

HOUSE OF ASSEMBLY

Tuesday, June 20, 1967.

The House met at 12 noon pursuant to proclamation, the Speaker (Hon. L. G. Riches) presiding.

The Clerk (Mr. G. D. Combe) read the proclamation summoning Parliament.

After prayers read by the Speaker, honourable members, in compliance with summons, proceeded at 12.7 p.m. to the Legislative Council Chamber to hear the Speech of the Governor's Deputy. They returned to the Assembly Chamber at 12.50 p.m. and the Speaker resumed the Chair.

DEATH OF HON. R. S. RICHARDS.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I move:

That as a mark of respect and sympathy for the family of the late Honourable Robert Stanley Richards the House adjourn until 2.15 p.m.

The late Hon. R. S. Richards was a great friend to many of us. I remember him, Sir, as the first Labor politician I ever met. I think he spoke to me at the first public meeting I ever addressed. He was a man of fine character who was admired by all who knew him. He was an able leader of the Labor Party, an effective administrator as a Minister, a Premier of this State, and a man whom South Australia will always remember as one of her finest sons.

Born of Cornish parents in 1885 at Moonta Mines, he worked as a miner, a moulder and a carpenter in the mining industry, and he always retained close associations with the Cornish people of that area. He was member for Wallaroo in the House of Assembly from 1918 to 1949. He had been a President of the Australian Labor Party, and was Chairman of Committees in the House of Assembly at the time of the Gunn Government from 1924 to 1927 and Deputy Leader of the Parliamentary Labor Party from 1928 to 1930. He became Commissioner of Crown Lands in 1930 and held that post until 1933.

Mr. Richards was Premier, Treasurer, Commissioner of Crown Lands, Minister of Mines, Minister of Marine, Minister of Irrigation and Minister of Repatriation in 1933. He was Leader of the Opposition in this House from 1938 to 1949, when he was appointed Administrator of Nauru, a position he held with distinction. All who knew Bob Richards, as he

was known to all of us, knew a fine man, a distinguished South Australian and a great citizen. We all mourn his passing and extend our very sincere sympathy to his family.

Mr. HALL (Leader of the Opposition): I join with the Premier in expressing sympathy to the family of the late Hon. R. S. Richards. I did not have the pleasure of knowing Mr. Richards but, like other members of this House, I was aware of his distinguished record of service to South Australia. Service to the State is measured in many ways: his was measured in the great service he gave through the Parliament to South Australia's citizens. I have been told by those who knew him well of his capacity as a debater and as a leader of his Party. I have been told that he was an analytical debater who became an admirable administrator, and his administrative ability was recognized by his appointment as Administrator of Nauru after he left this House. I am sure that members of the Labor Party very much regret his passing and value their association with him during his long service in Parliament.

The Hon. T. C. STOTT (Ridley): Having been associated with the late Mr. Richards in this House from 1933 I, like you, Mr. Speaker, knew that he was an able debater, a wonderful administrator, and a most sincere man. Not only members of this House but also people outside who heard him address meetings and social functions recognized these qualities. He had a keen mind that enabled him quickly to draw a line through any proposal that came before this House. It was interesting for those who had not had previous experience in Parliament to watch his constructive method of criticizing any proposal. Very often he put forward a point of view which was welcomed by members on both sides and which had not been appreciated by other members. Apart from this ability and his serious approach to legislation, he was always anxious to assist people suffering an injustice and to safeguard their rights in legislation.

The late Mr. Richards had a most valuable Cornish wit, and often the laughter that followed the telling of one of his Cornish jokes rang through the lobbies of this House. I can recall many such jokes, as no doubt you, Mr. Speaker, can. He was a good mixer who, because of his wit and humour, was always welcome in any company.

I had the pleasure of knowing the Richards family for many years. They were all very sincere people who possessed great courage, and

he was a great father to them. The passing of such a distinguished man, who came from the lowest ranks to the highest office in this State, is a loss not only to Parliament but to the whole of the State. The late Mr. Richards went through the university of hard knocks and was a man that South Australia was all the better for having. I support the motion.

The SPEAKER: I, too, knew the late Hon. R. S. Richards. I, together with other members, knew him as Premier. I was associated with him when he was Leader of the Opposition and I watched with interest reports of his work as Administrator of Nauru. I knew him as a friend, and I welcome this opportunity to pay a tribute to him for his work and worth as a loyal South Australian and a good Parliamentarian. Mr. Richards aimed to keep Parliament high in the estimation of the people, believing that this was right for democracy. He was brilliant in debate and clever in repartee and his exchanges were amongst the best I have ever heard; but he was careful always to do nothing that would impair the image of the institution of which he was proud to be a part. He had a strong belief in the Parliamentary system of government as a bulwark of democracy.

Mr. Richards was a man of vision, with his sights set high in his determination to make Parliamentary Government work. He had a great trust in the judgment of the people when they knew the truth, and he worked strenuously to see that their voice could be effectively heard. He never lost faith or lacked courage to espouse his cause, and integrity was an outstanding characteristic in all his dealings. He sought favour from none. He tried to be understanding to all and to serve those most in need. I knew the late Mr. Richards as a leader of men, and I sincerely join with previous speakers in paying this tribute.

Motion carried by members standing in their places in silence.

[*Sitting suspended from 1.1 to 2.15 p.m.*]

MINISTRY.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I take this first opportunity to inform the House that, following the resignation of the Premier (Hon. Frank Walsh, M.P.) and his Ministry, the Lieutenant-Governor commissioned me to form a Ministry. I formally announce to the House that the new Ministry, which was sworn in on June 1, 1967, is constituted as follows:

The Hon. Donald Allan Dunstan, Q.C., M.P., Premier, Treasurer, Attorney-General and Minister of Housing.

The Hon. Albert James Shard, M.L.C., Chief Secretary and Minister of Health.

The Hon. Cyril Douglas Hutchens, M.P., Minister of Works and Minister of Marine.

The Hon. Francis Henry Walsh, M.P., Minister of Social Welfare.

The Hon. Ronald Redvers Loveday, M.P., Minister of Education and Minister of Aboriginal Affairs.

The Hon. Stanley Charles Bevan, M.L.C., Minister of Local Government, Minister of Roads and Minister of Mines.

The Hon. Alfred Francis Kneebone, M.L.C., Minister of Labour and Industry and Minister of Transport.

The Hon. Gabriel Alexander Bywaters, M.P., Minister of Agriculture and Minister of Forests.

The Hon. James Desmond Corcoran, M.P., Minister of Lands, Minister of Repatriation, Minister of Irrigation and Minister of Immigration.

APPROPRIATION BILL (No. 1).

His Excellency the Governor's Deputy, by message, recommended to the House of Assembly the appropriation of such amounts of the general revenue of the State as were required for all the purposes mentioned in the Bill.

SUPPLEMENTARY ESTIMATES.

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

The Hon. D. A. DUNSTAN (Premier and Treasurer), having obtained the suspension of Standing Orders 44 and 45, moved:

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the Governor's Deputy's Speech and a Supply to be granted to Her Majesty.

Mr. HALL (Leader of the Opposition): At this stage, I take the opportunity to say something about a subject that I believe is important to the people of South Australia. However, prior to doing so, with your permission, Sir, I should like, on my own behalf and on behalf of the Opposition, to congratulate the Premier on his appointment

by his Party as Leader of that Party in this House, and, therefore, Premier of this State. This is the highest office in this Parliament and in the administrative structure of South Australia, and we offer our sincere congratulations to him on his attaining this high position. I assure him and his Party that the Opposition will co-operate in all matters in which we have one thought for the progress of the people of South Australia. Where we have differing points of view we will carefully scrutinize the Government's proposals and, where necessary, we will vigorously oppose them.

Having said that, I remind the House of the difficulties under which the South Australian economy is operating at present. This matter was brought to our attention by an article in this morning's newspaper stating that the South Australian unemployment position was steadily worsening. This morning we were told that 150 more persons—

Mr. McKee: Do you know the situation in Victoria?

Mr. HALL: —of the work force in South Australia—

Members interjecting:

The SPEAKER: Order! Order!

Mr. HALL: Today, 1.9 per cent of the South Australian work force is seeking employment.

Mr. Ryan: Doesn't this happen with Liberal Governments in other States?

Mr. HALL: With 9.3 per cent of the Australian population we have nearly 13 per cent of Australia's unemployed people, an unenviable position in a comparison between States. This position was brought home more forcibly to me by my recent visit to the Eastern States when I was able to consider progress of the economy of Victoria and New South Wales.

Mr. Lawn: You did not protest to the Prime Minister while you were away!

Mr. HALL: On our visit to Victoria my colleague and I noticed the co-operative attitude of the Premier (Sir Henry Bolte) with respect to the Chowilla dam. It was a very different attitude from the one that was attributed to him by the Commonwealth Leader of the Parliamentary Labor Party (Mr. Whitlam), who took the opportunity (I hope not in connivance with the Premier) to vigorously defame Sir Henry Bolte. If members opposite are interested in the attitude of leaders in the other States, it might hearten

them to know (other than what they may think) that those leaders are favourably disposed towards South Australia's progress.

I hope the South Australian Government will adopt a sensible attitude in its negotiations with Premiers in other States. The economies of Victoria and New South Wales are buoyant today, and people who are aware of the situation will say that almost anyone who requires a job in either State will obtain one. Having been in those States last week, I know that the situation in South Australia is not accurately shown in the figures presented to us, because we have seen many skilled South Australian tradesmen leave this State (taking their skills and purchasing power with them) to go to Victoria, New South Wales or Western Australia. We have not been given the true picture. If the number of people who could not obtain work in South Australia were included in the figure, it would be well above the official statistics given in this morning's *Advertiser*. That contrast is a very unfavourable one for South Australia.

Also in this morning's *Advertiser* is the forecast of a "modest rate of expansion" in the Australian economy during the next six months. It is essential that South Australia shares in that expansion; indeed, we must make every effort to ensure that South Australia will benefit from it. We know that the Government has failed in its attempt (if it has made any attempt) to steer the South Australian economy during the Government's two years of office, despite the formation of a department designed to attract industry to this State. That has been illustrated by the remarks of the Premier in this morning's *Advertiser* in which he said that under the previous Government the work of attracting industry was undertaken by the Premier and two typistes. How effective they were for South Australia! Yet the greatly enlarged department has not been worth two cents to the people of South Australia during the whole two years of the Government's administration. Not more than half a dozen worthwhile references have been made to the Industries Development Committee. Indeed, this year, and only until a fortnight ago, there was not one reference to that committee. That is a different story from the one about a previous Premier and two typistes. However, what more can the people of South Australia expect when they are told by the Government that ours is a milk bar economy? I do not know how much milk the Broken Hill Proprietary Company Limited produces!

Mr. Millhouse: It was an insult to industry.

Mr. HALL: It was an insult that was noted by those thinking of coming to this State. Is that the sort of thing the Premier's Department is handing out? We know that the experiences suffered over the last two years can only continue over the next nine months of the present Government's term of office. Last night I stated the Opposition's policy in connection with this matter.

Mr. Jennings: It didn't take long!

Mr. HALL: Obviously, the Premier and his predecessor with two typistes plus a new Premier's Department cannot do the job. We have to set about sharing in the buoyancy of the rest of Australia as it develops today. If members opposite do not think there is buoyancy, let them go to other States and see it for themselves! Let them sense the vitality that exists in the Eastern States! The Opposition has distinctly said that a Ministry of Development responsible to the Premier should immediately be created and that a Director of Development should head the department to be established, namely, a man whose status and experience—

Mr. Hughes: Whom do you suggest?

Mr. HALL: If members opposite cannot think of a suitable person for the position, the reason for the present situation is obvious. Men are available to fill this position. It is important, too, that an advisory and development council should be instituted, comprising men serving in an honorary capacity who, from their various travels throughout the world and other States, and through their various business connections—

Mr. Clark: And Parliamentary experience!

Mr. HALL: —could bring to South Australia and the Minister concerned the facts in regard to those who might wish to come to South Australia. Such men would act as an intelligence organization in order to inform the Director and the Minister of every opportunity that existed of establishing an industry in this State. What does the Government intend to do? We have merely heard something about an enlarged Premier's Department, but that is not good enough. We need a department with status and capacity. The Opposition will pursue this policy and it is up to the Government to say what it intends to do about this most important question. What does it intend to do about a position that is steadily worsening? I should appreciate an answer from

the Premier in some detail about what he expects to be done in the forthcoming months to bring back to South Australia the prosperity that existed under a Premier and two typistes!

Mr. MILLHOUSE (Mitcham): I strongly support the Leader of the Opposition in this matter. It has been obvious since the Premier assumed office at the beginning of the month that he has been doing his best to lay the blame for the economic ills of the State anywhere except where it primarily rests, that is, with South Australia's Labor Government. It has been noticeable that the Premier has had two targets in trying to sheet home the responsibility for our present ills.

Mr. Clark: He's hit both of them.

Mr. MILLHOUSE: We shall see about that in just a moment. What are the two targets? The first is the member for Gumeracha, who is sitting next to me. The Premier has done his best to denigrate Sir Thomas Playford's efforts in the interests of this State over a number of years. The second target for his complaint has been the present Commonwealth Government. One thing to the Premier's credit is that he is at least prepared to admit the difficulties that we in South Australia are facing. That is in marked contrast to his predecessor, who buried his head in the sand and said either that everything in the garden was lovely or that things were at last getting better. That pathetic attitude is at least not reproduced by the present Premier. However, listen to what the former Premier said (or is reported to have said, anyway) on May 6 last when he was opening, I think, a housing estate:

South Australian people have confidence in the future, and rising employment and continued development meant that the State was generally recovering from the effects of the 1965 drought, the Premier (Mr. Walsh) said yesterday.

Apparently, he went on to say more in the same vein. Of course, we heard a different story three weeks later from his successor in office. The former Premier was pathetically wrong. One only had to read the next page of the *Advertiser* on that morning to see the sort of thing that has, in fact, happened in South Australia and is continuing to happen. At page six, under the heading "52 Years at Factory", the *Advertiser* contained the following report:

After 52 years of work in a shirt factory, Mrs. L. P. Thomas, 64, decided to retire yesterday. Her employer, Goode, Durrant and Murray (Australia) Limited, of Grenfell Street, is moving its shirt factory division to Perth next week.

Mr. Hughes: Who moved the clothing factory from Wallaroo to Elizabeth?

Mr. MILLHOUSE: Whatever the rights and wrongs of that incident, the move was made within South Australia. On the very day on which the former Premier said that things were getting better in South Australia this factory was moved from South Australia to another State. I quote that report as an example of what has been happening in South Australia. The sad truth is that things are not getting better in this State: if anything, they are getting worse. To see this, one only has to look at the latest figures (for the March quarter of 1967) on building which were released by the Commonwealth Bureau of Census and Statistics and which show that the number of houses and flats commenced was less than for the corresponding period in 1966. The figures also show that the number of persons employed on all jobs by builders of new buildings has declined.

These examples are not made up by the Opposition but are facts showing what is happening in South Australia at present. It does not matter to whom one talks: one finds that business is bad in South Australia. Only the other day I spoke to an architect who said that, in his opinion, things were just as bad as, if not worse than, they were during the depression. The other day I spoke to a bookmaker.

Mr. Ryan: An illegal bookmaker?

Mr. MILLHOUSE: No, he is a legal bookmaker.

Mr. Ryan: A friend of yours!

Mr. MILLHOUSE: He is a friend of the present Minister of Social Welfare, so the member for Port Adelaide should be careful about what he says. This bookmaker told me that he was habitually carrying a bag (I think that is the expression used in those circles) about half as big as it used to be.

Mr. Clark: The totalizator agency board system of betting could have affected him.

Mr. MILLHOUSE: I concede that point, but if the member for Gawler will stop trying to take the conduct of my speech out of my hands I will give other examples. The owners of reception houses in Adelaide are finding that they are having a slow time. I attended a luncheon last Thursday.

Mr. Clark: As a guest?

Mr. MILLHOUSE: Yes. When the luncheon was about to break up, the members

of the organization that had invited me were told, "Business being what it is, if any member says he has an appointment at the office he is a so-and-so liar." All those present laughed at that because their situation is such that, if they do not laugh, they will cry.

Mr. McKee: Was Jones there?

Mr. MILLHOUSE: If the member for Port Pirie will hold his peace for a moment, I will bring my examples a little closer to his bailiwick. I have a transcript of the *Tonight* programme of the Australian Broadcasting Commission of May 8, 1967. Members opposite have seen fit to laugh at the examples I have given so far; perhaps they will laugh at this one, too. Mr. Marshall, the interviewer, said:

Mr. W. A. Blythe is a member of the Bricklayers' Union and for the past six months for him things have been pretty tough. How tough have they been, Mr. Blythe?

Mr. Blythe replied (and I notice members opposite are not laughing now):

Very tough, not enough money to keep the house going or the family going. I am a married man with five children. My wife has just had a caesarean birth and had to go into hospital after this, and I have not got enough money to keep my family going as it should be going in a country like this.

If members opposite like to laugh at this or think it is funny, I will not join them: I hope they will not laugh about it. It makes me angry to see members opposite taking the state of the economy so lightly, as they apparently are. If that is all the Government and its supporters can do, then the sooner the Government is out of office the better for all of us. I have given examples of what is happening in South Australia at present and it is not accurate to try to put the blame on to the Playford Government or on to the present Commonwealth Government.

The Leader of the Opposition has already referred to the slighting remarks made by the present Premier, when he first took office, about a milk bar economy in this State. The Premier's remarks were taken hard indeed by industries in this State and, if he thinks that is the best way to get back confidence in the economy of the State, he is very much mistaken. Let us examine some of the examples of this milk bar economy. Cotton goods are produced here by Actil Cotton Mills and Davies Coop (S.A.) Proprietary Limited: is that an example of a milk bar economy? Unirot Tyre Service at Salisbury deals in motor car tyres. Is that an example of a milk bar

economy? The Minister of Lands may remember wood pulp and cellulose. I doubt whether his remarks would have been the same as those of the Premier in this connection. Is wood pulp an example of a milk bar economy in this State? The Broken Hill Proprietary Company Limited engages in shipbuilding and other activities. Is that an example of a milk bar economy? Also, the steel industry is established in Whyalla.

The Hon. G. G. Pearson: Where would we be today without the B.H.P. Company in South Australia?

Mr. MILLHOUSE: Yes, and who was responsible for bringing the B.H.P. Company to South Australia? It was certainly not the Labor Government.

The Hon. G. G. Pearson: They tried to repudiate the agreement.

Mr. MILLHOUSE: Yes, and more will be said about the Premier's contribution there. South Australia has James Hardie and Company Proprietary Limited and Rocla Concrete Pipes Limited engaged in pipe laying; it has an oil refinery at Port Stanvac; it has the motor car industry, with General Motors-Holden's Proprietary Limited and Chrysler Australia Limited; and it has Philips Electrical Proprietary Limited. The list is very long and it is noticeable that those industries were brought here during the term of office of Sir Thomas Playford's Government. If these are milk bar industries I will go "he"; of course, they are not—they are vital to the prosperity of this State.

Mr. Langley: They depend on the Eastern States.

Mr. MILLHOUSE: All the Premier can say, in the first flush of his promotion, is that this is a milk bar economy and that South Australia should bring in craft industries. The sooner the Premier realizes that the people in South Australia have always had to work hard for what they have, the better it will be. It has never been easy for South Australia to attract industries. I venture to say that the member for Gumeracha did magnificently by the State during his term of office, particularly in this respect. It ill becomes the Premier to refer to him so contemptuously, with the obvious deliberate intent of pulling him down.

I now wish to deal with what the Premier said about the Commonwealth Government. We have been told that one of the main reasons for the trouble in South Australia has been that the Commonwealth public works programme

in this State has dropped off. This is the Premier's other target. What are the facts? These figures, which have been supplied to me by the Commonwealth Minister of Works (Hon. C. R. Kelly), show Commonwealth works as a percentage of total building in South Australia:

Year	Percentage
1964	3.7 p.c.
1965	2.9 p.c.
1966	3.7 p.c.

Commonwealth works are a small percentage of the total building in this State, and the figures I have given comprise both dwellings and other buildings. It is inconceivable to anyone who knows the facts that the blame for the slump in the building industry should be put at the door of the Commonwealth Government, because the amount of Commonwealth building in this State has never been sufficiently large to have any marked effect on the building industry in South Australia. On the other hand, this State gets from the Commonwealth more by way of grants than is warranted by virtue of our percentage of the total Australian population. South Australia has 9.6 per cent of the Australian population and in 1964 we received 11.05 per cent of the total Commonwealth grants. We received a similar percentage in 1965 and 10.74 per cent in 1966. Those figures show that we have received much more than our entitlement on a population basis. I hope that that shows the honourable member for Gawler (Mr. Clark), who interjected about this, that neither the Commonwealth Government nor the Playford Government has been responsible for what is going on in this State.

I have one more quotation. It is from Maxwell Newton's Canberra newsletter *Incentive*. Maxwell Newton is a Canberra economist and a former editor of the *Australian*. Surely he is a fairly unbiased source and certainly not one concerned with the internal politics of this State. He said:

South Australia shows sharpest rise in percentage of unemployment. By far the sharpest rise in unemployment of any State in the Commonwealth over the last two years has occurred in South Australia, where the administration of the Labor Government has been accompanied by a remarkable and foreboding slowing down in that State's economic progress.

He gives figures and then adds:

As against an average rise throughout Australia of 0.2 per cent in the ratio of registered unemployed to the work force, in South Australia over the last year the rise has been from 1.6 per cent to 2.1 per cent, a rise of 0.5 per cent. Much of the responsibility for this situation has been sheeted home to the South Australian Labor Government, which has failed to win

the confidence of business and has badly disrupted the building industry in that State, which has lost the glitter and glamour it had under the Playford Government to Western Australia, now the glamour State.

That is not my opinion but that of a person outside South Australia. Yet, the Premier, who at least admits the problem, begins by insulting the people with whom he must work if the economy of this State is to be restored. This is a poor beginning. We want to know what the Government will do about the present situation in South Australia. We all know that the Premier is good at using words. Few are better than he at spinning words, but the people of this State do not want words from the Government: they want action, and I hope that we shall get that action quickly.

The Hon. D. N. BROOKMAN (Alexandra): I was rather amazed that I was able to read in the newspaper the speech on the Supplementary Estimates that we shall soon hear. It is given in the form of a statement by the Premier and makes forecasts about the balancing of the Budget. I am interested in the Premier's prediction of an era of industrial expansion of a kind never known before in South Australia. We hope the prediction comes true, but all the signs are pointing in the opposite direction. I should not stress the wish expressed by the Premier some time ago for the eventual abolition of the State Parliaments and the Senate and for the formation of some kind of divisions by region, which I took to mean geographical regions.

It will be interesting to see the kind of industrial expansion that the Premier has in mind when he says that South Australia will have an era of industrial expansion of a kind never known before. Figures supplied by the Commonwealth Statistician show that in March, 1965, 3,420 persons were registered with the Commonwealth Employment Service for employment. In March, 1966, the figure was 6,471 and in March, 1967, the figure was 7,910. The number of vacancies in March, 1965, was 5,032, in March, 1966, it was 2,431, and in March, 1967, it was 1,669. Those figures show the seriousness of the position.

The number of building approvals is always a good measure of the state of the building industry and, in fact, of the state of the community in general. In May, 1966, the number of approvals was 16.6 per cent fewer than in May, 1965, and the position in South Australia was much worse than that in any other State. In April, 1967, the number of approvals was 25.4 per cent fewer than in 1966, representing

a serious reduction. The number of building commencements tells a somewhat similar story. In May, 1966, the number in South Australia was down by 10.2 per cent and, again, the position here was by far the worst in the Commonwealth. In April of this year the figure was down by a further 4 per cent. How is that happening if we are to get all this expansion?

Because we have got so far down, it may be easier for us to get up than it was to improve the position as it was two years ago. I hope that it is. This State needs not propaganda but the creation of conditions that will allow industry to operate satisfactorily, bearing in mind that our industry has to export production. Unless we can provide an incentive for it to operate, we will not attract more industry here and we will not maintain the attraction that has been provided in former years. We must provide confidence in industry. Recently I saw the work done in other countries and noticed that in Northern Ireland the Government, although faced with unpromising natural conditions, had made that community prosper immensely by creating conditions for industry that attracted industries. As a result, that country's industry is operating with considerable confidence.

We must convince industry that South Australia is a good place in which to invest and operate. I support the remarks of the Leader of the Opposition about developing this State. The Playford Government always did everything possible to develop the State, and that is what the Leader of the Opposition has advocated. Industry is needed more today than it has ever been, and I hope we can attract it here.

Mr. COUMBE (Torrens): I support the Leader of the Opposition. Members of the Opposition have raised this matter because they are concerned about unemployment and the slowing down of industrial expansion in this State. We have taken the first opportunity to bring our views forward in this motion to go into Committee. We looked forward to hearing in His Excellency's Speech that some positive action would be taken by the Government to overcome the parlous position in which South Australia finds itself today, but we listened in vain for a statement that some positive action was intended. We heard nothing but padding. Some of the legislative items enumerated in the Speech would have the opposite effect of frightening away from this State any potential manufacturer who might be considering

setting up here. Some of these items would give him the jitters. He would hope to be able to forge ahead here but, instead of giving stability, some of the legislative items would give the opposite result.

The significant thing about the slump which has occurred and which has been referred to by the Leader of the Opposition is that it has occurred only in the last two years. The Labor Government has taken office in the last two years. Why has this happened all of a sudden? Before this two-year period there was over-full employment in this State to such a degree that there was a severe shortage of skilled tradesmen. Now there is not only unemployment in many industries, especially the building industry, but unemployment among skilled tradesmen. One might expect some unemployment in the unskilled categories from a light falling off in business activity, but we find, particularly in the building industry, that foremen are working as tradesmen and tradesmen are out of work and going to Victoria and Western Australia. The Opposition is quite correctly concerned about this trend. It wants the Government to take active steps to halt this position and bring the State back to the position that prevailed two years ago, before the Labor Party took office as the Government of this State.

Mr. Langley: What about 1961 and 1962?

Mr. COURCE: I ask the member for Unley, who is so vitally interested in the building industry and who is so fond of interjecting—

The SPEAKER: There are too many interjections. The member for Torrens.

Mr. COURCE: Why is South Australia the only State in this position? That is a significant fact to consider. In case members opposite believe that this is not so, I will give details from a table on which I invite comments. This table deals with approvals for erecting houses and flats throughout the whole of Australia, and makes a comparison between February 28, 1966, and February 28, 1967.

Mr. McKee: What about 1961?

Mr. COURCE: As always, the member for Port Pirie is impatient, and I believe that by now the electors of Port Pirie are getting impatient, too. The percentage increases between those two dates are: New South Wales, 23 per cent; Victoria, 15 per cent; Queensland, 8 per cent; Western Australia (the boom State today), 46 per cent; and Tasmania, 22 per cent. The Commonwealth-wide average increased by 17 per cent. South Australia was the only State where there was a decrease.

The decrease was 23 per cent, and this has occurred at a time when all the other States are booming and the Commonwealth average has risen by 17 per cent. The Opposition is entitled to ask why this is so. It is more than a coincidence that this has occurred only since the Labor Party assumed office in this State, and I suggest that one of the reasons is that there is now a widespread lack of confidence in industrial and housing activities in this State. Why is there a lack of confidence in the leadership and the Government of this State? Upon assuming office a couple of weeks ago, the Premier made some very interesting announcements in the press and on television. He said that he desired to increase industrial activity in this State and that he would expand the existing industry development section in the Premier's Department. He also referred to the item to which the member for Mitcham (Mr. Millhouse) referred a few moments ago: that the whole of the wonderful expansion during Sir Thomas Playford's regime occurred with the then Premier and two typistes. On that occasion the present Premier did not refer to what occurred in this House just before the last election. In fact, he was very quiet on this point. I remind members that on that occasion, when we were in Government, we moved in this House—

Mr. McKee: How come you are on that side now?

Mr. COURCE: I can tell the honourable member that it will not be very long before we are over on the other side again. We moved on that occasion for the appointment of an extra Minister, whose job it would be to promote industrial expansion. In fact, this was spelt out in the second reading explanation of the Bill that was introduced on that occasion. However, that Bill was defeated by the Labor Party, which was in Opposition at that time. The present Premier, in his article in the newspaper, was absolutely silent on that point.

Mr. Quirke: So were the rest of them.

Mr. COURCE: Yes. Why was it that we were denied the opportunity of providing a special Minister to take charge of industrial development? It was because the Labor Party voted against the Bill and defeated it. Yet the present Premier has the gall to say publicly that the first such department was set up by his Party. Although that is true in fact, when we look at past events we see that this is a travesty of justice. These past events are all

recorded in *Hansard*. During the session that ended late on the day before Good Friday, when we had sat for one whole day and night and all the next day, I moved a private member's motion that was designed to set up a Ministry of Development. I urged the Government then to do that in order to secure development and to expand employment, and I did so on behalf of the chaps who were out of work at that time. The Commonwealth and every mainland State except South Australia has set up such a department, and we should do likewise. This idea was opposed out of hand by the then Premier (Hon. Frank Walsh), who is now the Minister of Social Welfare. The then Premier was supported by that great advocate of industry in this State, the Member for Wallaroo (Mr. Hughes).

Why did the present Government oppose my motion? I would have thought that the motion I moved in the interests of South Australia would achieve something. All other States have such departments, and they would not have acted lightly in this matter. The two speakers who spoke against my motion criticized me for bringing it forward, and the then Premier said that everything was all right, that his department was handling everything that had to be done, and that the members of his department could undertake any expansion required. Yet what was the first thing the new Premier had to say when he came into office? He said, "I am going to double this section." Is that not a vote of no confidence in his former Premier? Is the new Premier, by saying that, not agreeing entirely with what I submitted on behalf of my Party and what most members of my Party supported on that occasion? The Government cannot have it both ways.

The point of the Leader of the Opposition in bringing this matter forward at this stage, in the light of what we have advocated before and what the Leader has seen happening in the other States, is that some positive steps must be taken by the present Government to get South Australia going again. Why has there been this sudden change almost overnight from what the former Premier said about everything being all right to what the present Premier is now saying, namely, that there is a problem and that the industrial section of the Premier's Department must be doubled? There must be some difference in thinking between the two gentlemen I have mentioned. What the present Premier has said about South Australia's reliance upon the Eastern States' markets is only

repeating what members on this side have been saying for years. Therefore, I say again that the Premier in his recent utterances is agreeing tacitly with what we advanced last session, what we are saying today, and what the former Premier rejected out of hand.

I had a look also to see what the present Premier would do about stimulating the building industry, and one facet of what he said stuck in my mind. I know the Premier's interest in town planning. Just before the 1965 election the then Premier (Sir Thomas Playford), through the Housing Trust and the Adelaide City Council had arrived at an agreement that a large multi-storey block of flats should be built on East Terrace. This agreement was all signed and sealed, and the project was about to proceed at the time of the election. One of the first decisions taken immediately after the election was that this block of flats should not be built and that the agreement that had been signed should not go on. It was decided instead that many houses would be built at Elizabeth and in other areas; yet today many of these houses are now vacant. The people who were ready to sign leases for flats in that large block to be built in Adelaide were denied that opportunity because the agreement was repudiated. Then we find the present Premier saying on television last week that he advocated the building of a large block of flats within the city area. In fact, he said, "High rise building is the answer."

Frankly, I agree with the Premier that we must build flats in the city area. Why is it that in this Labor Party, which is reputedly noted for its unity, we have the present Premier saying this when the former Premier completely repudiated the agreement Sir Thomas Playford had made to have those flats built? While I agree with the Premier on this subject, I ask why suddenly within two weeks this *volte face* has taken place? Perhaps somebody could answer this? I notice that the member for Port Pirie (Mr. McKee), far from interjecting and trying to answer this question, is walking out of the Chamber. The Leader has raised this point at the first opportunity. Opposition members support him strongly and demand that the present Government take active steps to restore to this State both full employment and confidence. Lack of confidence is widely felt in the State today. If we restore confidence in this State it will forge ahead, but confidence, particularly in the Government, is lacking. The most effective way the Government can restore confidence is to resign immediately.

Mr. SHANNON (Onkaparinga): One or two of our leading commercial people are now attending a conference in London. The most recent information I have received from this conference is that investors in the United Kingdom are not considering South Australia. They are looking to the eastern seaboard. Some of this money is being invested in developing mineral deposits in Western Australia, but the majority is being invested in industry in the Eastern States. South Australia enjoys the doubtful privilege in the United Kingdom of being in the doldrums, as financial people put it. One reason why we are in this position is that the present Government has pursued a policy of deficit financing. It has the peculiar stratagem, to overcome some of the problems of the current year's deficit, of using Loan funds. I cannot see how this policy will hoodwink the people in Canberra to whom the Government will have to put its case for its share of the cake. How can the Government expect financial experts in the Eastern States to agree that we do not have a deficit because we have used Loan funds to wipe it out? Obviously, if this is the case, we will not need Loan funds that have been granted to us. The Premier has a difficult problem to face at the Loan Council meeting and at the Premiers' Conference. The Governor's Deputy's speech stated:

However, having regard to the consequences under the Financial Agreement of funding a Revenue deficit from Loan funds and to the prospect of some improvement in Loan balances, it is now proposed to relieve Revenue Account further by transferring against Loan Account certain grants . . .

Have we unexpended Loan funds? Has the State reached the stage where it can hold up development?

Mr. Lawn: This is not the Address in Reply debate.

Mr. SHANNON: If we use this money for current expenditure we will not get away with it when we discuss our financial difficulties in Canberra. The Premier has peculiar ideas about finance. The other day he was quizzed about expenditure on education and on assistance to our Asiatic neighbours. Both are worthy cases, and I do not criticize him for having sympathy, but, when asked which would be done first, he said that we would do them both together. In other words, we would spend money we did not have.

The Hon. D. A. Dunstan: I did not say anything of the kind.

Mr. SHANNON: The Premier said that expenditure on aid to Asia and expenditure on education would go on concurrently.

The Hon. D. A. Dunstan: I did not say the South Australian Government would do it.

Mr. SHANNON: When the Premier promises what others will do he may be in difficulties. He must learn that he cannot tell others what to do: that he must start doing something himself.

Mr. Lawn: Andrew Jones generally tells others what to do.

Mr. SHANNON: I am not speaking for others. More than anything else, to recover confidence in this State (and that is fundamental to our getting back on the rails) the Government must show the people that it can live within its income. That is imperative. Until that happens the people of South Australia will have no confidence in the Government. The lack of confidence is doing more than anything else to injure our economy, and unfortunately the effect is also being felt outside our borders.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I believe that it is the duty of every member of this House to be concerned at all times about the state of the economy and about employment in South Australia. I believe that it is perfectly proper for members on either side to rise at grievance time and say what they think should be done to assist this State. But that is to say one thing: that is not to say that it is the duty and responsibility of members of this House to stand up and knock South Australia as hard as they can without cause or pretext. Some members of the Opposition seem to be determined to endeavour to show South Australia's economy and development in the worst possible light for purely political motives.

Mr. Millhouse: Nonsense!

The Hon. D. A. DUNSTAN: Let us take one example. Last night the Leader of the Opposition made a statement to the press about the booming state of the Victorian economy in which he said that there was no lack of employment in Victoria. What do the figures reveal? Victoria has a total of 3,701 unemployed persons.

Mr. Heaslip: What percentage?

The Hon. D. A. DUNSTAN: The percentage is lower than ours but the increase in unemployment figures in Victoria at the time the Leader was there was far in excess of anything that happened in South Australia.

Mr. Heaslip: What was the percentage?

The Hon. D. A. DUNSTAN: I will give the honourable member the figures. The employment statistics released yesterday by the Commonwealth Minister for Labour and National Service revealed that during May there was a slight increase of 154 registered unemployed in South Australia and the Northern Territory. Fewer adult females and junior females were registered for employment in South Australia. There was also a slight decrease of 103 in the number of vacancies available in South Australia and the Northern Territory. In Victoria the increase in the number of persons registered was 2,667, whilst at the same time the number of vacancies registered fell by 2,792—and that is a State where there is no difficulty about employment, where the economy is booming in contrast to South Australia's!

In New South Wales the increase in the number of persons registered was 386, and the number of vacancies registered in that State fell by 917. The interesting factor in South Australia was that there was seasonally reduced employment in fruit processing, wineries and meat processing but there was increased expansion in vehicle manufacture, shipbuilding and repairs.

Mr. Heaslip: What is the percentage?

The Hon. D. A. DUNSTAN: The honourable member has had his opportunity to speak, and so have plenty of other members opposite. I have listened to them in silence; now they will listen to me!

Members interjecting:

The Hon. D. A. DUNSTAN: I know that members opposite do not like to hear these things but I shall say them, because I intend to defend this State's economy. I am not ashamed of the developing economy of South Australia. Members opposite are anxious to talk about the releases made today. What about the \$9,000,000 motor car scheme to boost South Australia's economy, promised by the Chrysler Corporation? The arrangement for this investment by the United States section of the company, a new United States investment in this State, was not made by the previous Government. Some arrangements for Chrysler's expansion were made by the previous Government, but not this one. If members will be a little patient, they will also hear some other announcements shortly to be made of industrial expansion in South Australia. I hope that as good South Australians they will be pleased with those announcements. Honourable members opposite have said something about the building industry in South Australia.

True, that industry is confronted with a severe problem. I have had consultations with members of the building industry in South Australia and a plan is being prepared to stimulate the industry, which will have both short-term and long-term results. This plan, which has many facets, will be announced publicly shortly.

Members opposite have taken me to task for having said that one of the factors contributing to the situation in South Australia is the attitude of the Commonwealth Government about construction expenditure in South Australia. It is the Commonwealth Government's responsibility that it has failed to stimulate the market for pressed metal products here. Honourable members know that employment in the pressed metal industry depends upon the markets, not in this State but in other parts of the Commonwealth, to which we export those products. If the Commonwealth Government does not stimulate the market, then it is difficult for the South Australian Government to stimulate markets in New South Wales, Victoria and Queensland. It is the responsibility of the Commonwealth Government to stimulate those markets, and I shall be seeking such action, on behalf of this State, at the Premiers' Conference next week.

Mr. Millhouse: What do you suggest it do?

The Hon. D. A. DUNSTAN: Reduce sales tax. This is an immediate proposal that will assist industries in South Australia, since the reduction in industrial building is a result of that decline in the market for pressed metal products and farming machinery produced in South Australia. That was one of the contributing factors, and this reacted through the wages that the employees had to spend on house building and the general position of the building industry. Industries establishing here were not for a period extending their plans, as there was a decline in the Eastern States, and South Australia needed a stimulus in building. The State Government kept its construction expenditure at a high level; it gave every possible stimulus to building. This Government has spent more on building of all forms than any previous Government has done, but what has happened as far as the Commonwealth is concerned? We are, of course, not the State with the greatest rate of unemployment. Honourable members opposite carefully do not mention Queensland, which has a Liberal Government, but that State has had a very high level of unemployment, consistently higher than ours. Indeed, under the present Government unemployment in South Australia has never reached

the heights that it did under the previous Government. Members opposite know perfectly well that in the 1961 recession unemployment in South Australia under Sir Thomas Playford was much higher than it has ever been under this Government. In Queensland there is a high rate of unemployment, and the Commonwealth Government, properly, has endeavoured to stimulate employment in Queensland by making a special grant and increasing its construction expenditure. But what has it done for South Australia? Here, the total expenditure by the Commonwealth was \$9,380,000 in 1963-64. The estimated expenditure in 1966-67 was \$7,702,000. In fact, it has been below that, and the projected expenditure for next year is lower still. What is the position in Queensland? In Queensland in 1964-65 the expenditure on works was \$9,488,000; in 1966-67, it was \$26,296,000. The Leader's colleague in the Commonwealth Parliament, who is the Minister for Works, has not been able so far to explain to us why Queensland should get preferential treatment over this State, but there are a number of possible Commonwealth works in South Australia that we shall be urging the Commonwealth Government to increase its expenditure on, because, while it is the South Australian Government's responsibility to increase expenditure to stimulate its economy in every way possible, it is also the Commonwealth's responsibility, because we are all part of Australia. Apparently, members opposite want us to forget the Commonwealth Government's responsibility to this State.

Mr. Heaslip: Get back to this State. Talk about your own Government.

The Hon. D. A. DUNSTAN: I should have thought the honourable member was of the opinion that we were part of the Commonwealth and that he would consider the Commonwealth had a responsibility to this part of Australia as well as to the rest of it. I can assure honourable members that this Government will bring home to the Commonwealth Government what is its responsibility here.

Members opposite have often mentioned the expansion of the Premier's Department. The member for Torrens (Mr. Coumbe) pointed out that members of my Party had opposed the creation of an additional Ministry but he did not say what they said their reason was. We pointed out that there was no need for an additional Ministry of Development because an additional department of development could be created simply by regulation. It was not

created under the previous Government. It had complete constitutional power to do that, but it did not do it. It has always been the case.

Mr. Coumbe: But you very smartly appointed a new Minister when you came into office.

The Hon. D. A. DUNSTAN: True, because this Government took much more Ministerial responsibility than the previous Government did, and the honourable member supported us in doing it. I do not know why he is carping, for we created a department of development immediately. The honourable member has said that it was unfair of me to suggest that the development set-up in previous times was inadequate because it consisted of the Premier and two typistes. It certainly was inadequate! In the latter years of the Playford Government that showed up quite clearly in contrast to the departments of development which had been set up in the other States of the Commonwealth and were fully staffed.

We all know the enormous amount of time, publicity and money wasted on the pulp mill project in the South-East. Why did the project fail? Because it was inadequately researched from the start! We were subjected to a whole series of grandiose announcements about the future, but in the latter years of the Playford Government there was little delivery. The reason why there was so little delivery was that the other States of the Commonwealth had built up development departments which were adequate to the task, and which had research workers, public relations officers, and industrial consultants. In consequence, they went ahead in the task of industrial development. We set up an industrial development department that has already had extremely good results.

The Hon. G. G. Pearson: What did the other States do in the pulp field? Did they do anything at all?

The Hon. D. A. DUNSTAN: I cannot say whether they did. No doubt they did some research before they even thought about announcing a project publicly, but that is not what happened here.

The Hon. G. G. Pearson: You take a single instance to condemn the whole show, which is precisely typical of your attitude.

The Hon. D. A. DUNSTAN: There were times when we were told that there were great industrial announcements just around the corner, but they were so hush-hush that we could not know what they were. We have a

department of development that has already proved what its benefits are to South Australia. Honourable members will shortly see greater benefits flowing from this, but I believe that the development department that has been built up requires expansion. We all think that is so, because we have taken a careful look at development departments in other States and have seen just what benefits those States are obtaining. We are a State that has predominantly to sell its skills, and we cannot afford to be behind in the race for attracting technological development here to diversify our industries. We believe we have to expand existing industry in South Australia, but we must also diversify it so that the economy is in no way vulnerable to declines in the Eastern States' markets but is sufficiently diversified so that we can maintain a high employment level here in all circumstances.

That means that we have to undertake adequate research work and obtain technological improvement. We are going to do that, and if we have the support of honourable members opposite in the development of a department in that way, we shall be grateful they are prepared to come along with us in developing a State, which we all believe can become the leading State in Australia in industrial development. South Australia has at no time had the greatest rate of industrial growth in Australia. Under the previous Government it was never better than fourth. Indeed, honourable members opposite have said a few other things about the growth rate of South Australia, and the way to get industrial development here, from which I wish to dissociate this Government at the earliest possible moment. Members of the Opposition have said: "What are you going to do about industrial development? Do something! The situation is bad." The Government has made quite clear the way it intends to go about achieving industrial development in this State. We are going ahead with adequate industrial development at present; we have promoted satisfactory relations between unions and employers; and I will announce in this House developments that have occurred from time to time and projects that are under way. But honourable members opposite have said that the way in which we must create a climate for industrial development in South Australia is to hit the working people of the State.

The Hon. G. G. Pearson: That is absolute rot!

The Hon. D. A. DUNSTAN: We heard from the member for Torrens (Mr. Coumbe) this afternoon that the industrial proposals of this

Government to give to the people of South Australia benefits which people in other States have achieved could not be granted in South Australia because it would inhibit industrial development. That is not the first time members opposite have said that.

Mr. Lawn: They wanted a 10 per cent lower basic wage on one occasion.

The Hon. D. A. DUNSTAN: Yes. Under the previous Government an application was made to the Commonwealth Arbitration Commission for a differential basic wage in South Australia in order to attract industry here. That was the example they gave: "Put wages down," they said. We in the Government intend to go out to the workers of South Australia and make it perfectly clear that the cuts in benefits to the workers of this State, which honourable members have catalogued in *Hansard* as reasons why they say industrial development is not all that they would like to see it in South Australia--

The Hon. G. G. Pearson: Ask them what they think of you after two years?

The Hon. D. A. DUNSTAN: I invite the honourable member to come with me. I shall be glad for him to come with me and let the workers tell him what they think of the benefits that this Government has provided.

Mr. Lawn: Ask them what they think of Andrew Jones! I'll be happy to take them around the city of Adelaide to find out.

The SPEAKER: I do not wish to name honourable members, but I have been fairly tolerant this afternoon. There are too many interjections.

The Hon. D. A. DUNSTAN: This Government makes it clear that we do not intend to cut service pay; we do not intend to cut the leave proposals that this Government introduced; we do not intend to cut the workmen's compensation benefits that this Government has given; and we do not intend to cut those things on which the Labor Government was elected by the people of this State to provide as benefits for the industrial workers. Those benefits have not created difficulties in economy for South Australian industries. The benefits that have been given to the workers in South Australia were real to them and have been marginal in cost to our industry. Under this Government we have carefully maintained a lower cost structure than exists in the other States, so that we are able to say to industries due to be established in South Australia that not only will they receive real benefits from the Government in assistance in obtaining land, building factories, and in housing, but in running costs they will have a lower cost structure here.

We have maintained that position and intend to maintain it in the future.

However, at the same time, we will not do that at the expense of the working people of the State. They are entitled to the same protections and benefits as are people elsewhere. The Government has every confidence in the future of South Australia. The finances of the State are sound; the people of South Australia have already seen today the confidence of oversea investors in the development of the State; and they will be given in the days to come a number of other announcements that will confirm them in that opinion. It is quite evident, from the employment figures and from the market figures, that there is a gradual up-swing in pressed metal products. That can be the basis of recovery, but it still needs a stimulus from the Commonwealth Government. I hope that members opposite will join me in getting the message to their Commonwealth colleagues that we need a reduction in sales tax on our pressed metal items in order to boost employment in South Australia and the demand for these products. If this is done we have nothing to fear concerning the future, and we have every reason to have complete confidence in facing the future.

Motion carried.

In Committee of Supply.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I move:

That a Supply be granted to Her Majesty.

Motion carried.

The Hon. D. A. DUNSTAN: I wish to place before the House for consideration Supplementary Estimates totalling \$1,360,000, but before dealing with them in detail I propose to give members a summary of the present financial situation and how it has arisen. Particularly, I desire to describe to members how the Government has succeeded in achieving stability in finances. This, given the problems left to it by the Playford Government, and the impact upon all State Governments of the policies of the Commonwealth Government in Canberra, has been a remarkable achievement.

When the Labor Government took office we found that the Treasury was seriously over-committed. Sir Thomas Playford had run down the cash balances of the State by spending capital moneys and funds carried over from earlier years to pay for current State services. This meant that the windfall amounts on the winding up of the uranium project, for instance, were spent on services the bill for which would

recur but for which there would be no recurring revenues. In other words, the State Revenue Budget at the time we took office was running down at the rate of at least \$4,000,000 a year and the Loan Budget was running down at almost as great a rate.

Sir Thomas Playford had made no forward planning on capital works in South Australia in the light of the likely amount which could be provided from Loan moneys in the future. In 1964-65, for instance, on Government buildings other than schools he had committed the Government to spend at least \$5,000,000 on major contracts. The contracts were let by his Government. Those same contracts required over \$8,000,000 in Loan moneys in 1965-66, and this financial year more than \$11,000,000. He well knew that there would be no expansion in Loan funds sufficient to cope with the expenditure for which he had let contracts before we took office.

This, at the start, faced the Labor Government with an impossibly tight financial situation, but two further factors made the situation even worse. The policy of the Liberal Government in Canberra has had severe impacts on every State budget and this has brought upon the Commonwealth Government the outraged comments of Mr. Askin and Sir Henry Bolte. Members opposite have been heard to say something about not blaming the Commonwealth Government. The things that I have said, or that Mr. Whitlam has said, about other people are mild compared with what Sir Henry Bolte and Mr. Askin have said about the Commonwealth Treasurer.

Increases in the basic wage, in margins and in other awards, have required the State Government in the last two years to find an extra \$14,000,000 in expenditure for which we did not receive any like increase in financial adjustments from the Commonwealth Government. As all the State revenues had already been over-committed by the previous Government this meant that we had to run deficit Budgets, spending more than we took in. The only alternative would have been an outrageous increase in State charges. This is the situation the Commonwealth Government's policy has created for every State in Australia.

At the same time the Commonwealth itself has received heavy increases in income tax revenues as a result of those very same factors which have imposed great financial burdens on the State. Moreover, the Commonwealth has seen to it that the States have had to meet full interest payments upon all their borrowings,

even those borrowed directly from the Commonwealth and on which the Commonwealth has no interest commitment, whilst concurrently the Commonwealth's interest commitments have continued to fall. This last factor alone has meant that, apart entirely from the provision of normal State services, the Government has increasing fixed commitments every year and less available to meet them.

The Labor Government, therefore, had a number of crucial decisions to make. Should we increase State taxes and charges as was done under Liberal Governments in the other States and as the Playford Government had done in South Australia consistently over the years by increases in water rates, in land tax, in fares on public transport, and in charges for State services generally? We resolved that, while it was inevitable that we must increase some State charges, we would keep these increases to a minimum and below the level of increases by Liberal Governments in the other States. Apart entirely from the prospective impact of many charges upon people less able to bear them, we had in mind also the necessity to avoid any action which would add to the cost structure of industry, and thereby prejudice development and employment opportunities.

In Victoria and New South Wales, despite election promises to the contrary, the Liberal Governments in those States increased markedly tram fares, train fares, and railway freights. Hospital charges were increased in other States before we were forced in April last to authorize some increased hospital charges in South Australia. Indeed, the charge in South Australian hospitals today is only \$9 a day general and \$9.50 maternity, as compared with \$10 for each of these services in Victoria and Western Australia, our two neighbouring States under Liberal Governments.

In addition, we refused to impose charges of the kind levied in Victoria where a 3 per cent levy on the gross revenue of the Electricity Commission and Gas and Fuel Corporation was imposed, increasing the account of every consumer of gas and electricity in that State. A special levy of 1½ per cent was made on a very wide range of financing and credit purchase transactions in Victoria, which amounts to a kind of sales tax. Also a special third party motor vehicle insurance tax of 5 per cent of the premium for private cars in the metropolitan area was imposed in Victoria.

The Government believed that there were two reasons why we should not impose charges of this kind. The first was that we desired

to cushion to the average citizen in South Australia the impact upon State finances arising from Commonwealth Government policies; and, secondly, it was vital for industrial development in South Australia that we should keep our low cost structure. This meant that for a period we had to run a deficit Budget, taking in less than we spent. This was sound financing, for the third factor affecting the Government had been the down-turn in the markets for our industrial products.

The drought in the Eastern States had meant that people there, in the places to which we export over 80 per cent of our industrial products, did not have the resources to buy our products in the same volume as formerly. This produced unemployment in South Australia, and it was important for us to adopt a financial policy which would keep up the purchasing power of the local community and maintain employment without retrenchment of Government employees. No State Government, however, can in the long period run deficit Budgets. Under the Financial Agreement with the Commonwealth, which is part of our Constitution, we can only do this for a short time by using our cash balances. It is perfectly proper to do this so long as care is taken. We have been very careful. Victoria, for instance, had up to June 30 last spent nearly \$20,000,000 of its trust funds to finance its deficits and current requirements.

In addition, Victoria has imposed the extra charges on the community which I have outlined. South Australia had, at June 30 last, spent about \$8,000,000 of its trust balances for deficit financing, but we have seen to it that our budgeting has been sufficiently careful that we do not run our cash balances down to any dangerous level, but maintain a sound level of liquidity. This financial year we budgeted for a current revenue deficit of \$2,316,000, to be offset by a practically equal improvement on our Loan Budget. We have had some shortfalls in revenue arising mainly out of the failure of the South Australian economy to gather strength as quickly as had been hoped.

There was a loss of expected revenues because of the rejection by Parliament of the succession duties legislation, and we faced increased expenditures, particularly in wage and salary rates, beyond those for which we had budgeted. The unfavourable effects of the foregoing factors have been partly offset by increased Commonwealth grants negotiated at a conference of Commonwealth and State Ministers in February last. A further favourable effect

has flowed from the improved 1966 rural season and from reduced costs of pumping water because of the cool summer. At the same time, some payments under works contracts, which it was earlier expected would fall due late in the financial year, will not in fact become due until early next year. These factors, combined with careful financial administration, have meant that there is now every expectation that the State's finances will not only have been maintained on a stable basis for 1966-67 but will probably show a small improvement over the 12 months.

Given the difficulties which I have outlined, this has been a remarkable achievement. We now have an improvement in the markets for our industrial products clearly showing. We have a number of projects showing industrial expansion and the confidence of investors in this State. This means that the State is not only in good financial heart but, generally speaking, we are able to forecast an era of industrial expansion which, once we have added the development of the gas pipeline, will mean an era of the kind that South Australia has never so far known. We look forward to the future with every confidence.

I have said that there is every expectation that upon Revenue and Loan Accounts combined we will hold the line in 1966-67 and perhaps even show a small improvement. If we permitted both accounts to take their ordinary course this would mean a revenue deficit much of the order provided for in the original Budget, rather more than balanced by a current surplus in Loan Account. In presenting the Loan and Revenue Budgets for 1966-67, my predecessor pointed out to members that, whereas the South Australian practice had been to charge grants for tertiary education and non-Government hospital buildings to Revenue Account, the practice in all other States was to charge such grants to Loan Account. Although it is clearly desirable to meet these grants from Revenue Account if that can be afforded, it is pointless to do so if the effect is to put that account further into deficit. If revenue deficits are incurred, it is necessary to conserve Loan funds to replace the resultant cash loss and eventually to "fund" the deficits by formally charging them to Loan Account if they cannot be made good within a reasonable period. The use of Loan moneys to "fund" revenue deficits involves penal sinking fund provisions in terms of the Financial Agreement and weakens a State's bargaining position at meetings of the Australian Loan Council.

Therefore, at the beginning of 1966-67 the Government decided that, as an alternative to budgeting for a surplus on Loan Account in order to contribute towards a deficit on Revenue Account, it would, so long as it was necessary, charge to Loan Account such proportion of building grants for tertiary education purposes and for hospitals as would absorb any potential surplus which otherwise would be available for offsetting deficits on Revenue Account. The net relief to Revenue Account then proposed was \$4,500,000, made up of \$1,900,000 for tertiary education buildings and \$2,600,000 towards non-Government hospital buildings. The tertiary education figure is derived from \$3,800,000 gross payments, less Commonwealth contributions (or repayments) of \$1,900,000. The provision for building grants to non-Government hospitals and health organizations which remains as a charge to Revenue Account will involve about \$2,500,000.

In the light of the improvement in Loan Account now expected it is intended to charge to that account this additional sum of about \$2,500,000 which was appropriated originally in the Revenue Budget for grants towards non-Government hospital buildings. Revenue Account will be relieved accordingly by a like amount. The effect in this year's accounts will probably be almost, if not entirely, to eliminate the prospective current revenue deficit, and there will thus be little, if any, increase in the accumulated revenue deficit which stood at \$5,612,000 at June 30 last. After making the adjustment, Loan Account is expected still to show an improvement for the year 1966-67, with the result that the deficit of \$2,465,000 brought forward from last year will probably be reduced to quite a small figure.

In August last, in the debate on the Loan Estimates, the Opposition was critical of the wisdom and the legality of the policy of charging building grants to Loan Account. I do not intend to go over that criticism in detail but simply to sum up the situation in a few points which should give the complete answer. I should like to draw the attention of the member for Onkaparinga (Mr. Shannon) to what I am about to say, because he suggested that our policy would put us in difficulty at the Loan Council meeting. He was wrong. I wish to make the following points: first, in view of existing and prospective revenues, the continued charging of all capital grants to Revenue Account would increase deficits. It would be necessary to conserve Loan funds to cover such deficits. If Loan funds must be used in any case, it is more sensible to use

them directly to meet capital grants and so avoid penal sinking fund payments in respect of "funded" deficits.

Secondly, there is no question of the legality of charging such grants to Loan Account. The practice has been followed by all other States for many years and the details have been set out in their published accounts. There has been no challenge of the practice at Loan Council or elsewhere. It is interesting to note that at the recent Canberra hearings of the Commonwealth Grants Commission the Commonwealth Treasury presented a document showing what it considered to be the truly comparable Revenue Budget results of each State in 1965-66. For this purpose the Commonwealth Treasury removed from the South Australian figures the whole of the payments of building grants for tertiary education and non-Government hospital purposes.

Thirdly, although the Crown does not hold title to the assets created by the spending of the grants, the community gets an asset just as valuable as a school or a Government hospital and forming fully as necessary a part of the State's services. Fourthly, the Government will keep the situation under review, and, should it be practicable to increase revenues to a level which will permit the charging of additional capital grants to Revenue Account without running into deficit, grants will be so charged to the maximum possible extent.

I turn now to the necessity for Supplementary Estimates. Members will be aware that variations in payments above and below estimate may not be offset one against the other for appropriation purposes. The appropriations approved by Parliament are for individual departments, and where excesses above the departmental provisions are incurred it is necessary for the Government to rely on other sources of appropriation authority.

One of these sources is the section in the main Appropriation Act which gives additional appropriations to meet increased costs owing to awards of wage fixing bodies and to meet any upward movement in costs of pumping water through the two major mains. This special authority is being called upon this year to cover the costs of the interim margins adjustment, the new award for members of the Police Force, and a number of smaller variations.

Another source of appropriation authority is the Governor's Appropriation Fund, which in terms of the Public Finance Act may cover the expenditure of up to \$1,200,000 in addition to

that authorized by Appropriation Acts and the appropriation sections of certain other Acts. The appropriation available in the fund is being used to cover a number of smaller excesses above departmental provisions, but it is not sufficient to provide for the larger excesses, and therefore it is necessary for me to ask the House to consider Supplementary Estimates in which the appropriations sought are as set out hereunder.

The earlier Estimates of Expenditure included appropriation of \$19,854,000 for the Hospitals Department. It is now estimated that an additional \$500,000 will be required to cover essential but unforeseen staff appointments and contingency items, primarily for the Royal Adelaide and Queen Elizabeth Hospitals. The increased costs for Royal Adelaide Hospital include additional staffing in the Dental Department and increased expenditure on drugs, surgical and dental appliances. The usage of laundry services has also been greater than estimated. The increased costs at the Queen Elizabeth Hospital have mostly been associated with specialized units and laboratories, and also for increased usage of laundry services.

The provision included in the original Estimates for 1966-67 for the Education Department was \$44,897,000. It is now necessary to provide an additional \$270,000 for several contingency lines to meet higher costs of a wide variety of items. The main causes of the increases are a revision of school bus contract rates having regard to wage movements since the rates were fixed previously, increased conveyance allowances for student teachers, and a greater number of deaths and resignations than expected with consequent higher payments in lieu of leave.

Mr. Millhouse: What's this about expenses in connection with Education Week? We haven't had one.

The Hon. D. A. DUNSTAN: I will get that information from the honourable member. The \$2,103,000 provided on the earlier Estimates for the Agriculture Department included provision for road blocks and the normal activities to guard against importation of pests and diseases, but in view of the fact that the State had not had a major fruit fly outbreak since the summer of 1963-64 specific provision towards meeting the costs of a fresh outbreak was not included. In January last, unfortunately, a new occurrence of fruit fly was found at Devon Park and it was necessary to take measures to eradicate the pest. The provision on the Supplementary Estimates is to cover the

costs of wages for men specially engaged for stripping and spraying trees and for disposal of fruit. The department also placed a new type of bait in properties in the quarantine area. The programme has proceeded satisfactorily and the outbreak has been controlled.

The original Estimates of Expenditure included \$30,936,000 for the running expenses of the Railways Department. Additional appropriation of \$380,000 is now required to meet increased costs of a number of items. Among reasons for the increase are heavy costs incurred in track repair following floods on Eyre Peninsula and expenditure above estimate in the repair and maintenance of rolling stock.

The original provision for the Department of Social Welfare was \$2,747,000. It is now necessary to provide an additional \$100,000 for public relief payments. This has been due in the main to the persistence of unemployment as the economy has failed to recover as quickly as was hoped. The total additional provision sought for the purposes set out in the Supplementary Estimates is \$1,360,000.

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

Progress reported; Committee to sit again.

SUPPLY BILL (No. 1).

The Governor's Deputy, by message, recommended the House of Assembly to make provision by Bill for defraying the salaries and other expenses of the several departments and public services of the Government of South Australia during the year ending June 30, 1968.

The Hon. D. A. DUNSTAN moved:

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

The Hon. Sir THOMAS PLAYFORD (Gumeracha): This particular motion enables me to refer to matters that have arisen this afternoon. The Premier a few moments ago attacked the Leader of the Opposition for decrying the position of the State at present. I ask the House: who was it in this House that introduced the phrase "milk bar economy", and who was it on the first day he became Premier proceeded to talk about the "milk bar economy" of this State? Was it the Leader of the Opposition who proceeded to talk about the depression and say that he was going to remedy the position? I know that the purpose that the Premier had in mind was to try to write off the work, if the work was of any consequence, that my Government had done.

I am very much concerned about this aspect. The people of South Australia will judge it in their own time and in their own way and, whichever way they judge it, it will not make very much difference to me. I am not concerned about what the Premier tries to do regarding the reputation that I may have in this State, but I am concerned at the very grave imputations he has made regarding industries in this State. I am greatly concerned, because I have told industries over a long period of years that they could come to South Australia with confidence, that it did not matter which Party was in power: they would always get consideration and respect. I said that this State welcomed industries.

The former Premier (Hon. Frank Walsh) gave industries that respect: he did not refer to this State as a "milk bar economy". He gained considerable satisfaction in opening the big steelworks at Whyalla. He did not refer in derogatory terms to a number of industries that had been established, with my assistance, or with the assistance of my Government, whereas the new Premier on, I think, the first occasion he spoke publicly, decried these industries and referred to them as of no consequence. Today, the Premier did not retract his statement that it was the Opposition that was making these charges.

I have no feeling at all about the statements that the Premier will make with regard to my Government. I will, with confidence, leave that matter to the people of South Australia. I am certain that over the years the people of the State will realize that they have had an honest deal: they have had good wages and good employment, and the best housing that could be provided through the efforts of my Government. I am concerned when I hear a man who has just come into office starting to wipe off people who have gone out of their way to help the State, such as Holdens, Chrysler and the Broken Hill Proprietary Company Limited, which have done their utmost for the economy of this State. Here is a man who, as soon as he is in office, proceeds to decry the industries that have provided so much employment and benefit to the State. I am concerned because I know that the State will not go ahead until it gets a Government that respects industry and acknowledges the value of industry to the State.

Mr. MILLHOUSE (Mitcham): Before the Premier replies in this debate, there is a completely unconnected topic which I desire to raise and which is an urgent matter to me

and to those who have been in touch with me. On June 15, I wrote a letter on behalf of the South Australian Branch of the Australian Optometrical Association, asking that tenders for the supply of spectacles to the Hospitals Department for pensioner patients at Government hospitals be extended. The letter reads, in part:

I am told that last December representatives of the association discussed this matter with the Minister of Health and put to him certain objections with the present arrangements. At that time the Minister said that there would be "plenty of time" to discuss the question when fresh tenders were called this month. It now transpires that the closing date for tenders was set at the 13th of this month, giving virtually no time at all for these discussions to take place.

Last week, as the Minister of Health was away in the Northern Territory, it was impossible to contact him, so I wrote to the Premier. My letter further states:

The association has been able to secure an extension of one week, but because of the absence of the Minister this will not give time to see him before they close.

The association thought that it had secured an extension until today. I therefore wrote to the Premier asking that he arrange to have the tenders extended further, so that the discussions the Minister undertook to have with the association last December could take place. I did not receive an acknowledgment of the letter but I assumed that the Premier would accede to what seemed to me to be a perfectly reasonable request. I have, with regret, to say that this morning I was telephoned by a member of the Optometrical Association who said that he had been in touch with the Supply and Tender Board this morning and that he had been told that the tenders closed yesterday and that there would be no further extension.

I received no acknowledgment and, apparently, no action has yet been taken about my request. Will the Premier do whatever is possible, even now, to have the time for receipt of tenders re-opened? I made what I thought was a perfectly reasonable request, setting out the facts as I knew them. Will the Premier take this matter up, because otherwise not only a misunderstanding but something even worse may have transpired?

The Hon. D. A. DUNSTAN (Premier and Treasurer): I regret that I have no knowledge of the letter to which the honourable member refers.

Mr. Millhouse: It was sent to you.

The Hon. D. A. DUNSTAN: It may have been; I am merely saying that it did not reach

me. I shall have inquiries made to ascertain what can be done. Regarding the speech made by the member for Gumeracha (Sir Thomas Playford), it is clear that the honourable member has, for one reason or another, misunderstood what I said on the day that I assumed office. The term "milk bar economy" is constantly used by economists as a technical term relating to an economy in which secondary industry is predominantly concerned with consumer good items for home consumption. The term is not unusual and I used it on the occasion to which I have referred in the same way as I have always used it.

Mr. Millhouse: Why?

The Hon. D. A. DUNSTAN: If the honourable member does not want to listen, there is not much point in my speaking.

The Hon. J. D. Corcoran: You proved what you have said, anyway, by the way in which you connected your remarks.

The Hon. D. A. DUNSTAN: Exactly. The member for Gumeracha has endeavoured to attack me for attacking South Australian industry. However, that is completely ill based, because I have not made any attack on South Australian industry. I have the happiest of relations with South Australian industry, including those companies that produce pressed metal items for consumption in Australia. The point that I made (and I make it repeatedly) referred to an economy heavily concentrated on home consumption items, such as motor cars, and our economy in the secondary field is concentrated in this area.

The Hon. G. G. Pearson: No. The position is not so because you say it is.

The Hon. D. A. DUNSTAN: Of our industrial products, 85 per cent is exported to the Eastern States, and most of those exports are in the home consumption area.

The Hon. Frank Walsh: And they have to depend on transport.

The Hon. D. A. DUNSTAN: Yes. If we are to have an economy that is not vulnerable to alterations in markets elsewhere in Australia, we must have export industries here. Therefore, not only must we build up existing industries (and the Government has already evidenced its intention to do that) but we must diversify our economy with export industries. Honourable members opposite have said that the major part of our exports overseas comprises primary products.

The Hon. G. G. Pearson: That is not correct. Our secondary industries are exporting a big range of goods all over the Far East.

The Hon. D. A. DUNSTAN: The major proportion of South Australia's oversea exports comprises primary products and I could cite statements that honourable members opposite have continually made to that effect. The member for Gumeracha (Sir Thomas Playford) and the member for Flinders (Hon. G. G. Pearson) have said it in justifying people in country areas having a weighted vote because our exports came from the country areas. Members have said that many times in this House.

The Government will not only build up existing industry and give it every encouragement (and today's announcement shows that we are doing that) but it also wants to research those areas of industrial development that will make our economy diversified and less vulnerable to changes that take place in the Eastern States. That is not hitting South Australian industry: it is enlarging and assisting it, as members, including the member for Gumeracha, know. The honourable member's statement that I have attacked South Australian industry is completely baseless.

Motion carried.

In Committee of Supply.

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That towards defraying the expenses of the establishments and public services of the State for the year ending June 30, 1968, a sum of \$36,000,000 be granted: provided that no payments for any establishment or service shall be made out of the said sum in excess of the rates voted for similar establishments or services on the Estimates for the financial year ending June 30, 1967, except increases of salaries or wages fixed or prescribed by any return made under any Act relating to the Public Service or by any regulation or by any award, order or determination of any court or other body empowered to fix or prescribe wages or salaries.

Mr. HALL (Leader of the Opposition) moved:

That progress be reported.

Motion negatived.

The Hon. D. A. Dunstan's motion carried.

Resolution adopted by the House. Bill founded in Committee of Ways and Means, introduced by the Hon. D. A. Dunstan, and read a first time.

The Hon. D. A. DUNSTAN: I move:

That this Bill be now read a second time.

It provides for the appropriation of moneys so that the public services of the State may be carried on in the early part of next financial year. It is in the same form and for the same amount—\$36,000,000—as the first Supply Bill

passed by Parliament in each of the past four years. As members know, the annual Appropriation Bill does not normally receive assent until about the end of October, and as the financial year begins on July 1 some special provision for appropriation is required to cover the first four months of the new year. That special provision takes the form of Supply Bills, normally two such Bills each year, and without this Bill now before the House there would be no Parliamentary authority available for normal expenditure from July 1, 1967. The \$36,000,000 of appropriation now proposed should cover requirements throughout July and August. It will be necessary for a second Bill to be considered by the House in the latter part of August to provide for requirements in September and October while the Appropriation Bill is under consideration.

A short Bill for \$36,000,000 without any details of the purposes for which it is available does not mean that the Government or individual departments have a free hand to spend, as they are limited by the provisions of clause 3. In the early months of 1967-68, until the new Appropriation Bill becomes law, the Government must use the amounts made available by Supply Bills within the limits of the individual lines set out in the original Estimates and the Supplementary Estimates approved by Parliament for 1966-67. In accordance with normal procedures, members will have a full opportunity to debate the detailed 1967-68 expenditure proposals when the Budget is presented.

Mr. HALL (Leader of the Opposition): I accept the Treasurer's assurance that this is a normal type of Bill for this time of the year. As it does not include any unusual expenditures, and as the present procedure is one that we follow from year to year, I approve the passage of the Bill.

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

QUESTIONS

CHOWILLA DAM.

Mr. HALL: My question concerns the agreement for the construction of the Chowilla dam. This subject has been in the news of late because of the unexpected rise in the tender prices submitted to the Government. I understand that they are much higher than the estimates of the Engineering and Water Supply Department. In fact, the figures that have been made public indicate an increase of about 50 per cent or 60 per cent on departmental

estimates. I understand that the final tender price has not yet been revealed by the Government, but it is taken for granted in the community that the tender price for the construction of the dam is substantially above the original estimates. The plan of water supply that is based on this dam is vital to South Australia's future development. Since the announcement that tenders were being considered by the Government there has been talk of an investigation into a possible alternative storage site at the headwaters of the Murray River. Because of the importance of this question and because of the money that has been spent on the project, will the Premier assure the House that he will press as hard as possible for the successful conclusion of this project?

The Hon. D. A. DUNSTAN: Yes, I give that assurance: I have already given it publicly. It is necessary for the Chowilla dam project to continue, because investigations have shown that alternative projects will not be satisfactory. I have every hope that we shall be able to proceed with the Chowilla dam.

Mr. CURREN: Last week an article appeared in the *Sunday Mail* about the Chowilla dam, part of which is to be built in my district. The writer of the article stated that \$70,000,000 was the total tender price quoted, and that \$12,000,000 had already been spent. Can the Minister of Works indicate the actual expenditure to date and the tender price and say when the tender is likely to be let?

The Hon. C. D. HUTCHENS: It was a most unfortunate article. It would be wise for people writing such articles to confer with the department before quoting figures. We are always pleased to give figures when we should do so in the interests of the State, and we believe that people should know what the expenditure has been up to the present.

The Hon. D. N. Brookman: The author said he asked.

The Hon. C. D. HUTCHENS: I did not read that in the article. He said that he spoke to Russell Dann, but he did not say that he asked the department for figures.

The Hon. D. N. Brookman: He asked the man on the spot.

The Hon. C. D. HUTCHENS: That is incorrect. He said that he had a talk with the regional engineer, and that the engineer had said that \$12,000,000 had been spent up to the present. That is a gross exaggeration, because the expenditure, in round figures, is now \$5,000,000. The newspaper quoted \$70,000,000

as the original cost, but that is guessing. I join with the Premier in saying that we, as a Government, will do everything possible to ensure that the Chowilla dam project is proceeded with. I know that this attitude will be supported by the Opposition, because I have already spoken to the Leader and Deputy Leader, both of whom indicated their support. The contracts specify that, unless specifically stated otherwise, South Australian materials will be used. Because of the complex nature and the technicalities of the project and difficulties with respect to finance, I do not expect that contracts will be let before September of this year.

The Hon. Sir THOMAS PLAYFORD: Concern has been expressed at the very steep increase in cost in connection with the Chowilla dam. Can the Minister say whether any State Government or the Commonwealth Government has objected to honouring the agreement, which has been ratified by the respective Parliaments and which, as far as I know, is a completed deal, placing the construction of the dam under the authority of the South Australian Government? If there has been no such objection, what is the reason for the delay?

The Hon. C. D. HUTCHENS: It cannot be said that any State has flatly refused to carry out its agreement, but I understand from Mr. Beaney, a Murray River Commissioner, that New South Wales sees some difficulties. Beyond that, I do not wish to go.

DROUGHT ASSISTANCE.

The Hon. T. C. STOTT: I know that the Premier and every other member are concerned at the long spell of dry weather. Recently I approached the Premier requesting assistance for those suffering from this dry spell, particularly in the northern part of my district, which has had two years of drought. As the Premier was sympathetic and promised to place the matter before Cabinet, can he announce what assistance will be given to farmers suffering from this prolonged drought?

The Hon. D. A. DUNSTAN: I have no announcement to make at present. The matter is being considered, and I hope to give the honourable member some information shortly.

RESERVOIRS.

The Hon. B. H. TEUSNER: Because of the long dry spell, I am concerned about water storages, particularly in the Warren reservoir in my district. Has the Minister of Works information on the quantity of water held in the various reservoirs and on whether increased

pumping of water from the Mannum-Adelaide main is needed to supplement reservoir supplies?

The Hon. C. D. HUTCHENS: Increased pumping operated from Saturday last, when it was decided to use three pumps instead of two. If the dry weather continues for a further fortnight four pumps, all pumping in off-peak periods, will be used. The position will be closely watched. The Adelaide district reservoir storages are as follows:

Reservoir.	Storage.	
	Last year. (million gallons)	This year. (million gallons)
Mount Bold	1,167.9	1,508.5
Happy Valley	1,258.3	1,517
Clarendon Weir	70.3	70.2
Myponga	1,638.7	1,761
Millbrook	759.1	709.9
Hope Valley	544	461
Thorndon Park	101.9	115.2

I do not have figures for the Warren reservoir, but I shall obtain them tomorrow.

BARLEY.

Mr. NANKIVELL: Last Thursday, when I was at Pinnaroo, the stationmaster told me that on that day the barley silo had been emptied. On making inquiries I found that barley was being trucked out from Lameroo. I informed the Minister of Agriculture that I would ask this question. In view of the possible (I will not say inevitable) outcome of the season, which may require barley to be held for feed and seed, will the Minister ask the Barley Board to reconsider its policy of trucking barley from this area?

The Hon. G. A. BYWATERS: Yes. The honourable member was good enough to tell me yesterday that he intended to ask this question, and I got the following report from the Chairman of the Barley Board:

1. The Australian Barley Board, recognizing the need to hold feed barley against continued dry conditions, has in stock at present at various centres in South Australia a total of 1,216,000 bushels, of which 900,000 bushels is under contract to South Australian stock food compounders.

2. The residue of 316,000 bushels is available for sundry sales to farmers.

3. Of the above quantity 179,000 bushels are held in bulk at Lameroo and 183,000 bushels in bulk at Karoonda. In addition, 129,000 bushels of bagged feed barley is held east of Murray Bridge.

4. At present 15,000 bushels weekly are being moved from Lameroo to feed compounders but, in the event of dry conditions persisting, these merchants will in the next few weeks be supplied from stocks held elsewhere.

5. The overall provision by the board of feed barley in South Australia this year amounts to 2,250,000 bushels.

EGGS.

The Hon. D. N. BROOKMAN: I have been contacted by a poultry farmer who told me that he had regularly paid his Council of Egg Marketing Authorities of Australia hen tax on his flock. On one occasion he had made an error of about 7 per cent in his flock numbers for a short period, and his neighbour had made an error of about 3 per cent. Both farmers are somewhat apprehensive, from discussions they have had, that they are now to be charged with an offence under the Commonwealth Act. They attended a large meeting in Murray Bridge on June 16, at which all these problems were discussed, and it was claimed that many farmers throughout the Commonwealth were not paying the C.E.M.A. hen tax. For instance, it was claimed that many farmers in North Queensland were not paying it and that this position was accepted in some respects. I do not know just how much of this is accepted, but that was the claim. It was claimed also that in Tasmania farmers did pay the tax but it was refunded directly to the farmers. In these circumstances one wonders whether this farmer and his friend, if their statement that they made honest mistakes is correct, should be prosecuted. Can the Minister of Agriculture tell me what is the position in those areas that I have mentioned and what is the policy of the Egg Board towards people who make errors of this kind?

The Hon. G. A. BYWATERS: The honourable member will appreciate that any prosecutions for not paying the C.E.M.A. hen levy are within the scope of the Commonwealth Department of Primary Industry. I understand some prosecutions are pending because of certain literature that has been circulated throughout various parts of South Australia, and possibly in other parts of the Commonwealth, advising people not to pay the levy pending a High Court decision resulting from a claim being upheld whether Victoria had the right to collect the C.E.M.A. levy on behalf of the Commonwealth.

I endeavoured to overcome this by making a statement to the press that South Australia had provided for this. Under the Marketing of Eggs Act the Governor can do certain things. He gave the Egg Board the power to collect the levy on behalf of the Commonwealth, so what applies in Victoria does not necessarily apply in South Australia. I have made this well known, and the Egg Board has done likewise, but despite this, circulars have been addressed to various people keeping poultry

advising them not to pay the hen levy. This could apply in other States as well. Perhaps a number of people in Australia are not paying the levy, but they will learn to their sorrow that they cannot flout the law. They will, in turn, be prosecuted for that. The honourable member referred to two people approaching him. In the case of a genuine error the court has not been known to be harsh, but I should appreciate it if he would give me the names of the two people concerned, and I will make representations on their behalf. It is not intended that genuine people be prosecuted.

Now that the honourable member has referred to a certain meeting held at Murray Bridge, I take the opportunity to make a statement. I was advised by a group of people by way of a circular placed in my letter-box that a meeting was to be held at Murray Bridge. The circular stated that on invitation from South Australian egg producers a meeting would be held in the Murray Bridge town hall which would be addressed by different people on behalf of the Free Trade Egg Producers' Council of Victoria. The circular mentioned special invitations. It stated the names of various members of the South Australian Egg Board and said that Mr. Bywaters, Mr. Brookman, Mr. Kemp, Mr. Hall and Mr. Freebairn had special invitations. It said "R.S.V.P. June 9, 1967" to an address at Murray Bridge. I thought that possibly I would receive a special invitation but, not having received one by the time the R.S.V.P. was due, I sent a letter to the address mentioned pointing out my inability to attend because of a former commitment at Mypolonga on another matter. I asked for an apology to be recorded.

Within a few days I received another circular. This was sent to all members of the Egg Board and possibly to the other members mentioned. It stated:

Dear Sir,

We are advised that as the meeting called is a protest meeting of poultry farmers against certain aspects of the Egg Board administration, it would not be in order for members of the board to address this meeting. We are embarrassed in officially inviting you and, although your presence will be welcomed, we must stress in not having invited you as in the capacity as an official guest.

Again, this was not signed, but I understand the meeting was attended by six members of the Opposition, plus the endorsed Liberal and Country League candidate for the district of Murray. Two apologies were read—one from the Leader of the Opposition in this House and the other from the Leader of the Opposition in another place. I have been informed

that Mr. Williams (Chairman of the Egg Board) sent an apology, as I did, but neither of those was read out. This showed the democratic nature of the meeting! I believe that at that meeting many lies and half truths were told. The statements (the honourable member referred to two of them this afternoon) are in some substance, though not fully, correct. It would take me some time to explain the position here but for the benefit of all concerned I have asked the South Australian Egg Board to arrange a meeting to put the other side of the question, this meeting also to be held at Murray Bridge. I understand that the chairman of the former meeting has indicated his willingness to chair a meeting of this nature. This being the case, I hope it will take place within a month.

The Hon. D. N. Brookman: Will you ask them to ascertain the position in other States?

The Hon. G. A. BYWATERS: Certainly. I shall be there to answer any questions. They will be there to put the story as they see it. This meeting will throw further light on the matter that has been discussed. I intend to attend that meeting and have the opportunity to speak. Had I been able to attend the other meeting, I would not have been able to speak but would have had to merely sit and listen to the abuse hurled at me (in this case, in my absence).

The Hon. D. N. BROOKMAN: The form of invitation that the Minister received was the same as that received by members of the Opposition. It is not correct to say that abuse was heaped on the head of the Minister, as he thinks was done, although one speaker said he had lost confidence in the Minister. Does the Minister fully understand what I want to know about the other States and that I am referring to the fact that whole areas of some States are not paying the levy, but only some individuals are?

The Hon. G. A. BYWATERS: I understood the question of the honourable member, and I accept his assurance. I was not criticizing the members of his Party for attending the meeting. I have been informed on several occasions that some things said about me were not in the best taste. It would take much time to explain this issue. I will straighten it out and bring a brief statement to the House tomorrow or Thursday stating the exact situation, which is not the same as that put to the meeting.

MURRIE ROYAL COMMISSION.

Mr. MILLHOUSE: My question concerns the present position of Mr. John Murrie (the

schoolteacher who has been suspended), following on the unfortunate illness of the Royal Commissioner (Mr. Justice Walters). I understand it is hoped that he will be able to resume the inquiry early in August, but I recall that in the meantime (and ever since the incident occurred) Mr. Murrie has been under suspension. I am informed that he is still under suspension (although on full pay) and living in Darwin but, of course, being under suspension he is not being used and has no work to do. I understand he asked that he be given some work (even if only of a clerical nature) by the department, but this has not been done. As it may now be quite a long time (or many months, anyway) between the time of his suspension and the outcome of the Royal Commission, will the Minister of Education reconsider the decision to keep Mr. Murrie under suspension, so that his undoubted teaching abilities may be used at a time when I am sure there is plenty of room for a teacher of Mr. Murrie's capabilities?

The Hon. R. R. LOVEDAY: First, I should like to correct the honourable member's impression of the time when Mr. Justice Walters may be able to resume the inquiry. No statement has been made by me that His Honour is likely to be able to resume the inquiry in August. As a matter of fact, all I have said is that on medical advice it is understood that he may be able to resume normal duties in August. However, I think, from what I have learned, that it is unlikely he will be able to resume the inquiry before Christmas.

Mr. Millhouse: That makes it worse, then.

The Hon. R. R. LOVEDAY: In regard to the other part of the honourable member's question, when Mr. Murrie asked to be allowed to be employed actively by the Education Department, the matter naturally had to be referred to the Crown Law Office for advice, in view of the current situation. So far, I have not had a report, but when I do receive a report I will decide on that particular question.

TREASURY STATEMENT.

Mr. McANANEY: The Treasury has a commendable record of bringing out a monthly statement by about the end of the first week of the month. As no such statement has been issued so far this month, will the Treasurer say when it will be available?

The Hon. D. A. DUNSTAN: It will be available shortly. It is not normal to issue the statement at the beginning of June but, rather, after the House has met in June.

LICENSING BILL.

Mr. QUIRKE: Today we heard in the speech of the Governor's Deputy that the Licensing Bill would again be brought down and that there would be a series of amendments. Indeed, I think every honourable member knows that extensive amendments are proposed by various institutions. If the Government has amendments to the Bill, will the Premier undertake to bring them down to the House at the earliest possible moment prior to debate on the Bill, so that honourable members will have a chance to reconcile the proposed amendments with those that practically every member in the House has in hand?

The Hon. D. A. DUNSTAN: Yes. The preparation of the amendments has been held up, awaiting some submissions from the Australian Hotels Association, which had fairly substantial submissions to make in proposing amendments. A certain amount of interim work has been done, and we prepared a complete prospectus of all the submissions made on the various sections of the Bill. The Draftsmen are working on these currently. We now have received all the submissions that we expect to receive, including the second batch made by the Australian Hotels Association, and I expect before long to have for honourable members a list of amendments, together with an explanation of their effect. I hope that this will be available to members, or on their files, long enough before the Address in Reply debate is completed for them to be able to examine the amendments and consult with the various interested bodies that have made submissions to them.

PORT LINCOLN ROAD.

The Hon. G. G. PEARSON: There is at present a curious situation on the outskirts of Port Lincoln in respect of what is known as the Freezers Road. That road forms for part of its length the old West Road and then continues on down to the Government Produce Department's works, where it crosses five sets of railway line, takes an abrupt left-hand turn at the foot of the hill, and becomes a dangerous corner. The Highways Department for some years has been planning to eliminate the hazard and complete the road to a sealed standard. Work having commenced about three years ago in forming the road, it has now been sealed, but the sealing and the construction work stopped short of the Produce Department at a critical point on the hillside. No further work has been done, and I cannot ascertain why the roadwork has terminated at this point.

It has made the road actually more dangerous than it was previously: motorists approaching along the sealed road (unless they are well aware of the local circumstance) are led into a trap, because the work has not proceeded right through. I know that plans were prepared for taking the road right into the town and for leading heavy traffic into the silos, and so on, as is necessary in that area, but why those plans have not been proceeded with I do not know and cannot find out. As this matter is urgent, will the Minister representing the Minister of Roads consult his colleague and bring down a full report on the matter at the earliest possible moment?

The Hon. J. D. CORCORAN: Yes.

GAS.

The Hon. Sir THOMAS PLAYFORD: Can the Premier, as the Minister in charge of industrial expansion, say how many drilling plants are now operating on the Moomba gas field and when it is considered that the field will be tested, if it is not already sufficiently tested? If it is tested, will the Premier say how much capacity the field has?

The Hon. D. A. DUNSTAN: I could give an off-the-cuff reply to the question, but I think it would be better if I obtained some completely accurate figures from the Mines Department. I will refer the matter to my colleague and let the honourable member have a reply.

Mr. COUMBE: When giving that reply, could the Premier also indicate what assessment will be placed on the latest flows that have occurred from the well that was last drilled at Moomba, what reserves are now proven, and what reserves are estimated for the future? I ask this question because of its vital importance to the whole natural gas project.

The Hon. D. A. DUNSTAN: I shall obtain the information.

MILLBROOK SCHOOL.

Mrs. BYRNE: On June 9 and June 16 a notice appeared in the "Houses, Land for Sale" section of the *Advertiser*, inserted by the Director of Lands, regarding the sale of portion of the Millbrook Primary School land. The notice called for offers for the land, closing on July 4. Following this announcement a parents' meeting was held on June 16 at which it was unanimously resolved that the land should not be sold. In the light of this and the reasons advanced, which were contained

in correspondence received today from the school committee, if I forward a copy of this correspondence to the Minister of Education, will he have this matter investigated as a matter of urgency? Will the Minister see that consideration is given to retaining this land and that the Director of Lands is notified of this objection?

The Hon. R. R. LOVEDAY: Yes.

KIMBA WATER SUPPLY.

Mr. BOCKELBERG: At present water is being carted to Kimba. Can the Minister of Works say what is the position of the tanks at Kimba and of the surrounding agricultural area? In the event of no rain falling for some time, which looks very likely, will the Government assist the settlers to keep water in these tanks so that they may keep the sheep on their holdings?

The Hon. C. D. HUTCHENS: My department has the question of the tanks mentioned by the honourable member under continual observation and, in keeping with my department's common practice, every assistance will be given to these people so that they may maintain maximum production and maximum holdings of stock.

WHEAT HARVEST.

Mr. RODDA: His Excellency the Governor's Deputy mentioned in his Speech today that the wheat harvest is estimated at 53,250,000 bushels. We discussed this matter last year and the Minister of Agriculture, as is well known, promised to do certain things if the harvest reached a certain figure. This leaves some doubt—it is only an estimate. Can the Minister say when he will be able to tell the House and the people of South Australia the actual wheat harvest of the season just ended?

The Hon. G. A. BYWATERS: I hope that this information will be available fairly soon. I have frequently asked the Chief Agronomist to see whether he can give the final figures, which I believe will be fairly close to the estimate. I promise the honourable member that, regardless of the outcome, I shall honour the interest I have in this issue.

WALLAROO FERTILIZER WORKS.

Mr. HUGHES: When it became known that the member for Glenelg (Mr. Hudson) was to go to the United States of America under a leader grant provided by that country, I asked the then Premier whether he would discuss with Cabinet the possibility of Mr. Hudson's going to Jackson, Mississippi, on behalf of the

Government to follow up inquiries already made regarding the establishment of a nitrogen fertilizer works near Wallaroo. Land has already been purchased for this purpose and the Hon. Frank Walsh has been in frequent communication with these people. However, before he could take it to Cabinet the present Premier was elected leader of the Government. On the day of the present Premier's election, I repeated the request. Will the Premier say whether he has been able to discuss my request with Cabinet and, if so, what decision was made regarding Mr. Hudson's proposed visit to Jackson, Mississippi?

The Hon. D. A. DUNSTAN: Cabinet considered this matter and agreed that it would be useful for Mr. Hudson to visit Jackson to see whether he could assist by approaching directly the people concerned. He will be visiting Jackson, and a similar visit has been made by the General Manager of the Housing Trust. It will be seen that we have used every available means to get in touch with people who might be interested in the establishment of industry in Wallaroo. I hope that the information to be provided by Messrs. Hudson and Ramsay may lead to a positive proposal being made by the people concerned. It may also interest the honourable member to know that officers of my department are currently investigating a number of matters relating to the possible expansion of industry in his district.

GILES POINT.

Mr. FERGUSON: When the previous Government was in office it asked the Public Works Committee to report on the establishment of deep sea loading facilities at Giles Point, and subsequently the committee made a favourable report. Near the end of the last session the present Government resubmitted this matter to the committee because of altered plans. Pending a favourable report, can the Minister of Marine say whether the Government intends to commence this project early in the new financial year?

The Hon. C. D. HUTCHENS: Yes; the Government proposes to spend about \$600,000 in the next financial year on the Giles Point project.

COUNCIL FRANCHISE.

Mr. McANANEY: Regarding enrolment for the Upper House, can the Premier say what the position is when three young people are sharing a self-contained flat? Which of the three gets the vote, if they are about the same age?

The Hon. D. A. DUNSTAN: Under the provisions of the Constitution, there can be only one inhabitant-occupier. The occupants will have to decide who is the head of the household. I imagine they could work that out between themselves if they are all jointly renting the place. Normally, tenancy is in the name of one of them and that person would be the inhabitant-occupier.

PRIVILEGE.

The SPEAKER: I have a report on a question of privilege. I have to inform the House that certain evidence given before the Select Committee on the Fishing Industry was published in the *Advertiser* on May 24, 1967, in contravention of House of Assembly Standing Order No. 397, which states:

The evidence taken by any Select Committee of the House, and documents presented to such Committee which have not been reported to the House, shall not be disclosed or published by any Member of such Committee, or by any other person.

The nature of the evidence published was, in itself, innocuous and was made available by the witness to the press and published in professed ignorance of the Standing Order. Appropriate apologies for the transgression have been received from the witness and from the General Manager of the *Advertiser*. With the concurrence of the House, I propose to consider the matter closed.

FISHING SELECT COMMITTEE.

The Hon. C. D. HUTCHENS (Minister of Marine): I move:

That the Select Committee on the Fishing Industry, appointed by this House on October 6, 1966, have power to continue its sittings during the present session.

The Select Committee on the Fishing Industry, appointed on October 6, 1966, was empowered by a resolution of this House on March 14 to sit during the recess. This authority is automatically terminated by the commencement of the present session. The committee will finalize the taking of evidence from private organizations and individuals at a meeting to be held early in July. It will then be able to prepare its report, which will be presented to the House as soon as possible. This motion will enable the committee to finalize its inquiry.

The Hon. D. N. BROOKMAN (Alexandra): Although I understand that my Party has had notice of this motion, I personally did not

know that it would be moved today. I had intended to speak briefly on this matter, but I shall now reserve my remarks for the debate on the Address in Reply.

The Hon. C. D. HUTCHENS (Minister of Marine): If the honourable member wishes to express views before the committee, the committee is prepared to hear him as it still has one hearing day left.

Motion carried.

VICE-REGAL SPEECH.

The SPEAKER: I have to report that, in compliance with a summons from His Excellency the Governor's Deputy, the House attended this day in the Legislative Council Chamber where His Excellency was pleased to make a Speech to both Houses of Parliament, of which Speech I have obtained a copy, which I now lay upon the table.

Ordered to be printed.

GOVERNOR'S LETTER.

The SPEAKER: I have to inform the House that I received the following letter from His Excellency the Governor on April 7 last:

My Dear Speaker, I deeply appreciate the kind greetings which you have conveyed to me on behalf of the members of the House of Assembly on the occasion of my birthday. I thank you also for your gracious remarks upon what we have tried to do while here. You have often heard me say that it has ever been a pleasure to do anything we can which is for the good of this State and its people. I shall be grateful if, on some convenient occasion, you will convey to the members of the House of Assembly my appreciation of their kind thoughts for my wife and myself. Yours very sincerely, Edric Bastyan.

I am sure it is the fervent wish of every honourable member that His Excellency the Governor be speedily restored to the best of health.

OPPOSITION WHIP.

The SPEAKER: I have to inform the House that I have been informed by the Secretary of the Liberal and Country Party in the House of Assembly (Mr. Millhouse) that, during the absence of the Opposition Whip (Mrs. Steele), it has been resolved that the member for Albert (Mr. Nankivell) shall act in her place.

SECOND CLERK-ASSISTANT.

The SPEAKER: I have to inform the House that, following upon his appointment as Second Clerk-Assistant, it is intended to use Mr. Hull, as circumstances warrant, to perform relieving duties at the table in the Chamber.

PUBLIC WORKS COMMITTEE REPORTS.

The SPEAKER laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Gawler Sewerage System,
Happy Valley Water Supply and Sewerage System (final),
Kangaroo Creek Reservoir (Revised Scheme) (final),
Kingston Bridge (final),
Mannum Sewerage System,
Millicent North Primary School,
Port Augusta Bridge.

Ordered that reports be printed.

SESSIONAL COMMITTEES.

Sessional Committees were appointed as follows:

Standing Orders: The Speaker, the Hons. J. D. Corcoran and B. H. Teusner, and Messrs. Lawn and Millhouse.

Library: The Speaker, Mrs. Byrne, Messrs. Clark and McAnaney.

Printing: Mrs. Byrne, and Messrs. Ferguson, Langley, McKee and Rodda.

ADDRESS IN REPLY

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That a committee consisting of Messrs. Broomhill, Burdon, Hughes, Langley, and the mover be appointed to prepare a draft address to His Excellency the Governor's Deputy in reply to his Speech on opening Parliament, and to report tomorrow.

Motion carried.

ADJOURNMENT.

At 5.35 p.m. the House adjourned until Wednesday, June 21, at 2 p.m.

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