operate?

The discontinuance of the use of dump cases will effect employment in our forestry industry, as many people are employed in making them in the department's mills. I have been told by a reputable fruit merchant that oranges marketed in Bruce boxes in Victoria and New South Wales have brought as much as 40 cents a box less than those marketed in dump cases and that consignments in Bruce boxes are not acceptable.

The Hon. G. A. BYWATERS (Minister of Agriculture): If members opposite had not wasted so much time on the last two sitting days, I would have supplied the honourable member with a report that I received last Wednesday from the Citrus Packing Advisory Committee. At my request, representatives of the Woods and Forests Department, private case makers and the Agriculture Department met the Citrus Organization Committee to discuss the future of packing citrus fruit. A Packing Advisory Committee was appointed, and it brought down a report that has been accepted by the Citrus Organization Committee. The recommendation to the C.O.C. by the Packing Advisory Committee, on September 1 this year, was as follows:

1. That C.O.C. issue a directive that the dump case shall not be permitted for oranges beyond the end of the Washington navels, that is, a variable shut-off date according to district.

2. That C.O.C. issue a directive that from the beginning of the valencias, unless specific approval has been obtained from C.O.C., oranges shall not be packed into containers other than of one-bushel size and of one of the three following types, namely, one-bushel standard case, one-bushel telescopic carton, one-bushel wirebound box.

3. That as from the "Golden Spring" in mid-September, subject to arrangements with Singapore all export overseas except to New Zealand be in the one-bushel wirebound box with a concurrent promotion of the better out-turn and more even net weights in the wirebound.

4. That a further trial of wirebounds with valencias be arranged to New Zealand as soon as possible and negotiations be entered into concurrently with New Zealand for the replacement of the standard case with the wirebound thereafter.

Further information in support of these recommendations is as follows:

1. All trials interstate and to New Zealand have confirmed the earlier observations on better out-turn in the wirebound boxes compared with conventional containers. This alone is sufficient justification for the recommenda-

tion for this container, but in addition it has now been shown that this can be achieved at a lower cost.

The addendum on this matter, prepared by Mr. A. C. Moyle, W.C.P.U., sets out the costs of the citrus containers, at present packing from rotary bins, as follows:

	Standard Case.		Wire Bound.	
	Local. Cents.	Export. Cents.	Local. Cents.	Export. Cents.
Cost at factory	35	35	37	37
Freight and handling	2.2	2.2	2	2
Making up and label	1.7	1.7	0.7	0.7
Broken boards	0.5	0.5	—	—
Nails	1.5	1.5	—	—
Elect. and R. & M. nailing machines	0.2	0.2	—	—
Wire	—	4	—	—
	<u>41.1</u>	<u>45.1</u>	<u>39.7</u>	<u>39.7</u>
Difference in female packing rate	—	—	Saving 2	2
	<u>41.1</u>	<u>45.1</u>	<u>37.7</u>	<u>37.7</u>

The above costs disclose that by using the wirebound box there would be a saving of:

- (a) 3.4 cents on local markets;
- (b) 7.4 cents on export markets.

As production increases, additional saving can be achieved with the use of the wirebound box:

- (1) It would not be necessary to purchase additional nailing machines.
- (2) Saving of space in building—much less area necessary to assemble wirebound.
- (3) By the installation of a wirebound closer (capacity of approximately 1,000 boxes per hour), labour saving of four males.
- (4) Under "rapid pack" method, female packers will pack more wirebound boxes per day.

The further information provided in support of the recommendations is as follows:

2. The reply from the Woods and Forests Department to the request for an improvement in the specifications of the standard case is that the production of a standard case to the export specification would necessarily involve an increase in price. In addition, they advise that it is doubtful whether the requirement of the industry for cases for export can be met if these specifications are insisted on.

3. The information from Woods and Forests Department and Murray River Wholesale on timber and case supplies and prices is that:

- (a) the Woods and Forests Department supplies all of the bushel cases for export because they are the only suppliers who can supply the quality needed at an acceptable price;
- (b) the Woods and Forests Department is supplying all but a few hundred thousand of all the cases used by the citrus industry;
- (c) several private millers such as Donnelly at Penola have not quoted at all for

the Murray River Wholesale tenders in 1966 and others have decreased their quantities offered;

- (d) the Woods and Forests production of bushel cases for all purposes has decreased by 1,000,000 since 1962-63 and is now down to a base production of 2,500,000 to 3,500,000 cases, which will not increase;
- (e) as the South Australian forests mature the proportion of timber suitable for cases (that is, small log) has decreased significantly and at the same time the diversion to pulp has further reduced the supply of case timber;
- (f) the present base supply of cases from Woods and Forests plus production from private mills is less than the citrus industry requirements, and any increase to the decreasing production cannot occur without a significant rise in the price to allow competition with other timber usages;
- (g) a number of millers who have claimed that they could supply the increasing case requirements of the industry (for example, Commercial Case Company) currently do not supply cases to the citrus industry and made their claims on the basis of a price increase of order of not less than 5c per case, that is, to 40c to 42c per case in shock;
- (h) there are apparently only seven or eight private millers supplying any cases to the citrus industry, and these are all making other sorts of cases, pallets and boxes (for example, half-cases or celery crates, etc.) as well; that is, they are not dependent on the citrus industry as a sole outlet for their production.

The conclusion can only be that the Woods and Forests Department is the only significant milling operation supplying cases to the citrus industry and no private millers are solely dependent on this outlet for their production; and that the timber suppliers cannot meet the case demands for the citrus industry, and even on present production a price increase is inevitable.

4. The wirebound box is more suitable as a container for small packing houses because assembly and closing can be performed efficiently by hand without any machinery.

5. The wirebound box is suitable for automation in assembly, packing and closing—the wooden nail case is not.

6. On the matter of re-use, the wirebound box can be collapsed for storage and redistribution whereas nail cases and cartons cannot.

7. While the carton is limited in usefulness to local markets and cool weather conditions, the wirebound box is suitable for all outlets with the advantage over the conventional nail case of:

- (a) lower basic cost;
- (b) lower makeup, labelling, packing and subsequent handling costs;
- (c) greater packing house throughput;
- (d) less coopeage;
- (e) allows for better quality control over the container itself.

8. With respect to timber supplies for the wirebound box, the present manufacturers have made up wirebound boxes of satisfactory specifications in four different Australian timbers not now used other than fence posts, etc., and the radiata pine can be used as in South Africa. However, all of these local suppliers would increase the cost of the container to an estimated 45c—50c compared with the container from imported timber at 37c. In other words, there are adequate supplies of suitable timber available locally at a price.

9. While four different competitive overseas sources of veneer are now available, there is no real concern at continuity of supply, and price should be the prime consideration.

10. Information from South Australian citrus sales on the supplies of dump cases still held in South Australia indicates that all those on hand could be used by the end of the navel and grapefruit season.

It is obvious from the report that what the honourable member says about Victoria is not valid, because it is not for the Citrus Organization Committee to say that wirebound boxes should be used in local and interstate sales. This is for export to Singapore and later to New Zealand, so that the people not satisfied with the prices they are getting with Bruce boxes in Victoria may shift to the standard bushel case made from radiata pine supplied by the Woods and Forests Department.

The honourable member last week asked me whether I would inquire in the department to ascertain the situation of employees. I did this, and the Assistant Conservator of Forests

(in the absence of Mr. Bednall, who is attending a conference in Queensland) states:

The number of men employed on case production in the departmental mills is about 110. The production is mainly in standard and dump bushels. It is possible that much of this production could be replaced by the Bruce box in the future, by which time the department will be able to divert to other types of cases, such as sweat boxes, pallets, crates, industrial packages, etc. An alternative use for the case logs, of course, will be for pulp and pulp products.

The honourable member also asked me last week whether I would arrange for a success story to be printed by the Woods and Forests Department. Here again I am happy to accommodate him, if he is prepared to read the pamphlet *Trees—and All That* by Mr. B. H. Bednall (Conservator of Forests), which is a brief record of some aspects of South Australia's forestry venture. It is reprinted from *Commonwealth Forestry Review* (Vol. 45 (2), No. 124, June, 1966). This gives a good summary of the success story of the department.

Mr. HALL: I understand that tomato half-cases depend to a large extent on the supply of second-grade timber rejected in the construction of first-grade citrus boxes. If radiata pine is not to be used to such a degree for the citrus industry packing, does it mean that there will be less second-grade timber for tomato cases?

The Hon. G. A. BYWATERS: This matter does not come under the line controlling the Agriculture Department; it refers to the Woods and Forests Department, which is covered by the Loan works programme, so I suggest that this be the last question I should answer on this matter. Last year I received a deputation of about six members of Parliament, who came to see me about the shortage of timber for both citrus and tomato cases. It was pointed out then that the cases would be available for this year, and then the industry would not be able to keep up with the expansion in the citrus industry. The point taken by the Leader about second-grade timber for tomato cases is not valid. We want to see first-grade timber used; it is only when nothing but second-grade timber is available that it is used.

The Hon. D. N. BROOKMAN: The Director of Agriculture is the director of a department that is housed in unsatisfactory premises. It is in an old building that was leased at a time when office accommodation in Adelaide was hard to get. The plan is for the Agriculture Department to move into new premises. The

previous Government proposed that it should go into the new State Government building but that plan has been altered by the present Government, which has decided that the department should go *in toto* to Northfield. I do not criticize that decision; any Government is entitled to make its own decision. When is the department expected to be housed in new premises, and what is the programme planned?

The Hon. G. A. BYWATERS: The Agriculture Department is housed in shocking conditions. Why it was ever put there I do not know. It endures the worst conditions of any Government department. The building was an old factory that was converted into totally unsuitable offices, being hot in the summer and cold in the winter. I am not proud of it and am pleased that the former Minister is now interested in conditions there. When I came into office I was told that it was intended to house some, but not all, of the officers in the new State Government buildings when they were completed. The Public Service Commissioner came to see me about it. I took up the matter with the Director, who subsequently submitted it to the heads of divisions at their monthly meeting, and they unanimously agreed that they wanted to go out *in toto* so that the department could remain together at Northfield.

At the moment, some of the research officers are stationed at Northfield, some officers are in country areas, and most of the officers in the metropolitan area are at Gawler Place. For the sake of continuity of service, we believe they should all be situated at Northfield, and we expect that the buildings will be completed as quickly as possible. Instructions were given through Cabinet for the Minister of Works to take up with the Public Buildings Department the matter of having the buildings erected at Northfield as quickly as possible so that the staff could be accommodated there.

Speaking on the Loan Estimates this year, the Treasurer said that money had been made available for the commencement of plans and so on for this work. Constant conferences are being held between the Director of Agriculture and the Director of Public Buildings so that this work can be expedited. True, it will not be done as quickly as we would wish, but it will be done as quickly as possible.

The Hon. D. N. BROOKMAN: I strongly resent the Minister's attitude to my question. I tried to make it as inoffensive as possible but he must be in a rather excited state. I did not like his statement that I was "now" interested in the accommodation of officers of the Agriculture Department. If that is the

sort of statement he makes to my face, I wonder what sort of statement he makes in my absence. Although the decision (which I do not dispute) to move to Northfield has been made, I point out that the Minister has not given the slightest indication of when the move will be made. All he has said is that it will be made as soon as possible. After the statements he has made over the last 18 months about his proposals, I thought he might be able to give the Committee information a little more precise than the information he has given.

Mr. HEASLIP: The sum provided for the Research Centres Branch is a reduction of \$37,549 on the sum spent last year. This branch is important to agriculture, and primary producers depend on information derived from research. Under present conditions, how can we afford to have a reduction of this size in this allocation?

The Hon. Sir THOMAS PLAYFORD: I refer again to Bruce boxes, and I relate my reference to the provision for advertising in the allocation for general and administrative expenses for the department. In this allocation provision is made for the brochure that has been issued by the department. I believe its issuing was outside the scope of the department. I cannot see how it can be reasonably advocated that timber should be imported when it can be provided from the State's forests thus providing for employment of people in this State. The involvement of the Agriculture Department in this matter is to the detriment of those concerned. The Minister says only 110 people are involved and that they will probably be able to be changed over to some other activity. However, an order has been issued and it will become effective, seriously affecting the local industry.

The Woods and Forests Department will be affected, and I am informed that private forests are also concerned about this matter. In addition, I am informed that the costs read out by the Minister are only provisional and that the real price of this success story has not yet been determined. I am not concerned as an apple grower in this matter. I am concerned that a policy has been adopted to use imported timber when our own forests will undoubtedly have a surplus. I am informed that stocks are already accumulating.

Regarding the Woods and Forests Department, for a number of years I was a member of a Government that sponsored plantings and the development of the industry. The Government actually established two of the mills which are operating and to which the Minister

referred, and it re-established third. Will the Minister have a complete review made of the effect on the Woods and Forests Department of the brochure issued (which is not a brochure dealing with agriculture)?

The Hon. D. N. BROOKMAN: Provision is made for \$5,090 for oversea visit of officers. Can the Minister say who will make this visit?

The Hon. G. A. BYWATERS: This provides for three officers to be assisted on oversea visits. Messrs. R. J. French, H. D. Feddersen and Mr. E. J. Crawford. Out of the \$4,000 required for Mr. Feddersen, \$3,200 was paid by the potato industry, as growers thought so much of his efforts and the performance of his duties and considered that he should be sent overseas to carry out further research. Three other officers are overseas on Commonwealth extension grants—Mr. H. V. Chamberlain, who has attended a conference on poultry in Russia; Mr. A. G. F. Itzerott, who attended a dairy conference on a grant from the Commonwealth Government; and Mr. J. H. Bray, a veterinary surgeon, the cost of whose trip was collected from the poultry industry, the department paying only his salary.

In answer to the member for Gumeracha, it is not necessary for people to supply the Bruce box for local and interstate markets. Those markets can be supplied with the standard box of radiata pine, and this will compete with the Bruce box. The special bushel case, the Bruce box, and carton, are open-mouthed compared with the dump box and can be packed more quickly. The Bruce box can be packed loose, whereas the wooden frame box of radiata pine is packed tightly. The Bruce box has been used extensively in Israel, Africa, and California.

With regard to the brochure reprinted from the journal, the Agriculture Department is a service department to agriculturists and horticulturists and has done an excellent job, including the time when the former Government was in office. One of the officers of my department is a member of the packaging committee that recommended the use of the Bruce box, and this committee was appointed before this Government came into office. The

report of the committee was brought down after investigation. There has been too much criticism of the officer who prepared the report, as this was a genuine attempt to come into line with investigations made, and he is genuinely trying to expedite and make more economical packing charges. That is why the Bruce box has been introduced.

Mr. NANKIVELL: Why is only \$32 shown for tractor testing?

The Hon. G. A. BYWATERS: This line will be dispensed with. All States contributed to tractor testing in Victoria, but the Agricultural Council decided that the testing should be discontinued, claiming that it was not doing what it was supposed to do. The Minister from Victoria opposed this. The small amount is to pay for long service leave of the employees engaged. Tractor testing is being done by the Agriculture Department in Victoria.

Mr. RODDA: I am interested in the research centres at Kybybolite and Struan, and a much reduced amount has been provided for these centres. Mr. Quinlan-Watson was appointed at Kybybolite this year, but there is a need for an increased vote. The agricultural field is where an impetus can be given to the State's income, and findings at these centres can be of real value. Is there to be a restricted programme this year?

The Hon. G. A. BYWATERS: I will obtain information on this question for the honourable member and for the member for Rocky River.

Mr. FERGUSON: What is involved in the increased provision for aid to herd testing associations?

The Hon. G. A. BYWATERS: I shall obtain that information for the honourable member.

Line passed.

Agricultural College Department, \$339,180; Produce Department, \$612,736—passed.

Progress reported; Committee to sit again.

ADJOURNMENT.

At 11.20 p.m. the House adjourned until Wednesday, September 28, at 2 p.m.