

HOUSE OF ASSEMBLY

Tuesday, August 8, 1967

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

QUESTIONS

DROUGHT ASSISTANCE

Mr. HALL: Consequent on the State's applying to the Commonwealth Government for assistance for relief in certain drought-affected areas, can the Premier say whether the Government intends to wait for a reply to its application before it spends money on this proposal or will it spend the money and ask for a recoupment afterwards?

The Hon. D. A. DUNSTAN: The question of the State's involvement in spending money on drought relief is being currently investigated. As the Leader knows, certain money is held by this State at present for drought relief, and we are investigating methods of spending it to the best effect without awaiting a reply from the Commonwealth Government. Meanwhile, we are seeking assistance from the Commonwealth Government on the same basis on which it was granted to other States.

QUESTIONS

Mr. HUDSON: Mr. Speaker, this afternoon children from the Hard-of-Hearing Centre at Brighton Primary School are visiting Parliament, and are in the gallery at present. As these children can lip read, I ask you, Sir, whether members and Ministers may follow the previous practice of speaking directly to the children in the gallery when asking a question or answering one, as the children will greatly appreciate the co-operation of members?

The SPEAKER: I am sure members will be glad to co-operate, but I ask members to ensure that microphones are switched on so that *Hansard* will not be embarrassed.

WATER SUPPLY

Mr. MILLHOUSE: In answer to a question on June 21 by, I think, the member for West Torrens, the Minister of Works commented on a telecast on channel 9 concerning the purity of the Adelaide water supply, and he also commented on a medical practitioner who had taken part in the telecast. Last Tuesday, by appointment, I interviewed Drs. McCombie and Pearson of Glenelg about the programme and about the Minister's comments on the programme. I suggested to the two medical practi-

tioners that the best plan was for them to discuss the whole matter with the Minister. They agreed that this was desirable, and I there and then telephoned the Minister's secretary and made an appointment for the doctors to see the Minister last Friday morning. During Friday morning I had a telephone call from Dr. McCombie, and I have since been supplied by him with a transcript of the interview that took place. This transcript was made, I understand, by Dr. McCombie's secretary, who was also present. The transcript (which shows a commencing time of 9.38 a.m.) states:

There were approximately five men in the room. Mr. Hutchens came forward to shake hands. Dr. McCombie said, "Perhaps we can shake hands after we've talked." Mr. Hutchens said, "There will be no interview in these circumstances. You will leave at once."

Dr. McCombie: I thought perhaps we could talk on your statement in Parliament.

Mr. Hutchens: There will be no interview. Get out.

Dr. Pearson: We have come here in the hope that we could have a reasonable talk with you.

Mr. Hutchens: I have said get out.

Dr. Pearson: I hoped that you would be reasonable, and I wish to give you a chance to explain your derogatory statement of "quack" about my colleague. You stick to your statement?

Mr. Hutchens: I never say anything I do not mean. Get out. There will be no discussion.

Dr. Pearson: I do not want to leave under those circumstances.

The SPEAKER: Will the honourable member assure the House that this explanation is necessary to the question?

Mr. MILLHOUSE: Yes, Sir. I can give that unqualified assurance. According to the transcript, the Minister then apparently telephoned the police and, after some minutes, during which Dr. Pearson "made frequent polite attempts to talk to Mr. Hutchens, who merely repeated 'Get out'"—

Mr. Lawn: Question! Ask the question!

Mr. MILLHOUSE: The question I desire to ask is this: In view of the importance of this matter and in view of the unusual behaviour of the Minister during an interview which I personally arranged—

The SPEAKER: The honourable member is commenting, and he knows that is not permissible.

Mr. MILLHOUSE: I am sorry; I didn't think it was comment. Will the Minister reconsider his refusal to see these two gentlemen and discuss with them the matter of the water supply? Will he now be prepared, if I

arrange a further interview, to see them and discuss this matter with them?

The Hon. C. D. HUTCHENS: I regret that I must reply to this question at some length. True, the honourable member telephoned my office and asked the secretary whether I would see Dr. McCombie and Dr. Pearson about the Adelaide water supply. It was agreed that I see the deputation on Friday, August 4, at 9.30 a.m. At 9.45 a.m. (let me correct the honourable member here) two men arrived with a stenographer, obviously under the instructions of their legal adviser, Robin Millhouse of 34 Carrington Street.

Mr. Millhouse: I deny that absolutely.

Members interjecting:

The Hon. C. D. HUTCHENS: I wish to make it clear that both these doctors practise and reside in the Glenelg District. Because they had asked to discuss the water supply, I invited the Director and Engineer-in-Chief (Mr. Beaney) and the Assistant Engineer for Sewers (Mr. K. W. Lewis) to be present in order that we might discuss the Adelaide water district. As the honourable member has read what he alleges to be the report of the meeting, I shall read the extracts that were taken down, as these prove conclusively that the statements made and quoted by the honourable member are incorrect. The report of these extracts states:

At 9.45 a.m. on Friday, August 4, 1967, Drs. McCombie and Pearson called on the Minister of Works (The Hon. C. D. Hutchens, M.P.). Messrs. H. L. Beaney (Director and Engineer-in-Chief, Engineering and Water Supply Department) and K. W. Lewis (Assistant Engineer for Sewerage Treatment) were also in attendance. A deputation consisting of Drs. Pearson, McCombie and a stenographer arrived at this office, were shown into the Minister's office and on introduction Mr. Hutchens offered to shake hands but Dr. McCombie said, "Not at this stage, that may come later. I object to being called a quack". Mr. Hutchens said that if the interview was to start on that basis he was quite unwilling to listen to them and requested that the deputation leave. Dr. Pearson refused to leave saying that he had left an urgent case and he was not leaving until such time as the Minister had heard him. Dr. McCombie was prepared to leave.

Dr. Pearson said that Mr. Hutchens should apologize for the statement he had made to the effect that Dr. McCombie was a quack. He said he was not leaving until the Minister apologized as he had left an urgent case especially to attend the deputation. He was of the opinion that the Minister should talk to them as they had an appointment with him and Mr. Millhouse had arranged the interview. Mr. Hutchens again stated that he would not pursue any conversation with the men if they would not meet him on friendly terms. He

requested them to leave his office and upon their refusal, telephoned the police and requested that they be removed. Dr. McCombie left the room ostensibly in order to telephone the Australian Medical Association.

Dr. Pearson continued asking the Minister if he would care to make some kind of explanation or apology and inquired as to whether the Minister always said things he meant. Mr. Hutchens replied that this was so. He did not use the word "quack" at that stage. The Minister also mentioned the fact that the deputation had not sought permission to bring along a stenographer. Dr. Pearson thought it was a poor show that the Minister, who purported to be a gentleman, should treat the deputation so badly and not talk with them. Dr. McCombie returned and shortly afterwards the police officers arrived. Drs. McCombie and Pearson explained to the officers that they had an appointment with the Minister but upon entering the office they had refused to shake hands because Mr. Hutchens had called Dr. McCombie a quack. Dr. Pearson felt they were entitled to some explanation of this remark. The Minister had then requested them to leave. At this point the party left the office.

I say, frankly, that the deputation was obtained under false pretences, because members of the deputation did not want to discuss with me the matter of the Adelaide water supply at all.

Mr. Lawn: That is obvious.

The Hon. C. D. HUTCHENS: What I said on June 21 was (if I can find it in *Hansard*)—

Mr. Millhouse: It is at page 45.

The Hon. C. D. HUTCHENS: No doubt the honourable member has made a study of this. I cannot find it, but I know what I said when I was discussing a programme that appeared on channel 9 (Newsbeat). I said that channel 9 would employ a quack for cheap publicity. I said this, but I was speaking in the future tense, not in the past tense. Nevertheless, (and I say this frankly and fairly) I had no intention of reflecting on the learned doctor's ability to practise medicine.

Mr. Millhouse: That does reflect.

The Hon. C. D. HUTCHENS: A quack, however, is one who pretends to have knowledge that he does not possess.

Mr. Lawn: Like the member for Mitcham.

The Hon. C. D. HUTCHENS: The doctor in question has not been in South Australia very long. I suggest that, in his statement over channel 9, he reflected not only on the Engineering and Water Supply Department and its officers but also on all of my predecessors. He was willing to criticize those people and me, thinking he had licence to do it, but once somebody criticized him, by claiming

that he spoke on a subject of which he had no knowledge, he took exception and was aided and abetted by the member for Mitcham.

Mr. MILLHOUSE: I ask leave to make a personal explanation.

Leave granted.

Mr. MILLHOUSE: In the course of his reply the Minister of Works said, in effect, that I was the legal adviser of Dr. McCombie and Dr. Pearson. I want to make it quite clear, however, that this is not the case. Dr. McCombie approached me as a member of Parliament, I presume (although I have not canvassed this with him) in the absence of his own local member overseas. My conversations with Dr. McCombie and Dr. Pearson have been in my capacity as a member of Parliament. As I practise solely as a barrister, it would in any case not be ethical for me to see or to advise the doctors or anyone else, except on the instructions of a solicitor.

COUNTRY ELECTRICITY

The Hon. G. G. PEARSON: Recently, in a question about the supply of electricity to the Lock, Polda and Rudall area, I asked whether the Electricity Trust would consider establishing a substation at Rudall and proceeding with reticulation on low-voltage lines through the area so that residents could have electricity supplied. Previously, the position was stated to be that, until the water supply scheme commenced operating, the trust would not go ahead with this work. Has the Minister of Works information for me on this matter?

The Hon. C. D. HUTCHENS: I have received from the Director and Engineer-in-Chief the following information:

The existing diesel-engine-driven pumping equipment at Polda and Lock is in sound condition and has a remaining life expectancy of several years. However, provided satisfactory arrangements can be made with the Electricity Trust, the electrification of all units would be recommended. It is felt that electrification of these units is bound up with the Lock-Kimba scheme and their electrification would be hard to justify before this scheme requires power. Concerning the electrification of the booster station at Arno Bay, it can be said that this unit (and also those at Boothby and Cleve) could, to advantage, be electrified within the next two years or so. The District Council of Cleve has been advised of the department's power requirements, and it is understood that some consideration is being given to the matter by that authority. Cleve is now supplied in bulk at Cowell by the Cowell Electric Supply Company, transmission to Cleve being achieved via an 11kV line installed by the Electricity Trust and leased to the District

Council of Cleve. Distribution in Cleve and environs is within the control of the council. More widespread distribution from the Cowell power station is still in the hands of the Cowell Electric Supply Company. It could be said that we expect to require power in the 1969-70 financial year, but if power were available the department would be pleased to make the changeover.

I have sent particulars of the honourable member's question to the Electricity Trust, asking it to comment on the possibility of power being supplied.

Mr. HEASLIP: I have recently received complaints from country people about a change in policy on the part of the Electricity Trust concerning extensions to outbuildings on farm properties. A landholder requiring this service must now supply the necessary poles and arrange to have the wiring work done. Over the past 12 or 18 months country extensions have been curtailed, at a time when people in country areas have been either combating a drought or anticipating that they may have to do so. Will the Minister of Works therefore ascertain why policy has changed in respect of extensions to shearing sheds, dairies and workshops on country properties?

The Hon. C. D. HUTCHENS: I am astonished to hear such a statement from a person in private enterprise. I flatly deny that fewer country services have been undertaken recently than have been undertaken previously. In fact, the Electricity Trust has spent more in the last financial year than ever before on extending supplies in South Australia.

Mr. Heaslip: Not on country extensions.

The Hon. C. D. HUTCHENS: The honourable member may keep on yapping, but it is not a new policy. Since the single wire earth return service was introduced the trust has not extended poles beyond the first pole on a property. This matter has often been previously raised in the House, and I have taken it up each time with the trust, which believes (I think with some justification) that there are people today who are competent to do the necessary work and who should not be denied an opportunity to carry out that work.

RAIN-WATER TANKS

Mr. CASEY: Recently, a constituent of mine, who lives in the North and who is naturally aware of the value of water for household purposes, asked me to inquire about the desirability of householders in the metropolitan area installing rain-water tanks. As my constituent, in common with country people generally, realizes the importance of

rain water, information from the Minister of Works on the matter would be interesting. This question may be a difficult one to answer off the cuff. However, can the Minister say how much water would be saved if one 1,000-gallon tank were installed at every house in the metropolitan area?

The Hon. C. D. HUTCHENS: This matter has been considered many times by the department, which would be grateful if people installed and used rain-water tanks. However, we find that they do not—

The Hon. G. G. Pearson: That is not quite right.

The Hon. C. D. HUTCHENS: No. Let me clarify the position. They require water for hot water systems and high-pressure tanks. The maximum amount of water that would be saved if all tanks were used to full capacity would be about the amount that could be contained in the Happy Valley reservoir (2,804,000,000 gallons). This would mean a saving of only a few day's pumping. In addition, we doubt that the people would use the tanks. There is nothing to prohibit the use of tanks but, because of the inconvenience that would be caused, we are not inclined to enter into any form of compulsion to require people to use rain-water tanks.

KEEPING FIT

The Hon. B. H. TEUSNER: You, Mr. Speaker, are doubtless aware that yesterday the Right Honourable the Prime Minister officially opened the Fitness Australia campaign. In this State the Honourable the Premier, with the support of the Lord Mayor of Adelaide, opened the campaign in the Adelaide Town Hall. At that function the Premier also launched the distribution of the booklet *Keeping Fit*. I, as a member of the National Fitness Council of South Australia, was privileged to be in attendance at the Town Hall yesterday when this ceremony took place. The Director of the National Fitness Council of South Australia and the Australian Mutual Provident Society were good enough to forward to me many copies of the booklet, with the suggestion that you, Sir, might be good enough to arrange to distribute them to members of this House. Doubtless, it was ascertained yesterday at the function at the town hall that the Premier kept fit by attending a gymnasium, the Leader of the Opposition by taking a swim before breakfast and the member for Mitcham (Mr. Millhouse) by having a mile sprint before breakfast. No doubt it was realized that the

exertion associated with the rapier-like cut and thrust of debate in which members indulge was insufficient to keep fit. Therefore, I trust that you, Mr. Speaker, will be good enough to arrange for the distribution of this booklet to members so that they, by doing the exercises specified, may improve their fitness.

The SPEAKER: I shall be happy to comply with the honourable member's request and I think he will be happy to know that other members of this House set an excellent example over the weekend by indulging in the best exercise of all—walking in the Flinders Ranges.

BORON

Mr. QUIRKE: I have heard that, like all other elements, the element boron is practically indestructible and that it has the ability, when in effluent water and when used in detergents, of being transmitted, remaining in the flesh of domestic animals and possibly getting into the milk of cows and also into human beings. Although I am not sure whether boron can present certain dangers, what I have heard prompts me to ask the Minister of Agriculture to obtain a report from the Chemistry Department on the desirability of maintaining this element in household detergent?

The Hon. G. A. BYWATERS: As Minister responsible for the Chemistry Department, I will obtain a report from the Director, and as I believe this matter should be referred also to the Health Department I will arrange for that to be done.

WATERLOO CORNER ROAD

Mr. CLARK: Has the Minister of Lands a reply from the Minister of Roads to my recent question concerning the future of the intersection of the Angle Vale and Waterloo Corner Roads, which has been closed for some time?

The Hon. J. D. CORCORAN: The Minister of Roads reports that the closure of a section of the Angle Vale Road, following a number of fatal accidents at the intersection with Waterloo Corner Road, has been reviewed and, in the interest of public safety, it is not proposed at this stage to re-open the intersection. The present arrangement whereby Angle Vale Road forms a T-junction with Waterloo Corner Road is functioning satisfactorily, particularly concerning traffic accidents. To enable property owners abutting the section of Angle Vale Road, which is presently closed, to gain access to their properties, action is being taken towards re-opening this road except for a short section adjacent to the intersection.

COMMONWEALTH GRANTS

The Hon. T. C. STOTT: Apparently, the Commonwealth is prepared to advance moneys to the State, in the form of an unmatched grant, to build technical and agricultural colleges. I understand that for the years 1964-65 to 1967-68 the total capital advances from the Commonwealth was \$3,732,800, of which \$2,033,200 had been used (\$348,000 of it on the Roseworthy Agricultural College), leaving a considerable sum not taken up. As this is an unmatched grant from the Commonwealth, will the Minister of Education consider using part of this money to establish an agricultural college at Loxton? I understand that if such money is not used by the States it will be used for other purposes or not used at all. As I am certain that the Minister appreciates the advantages of having the money spent in South Australia on this desirable object, will he consider this matter?

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

MURRAY RIVER SALINITY

Mr. CURREN: Last Thursday the Minister of Works reported that a slug of saline water in the Murray River had been located near Swan Hill, and that he had communicated with an officer of the Victorian State Rivers and Water Supply Commission. Can he say what action has been taken to ensure closer liaison between departmental officers in Victoria and South Australia on the salinity problem?

The Hon. C. D. HUTCHENS: I am pleased to report that, following my conversation with a senior officer of the Victorian department, the Director and Engineer-in-Chief reports that the Victorian District Engineer for the area is now keeping in direct contact with Mr. J. A. Ligertwood of the Engineering and Water Supply Department and informing him of the progress of the saline slug at each point. The Victorian department will continue to keep in touch with the South Australian department with the object of breaking up the slug at the earliest possible moment. This liaison will help both authorities to act in the best interests of all concerned.

HILLS LAND

Mr. SHANNON: Last week I gave the Minister of Lands particulars of land adjacent to Loftia Park that had come on the market because an estate had to be administered. This land has peculiarities that should be preserved.

It is a local habitat for fauna, but people interested in flora are also anxious that something should be done about it. I have been informed by the Minister and other interested parties that this land could be acquired by the Government at a reasonable price, and it is desirable that it be acquired. As such pieces of land are not easily acquired, will the Minister of Lands indicate what negotiations are proceeding and the stage they have reached?

The Hon. J. D. CORCORAN: I share the honourable member's desires in this matter, and agree that it is most important that the Government, where possible, should take advantage of the availability of such areas. Although the Land Board, on behalf of the National Parks Commission, has inquired about this land, I am not sure what stage negotiations have reached. I will inquire tomorrow, obtain a report on what is involved in the negotiations, and try to ascertain the possibility of the Government's acquiring the area and setting it aside as a national park in order to preserve the fauna and flora.

HOUSING TRUST PROGRAMME

Mr. COUNBE: Has the Premier a reply to the question I asked on July 18 about the flat-building programme of the Housing Trust?

The Hon. D. A. DUNSTAN: The trust had hoped to build the Gilberton site flats in the current financial year, but has deferred commencement pending publication of the Metropolitan Adelaide Transportation Study. The honourable member will appreciate that the question of sites in this area is subject to the proposals for freeways. At the Brooklyn Park flat group, known as Holbrook, certain land was left during the initial development. Further flats to complete this group will be built during 1967-68.

The Hon. G. G. PEARSON: Has the Premier a reply to my question about rental-purchase houses in country towns?

The Hon. D. A. DUNSTAN: The Acting General Manager of the Housing Trust reports that the trust has, from time to time, investigated the possibility of building houses for sale under its rental-purchase scheme in various country centres, but has found that it is not able to build brick houses at a satisfactory price level, particularly where only a few houses may be involved. The honourable member will know that the contract prices that the trust has been able to obtain for the building of brick houses in the metropolitan area

have been obtained mainly because of economies of scale. That is one of the reasons why there has been difficulty in regard to over-building in certain areas at present. When assessments of the needs of those areas were made, contracts that really gave economies of scale in price to the trust were let. One of the essential factors associated with the rental-purchase scheme is that the capital cost, or sale price, of the house must be low enough to enable families on low incomes to meet the repayments. The trust has, however, agreed to sell timber frame houses, which have been built some time ago and let initially, on deposits as low as \$100. Further, when arranging the sale of new timber frame houses, the trust is prepared to enter into contracts requiring the purchasers to pay a minimum of 5 per cent of the capital cost.

Mr. MILLHOUSE (on notice):

1. How many Housing Trust houses are at present in course of construction?

2. How many of those in course of construction on June 15, 1967, have since been completed?

3. How many of those so completed have been sold or let?

4. How many completed Housing Trust houses are at present vacant?

5. How many Housing Trust houses were begun in the month of July in each of the years 1964, 1965, 1966 and 1967, respectively?

The Hon. D. A. DUNSTAN: The replies are as follows:

- 1. 1,849 houses as at July 31, 1967.
- 2. 473.
- 3. 331.
- 4. 610.
- 5. July, 1964 299.
- July, 1965 273.
- July, 1966 213.
- July, 1967 197.

CROCODILES

Mr. BROOMHILL: I have received a letter from a constituent of mine enclosing a copy of a letter forwarded to one of the daily newspapers, which states:

Sir, I must protest about the selfish silly practice of some city stores in selling baby Johnstone freshwater crocodiles. Irresponsible people have not the slightest qualm about "dumping" dogs at registration time, so I suppose one will not be surprised to find a "croc" in our local creek a few years hence.

It is pointed out that crocodiles, which are available for sale in the city at present, can grow to about 12ft. in length. Having checked the position, I find this to be correct. Indeed, the fears expressed in the letter might be real: after these crocodiles grow to an unmanageable

size they might be dumped in the Murray River or any freshwater creek. Has the Minister of Agriculture received any complaints about this matter and will he ascertain whether policing of the problem is required?

The Hon. G. A. BYWATERS: This information comes as a surprise to me. Recently when in Darwin I saw the teasing of some crocodiles in captivity there, and from the look of them I am sure I would not like to be swimming in the Murray River if any were present. Sharing the honourable member's concern about this matter, I will have it examined for him.

KIMBA WATER SUPPLY

Mr. BOCKELBERG: As the Minister of Works is aware, the water supply for the Kimba area is becoming more serious every day. Although I understand that the township itself is being adequately catered for, will the Minister ascertain what steps are being taken to maintain a water supply for the surrounding agricultural areas?

The Hon. C. D. HUTCHENS: The position concerning water for the Kimba district is pathetic, to say the least. Whilst in the area just over a week ago, I inspected some of the reservoirs and, except for the town reservoir, they were dry, although some of the tanks contain water. However, the position is being closely watched and it is intended that the carting of water will commence from October 1 in order that the farmers may be at least able to water their breeding stock. Indeed, if necessary, the carting of water will commence before that date. The District Engineer is watching the position closely.

STOCK TRANSPORTS

Mr. RODDA: The matter of providing facilities for washing stock transports was raised last year, and the Minister of Agriculture and his officers were examining certain proposals. Can the Minister say whether his department has made any progress in establishing a common locality where transports may be cleaned?

The Hon. G. A. BYWATERS: I believe that when I last answered a question on this matter it was to be kept under constant review. As I do not have the latest information on the matter, I will obtain a report for the honourable member.

BOARDING ALLOWANCE

Mr. FERGUSON: I have been informed by a constituent that, because of a late application made for a boarding-away allowance,

that application could not be considered. As the person concerned was under the impression that such application had to be made at the end of the year (and not at the beginning of the year), will the Minister of Education say whether it is the department's policy not to consider all late applications received for boarding-away allowances?

The Hon. R. R. LOVEDAY: If the honourable member will let me have the details of the case to which he has referred, I shall be pleased to have it examined.

MATRICULATION COURSES

Mr. NANKIVELL: Has the Minister of Education a reply to my recent question about the possibility of establishing a new matriculation course at the Bordertown High School next year?

The Hon. R. R. LOVEDAY: The Headmaster of the Bordertown High School has supplied information relative to the establishment of a matriculation class in 1968 and this is at present being examined. The Headmaster's estimate of the number of students capable of taking matriculation and expressing a desire to return for a fifth year is 15, not 19 or 20 as quoted by the honourable member. At least two additional teachers would be required. While policy is to establish matriculation classes in country areas wherever possible, the availability of suitable staff and accommodation are prime considerations. It may take some weeks before a decision can be given.

Mr. NANKIVELL: In his reply, the Minister said that only 15 pupils were involved in the report of the headmaster of the Bordertown High School. In considering the matter, will he take into account the three or four students from Keith who may have indicated (or who may be prepared to indicate) that they will attend such a course, if it is provided at Bordertown?

The Hon. R. R. LOVEDAY: Yes.

The Hon. T. C. STOTT: Last week, when I asked the Minister a question regarding the matriculation course at the Waikerie High School, I pointed out that over 20 students there had to travel long distances to take such a course. Has the Minister a further reply to that question?

The Hon. R. R. LOVEDAY: The headmaster of Waikerie High School, along with heads of other small country high schools, has recently supplied information relative to the establishment of a matriculation class, and this is at present being examined. The headmaster's estimate of the number of students

capable of taking matriculation and expressing a desire to return for a fifth year is 17. At least two additional teachers would be required. While policy is to establish matriculation classes in country areas wherever possible, the availability of suitable staff and accommodation is a prime consideration. It may take some weeks before a decision can be given.

Mr. RODDA: Can the Minister say whether a matriculation course will be provided next year at the Naracoorte High School? I point out that some students from the Kingston Area School would be interested in such a course at that high school.

The Hon. R. R. LOVEDAY: I will endeavour to obtain a reply for the honourable member.

COFFIN BAY JETTY

The Hon. G. G. PEARSON: For some time representations have been made to me regarding provision of a jetty for the landing of fish at Coffin Bay. The department recently installed beacons on the entrance channel at Coffin Bay (or, at any rate, replaced beacons that had fallen into disrepair). There is an increasing use of this port, which is the only really sheltered port in rough water on the western side of Eyre Peninsula. The fishermen have been served previously by a private jetty which was established by Mr. Hurrell, but this is now falling into disrepair and, because of the increasing use of the port, there is now an urgent need for the department to consider the establishment of a permanent jetty at Coffin Bay. Will the Minister of Marine examine his dockets and the record of representations regarding this matter, as well as the reports that are available to him in the Marine and Harbors Department as a result of previous inquiries (some recent), and will he consider the provision of this important amenity for fishermen at Coffin Bay?

The Hon. C. D. HUTCHENS: The honourable member will realize that this is something for the fishing industry and, as such, it must be provided from a vote made to the Minister of Agriculture. I do not know what the position is, but I will confer with my colleague, have the matter investigated, and let the honourable member know the outcome.

SOLAR SALT PLANT

Mr. COUMBE: Can the Premier give me the further information I sought last week regarding the solar salt industry in South Australia?

The Hon. D. A. DUNSTAN: The honourable member is no doubt referring to the negotiations carried out by a previous Premier, Sir Thomas Playford, with the Leslie Salt Company and L. J. Hooker Proprietary Limited, regarding the possibility of developing the solar salt leases at Port Paterson near Port Augusta. As a result of these negotiations the Public Works Committee reported on a proposal in relation to the provision of bulk loading facilities for the shipping of salt at Port Paterson. The report was signed on May 2, 1963—not a year or two ago as suggested. There was, if I recall correctly, an announcement by Sir Thomas Playford that the proposal was definite and would proceed. However, late in February, 1965, Leslie Salt advised the then Government—not our Government—that it had withdrawn from the project. It is apparent that this withdrawal was to allow the company to enter negotiations to develop salt leases in the north-west of Western Australia. No public announcement appears to have been made by the Government at the time, although reference was later made to it in this House by Sir Thomas in May, June, and November, 1965.

Immediately on assuming office, my predecessor, (Hon. Frank Walsh, M.P.) contacted all parties interested in the original proposal to assure them that we were keenly interested in developing the salt leases around Port Paterson, and would certainly assist them as previously indicated. Unfortunately, the parties concerned had made up their minds some time previously not to go ahead with the proposition. Since then we have continually tried to interest other parties in these leases. In September, 1966, the Government commenced very detailed negotiations with the Japanese firm Toyo Menka Kaisha Limited, one of the 10 large trading companies in Japan. Considerable inducements were offered to the firm to develop the leases, and prospects looked most promising. However, in March this year we were advised by that company that it could not proceed with the proposal. It said that it was not able to proceed as it could not get the necessary approval from the Japan Monopoly Corporation, which controls the import of salt into that country. This import system is "aimed at depressing a rise in f.o.b. value which might be invited by over-heated competition among importers".

We are still trying to interest firms in developing the leases at Port Paterson and preliminary details have recently been supplied to two large international concerns. It is far

too early to say what will develop from these possibilities and we are not in the habit of announcing new industries unless conclusive arrangements have been made for their establishment.

The Hon. G. G. Pearson: Did that statement form part of the original report?

The Hon. D. A. DUNSTAN: The original statement was stronger than that. I will provide it for the honourable member if he requires it.

SCHOOL SUBSIDIES

Mr. LANGLEY: The Minister of Education has had to reply to many questions (which have included inaccurate explanations) asked in this place about school subsidies. The financial year has just ended and schools in my district have received their correct subsidies. Before this Government came into office subsidies were outstanding and moneys were owing to many schools. Will the Minister bring down a report showing the position regarding the allocation of school subsidies for the last financial year?

The Hon. R. R. LOVEDAY: I will try to get that report.

REGISTRATION PERMITS

The Hon. G. G. PEARSON: Has the Premier a reply to my recent question about streamlining the provisions for the registration of certain vehicles in rather remote country areas?

The Hon. D. A. DUNSTAN: I have the following report from the Registrar of Motor Vehicles:

I would think that the circumstances outlined by the honourable member are unusual and occur on very isolated occasions. This is the first time that such a problem has been raised and no complaint of this nature has been received before. It is difficult to legislate and adopt procedures to cover every possible situation which might result in delay or inconvenience to a person who needs to transact business through a police station. It could also be argued that something should be done for people who are unable to undertake licence examinations or practical tests on days when the local police officer is not available. In my opinion it would be unwise to legislate to allow permits to be issued by a motor car dealer or anyone other than a public servant. The police officer has to comply with detailed instructions to see that certain requirements are met by the applicant (or the dealer on behalf of the applicant) before a permit can be issued. This is particularly important from the aspect of third party insurance cover. It often happens that dealers do not meet these requirements and applications for registration or permit have to be rejected by the department or a police officer. All such cases would

be out of order if the dealer issued the permit in the absence of a police officer. It would be impracticable and undesirable to instruct those who are not servants of the Crown and over whom the Commissioner of Police or Registrar of Motor Vehicles have no control.

The situation as outlined in this particular case could be overcome by legislating for more liberal use of traders' plates. However, this is not recommended because, first, it is not warranted to cover what are believed to be very isolated cases and, secondly, it would pave the way for even greater abuse in carrying these plates. (We have had some cases of abuse, as the honourable member would know.) The purpose for which such plates may be used is already much more liberal in South Australia than elsewhere in the Commonwealth. It should not be forgotten that many police officers in the country issue permits outside normal office hours as a courtesy to local people. This is a privilege not available to people in the metropolitan area.

MOTOR VEHICLE INSURANCE

Mr. MILLHOUSE: I have been handed a memorandum, which I understand has been distributed to officers in the Agriculture Department, the first paragraph of which is as follows:

C.S.O. Circular No. 959 sets out that an officer who has approval to use his private motor vehicle on official duties shall indemnify the South Australian Government against any claim for the amount of excess on any comprehensive policy.

Attached to the memorandum is a form of indemnity which officers are invited to sign and return. I am informed that the explanation of this is that the mileage allowance that is paid to officers who use their private cars is sufficient to cover any element of payment that may have to be made under the indemnity. Of course, this does not take account of the fact that officers under 25 years of age have to pay a much greater amount of excess than those over that age. I am further informed that the memorandum and the request for the indemnity have caused some concern in the department. Therefore, will the Minister of Agriculture reconsider the request made in the memorandum with a view to withdrawing it or, at least, modifying it in the case of officers under the age of 25?

The Hon. G. A. BYWATERS: I am a little surprised to hear the honourable member say that officers of the department are concerned about the matter because nothing has been said to me about it by the Director or any of the officers of the department who, at all times, have a perfect liberty to approach me on matters causing them concern—in fact, they frequently consult me. Although I do not know

of this matter, I am aware that officers of the Commonwealth Government are required to indemnify against their personal use of a motor car that is used both for Government business and privately, and I believe that is a similar situation. I will examine the matter to see what is the position.

CHRYSLER AUSTRALIA LIMITED

Mr. RYAN: Today's *News* contains the following article:

Australia is gaining a commercial enterprise at the expense of London with the establishment of Chrysler International in Sydney before the end of the year.

Can the Premier say whether the establishment of Chrysler International will interfere in any way with the industries of Chrysler Australia Limited established at Tonsley Park and Christies Beach?

The Hon. D. A. DUNSTAN: No, quite the contrary. The establishment of Chrysler International in Sydney is in order to arrange the export of Chrysler products from Australia to eastern markets. The major production of those vehicles for export will be at the Chrysler plants in South Australia. The establishment of the office in Sydney is to arrange the export contracts, but the production (the effective increase in industrial undertaking) will be in this State. I am happy to say that both of the major motor car undertakings in South Australia are turning increasingly to the overseas export market. Only yesterday I had from General Motors-Holden's a report on the extent to which it is now undertaking exports from South Australian plants. This is a most heartening development in our motor car industry in South Australia.

PAVING

Mr. NANKIVELL: Has the Minister of Works an answer to the question I asked on July 26 about the standard of paving approved and being used by his department?

The Hon. C. D. HUTCHENS: Following the honourable member's question, I took this matter up with the Public Buildings Department. The Director of that department is aware that in the past there has been a small percentage of unsatisfactory paving jobs. However, he advises that in recent years the department has progressively raised the design standards, and supervision of contract paving work for schools and present standards comply with the latest acceptable practices and are felt to be satisfactory.

DENTAL SERVICES

Mr. MILLHOUSE: I have a question to ask about health, which I think ought to go to the Minister of Social Welfare, but he is not here and so I guess it ought to go to the head of the Government. Therefore, I direct it to the Premier. The question deals with the availability of the Dental Hospital for certain work. A case has been reported to me of a 14-year old boy who needs braces on his teeth to straighten them. He has now reached the age when this work ought to be done. His mother, who I think is a widow, cannot pay for this expensive procedure, and she has been told by the Dental Hospital that it cannot do the work because there is a waiting period of several years. Even though this child has been a regular patient at the hospital, the advice given is to see a private dentist. However, this is not possible, for reasons that I have explained. Can the Premier say whether it is the policy of the Dental Hospital to put off children who need this attention and, if it is, whether that policy can be reviewed to see that the work is done promptly when required, and also, in particular, whether the Government would consider the particular case that has been drawn to my attention?

The Hon. D. A. DUNSTAN: If the honourable member gives me details of the case, I shall ask my colleague about it and get a report.

FAUNA PRESERVATION

Mr. CLARK: As you know, Mr. Speaker, during the last weekend I was in your company and that of other members and of Mr. Pollnitz (Director of the Immigration, Publicity and Tourist Bureau Department) and others, when we had the great pleasure of a stay in the Flinders Ranges. Whilst there I noticed (although I had not noticed it before) that there seemed to be a plenitude of wild life. I refer particularly to kangaroos, euros and emus. When I saw¹² them I thought about a letter I had received from a constituent who was concerned about what she considered to be undue destruction of kangaroos in our State. If I pass this letter to the Minister of Agriculture, will he give the detailed reply of which I think it is worthy?

The Hon. G. A. BYWATERS: Yes, I shall be pleased to do that. I do not know whether the letter is in a similar strain to that of letters that I have recently received from other members who have had representations made to them about the destruction of the red kangaroo. Some of them have suggested that

the Government has not acted responsibly about the protection of this animal: I deny this categorically. The Government and the Fisheries and Fauna Conservation Department have been most active in regard to the preservation of native fauna in every respect.

The Hon. J. D. CORCORAN: The National Parks and Wild Life Commissioners are also doing good work in this matter.

The Hon. G. A. BYWATERS: Yes. Since this Government took office, we have stopped what was an open go on the shooting of kangaroos. It is now necessary to have a permit to shoot kangaroos, whereas previously there was no restriction. In case this letter is in the same vein as the other letters to which I have referred, I point out that the Government is fully conscious of the need to protect from extinction our native fauna, because of its value to us and to generations to come.

SOUTH-WESTERN SUBURBS DRAINAGE

Mr. MILLHOUSE: I understand that the Minister of Lands, on behalf of the Minister of Roads, now has a reply to the question I asked some time ago arising from the criticism of the Mayor of Glenelg over the south-western suburbs drainage scheme.

The Hon. J. D. CORCORAN: The Minister of Roads states that the report of the Public Works Committee on the Sturt River improvements shows that both the Mayor and Town Clerk of the Corporation of Glenelg submitted evidence to the committee. The Government approved the committee's recommendation that the works proceed.

TRANSPORT COMMISSION

Mr. MILLHOUSE: My question, which is directed to the Premier, arises from the question I asked him last week about the likely date of receipt of the report of the Royal Commission on State Transport Services. Following that question and his answer, I received a letter from a company that is a large dealer in motor vehicles in this State. The letter, after canvassing the information that it is unlikely that the Commission's report would be available before next year, states, in part:

This causes us, in the truck industry, much dismay and some apprehension. As can be appreciated, a considerable number of truck operators, that is, carriers and farmers alike, are loath to replace present vehicles or add to their fleets until they have some indication of the present Government's intention as to the future of the road transport industry, and the delay in knowing what is going to happen is having a very depressing effect amongst carriers and in the trucking industry generally.

I rather have the feeling that this inquiry is being dragged out so that the final report will not be made available before the next election. However, if re-elected, the Government well might believe they then have a mandate to re-introduce controls on the roads.

The SPEAKER: Order! Order! I rule that this is comment and not fair comment. My patience is just about exhausted. I have referred over and over again to the fact that Standing Orders do not provide for this kind of comment in Question Time. A member seeks leave of the House to explain a question, and I am afraid that if the member for Mitcham does not refrain from comment he will find that leave will not be granted. The honourable member for Mitcham.

Mr. MILLHOUSE: I apologize to you, Sir, if I overstepped the mark, but I was quoting from a letter—

Mr. McKee: You do it all the time.

The SPEAKER: Order!

Mr. MILLHOUSE: In the light of the points made in the letter, will the Premier use his good offices to try to speed up the receipt of the report and, thereafter, to make known the action that the Government intends to take as a result of the report, in order to allay the depressing effect that the present state of uncertainty is having on the trucking market in South Australia?

The Hon. D. A. DUNSTAN: Differing views are given about the present situation, and several do not coincide with what the honourable member saw fit to comment on. I assure him that there is not the slightest doubt that the Government's policy will be made known before the next election. The progress of the Royal Commission is not a matter in my hands, but it is in the hands of the Commission to hurry up the matter. The Commission has considerable work to do, and it would be improper for me to intervene. When the report is received the Government's views on it will be made public.

STUDENTSHIP

Mr. MILLHOUSE: As I understand that the Minister of Works has been kind enough to prepare a reply to a question I asked some weeks ago about a studentship to a person in the Public Service, will he be kind enough to give it now?

The Hon. C. D. HUTCHENS: True, the honourable member asked a question some weeks ago, but I was somewhat reluctant to give the reply because it might have hurt the person concerned. However, as the honourable member has pressed the question, I will give

the reply now. The Public Service Commissioner has again looked into this matter and has now forwarded the following report:

Mr. Woolman was one of 37 persons whose studentship was terminated because of unsatisfactory results obtained from 1966 studies. Of these, 10, including Mr. Woolman, had held Public Service appointments before being awarded their studentship and were therefore eligible for reinstatement. Whilst there is naturally a tendency to look at this matter from Mr. Woolman's point of view, the Government's interests must not be overlooked. During 1965 he was granted exemption from fees amounting to \$66. In 1966 the Government gave Mr. Woolman the opportunity to study full-time for his degree in building technology. In addition to the allowance of \$740 a year paid to him, he was relieved of the obligation to pay fees for his lectures, this amounting to a further \$200.

It is not suggested that Mr. Woolman's failure in 1966 was due to deliberate negligence on his part; nevertheless, because of his failure, the Government has not received the return it had reason to expect when awarding the scholarship to Mr. Woolman. Whilst it is in the Government's interests that Mr. Woolman should become a qualified quantity surveyor as soon as practicable, it is also in Mr. Woolman's interests, because as soon as he does qualify he becomes eligible for a substantial increase in salary, plus assured progression to a salary of \$4,935.

I point out, also, that during 1965 Mr. Woolman was given two hours a week off with pay to study, and during 1967 is being allowed four hours a week off with pay to continue his studies on a part-time basis. (During the third term of 1967 he will require seven hours off, of which five hours will be with pay.) Taking all the circumstances into consideration, I do not think there is any evidence of hardship to Mr. Woolman.

CONTAINERIZATION

The Hon. Sir THOMAS PLAYFORD: I refer to a public statement that special provision is being made to have a container service in several ports in Queensland. Can the Minister of Marine say whether we are being kept abreast of the new system that is to operate soon, and whether South Australia will have a full container service for ships other than those operated on the main lines, about which an announcement has been made that they will operate from only two Australian ports? I understand that supplementary lines propose to operate full container services from other ports.

The Hon. C. D. HUTCHENS: I am pleased to answer that question, because the Senate Committee on containerization, which was recently in South Australia taking evidence, informed me by telephone and by letter that

the preparation in South Australia was excellent. I assure the honourable member that South Australia is providing to the highest possible degree for a container service.

The Hon. Sir Thomas Playford: Supplementary or primary?

The Hon. C. D. HUTCHENS: I hope the honourable member will allow me to complete the answer. It is expected that because of the quantity of cargo available from South Australia a feeder port will be as much as we can obtain. We are in the hands of the shipping companies but, despite that, large areas have been reserved and plans are being prepared for a full-time major container port to operate in this State as early as possible, and we will work towards that end.

The Hon. Sir THOMAS PLAYFORD: Can the Minister say whether land is being reserved only in the restricted area of the Port River, where only shallow-draught vessels will be able to operate, or whether land is also being reserved at Outer Harbour, in order to cater for full-scale container ships?

The Hon. C. D. HUTCHENS: Land is being reserved in both areas: first, at Port Adelaide to cater to a limited extent and, secondly, at Outer Harbour, with a view to its becoming a terminal port in the future.

X-RAY FEES

Mr. MILLHOUSE: Several times last week I asked the Premier a question about the imposition of payments on public patients at the Queen Elizabeth Hospital for X-rays. I understand that the Premier, in accordance with the undertaking he gave last Thursday, now has a reply to my question.

The Hon. D. A. DUNSTAN: It is the normal practice in most hospitals to make a separate charge for diagnostic X-rays. In 1959, an investigation committee recommended the introduction of X-ray fees for inpatients in Government hospitals but, because of administrative difficulties and the problem, particularly in country Government hospitals, of processing such fees from the point of view of medical benefits, this was not possible at that time. (A limited scale of out-patient X-ray fees has been in force for many years in Government hospitals.) The various difficulties have since been resolved and, in consequence, approval was given for introducing a comprehensive scale of X-ray fees (including public ward inpatients) as from August 1, 1967.

The fees charged to public ward patients are equal to the appropriate Commonwealth medi-

cal benefit, so that patients insured for Commonwealth medical benefits may obtain reimbursement in full. A special remission scale has been prepared so that public ward uninsured patients may have X-ray fees remitted in full or in part. Generally, the net effect of the new fees will be additional revenue with little, if any, cost to patients.

Mr. MILLHOUSE: Will the Premier say how much additional revenue will be obtained by the imposition of payments for these X-rays? If he has not the information at his fingertips, will he be kind enough to obtain it as soon as possible?

The Hon. D. A. DUNSTAN: I will ask my colleague for a report.

EGGS

Mr. FREEBAIRN (on notice):

1. How many egg producers in South Australia at present pay the Council of Egg Marketing Authorities hen levy?

2. Of this total, how many pay the levy on flocks of 250 or more birds?

The Hon. G. A. BYWATERS: The replies are as follows:

1. 3,694.

2. From the arrangements of the statistical records of the South Australian Egg Board, it is not possible to indicate the number of egg producers who pay a levy on flocks of 250 or more. The number of producers who have flocks of 150 birds and over is 1,392, and 388 have flocks of 500 and over.

WATER RETICULATION

Mr. FREEBAIRN (on notice): What will be the approximate cost of each of the following water reticulation schemes:

(a) a supply to Leasingham and Watervale;

(b) a supply to Leasingham, Watervale and Penwortham; and

(c) a supply to Leasingham, Watervale, Penwortham and Sevenhill?

The Hon. C. D. HUTCHENS: The reply is as follows:

(a) \$210,000.

(b) \$300,000.

(c) \$370,000.

FORESTRY

The Hon. Sir THOMAS PLAYFORD (on notice):

1. What was the total value of unsold milled timber held in stock by the Woods and Forests Department as at June 30 in each of the years 1965, 1966 and 1967, respectively?

2. What was the total number of fruit cases (in shooks) sold by this department during each of the abovementioned years?

3. How many persons were employed in connection with the production and supply of these cases for each of the abovementioned years?

The Hon. G. A. BYWATERS: The replies are as follows:

1. Value of unsold milled timber: 1965, \$504,120; 1966, \$1,082,263; and 1967, \$1,272,075.

2. Total number of fruit cases sold: 1965, 5,465,000; 1966, 4,367,000; and 1967, 3,589,000.

3. Persons employed on case production: individual figures of employment on case production are not available, as they are not kept according to type of output. In addition, products other than cases have regularly been produced by the same machinery and personnel that are concurrently used in case production.

CATTLE COMPENSATION ACT AMENDMENT BILL

Returned from the Legislative Council with a suggested amendment.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

LOAN ESTIMATES

In Committee.

(Continued from August 3. Page 1069.)

Grand total, \$82,560,000.

Mr. HALL (Leader of the Opposition): The consideration of the Loan Estimates is one of the most important functions of Parliament. It is particularly important at this stage, as this is the third set of Loan Estimates introduced by the present Government, and they give a fairly good indication of management in South Australia today. These Estimates are a most miserable attempt to shore up a position that has been eroding over the last two years. Indeed, in explaining the Estimates, the Treasurer needs to use all the brave words that he has used and all the publicity that he can obtain in order to present to the public the story as he would have it presented. On examination, the construction placed on these Estimates by the Treasurer completely collapses.

This is the most ineffective set of Loan Estimates of the whole three that have been introduced during the term of this Government. The Estimates are ineffective in all directions but, more particularly, they are ineffective in quantity; they are not a record (as the Treasurer would have the public believe they are) except in regard to the total

expenditure outlined. They are not a record in relation to achieving concrete works for the State. We know that the Loan Estimates form the basis of future development, but these Estimates are severely lacking in regard to allocating proper priorities to developmental projects. First and foremost, we need a true comparison of the three specific Loan programmes that have been presented to this Chamber. To this end, I have delved into the figures and obtained a comparison which, as I said earlier, is entirely unfavourable to this attempt by the Treasurer in his first Loan Estimates to present some sort of face for the most ineffective programme so far introduced by the Labor Government in this Chamber.

I refer now to previous Loan Estimates and the actual expenditures resulting from them on schools, hospitals, police stations, railways, etc., in this State. In 1964-65, under the Playford Administration the actual expenditure in the Loan programme was \$73,639,368. In the first Walsh Administration the expenditure significantly exceeded the forecast. The actual expenditure in that Loan programme (excluding Commonwealth-State Housing Agreement expenditures) was \$75,166,622. Coming to the last two Loan Estimates, we face a different procedure of financial management by the Government. It loaded its Loan expenditures significantly with the burden of subsidy paid for non-Government buildings. So, for the purposes of comparison, we must subtract from the 1966-67 Walsh Government Loan Estimates and from the present 1967-68 Loan Estimates the amount of money used to subsidize non-Government buildings; otherwise, we cannot get a true comparison of achievement between these three sets of Loan Estimates presented to Parliament. Shorn of that extra burden and to achieve a true comparison, we get the following figures: \$73,600,000 in the last Playford Administration, \$75,100,000 in the first Walsh Administration, \$69,000,000 in the second Walsh Administration, and a proposed \$75,500,000 in the first of the present Treasurer's Loan Estimates.

But one other subtraction must be made from these present Loan Estimates—the accounts remaining unpaid from last year. Here, I refer to the matters mentioned by the Treasurer on June 22 of this year in this Chamber. I draw honourable members' attention to his words:

During the debate on the Supplementary Estimates I was asked what contracts would

not come to account this year, which meant an underspending on the estimated amount of the Loan Fund. I now have some information on that matter. As I told members yesterday, it was difficult to obtain completely accurate information in this area, but the general area has been indicated by the Under Treasurer, who reports that in the Engineering and Water Supply Department the total programme was \$26,800,000. Materials, supplies and equipment aggregating about \$600,000 have been somewhat delayed in delivery, including mainly pipes delayed through steel plate not being available to contractors on schedule. In addition about \$800,000 arises from some delay in progress by outside contractors . . .

Without my going into detail, further additional amounts unpaid from last year are: River Murray Commission, \$150,000; Railways Department (because of delays), \$600,000. So we have a total of unpaid accounts from last year, which were allowed for in last year's accounting, of \$2,150,000. Obviously, these will be met from this year's accounts. So, in addition to shearing from this figure that the Treasurer has presented for his first Loan programme the amount of financial support for non-Government buildings (which, of course, are now being subsidized from Loan Account), we must take into account the sum of \$2,150,000, which gives us a grand total of \$73,410,000 for the 1967-68 expenditure on comparable items. That is money spent on the same works and for the same purposes on which the Treasurer's predecessor in his first year of office spent \$75,166,000.

How does this appear as a "record Budget"? We are down even on the first year of office of the Labor Government, even though since that time (in 1966-67) there has been an increase of \$7,538,000 in money coming from the Commonwealth Government. In this year there has been an increase of \$4,390,000, making a total increase of \$11,928,000 from the Commonwealth since the Labor Government's first Loan Estimates were introduced. Yet we find that this programme has not yet regained the first year's expenditure by the Walsh Government. This is a shocking indictment of progress, of "Live better with Labor". We have swallowed up nearly \$12,000,000 and have less to spend on Loan works than the first Walsh Administration had. What nonsense it is to go to the newspapers and talk of a "record Budget"! This construction is a pack of cards that falls in a heap of boasting, of half-truths. The present Treasurer falls short of his predecessor in his two years (and particularly in the first year), which means that we are now as a State paying the penalty for the blatant mismanagement of our

financial affairs in the first year of the Walsh Administration; we are now seeing the results of deficit budgeting, which members opposite would have us believe was pursued for the benefit of South Australia.

We are witnessing this reduction of our capital assets. It means that, despite an increase in costs over two years and in allocations from the Commonwealth Government, we are actually doing less with our money. Goodness knows how much worse off we are as a result of inflated costs. Probably it would be 6 to 7 per cent; however, these figures are available to the Treasurer. We are doing something less, because of an increase in costs in South Australia, than could have been done in 1965-66. The Treasurer has the effrontery to go to the people of South Australia and have these written up as "record Loan Estimates", yet he has been unable to repeat the spending of his predecessor.

I come now to one main alteration in the management of our financial affairs—the transfer to the Loan Account of the responsibility previously met by Revenue Account: subsidies for non-Government buildings. Members opposite have endeavoured to justify this. It is interesting to look back to the last Loan Estimates of the Walsh Administration and see what the then Treasurer said when he initiated these alterations. He said:

There can be no dispute that, if it can be afforded, the practice of charging building grants against Revenue Account rather than Loan Account is desirable.

So when this matter first came into this Chamber, the Treasurer of the day apologized for having to load the capital account of the State with what previously had been revenue expenses. The present occupant of the Treasury bench is not apologizing for this; in no way has he said it is undesirable. His predecessor, who managed to spend more in his first year than the present Treasurer has been able to, has said that it is clearly desirable that these matters be met from Revenue Account, if possible. If we have loaded the Loan Account with almost an extra \$9,000,000 last year and a planned \$7,000,000 this year, someone somewhere has to go short. Some developmental projects in South Australia will not receive the money they require to provide a future basis for South Australian development and employment. Some of these cases have been revealed in figures shown in the last three Loan Estimates produced by Labor Treasurers. It is interesting to note that, in 1965-66, the Government provided for

loans to producers \$1,200,000, or 1.6 per cent of the total Loan programme. Last year, \$828,671 (or 1.1 per cent) was provided, and this year \$750,000 (or .9 per cent) is provided. This shows a steady, progressive decline. The variation in advances to settlers is not altogether unfavourable to the Government, as some progress has been made in this regard.

However, the development of fishing havens has been greatly affected recently. The average expenditure on fishing havens during the last eight years of the Playford Administration was \$105,000. However, in the first year in which this Government was in office, the provision for fishing havens was \$46,682, or .06 per cent of the total Loan Estimates. In 1966-67, the Government estimated \$40,000 as expenditure on fishing havens, but spent the miserable sum of only \$20,000 on them. That was all the Government contributed towards an industry that probably returns to South Australia about \$6,000,000 a year. This year, the Government estimates that it will spend \$80,000 on fishing havens, which is less than 80 per cent of the average sum spent by the Playford Government in its last eight years of office. Of course, if last year's procedure is followed, only about half of that \$80,000 will be spent on fishing havens. This industry is most important to South Australia. If we provide for secondary industry to the exclusion of primary industry we will suffer greatly in returns both to the Government and to private individuals.

During its first year of office, the Government provided \$303,714 for the Mines Department and, last year, \$161,690. This year it is intended to provide \$220,000. These expenditures represent .4 per cent (of the total Loan Estimates) for 1965-66; .21 per cent for 1966-67; and .27 per cent for 1967-68. Again, this shows a decline in the sums allocated to an important developmental facet of South Australian primary industry. In seeking other decreases in expenditures in important fields, I find that \$1,000,000 was advanced to the State Bank in 1965-66 that was undoubtedly used for the normal trading services of that organization. However, no provision was made last year, nor is provision made this year, for this general banking purpose and this happens at a time when South Australia is faced with a difficult year agriculturally and when this House has supported approaches to the Commonwealth Government for assistance to the drought ravaged areas of the State. In these circumstances, I should have thought the State Bank would receive

extra moneys so that it could offer assistance in this regard. However, at present no extra moneys have been provided from the capital funds of the State. The provision of \$1,000,000 in 1965-66 was the first and last advance for the general banking of the State Bank made by this Government.

For harbours accommodation, in 1965-66 the actual expenditure was \$2,608,545; in 1966-67 it was \$2,045,697; and, for 1967-68, \$2,055,000 is proposed. The provision of port facilities in South Australia is most important to primary and secondary industry, but the allocation for this purpose has been reduced significantly in three years. In 1965-66, actual payments on school buildings were \$11,758,894; in 1966-67, \$10,757,161; and for this year the proposed payments are \$10,650,000. We can look at many important developmental fields and see that the allocations for them have steadily declined in the three years that the Labor Government has been in office. As about \$9,000,000 was taken from the Loan Account for other purposes on one occasion, and as about \$7,000,000 is to be taken for other purposes again this year, we know that we will find reductions in provisions in the Loan Estimates to compensate. The Treasurer has blamed other sources than his own Government for the financial stringency in which South Australia is at present placed.

Mr. Millhouse: He will blame anybody but himself.

Mr. HALL: Yes, he even blamed the former Treasurer (Sir Thomas Playford) for not leaving greater credits in the accounts of the State when he went out of office. He has also blamed the Commonwealth Government. In introducing the Loan Estimates, he said, in effect, that to a great extent he placed the blame for the down-turn in South Australia on the lack of Commonwealth acceptance of proposals he put to it. It is all very well to ask the Commonwealth Government to give him money for a project that is unknown to the public and then, because the Commonwealth Government refuses, to blame it for the failure of his Government to provide the sums necessary for the advancement of the State. I point out, too, that at the very time the Government is attacking the Commonwealth Government for its non-co-operation it is asking the Commonwealth to grant moneys for drought assistance. That is a peculiar approach.

Mr. Millhouse: The Treasurer is always playing politics.

Mr. HALL: One thing the Government is now afraid to do is to play politics. It has never been more scared of its own policy than it is today, and it simply hates the word "policy" in this Chamber.

Mr. Casey: You forgot to mention the faceless men.

Mr. HALL: We shall deal with them a little later. It is interesting to note the extent of the Commonwealth Government's assistance to the State: \$300,000 has been provided under the Commonwealth Softwoods Forestry Agreement Act, and the public buildings programme has benefited by Commonwealth grants to science laboratories and for technical training purposes. The additional sum of \$361,000 for the Roseworthy Agricultural College will provide very acceptable assistance. Last year it took a great deal of persistence from the Opposition to get the Government to admit that the Commonwealth was paying in full for extensions to the college.

These Commonwealth grants towards public buildings amount to \$2,161,000 and, of course, a big payment is involved that is not considered in these Estimates: this is the sum of \$9,600,000 that is paid for standardizing the railway from Broken Hill to Port Pirie. Considering the Commonwealth's involvement in the standardization of this line, how can the Treasurer blame the Commonwealth for the recession that has taken place? As we know, railway reconstruction in this State will give a tremendous lift to employment and business opportunities.

The Treasurer's second point related to the record level of expenditure, and I think I have effectively demolished his claim. Thirdly, he said that a large allocation would be made for housing under the Commonwealth-State Housing Agreement. Referring to the amount of expenditure that the Government is undertaking in the construction and financing of housing, the Treasurer said:

It is not only a record for this State in that particular field but involves a provision at low interest rates of a far greater proportion of governmental Loan funds for housing than is provided in any other State of Australia.

Even this claim compares poorly with the efforts of previous Administrations in this State. The amounts provided under this agreement for the past four years for low-cost housing are as follows: 1963-64, \$19,318,000; 1964-65, \$20,500,000; 1965-66, \$19,000,000; 1966-67, \$20,750,000; and the proposed allocation this year is \$21,000,000. However, in 1965-66 an additional sum of \$2,057,000 was granted by the Commonwealth for housing pur-

poses. So, in that year more money was available from Commonwealth Government sources for housing than the amount that it is proposed to expend from these sources this financial year, and this refutes entirely the Treasurer's statement that it is a record Budget. So, his most recent claim to a record has been demolished.

In the light of these particularly lamentable Estimates and of the facts I have outlined illustrating this Government's unreliable Loan policy (which has varied over the last three years from \$75,000,000 to \$69,000,000 and now to \$73,000,000) we can see that it has failed to honour its promises despite increased Loan allocations of over \$11,000,000 in the last two years. Consequently, in spite of the Treasurer's optimistic statements, we are still experiencing difficult conditions here.

I should now like to refer to the much-quoted figures concerning the building industry. It is pleasing to note that in June there was a fairly significant increase in building approvals in South Australia; they increased from 1,566 in the March quarter to 1,973 in the June quarter. It is also interesting to note that the number of approvals for the whole of Australia has significantly increased, too. South Australia's low figure for the March quarter was 6 per cent of the approvals for the whole of Australia. Although the number increased in South Australia in the June quarter, this State still had only 6 per cent of the approvals for the whole of Australia. Consequently, whilst the increase was a welcome sign locally, we are no better off, comparatively.

We know that employment figures in South Australia are not favourable. Earlier this year the number obtaining unemployment benefits was greater than the number obtaining them in Victoria, even though Victoria's population is three times greater than that of South Australia. At June 30, 1967, South Australia had 8,484 persons registered for employment, whilst Victoria had 16,152 persons registered. On the same date South Australia had 1,342 registered job vacancies, whereas Victoria had 11,459 such vacancies. These figures, I believe, provide the truest comparison.

On July 1, 1967, there were 3,758 recipients of unemployment benefits in South Australia, whilst the number was 4,406 in Victoria. We can see how unfavourable the comparison is with our sister State of Victoria, which has three times South Australia's population. We know that we are not yet enjoying the uplift in business and employment opportunities that we so desire, and we are unlikely to get

it if we are unable to produce a Loan programme that can better the Loan programme of three years ago.

But what of the future? We know that the Government and the Treasurer of South Australia will continue to make extravagant promises. As this is the last Loan programme that this Government will bring into this Chamber, I should like to remind the Government of the promises made regarding hospitals in the policy speech of the Hon. Frank Walsh prior to the last election. An immediate start was promised on a hospital for the Modbury and Tea Tree Gully area. This was followed up by questions from members on this side including the member for Burnside. The last question that I consider relevant was asked on March 14 last, when I asked the former Treasurer whether he could say whether any progress had been made with the building of the 500-bed hospital at Tea Tree Gully. He replied:

At this stage I have no positive information, but I will try to obtain a report for the honourable member this week.

In reply to further questioning by the member for Burnside (Mrs. Steele), the Treasurer said:

The plans are not ready to be submitted to the committee. I cannot say when they will be, except that they will be submitted in 1967.

The member for Mitcham (Mr. Millhouse) then asked the Treasurer (and this might interest the member for Unley, as his political chances may stand or fall on the answer given to this type of question):

If there is not sufficient money in the Government coffers to go ahead with both of these projects (and both of them were mentioned in the same paragraph in his policy speech before the last election), which one will have preference?

That was a good question. Surely the Treasurer would provide one of the hospitals during the three-year term of his Government, and when he was asked which one he replied:

When the Government presents its next Loan programme, the honourable member will probably understand our intentions.

They were prophetic words. We understand the Government's intentions, because there is no vote for this purpose and there is no priority for either of these hospitals. There was nothing dishonest about what the then Treasurer said. In the same way, there is nothing wrong with our understanding of the Government's intentions. It has been a take from start to finish and I consider that the

Government has never had any intention of honouring proposals that it has known it cannot honour.

The Hon. B. H. Teusner: There is another election coming.

Mr. HALL: Yes, but that is still not bringing forth hospitals.

The Hon. B. H. Teusner: We shall have more promises.

Mr. HALL: They are cheap promises indeed. We have heard of other types of management in South Australia. Last year I said that the Government had been practising financial gymnastics: it has certainly continued to do that. I consider that the presentation of these Loan Estimates has been rigged to fool the public and to imply the achievement of records that are completely demolished by an examination of what has been achieved in the short period during which the Government has presented figures. The Treasurer will not be able to explain the dissection of the figures.

Why have we got into this trouble? Apart from mismanagement of finance, there has been careless management. The Government has brought in proposals without knowing the cost to the Treasury. The Treasurer, in replying to questions, gave in the same week two separate costs of the granting of an extra week's leave to Government employees in South Australia, and his second estimate was about half the first. Earlier in this session the Treasurer said that the State's finances, in particular the trust funds, were in a far healthier state than was the case in our sister State of Victoria. That statement is shown to be false when we compare the resources in the trust funds of the two States. South Australia has expended 30 per cent of the trust funds entrusted to it, whereas the Victorian Government has used 15 per cent of similar funds.

If we are to get this type of falsification and false comparison, we can expect to see Loan Estimates of the type we are considering. I am sorry that the Government, in the third year of its term, has presented such lustrelacking and miserable Loan Estimates. The Government will accomplish during the next year less than was accomplished in the first year of its term. I again draw attention to the real comparisons. I have taken out figures for the years 1966-67 and 1967-68 showing the additional amounts imposed as a burden on the Loan Account as subsidies on non-Government buildings, which were previously met from revenue, to obtain a true comparison in

regard to the Loan Estimates programme for the three years. I have reduced the amounts by expenditure that must be met this year in connection with commitments last year. The amounts involved in the new construction programmes in the years shown were as follows:

| Year | Amount |
|-------------------|--------------------|
| 1965-66 | \$75,100,000 |
| 1966-67 | about \$69,000,000 |
| 1967-68 | about \$73,400,000 |

The figure for 1967-68 is about \$1,700,000 less than the sum spent when this Government first came to office. The promises made by the Government are more distant, because the state of the Loan Account has deteriorated so badly, than when the Government first came to office. It ill behoves the Government to go to the election and make promises about a record. This is a record of nothing but expediency and inefficiency. These Loan Estimates represent a complete failure in regard to the development and future of South Australia.

The Hon. G. G. PEARSON (Flinders): I have done some research on the Loan Estimates and, although I shall be critical of the Government in many respects, I shall try to offer constructive suggestions on matters I consider it ought to have taken into account. I make this preamble to my remarks because I do not want members opposite to say (as undoubtedly they would like to say) that the Opposition has been purely destructive in its criticism without offering an alternative. There is no difficulty about offering destructive criticism of this document, because so many things have been left undone that it is easy to provide examples of this lack.

This is a colourless, unimaginative and disappointing document. It fails to recognize opportunities and it neglects to correct the down-turn in developmental projects on which future revenue and public confidence are based. It is slanted in wrong directions. It has abundant evidence of misplaced emphasis and it reflects the Premier's inexperience and lack of appreciation of essentials and priorities. I believe this is glaringly evident from the Treasurer's explanation last Thursday. I believe it indicates what is obvious, when one thinks about it: the Treasurer is not an administrator of long experience. His professional training does not necessarily fit him to be the Treasurer. He has had no experience in large financial managements and organizations. In addition, he has the misfortune to be a member of a

Party that is notorious through all its Administrations for its failure to take into account the larger issues of Government. It is on record over so many Administrations that Labor Governments as a whole are introspective instead of outward-looking: they are so concerned with domestic issues that take up so much of their time and thinking that they give scant recognition to the larger and more far-reaching matters with which Governments inevitably have to deal. Unfortunately, this is the kind of document I would have expected from the Treasurer, knowing his background and the Party to which he at least professedly subscribes.

I make these comments because I am convinced that in this State, and particularly at this moment when we desperately need new development and general stimulus to industry of each and every type, this is the most important and potent document to come before Parliament. So many consequences depend on it. If our Loan developmental programme is not viable, far-seeing, positive and optimistic, how can we expect the State to grow? If we do not invest in the State to the absolute limit of funds that we can procure and thereby express our confidence in the State's future, how can we expect the private sector to invest in industrial and rural development? If we do not reach out into the public sector, how can we hope to attract industry and for capital investment to accrue in the private sector? This document does not do that. The Treasurer does not intend to use all available funds for developmental works. On the contrary, he has said:

In looking at expenditure proposals, the Government has had regard to the inevitable heavy pressures on Revenue Account—

that is, to the Budget Account—
and has therefore decided to provide again—
as it provided last year—

in the Loan Estimates for all grants for building purposes for tertiary education and for non-Government hospitals. The provisions for these purposes aggregate \$7,000,000 in 1967-68 compared with a peak requirement of \$8,802,000 in 1966-67.

This means that development is to be once again sacrificed to Budget expediency. The sum that should have been available for growth works this year is \$7,000,000 less than it ought to have been, and in the two years the total inroad into developmental works finance is increased by \$16,000,000. That means that, in the last year and the present year of this Government's Administration, \$16,000,000 which ought to have been used

for developmental work in this State has been used to bolster the Budget. There is no question about that, as it is the Treasurer's own figure.

Admittedly, there is some recovery to the Loan Fund from the Highways Fund on account of the Morphett Street bridge project. Here again, I ask whether we can afford to reduce the expenditure on roads in order to help the Loan Fund to help the Budget. That is what is being done. The Leader of the Opposition has today very fairly indicated the agility with which the Treasurer mismanages the affairs of the State and the clever way in which he covers up these irregularities in State finance in order to present a good image to the public. I believe that the Treasurer will regret very much that he uses his agile mind in this respect, because the public is waking up to it. The public is not so lacking in discernment as the Treasurer might hope it is. This is the kind of thing he is doing, and not only will it get him into trouble: it will also get the State into trouble, and the welfare of the State is far more important than is the Treasurer's welfare. The juggling around with the Highways and Loan figures amounts to no less than \$760,000. That amount will be taken to help the Loan Fund so that it can help the Budget to the extent of \$16,000,000. That is the kind of proposition we are faced with this afternoon.

I now turn to some specific items. These are mainly the Marine and Harbors Department and the Engineering and Water Supply Department, but at least there is one notable item that does not fall squarely within either of these two departments but somewhere between them—the tidal basin scheme. The Treasurer has been at some pains to emphasize his housing proposals. The Leader of the Opposition has dealt with those in some detail, and I do not intend to go over the ground he has covered. The Treasurer already has many empty houses, and I consider that he is emphasizing housing in the Budget somewhat unduly. He has done this because he has steadfastly proclaimed his intention, since coming into office, to stimulate the building industry.

These empty houses are mainly in the northern part of the Elizabeth area. There are also many privately-built homes that are vacant. Most of them were at one time occupied until the owners found themselves unemployed. Then they took their families, their tradesmen's tools, and their skills to other States (particularly Victoria and Western

Australia) where they were able to obtain work. The fact that there are empty houses in the northern part of Elizabeth indicates that people are looking for houses closer to the city. I understand there is a demand for housing in the nearer Housing Trust areas, such as Ingle Farm. If people are looking for houses closer to the city, what is wrong with getting on with the project in the tidal basin? It seems to be ideally placed to house many people. The scheme has been well developed: it has been evolved after much thought, planning, and consideration by the trust and the Harbors Board (as it was), with other departments assisting. It provides for many categories of houses, some of which will be expensive but for which there is a real demand. Also, plans have been made for the trust to build many houses. The scheme was considered by the Public Works Committee and was ready to start. Why not get on with it? I notice with much concern and not a little regret that this area (being as it is at the front door of Adelaide when approached by air) presents a dismal picture. After considering the plans that have been prepared, one realizes that this is a most attractive, useful, and viable project, which would be largely self supporting financially and could be proceeded with without delay.

Mr. Coumbe: It is close to the city, too.

The Hon. G. G. PEARSON: Of course: it is within 10 minutes of the centre of the city, and adjacent to the Port Adelaide, Hindmarsh, and Woodville industrial areas. Public services could be provided reasonably economically although there might be some complications because of the nature of the ground, but no worse than those applying to the western suburbs. I note the provision on the Estimates for the south-western suburbs drainage scheme and that it is progressing, but still has a long way to go before completion. When the drains in the lower areas were about to be completed it was decided that the old Sturt River channel, meandering as it does through flat land with its banks covered by growth, was not capable of conveying storm waters from the upper reaches to the sea without overflowing and damaging adjoining properties, and that it was necessary to realign and re-line the river with concrete for some distance in its lower reaches. Work on the lateral drains was suspended until the re-lining was completed. I assume that the work on the lateral drains will be continued so that they can be connected to the channel, and the water safely conveyed away.

Not much money has been devoted to the project this year, and it will take many years to complete it. Of the total cost of about \$8,000,000, only \$3,114,000 has been spent to June 30 this year. The cost of the drainage of the metropolitan area is staggering, but only \$200,000 is allocated this year to assist councils for approved schemes. Drainage cannot be tackled in isolation. The investigation into the south-western suburbs scheme proved conclusively that only a co-ordinated scheme could succeed. A council should not decide on a drainage scheme that suits it, unless the adjoining councils have schemes that tie in. I hope the Treasurer will achieve some co-ordination in these schemes.

Mr. Shannon: The whole design must be matched.

The Hon. G. G. PEARSON: Of course. I understand that the cost of metropolitan drainage schemes is about \$15,000,000. It is incongruous that, in this climate, we battle and spend much money to provide the community with water but, at the same time, we spend about \$15,000,000 on draining water from this area. When I was Minister of Works it seemed to me that this practice was wrong. I do not know the answer to this problem but there should be one, or at least a partial one. We face two difficulties—one to get water here, the other to carry it away. When the Bolivar sewerage scheme was proposed I insisted that we could not afford to waste the by-products of that project, and that some steps should be taken to utilize them in order to get some value from what otherwise would be a waste product. When I was Minister a committee was set up to investigate the possibilities of the utilization of the effluent from the Bolivar treatment works, and that committee has submitted a report.

Mr. Shannon: The Glenelg treatment works is an excellent example of the utilization of effluent.

The Hon. G. G. PEARSON: Exactly. I agree that if it is not used for any other purpose, it is being used in the area north of those treatment works to reorganize completely the whole of the West Beach recreation area. A good man is in charge of that undertaking, and he must be given due credit for the success he has achieved. But that is only an example; at Leigh Creek there are separate mains to conduct the effluent around the township for garden purposes. All sorts of possibilities come to one's mind, one of them being that the drainage water from the higher eastern suburbs of the city should be fed into

the fault line running along the foothills, which is the point of intake for the sub-artesian aquifer along the whole of the western suburbs of Adelaide.

Mr. Shannon: That is what we are depleting seriously.

The Hon. G. G. PEARSON: It is, but there was a time when steps had to be taken to recharge this aquifer, and water was pumped into it. As a result, some of the bores in the western districts (in the Woodville area) became artesian. That was positive proof that it was a porous and co-ordinated aquifer. It raised in my mind the possibility that something could be done about utilizing the drainage water from the higher eastern suburbs that are such a nuisance and cost much money to conduct through the western suburbs and into the sea. Although there is no immediate adequate answer to this problem, the departmental experts should devote much time to it in order to overcome the problem to some degree.

I am grievously disappointed with the line for the Marine and Harbors Department. The Harbors Board was abolished by this Government and the control of the new department is now directly in the hands of the Minister and the General Manager. However, if this is an example of the benefits accruing from that change, it is not apparent to me. The Marine and Harbors Department is suffering culpable neglect at the hands of the Government, and the figure shown in the Estimates is most depressing. One would have thought that if, as the Premier has been telling us, South Australia is on the brink of the most exciting era of industrial development in our history, there would be some evidence of his confidence in this department's line on the Estimates.

Mr. Nankivell: It doesn't look exciting, does it?

The Hon. G. G. PEARSON: There is nothing which makes an impact on the long list of works already approved by the Public Works Committee. Only one new work is proposed to be commenced: Giles Point. But the Playford Government approved that project before it went out of office. However, at least it is going to start, but only a mere quarter of the required total of \$2,200,000 is provided for.

Mr. Shannon: Half of that would be mopped up in one exercise.

The Hon. G. G. PEARSON: The deepening of the Port River, the cost of which was

\$6,600,000 is an approved project. In fact, it was approved when I was Minister.

Mr. Curren: Why didn't you do it?

The Hon. G. G. PEARSON: Because we could not do everything at once. We started it, but the Labor Government has not started anything. Labor is now in its third year of office, but it has not started its first new project. I have here a list of the references to the Public Works Committee during the last four years and, although I have not totalled them up, there must be 100. Of that number, five or six are major projects which have been approved by the Public Works Committee but are awaiting commencement by the Marine and Harbors Department. However, there is nothing on these Estimates for any of them. The honourable member should not break in and ask me what the previous Liberal Government did. He should have a look at what this Government has done. The answer is nothing.

Mr. Curren: You make some suggestions.

The Hon. G. G. PEARSON: I have some. The deepening of the Port River will cost \$6,600,000, but this year it is only getting \$665,000, or just one-tenth of its cost. That will bring the total expenditure on the project to June 30, 1968, to \$2,700,000. By this time next year the project will still be less than half completed. Port Pirie is to get another \$90,000 for the wharf project there. Of course, that is nearing completion and does not need much money. Most of the time spent on that job was during my term as Minister. No provision is made for Thevenard or for additional harbour accommodation on lower Eyre Peninsula, and both of these areas are under heavy pressure. Due to the enterprise of the people there, Eyre Peninsula now grows half the grain produced in this State. Also, virtually no provision is made for the Outer Harbour terminal or Port Pirie oil terminal, which have been approved by the Public Works Committee. During my term as Minister they were considered to be urgent works.

Mr. McKee: There are no facilities around the coast after 30 years' administration by the Liberal Government.

The Hon. G. G. PEARSON: I shall tell the honourable member presently of some of the things we did. I have quite a good list of them here.

Mr. McKee: We have a list of them, too.

The Hon. G. G. PEARSON: I do not remember what the deepening of the Port Pirie approach and channel cost, but it cost a mighty packet. We did that job for him.

Mr. McKee: You only did half of it.

The Hon. G. G. PEARSON: See what it costs to do the other half.

Mr. McKee: We will do it.

The Hon. G. G. PEARSON: No. The honourable member is only fooling himself and his constituents. There is no provision made for Port Pirie, or for a terminal at either Ardrossan or Wallaroo. We were going to have three super ports. The honourable member knows that we deepened the swinging basin and channel at Wallaroo and made it possible, as he has proudly boasted, for big ships to get in there. A super port was to be established at Ardrossan; the member for Wallaroo (Mr. Hughes) may have preferred to see it established at Wallaroo but, whether he may have or not, we are not having one at either place. What I think is the greatest weakness in the Estimates is the fact that no moneys are provided for accommodation for container ships. If I understood him correctly today when replying to the member for Gumeracha, the Minister of Marine said that he was aware of the need; land had been reserved; an intrastate terminal could be established at Gillman; and land would be reserved close to the Port River for an overseas terminal. Are we to have two terminals, a small one on the inside and a large one on the outside later on?

In spite of the Minister's statement today, we are apparently acting as Mr. Micawber acted: we are waiting for something to turn up. We are apparently standing idly by, resigned to our fate as having a second-class port in regard to this major development, notwithstanding public statements that have been made about the possible development in regard to Scandia-type ships. It was suggested that four ships would be available for trade between Northern European countries and South Australia. I am led to believe that they are composite "unitized cargo" and container ships and that the organization concerned may intend to make Adelaide its Australian headquarters port. I think one announcement was made in the *Australian*.

Mr. Nankivell: Another one was made in the *Financial Review*.

The Hon. G. G. PEARSON: Yes; these matters have been publicized, and the Government should be making a more positive approach than it has been making. Admittedly, the two United Kingdom consortiums that intend to invest \$200,000,000 in ships and shore facilities have announced that they will use Fremantle, Melbourne and

Sydney, providing Adelaide with subsidiary services. However, if we accept that, Adelaide will become merely a local port, whilst all the development, investment capital, and trade will accrue to these other ports, and our opportunity will be lost for all time. Ours seems to be the only State in which nothing is being done in this regard; while Queensland port authorities are alive to the situation and are doing something, we are not even considering in these Estimates any provision for the facilities for the United Kingdom consortiums' feeder ships, let alone the major port possibilities.

It should be the Government's view that if we are to have an oversea terminal we should establish one terminal and be done with it; I do not think we need two. Admittedly, the Gillman frontage offers some advantages: it is not involved in the transport of goods from over the bottleneck (which, in spite of the new bridge over the Port River, will largely remain); it is just at the back door of South Australia's major industries (in the Woodville and Elizabeth areas); and it would be the obvious place, if it could be used, for a general terminal to accommodate both oversea and intrastate container vessels. We must decide where our container berths will be sited, and go to work on them. It does not require much work on the part of the Government; we have a wharf frontage; if necessary, we can create a sufficient depth of water; we have a good network of roads for local distribution; our airport is only a few minutes away from the port; and "jumbo" jets are almost ready to take up cargo movement on a large scale.

This major opportunity arises perhaps only once in a decade; the cost involved is not high; but, if necessary, we should be prepared to forgo temporarily less urgent works, in order to provide the funds required. Not only are the terminal and shipping important: the development that will occur as a corollary of such an establishment is also vitally important. The Government ought to be reviving discussions with the Commonwealth Government concerning the standard gauge connection between Adelaide and Port Pirie. That is vital, because it completes the network of standard gauge services to all the capitals of the Commonwealth. Without it, Adelaide is isolated from the national 4ft. 8½in. standard gauge line that will link Perth, Sydney, Brisbane and Melbourne. Once the work is completed, we could distribute from Adelaide to any of the Australian terminals and benefit from major investments. The Playford Gov-

ernment did not miss opportunities of this nature; indeed, I shall list a few of the things that it accomplished. We rebuilt Port Lincoln; we deepened the channel in the basin at Wallaroo; we deepened the channel at Port Pirie and rebuilt almost the whole wharf; we rebuilt a large section of the inner harbour at Port Adelaide; we improved Ardrossan, and rebuilt the harbour at Thevenard.

Mr. Langley: In how many years?

The Hon. G. G. PEARSON: In my time.

Mr. Langley: How many years?

The Hon. G. G. PEARSON: Seven or eight.

Mr. Langley: We've had only two years.

The Hon. G. G. PEARSON: Yes; and the Government has done nothing. The honourable member does not want me to read the list

Mr. Langley: I don't care.

The Hon. G. G. PEARSON: The honourable member couldn't care less about anything. We provided bulk loading facilities at Wallaroo, Port Lincoln, Port Pirie, Port Adelaide and Thevenard; we approved the Giles Point installation and commenced an investigation into the possibility of Port Neill. We provided an oil berth and an acid terminal at Port Lincoln and we bought a mighty bucket dredge for deepening work. All these things were done in my time in the department, and at a time when we were building the greatest network of water mains in the world. We built three reservoirs and coped with the greatest ever demand for schools. We built several major hospitals, major public buildings for courts, libraries, teacher training and offices, and coped with an unprecedented demand for housing, in which field we were the pioneers. We developed plans and made a start on many other projects, which are now in progress—

Mr. Shannon: Or on the drawing board.

The Hon. G. G. PEARSON: Yes—and which appear in the Loan Estimates being considered here today. I want to make a brief comment on railway matters. The amount of money that these Loan Estimates provide for the Ways and Works Branch is, unfortunately, small. We have on Eyre Peninsula some 500 miles of narrow gauge railway line, in a poor state of repair. None the less, as I have said previously, we manage somehow to get our produce over it. That is not because the track is in good condition; it is because the people who drive the trains are good and careful workmen who do an astonishingly good job in nursing their trains over these almost impossible tracks. I give them full marks.

The Railways Commissioner has commenced to rebuild some of the track but, with the 500 miles or so that has to be done, it will take about 20 years for the job to be completed, by which time, possibly, it will have to be started all over again. I say in all sincerity to the Minister that, in view of the revenue that the lines on Eyre Peninsula are now providing to his department, he should surely be prepared to do a little more than he is doing towards keeping the track in good order.

He has not done so badly with rolling stock. He has equipped us with diesels, which have completely reorganized the traffic movement on those lines. For that I give him full marks, having contributed my share of urging in this matter over a period of years. In his comments on railways, the Treasurer has been at some pains to tell us how much has been and is to be spent on the standardization of the line from Cockburn to Port Pirie. He says that this year \$9,600,000 will be spent. The estimated total cost of the project is about \$36,000,000, and up until June 30 of this year \$19,600,000 has been spent. So that, with the \$10,000,000 to be added to that, we shall be getting within shooting distance of completing the job. Probably only \$6,000,000 or \$7,000,000 will remain to be spent. However, I point out that every cent of this is Commonwealth money. It amounts *in toto* to almost exactly twice what we are spending this year on all the other railways of our State. It is interesting that the Commonwealth is putting into our railways network this year twice as much as we are spending on railways in the rest of the State.

Mr. Shannon: It is other people's money.

The Hon. G. G. PEARSON: It is very good if you can get it. The Leader has dealt with fishing havens, and I do not wish to traverse that ground again. It is a miserable sum of money for an industry that produces such a huge export income and provides for a substantial amount of employment. It is a useful employer of labour in the private enterprise field, too—which is equally important. However, this is the third successive year of rather pitiful allocations. In 1955-56 the industry received \$42,000 and in 1956-57 it received \$40,000. This is the second successive year in which all expenditure has been on ports in the South-East. I do not know whether there is any significance in that, but for the last two years nothing has been spent under this heading except in the South-East. Then, again, there is nothing for the West Coast, for my friend from Eyre, who has been up on his feet

in this Chamber time and time again asking for something to be done for the benefit of his fishermen at Thevenard.

Also, there is nothing for the Port Lincoln tuna berth. This was reported on by the Public Works Committee in 1966, but it does not get a mention in this document. As honourable members know, the tuna industry has assumed considerable importance in my district. The cannery attached to it is an important employer of female labour. The management of the cannery is going to what may appear at first sight to be extreme lengths to keep the cannery operating. In fact, it is this year importing tuna in the round from the Pacific to keep the cannery operating and, incidentally, to meet the demands of the market that good salesmanship has created for tuna in this State and other States. Honourable members will appreciate that, if we have a name for a product and people want to buy it, we have to maintain continuity of supply; otherwise, we lose the market, and the benefit of the marketing organization is lost. Once it is lost we have to get it back because if we cannot supply tuna to the housewives and the hotel industry (which uses it extensively) they will have to resort to something else. If they do that, we shall have to get our market back again. I do not disagree with the policy of the management in doing what it is doing in this regard. I regret that this industry, so important to my area, is receiving no consideration in respect of those facilities so urgently needed for landing catches and handling them on shore.

The 5,000 or 6,000 tons of fish normally brought in has to be handled in baskets and by improvised winches, loaded into tip trucks and taken to the cannery where it is tipped across the floor, so it is apparent that this industry deserves something less primitive than that.

Mr. McKee: What did you do about it during your term of office?

The Hon. G. G. PEARSON: At least I did establish the industry. I was Minister of Agriculture when it was established. I was instrumental in completing the arrangements made by my predecessor for the Americans to come over here and experiment with our fishing and help the fishermen to learn the way to catch tuna. I was instrumental in getting Safcol to take over the cannery at Port Lincoln and making a go of it.

Mr. McKee: In a primitive way.

The Hon. G. G. PEARSON: I went further and, when the industry wanted a slipway on which the fishermen could repair their boats, I persuaded the Government of the day to build a slipway to take boats of up to 200 tons, so that they could be repaired. So we did not do too badly. I suggest to the honourable member that, if he wants to compare the records of the various Administrations, I will agree to doing that at any time he likes. I did not start this argument: the honourable member started it. However, if he wants to start a fight I will not run away.

I have had some experience (indeed happy experience) with the Engineering and Water Supply Department. Since the Labor Government has been in office, that department has suffered some financial stringency. By question on notice, I have obtained from the Minister of Works figures about this department. In 1964-65 (for nine months of which the Liberal and Country Party Government was in office), the department spent \$26,000,000. In 1965-66 (the first year of the Labor Government) the momentum was fairly well maintained and the department spent \$24,300,000. However, in 1966-67 the sum fell drastically to \$21,700,000. It would appear that the main impact of the variations from Loan Account to Budget Account fell on the expenditures of this department. The proposed expenditure for this year is only \$24,600,000 of which \$10,219,000 (or about 40 per cent of the total) is to be expended on sewerage, which is most desirable but which is not developmental. Incidentally, country sewerage will receive little of this. No provision is made for Gawler or for Bordertown, which incidentally was high on the list of recommendations of the Advisory Committee.

Mr. Nankivell: They have made other arrangements at Bordertown.

The Hon. G. G. PEARSON: I am glad to hear that.

Mr. Curren: And it's cheaper for the ratepayers.

The Hon. G. G. PEARSON: I agree. I remind the honourable member that the project for Berri was started when I was Minister. I encouraged that project, even though the department was not terribly enthusiastic about it. I commend the people of Berri for their persistence in this matter because they now have something that is a model for many other smaller country towns, although Berri is not a very small town.

Mr. Curren: I think you are confusing Berri with Barmera.

The Hon. G. G. PEARSON: Perhaps I have made a mistake, because two projects were being considered at that time. I have always held the view (and I had some arguments with Mr. Dridan, the then Director and Engineer-in-Chief, about it) that this was something the department should encourage because we were unable to divert from Loan Account a sum for country sewerage that was really commensurate with the total problem. I believed that if any satisfactory alternatives could be developed they should be encouraged and not discouraged by the department. I am glad this idea has extended into other country towns because I am sure it will be to their benefit, and to the benefit of the Government and ratepayers, over many years.

When dealing with the Engineering and Water Supply Department, we are concerned with the question of priorities. For the third successive year, Adelaide sewerage has received about \$9,000,000, so that the full impact of reduced total expenditure of this department as a whole must be falling on water supply. Unfortunately, the brunt of this impact is to be borne by Eyre Peninsula, in a district where tremendous areas are being cleared that can carry sheep as well as a big harvest of grain. Expenditure on the Tod River trunk main is to be reduced again; nothing is provided for the Lock-Kimba area; nothing worthwhile is provided for any of the new areas in County Jervois; nothing is provided for the west of Ceduna area; there is no prospect of extensions south-west of Wudinna towards Mount Cooper; and nothing is provided for the Wanilla-Edillilie area, where sodlier settlers' dams are, every year, being abandoned because of salt intrusion. On the mainland, the Tailem Bend to Keith main is allocated a little expenditure for a pumping station at Tailem Bend. I am pleased to see that a fair allocation is made for the Swar Reach to Stockwell scheme which was announced in Sir Thomas Playford's last policy speech in 1965 and which was described by the Hon. Frank Walsh as a pipe dream, evolved at the last minute and then thrown in for good measure. In fact, it was not Sir Thomas Playford's scheme at all: it was my scheme, and I am grateful to know that the present Minister sees the merit of it. It serves the dual purpose of augmenting the metropolitan supply by relieving pressure on the Mannum-Adelaide main and, in addition, serving an area of country badly needing water—the district of the member for Angas. Incidentally, the southern end

of the Murray Plains, which could be served by a short extension from No. 2 pumping station, is not referred to in the Loan Estimates.

In the provisions relating to the Engineering and Water Supply Department, two items call for special comment. First, \$637,000 is proposed for additional pumping capacity on the Mannum-Adelaide main. Unless city reservoirs receive substantial intake enabling pumping to be reduced, the alterations to the pumping plant on the Mannum-Adelaide main cannot be made this year. If the Minister cannot stop his pumps, he cannot fix them up, so I doubt very much, with present prospects as we see them, whether the \$637,000 for this purpose can indeed be spent. Secondly, I believe that the sum of \$150,000 provided for the Murray Bridge to Hahndorf main (which is the new large main that has been discussed over several years) is purely window dressing. That sum makes no contribution to the total cost of \$25,000,000. The Minister will probably suggest that some planning, drawing and surveying needs to be done before the job can be commenced. I agree, but he has a general fund, which provides for all these works to be done: he does not need the provision of \$150,000 for that. This is pure politics, probably designed (in the face of possible water restrictions in the metropolitan area this year) to alleviate some doubts in the minds of the people in the metropolitan area whether the Government is really serious about this new main. If this \$150,000 is spent it will not do much to bring water to Adelaide this year.

Also, I believe that the scheme is not vitally urgent at this time. If the Government pressed on with the Kangaroo Creek scheme (on which it is not intended to spend as much this year as was spent last year) and urgently considered a second storage on the Onkaparinga River (which has been under discussion in the department over the years and is feasible), Adelaide's needs would be secured for several more years.

Mr. Shannon: Land has already been bought for that storage.

The Hon. G. G. PEARSON: Yes. Incidentally, with the Kangaroo Creek scheme to the north and with additional storage in the Onkaparinga River to the south, the Minister would have balanced additional water supply to both sides of the city. It has always been a problem to the department to balance supply and consumption to each end of the city. It was once suggested that a large trunk balancing main would have to be constructed from

the north, where a large main was installed along the Grand Junction Road, to the south, where the Myponga and Happy Valley main runs, to connect those two mains through the western suburbs at a cost of \$3,000,000.

I believe that we could do without this expenditure at this time (as we have done without it over the years) if we could balance the production and consumption at each end of the city. I believe that my suggestions would do this and would provide us with the water we require for another five or six years, by which time we would have to seriously consider the Murray Bridge main. I believe that this main should not be started with the idea that it will be built over many years, because this would be bad financial management. Of course, this main will not earn a single cent in revenue for the Government until it is actually delivering water to the Onkaparinga River, and to spend \$5,000,000 a year over five years would mean that the interest bill would relate to the whole of that period and there would be no return from it. The planning of such a major work should be based on a crash programme so that the project can be built as soon as possible after we start spending money and so that it returns benefits as soon as possible.

I am pleased to see that the Middle River on Kangaroo Island is receiving attention; its completion is a little overdue. However, Kingscote is obtaining water in the meantime. Everyone earnestly hopes that the Chowilla dam scheme can proceed. Three years ago the then Leader of the Opposition (Hon. Frank Walsh) was good enough to say in one of the river towns that it was time the Playford Government stopped talking about Chowilla and got on with the work. Unfortunately, we are still talking about Chowilla, although some progress has been made. I sincerely hope that we shall get this project moving soon, because there is an increasing problem connected with the quality of Murray River water. Possibly quality is as important as quantity. The Minister of Works is now concerned about what he calls a slug coming down the river. If the Chowilla dam scheme were in operation, its reserves could dissipate this slug so that it would no longer be a problem. However we look at it, although there are misgivings about the effect of the Chowilla scheme, I cannot in my researches come to any other conclusion than that it will be of inestimable and vital benefit to South Australia. We must have it.

The Hon. C. D. Hutchens: I could not agree with you more.

The Hon. G. G. PEARSON: I hope that the project will be completed as soon as possible. Regarding hospital buildings, it is pleasing to note that the Royal Adelaide Hospital project is proceeding reasonably well after the setbacks that were experienced in the investigatory stage. About \$6,000,000 is provided for it this year. I believe that hospital accommodation needs were largely met by work done and work commenced by the Playford Government: the Royal Adelaide Hospital project is an example of this. A new project is planned to commence at the Queen Elizabeth Hospital, but, as the Leader remarked, it is interesting that no mention is made of the two big hospitals at Modbury and Bedford Park that were referred to in the policy speech of the Hon. Frank Walsh. This is clear proof that they were named purely for Party-political purposes.

A hospital at Modbury for local needs is clearly desirable and should, and probably could, have been built by now if the ideas of the previous Minister of Health had been carried out. The Government's grandiose and political proposals for a 500-bed hospital at Modbury (or whatever figure it was) have not met the position for the people there; indeed, they have set it back indefinitely. A teaching hospital to provide for the medical faculty at Flinders University is also desirable, but the Public Works Committee has not seen this project either. In any case, the addition of 1,300 beds, as proposed in the policy speech, is clearly extravagant and unnecessary at present. It is true to say that the Government's policy in increasing fairly steeply the charges for public beds in the Government hospitals has driven many patients away from them to private hospitals around the city and elsewhere.

The burden of my complaint relates to the Marine and Harbors Department and the Engineering and Water Supply Department. Regarding the latter department, I repeat that the extension of water reticulation into country areas of the State is real development, and from it so many other benefits accrue. Our railways, our harbours, and all the industries associated with agriculture depend on the continued growth of our primary industries for increased revenue. So, whatever the Engineering and Water Supply Department may be doing or getting this year, I believe it is most unfortunate that the aspect I have referred to should have been curtailed.

It does not make sense, and I know it must be very tough for the Minister of Works to have to say to the members for Eyre and Albert that he cannot spend money on their

districts' water schemes this year simply because he has not got it. We must remember that during the last two years his own Treasurer has taken money from the Loan funds and applied it to the Budget. That is the truth of the matter, and it can be seen from the Treasurer's own figures. It is very regrettable and it illustrates the inexperience and ineptitude of the Treasurer in handling this State's finances. I believe that the programme of the Marine and Harbors Department is disastrously inadequate and I hope that, as a result of my suggestions, the Government will see fit to consider this seriously. I am here not merely to criticize but to offer any experience and judgment that I have gained over the years in these matters.

Mr. McANANEY (Stirling): My Leader has adequately compared the amount of work that has been done since the Labor Government has been in office with what was done prior to its election, and he dealt with figures rather than with actual work done. The increases in costs in South Australia have been exceeded only in New South Wales and the handouts that have been made by this Labor Government must increase the cost of projects. That means that less work is being done now than was done before this Government came into office. The Deputy Leader of the Opposition has said that, perhaps, the new Treasurer is inept in financial matters and has not had the necessary experience. I shall not be as cruel: I shall say that he is trying to do too much. Some of his academic friends from the university have told me that he is trying to do too much, that he will not be able to cope with the amount of work before him, and that he will become a mere rubber stamp. If the Treasurer gets a nick-name during his term of office, I am sure that it will be "Rubber Stamp Dunstan", because he will not be able to keep up with the many dockets that have to be signed by him. Last Thursday I saw him sitting in the House turning over papers, without having a clue about what was in them.

Mr. Casey: That's an unfair statement.

Mr. McANANEY: He was turning over one paper after another.

Mr. Clark: He may have read them all before.

Mr. Casey: Yes. The statement by the member for Stirling is ridiculous.

Members interjecting:

The ACTING CHAIRMAN (Mr. Ryan): Order! The honourable member for Stirling.

Mr. McANANEY: Government members have been stunned into silence by the facts and figures.

Mr. Casey: Do you reckon that that was silence?

Mr. McANANEY: When the howling of the mob subsides, I shall show that the Treasurer has not given sufficient thought to the future needs of this State. He has criticized the way the accounts of companies are kept and has said that almost every company does not adopt correct bookkeeping methods. Another auditor was brought in by this Government in connection with local government matters, even though such matters could have been referred to the Auditor-General. Then, we have a Treasurer bringing in a Budget against all bookkeeping principles. The Auditor-General, who is an officer of this Parliament, in his report last year criticized the Government for getting into debt without getting any return by way of interest earnings. Admittedly, that had been happening for many years but it was accentuated when this Government spent in one year \$9,000,000 on which there was to be no return and when it spent other money on public works.

The burden on the Budget is becoming increasingly heavy and the bad bookkeeping principles being adopted result in money that should be going into social services being used to meet interest charges on borrowed money. The Auditor-General deals with this fully in his report. The present Treasurer tends to blame the Commonwealth Government for not providing sufficient funds, but I did not hear that complaint before this Government came to office.

Mr. Nankivell: Yet, he says in his speech that the Commonwealth is giving him this and giving him that.

Mr. McANANEY: There is a deduction from the amount provided for nearly every item because of money being given by the Commonwealth. This Commonwealth money is in addition to the 5 per cent increase in Loan allocations. The former Premier said that all of the money required for additions to the Roseworthy Agricultural College was provided by the Commonwealth Government. Therefore, all of the \$361,000 being spent at Roseworthy is coming from the Commonwealth. Loan money ought to be spent on productive works, works that bring in a return, because expenditure on other items is a burden on the Budget. The amount being spent in interest charges is greater than the amount being spent on education. The amount spent

in interest to service capital would, if spent as I have suggested, give us the most up-to-date education system in the world and would provide much better hospitals than we have.

The Treasurer has said that all his troubles will be over if we get a Commonwealth Labor Government. However, I will deal with the sources from which money can come. A transfer of purchasing power from the general public to the Government does not improve anything. Another source of money is social credit, and we know the trouble we can get into about credit. Fortunately, our Commonwealth Government has adequately carried out its function in this respect by providing about the right amount of credit and, as a result, in Australia (although not in South Australia) the unemployment rate is about the lowest in the world. Another source of money is the raising of loans from the people. However, the people will not invest in loans if the State Government tackles everyone who accumulates money and regards him not as a stalwart of society but as an enemy of society.

Another source of money is international capital raisings. However, Government members have been so inconsistent as to ask an American company to establish an industry at Wallaroo (if the Government provides gas for it) and at the same time to say in a pamphlet what a terrible thing it is to sell Australia to overseas interests. The greatest period of development in the United States occurred when she was borrowing from overseas more money than she had ever borrowed before. A person who is starting off in a small way in an enterprise must borrow money and, as he develops and no longer requires additional capital, he can repay his borrowings and become a provider of capital, which America became. This Government considers that to borrow capital overseas in order to keep our industries going and attract more people is evil. That attitude is the cause of lack of confidence in South Australia.

Mr. McKee: How do you explain the improvement in our employment figures?

Mr. McANANEY: We have the second highest rate of unemployment (about 2.0 per cent), although now I understand it has fallen to 1.9 per cent compared with the Australian average of 1.5 per cent. We were getting the greatest percentage of British migrants. They required homes and consumer goods, but what has happened now? I do not know whether this Labor Government has asked for it, but the number of British migrants has been

reduced by half in this State, and that is the reason for the slack in the building industry and for the present unemployment position. The Deputy Leader, quite rightly, said that many of these people had gone to other States, taking with them their tools, knowledge and experience, but with their faith in South Australia shattered.

Mr. Langley: What is the position in Victoria?

Mr. McANANEY: The honourable member will see, if he compares the retail sales figures in this State with those in Victoria, that Victorians have confidence enough to go to hire-purchase companies to borrow in order to purchase capital goods, whereas in this State the hire-purchase companies say that they have plenty of money but that nobody wants to borrow it. During the last three months the amount advanced on hire-purchase has dropped. Purchasers should have the purchasing power to buy consumer goods and keep industry going. If such purchases had been adequate, our stamp duty revenue would not have dropped as it has dropped since the Labor Government assumed office. This has resulted in the necessity of transferring from Loan in order to balance the Budget. In this way the Government has robbed Peter to pay Paul. This idea is nearly as good as that of the honourable member for Glenelg, who wanted to create money by amalgamating two banks. He wanted to take the money out of one pocket and put it in another, but then, instead of having more money, he found that this crazy scheme did not work either for a Government or for an individual.

The Housing Trust will spend much less money on houses this year than it spent last year. Last year \$29,400,000 was spent on houses, whereas this year only \$27,620,000 will be spent. About 200 more rental houses will be built this year. A sum of \$13,370,000 will be provided from the trust's internal funds, house sales and deposits, compared with \$15,150,000 last year. Last year 1,700 houses under rental-purchase were built, but this year there will be only 1,220—a substantial reduction. This year there will be only 1,295 houses for sale, compared with 2,293 last year. So the trust will not get back as much money with which to build more homes. This year there will be \$1,250,000 allocated for shops and industrial premises compared with \$1,000,000 last year. This will mean less money with which to build houses. Surely the people who want shops and industrial premises built by the trust should be able to finance them.

In Victoria more money is advanced by co-operative building societies for housing, and a young couple must save a certain sum before being granted a loan. More houses are built under this method of finance than under any other method. Young people should be encouraged to save for the purpose of building their own houses, as they are the stalwarts of society, although this Government apparently thinks they are the enemies of society. When they get married in their early 20's, most young people have received a substantial sum in wages, and they should be encouraged to save some of that income. Indeed, the young people who save should be encouraged the most.

The allocation to the Electricity Trust for this year is \$29,600,000, compared with \$35,000,000 last year. The Treasurer boasted about the figure last year, but we on this side pointed out at that time that the provision of over \$21,000,000 from internal sources would place a great strain on the general financial structure of the trust. That strain may explain the substantial reduction this year. Further, because of the slowing down of industry the demand for electricity has fallen, and less money is required for developmental projects because the demand is just not there.

The Deputy Leader has very adequately covered the discrepancies in the Loan Estimates. One thing he emphasized was that too many works were being started. It is far better to organize one project and get it finished in order to avoid the interest charges during the developmental stage. This can be seen with the Highways programme. There are the various arteries being constructed and work is being done on each one. A bridge may be built but not used for a year until the road under it is completed. The banks for another bridge may be constructed and certain money spent, but there are no signs of a bridge being built so that the road can be used. All this adds to the expense. The Government is also using more day labour instead of using subcontractors. That means an increase in costs and, because of the Government's lack of experience in business administration, there will be a substantial decrease in the work done this year. This is a poor Loan works programme, indicating, as it does, a reduction in expenditure. No provision has been made for the return of Loan funds used for the Morphet Street bridge, but perhaps further juggling will be done with this project. When the Government introduces the Budget some

latitude is allowed on the lines, but if it over-spends on one line it must come back to Parliament for another appropriation to balance the books.

The Loan Estimates should be debated, but it seems that Government members have been told to keep quiet and not to put forward a case showing merit in these Estimates. It is a bad principle that the Government can pass these Loan Estimates, yet spend money on something different as it did last year. The Government has the numbers and can introduce appropriation to make up expenditure for non-productive works, yet we have no opportunity to stress these points and to bring them to the public's notice. However, the admirable Upper House can straighten out the Government and put it back on the path of virtuous bookkeeping, thus benefiting the State.

Mr. Hudson: Did you say "virtuous"?

Mr. McANANEY: Yes, and accurate, too. The Leader of the Opposition has shown that no more money is to be spent this year on essential works than was spent last year, or the year before. The Deputy Leader, with his intimate knowledge of departments, has stressed that there will be less work done, and it will be spread over a wider field. We will not receive the benefits that we would have received from judicial handling of the Estimates, because I think I have proved that the general book-keeping practices of the Government are poor, and a disgrace.

Mr. MILLHOUSE (Mitcham): I am disappointed in the Loan programme that has been presented by the Treasurer at his first attempt. It is run of the mill: there is nothing in it showing any imagination, and nothing to disclose a vestige of Government policy. The Estimates could have been thrown together by the departments under the supervision of the Treasury. Under the Playford Government the aim of the Loan programme was to provide something that would support development and the establishment of new industries in the State, either pipelines or railways, or something of that nature. Nothing in this programme would merit anyone becoming excited. Indeed, after it was given on Thursday the newspapers could not carry it on the front page on Friday morning.

The Hon. C. D. Hutchens: The journalists were on strike.

Mr. MILLHOUSE: Newspapers were available on Friday morning. This contrasts with the ballyhoo with which the Treasurer's public relations officers attempted to wrap it up.

When one looks at the substance, and not at the froth and bubble they created, one realizes there is little in this programme. The Treasurer can say what he likes, but we are now budgeting on a lower standard than we did under the Playford Government. If we are to conform to sound budgeting practice we should use Loan moneys only on productive and developmental works that will return revenue to the State, so that the moneys can be serviced. This was the principle of budgets in South Australia until the present Labor Government came into office. Now, departing from that principle, we are spending Loan moneys (it is not clear just how much) on works that will not return anything to the Treasury, and we will have to pay interest on the money *ad infinitum*, or for 51 years, without any corresponding recoupment.

Everyone must admit that this is a lower standard of budgeting than that to which we have been accustomed. The Treasurer, a clever debater, concentrates on what has happened in other States when he apologizes for this. Because other States have been obliged to go on to a lower standard of budgeting in the past, that is no excuse for it being done in South Australia. The real comparison is not between what happens in this State and what happens in other States: the people of this State are interested in what happened under the Playford Government and what happens under the Dunstan Government. Out of Loan moneys we are spending between \$7,000,000 and \$9,000,000 that would have been financed previously out of the Budget.

What does this mean? It means that that amount of money is not available for the construction of real or genuine capital works and for development in this State. I say it is between \$7,000,000 and \$9,000,000, but if one looks at the last paragraph on page 1 of the Estimates, it looks more like \$9,024,000. There is \$3,800,000 for tertiary education buildings, \$2,600,000 for building grants for non-government hospitals, and then there appears to be the other half of the \$2,624,000 which the Government decided to saddle the Loan Account with later in the year, and that adds up to something over \$9,000,000. However, if one looks at the second page it looks like an amount of \$8,802,000 in 1966-67. The provision for the same item this year will be \$7,000,000, so you can take your pick. It is a shame the Treasurer did not take more time to polish up this statement before it came here so that it would be crystal clear. I know that if he had given time to it, he could have done

so. I express regret that he has not seen fit to do that.

Some large amounts of this order are now to come out of the Loan Account instead of from revenue, and there will be correspondingly less money for true development or development as it was known during the time when my friend, the honourable member for Gumeracha, was Premier and Treasurer. This is the comparison which, I think, should be seen by the people in this State. However, there is more to it than this: there is the decline in the purchasing power that has occurred over the years. In every month that passes, costs increase. We know that for many years since the Second World War, and before the war, this has been constant. In fact, it has been happening constantly for hundreds of years: there has been a gradual decline in the purchasing power of money.

The Hon. Sir Thomas Playford: By two per cent to three per cent per annum.

Mr. MILLHOUSE: Yes, this happens everywhere, but the tragedy of our situation is that in the last couple of years it has been going on faster in South Australia than anywhere else. This means that the real value we get from Loan money is less every year and less comparatively in South Australia than in the other States. I can see nothing in these Estimates that will lead to an expansion in employment. As my Leader said this afternoon, there will be a rather lower level of activity as a result of these Estimates than there has been even in previous years under the Labor Government. What are some of these extra costs which we will have to bear and which will reduce real capital expansion? There is the extra week's leave for one thing. We have not yet felt it, because it will not come in until the beginning of 1968, a few months before the election.

The Hon. Sir Thomas Playford: Six months of it will be in this Budget.

Mr. MILLHOUSE: Yes, and what will this amount to?

Mr. Hurst: It is not an extra payment out!

Mr. MILLHOUSE: What is it then, if it is not that? Where does the honourable gentleman think it will come from if it does not come out of these moneys? Does he really say it is not a payment out? Of course, it will mean an increase in the cost structure in this State, first in Government employment, and it is certain to spread over into private employment as well. This will, of itself, reduce effective capital development in South Australia. There is another point too, and

that is by design I suggest: a number of large items were deliberately held over from 1966-67 to 1967-68. Those, too, will have to be met out of the Loan Fund this year.

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

Mr. MILLHOUSE: Summarizing what I said before dinner, I said when I started that I wished to make four points. The first of them was that this was an uninteresting and unenterprising document that did not do what, traditionally, the Loan programme in this State has done, namely, to support any spectacular development of South Australia. There is no big project for which these Estimates are to be the support. The second point I made was that our aim should be to finance development out of Loan moneys and, particularly, development from which there would be some return to the State and to the Government. The reason for this is that the moneys that come out of Loan have to be serviced and, unless there is some return from the money that is spent, it is a dead weight on the finances of the State. Those moneys have to be serviced and repaid over a period of some 51 years.

I pointed out that we were no longer achieving or observing that aim and that a sum between \$7,000,000 and \$9,000,000 in this programme would fall outside of this aim that I had laid down, because it would be spent on moneys which, traditionally, in South Australia have come out of Revenue and not out of Loan at all. Therefore, there will be less money for the sort of development that used to be regarded as appropriate from Loan, and there will be less real spending on Loan moneys still, because of rising costs, both those that occur through the natural workings of the economy (for example, through the constantly decreasing value in money) and those forces that are working particularly in South Australia to push up our cost structure. I instanced the four weeks' annual leave that had been imposed on the Government, of course, by the Trades Hall, and I also said that a number of items that had been deliberately left over from the 1966-67 year to be paid in the current financial year would be a drain on the Loan Fund. Therefore, our spending on Loan works is obviously at a rather lower level than it has been in the past, and this will mean less stimulus to employment in this State at a time when stimulation is needed.

I now come to the third point, concerning housing in South Australia. I have several times raised the matter in this place of the grand announcements that were made by the

Treasurer in the first flush of his success on assuming office. He said he intended to take steps to revive the building industry in this State, and we were led to expect some spectacular announcements that would restore confidence and show an upward swing in this State. So far, we have not heard those announcements, and the building industry, I can assure the Treasurer, is waiting off now to see whether he can deliver the goods that he has promised. Incidentally, not only the building industry is waiting off on him in that way: the Treasurer has made so many announcements and so many promises of what is to happen in South Australia that we are beginning to think it is about time some of them were fulfilled. It seems that we are always just on the verge of things happening in South Australia.

The Hon. D. A. Dunstan: Perhaps you will watch television tomorrow night, in that case.

Mr. MILLHOUSE: I shall be waiting with interest to see what is on television, but this is just one more of the sorts of promises the Treasurer makes. We are told there will be something good tomorrow, and I assure the Treasurer that the building industry is waiting to see just what he will produce.

Mr. McKee: At least we are not expecting anything from you.

Mr. MILLHOUSE: I am glad the honourable member is at least listening to what I am saying. Having raised this matter on July 18 last, and having reminded the Treasurer of the promises he had made, I was told not to be impatient. He said:

I have told the leaders of the housing industry that certain specific projects on which I have been negotiating will be announced in due course, but I cannot either reveal what those projects are—

I said that I did not ask him for that, and the Treasurer replied in a pet:

If the honourable member wants a reply from me, perhaps he had better listen.

The Treasurer went on in that vein. I tried again a week or so later, on July 25 (I gave him another week to do something), and the honourable gentleman was even shorter with me in reply than he had been the first time, because he said:

The honourable member knows very well that I have already announced a number of proposals.

I may say that I do not know what they are, but I shall leave that aside.

The Hon. D. A. Dunstan: The building industry does, so apparently you have not been finding out what has been done.

Mr. MILLHOUSE: The Treasurer continued:

I have already told him that when the negotiations concerning several proposals are complete I will make a public announcement. He is simply making himself foolish.

We are still waiting, and we shall watch television tomorrow night. Why the honourable gentleman cannot announce these things in the place where they should be announced, that is, in this Chamber—

Mr. Jennings: Look at the gentleman sitting beside you!

Mr. MILLHOUSE: —but has to add insult to injury by telling us here that he will make an announcement outside—

The Hon. Sir Thomas Playford: That was never done before.

Mr. MILLHOUSE: That is so. Let us examine (to come back after our little hilarity) a few cold hard facts on housing (they are not my facts, incidentally).

Mr. McKee: They wouldn't want to be.

Mr. MILLHOUSE: I do not ask the member for Port Pirie or any other member to accept them as my facts. This is information that the Government itself has given in answer to questions asked on notice. I am dealing, of course, with the activities of the Housing Trust. Questions were asked on notice both in this place and in another place in June last about the numbers of Housing Trust houses under construction, the houses that were completed and unsold, and so on. I asked similar questions that were answered today and, if one compares the answers that were given in June with the answers given here today, one finds that, in fact, the position is, if anything, worse now than it was in June. The first question I asked today related to how many Housing Trust houses were at present in the course of construction, and the answer I received was that there were 1,849 as on July 31. On June 15, when that question had been asked and answered, there were 2,186 houses in the course of construction, so that in fact something more than 250 fewer houses are in the course of construction now than there were six or seven weeks ago.

The second question I asked was: how many of those which were in the course of construction on June 15 have since been completed? The answer came that 473 of them had been completed, which means that well over 1,500 are still in the course of construction; 473 have been completed but, according to the answer I got, only 331 of them have been either sold or let since their completion. The

fourth question I asked was: how many completed Housing Trust houses are at present vacant? The answer was given as 610, but on June 27 it was only 517. So those figures (which are not mine but are supplied by the Government itself) show that, if anything, the housing position in South Australia, anyway so far as the Housing Trust is concerned, is worse now than it was in June—and this at a time when the honourable gentleman is foreseeing or foretelling an upswing in building in this State! Those figures speak for themselves; I hope they become widely known.

I then asked a fifth question on this matter: on the commencement of building in South Australia by the Housing Trust in the month of July in each of the years 1964, 1965, 1966 and 1967, July being the last complete month. What do we find here? We find that the commencements in those relevant months in the last four years have steadily declined each year. In July, 1964, 299 houses were commenced. In 1965 (soon after the Playford Government went out of office) 273 houses were commenced; in 1966, 213 houses were commenced, and in 1967 (the month just passed, the month that showed the upswing in building, according to the Treasurer) 197 Housing Trust houses were commenced. So we have had a drop in those months, between 1964 (the last full year of office of the Playford Government) and 1967, from 299 commencements to 197—a decrease of about one-third. It may be there is some perfectly rational explanation for this. If there is, I should like to hear it because the figures on the face of them do not look very good. They show not a jumping about but a continual downward trend.

The Hon. B. H. Teusner: Weather conditions were given as an explanation on one occasion last year.

Mr. MILLHOUSE: If that is so, surely to goodness the July we have just had, which was a disastrously dry month, should have helped rather than hindered building in this State. That is the building position. Honourable members all agree that building is one of the vital areas in our economy; it is one of the most sensitive indicators of the health or otherwise of an economy. It is usually the first industry to suffer when things go wrong; yet we have these figures before us—not, let me remind the member for Port Pirie again, my figures but the Government's own figures from its own instrumentality, when it is blowing all the time about the money it is putting into

housing development in this State. That is my third point.

My fourth point is more general: what is wrong in South Australia at present? Why has this State gone from being amongst the most prosperous States in Australia to being amongst the least prosperous? Why has there been in the last two years such a dramatic flight of tradesmen from South Australia? The number that has left this State cannot be precisely ascertained (and I bet the Government breathes a sigh of relief that it cannot be) but it is notorious that there has been an exodus from South Australia of skilled workmen to other more prosperous parts of the Commonwealth—Western Australia, even Tasmania (the Savage River district), and the Eastern States.

Mr. McKee: Where did you obtain your information?

Mr. MILLHOUSE: I have been told of streets in Elizabeth where houses are now empty because the people have gone somewhere else to find work.

The Hon. D. A. Dunstan: What are the streets?

Mr. MILLHOUSE: I cannot give the honourable gentleman the names of the streets, but let me indicate the source of my information. I am not prepared, whatever honourable members opposite do or however they charge me, to disclose names. This information about Elizabeth has been given to me by a friend of mine in the Postmaster-General's Department. He has nothing to do with politics. So far as I know, he has not the slightest interest in politics.

Mr. Broomhill: Tell us the names of the streets.

Mr. MILLHOUSE: I have already said that I do not know the names but, because of the occupation of this person, I believe this information to be substantially accurate. It certainly ties in with what the Government has had to admit about unoccupied Housing Trust houses in that area. This is happening in South Australia, even though it is impossible to turn it into a statistic, because statistics cannot be kept. People can go over the border and we cannot know where they have gone; but it is happening, and the tradesmen who have left this State in the last two years number about 15,000, half of whom have gone on their own and half of whom have taken their families with them to other States.

Mr. Broomhill: Who made that estimate?

Mr. MILLHOUSE: Somebody whose word and judgment I would be prepared to trust.

I defy either the member for West Torrens or the Treasurer to deny this figure and say that this is not happening in South Australia—because it is happening, and we all know it. It is a most serious set-back to our economy.

Mr. Freebairn: Would that have something to do with the reduced population of Norwood?

Mr. MILLHOUSE: It may have something to do with Norwood. It is certain that that number of tradesmen in this State has decreased because they have gone elsewhere for work. In South Australia there is a loss of confidence. The precise reasons for this it is hard to pin-point, but there is one reason beyond doubt—the loss of confidence in the Government of this State. If members opposite will not accept that, let them bear with me for a moment while I develop this matter. If our economy is to get going again (and this is what the Treasurer set himself up to do in a frenzy as soon as he came into office—and rightly so, too, because his predecessor had let it run down very much—

Mr. McKee: You were at your lowest ebb when we took over.

Mr. MILLHOUSE: We will not argue about that. I am saying (and I am sure the member for Port Pirie, being the loyal, unthinking supporter he is, will accept this immediately) that the task the new Premier and Treasurer set himself was to get the economy of this State going again—to revive it.

Mr. McKee: That is right, and that is what you are worrying about.

Mr. MILLHOUSE: The economy in South Australia, in common with the economy throughout the whole Commonwealth, is still, thank goodness, overwhelmingly and predominantly a private enterprise economy. This means that if the economy of the State is to be got going again this can be done only by the activity of private enterprise. Therefore, if private enterprise is to become more active its confidence must be restored.

The Treasurer has set himself the task of restoring that confidence but now I come to the fatal contradiction in his position. He is (he is proud of this and I know all his Ministers pay lip service to the same thing, as do many of his supporters behind him) an avowed and dedicated Socialist, and a Socialist believes in pulling down private enterprise and in replacing it with State enterprise (if I have not misstated the philosophy of honourable members opposite). How can a man who believes in pulling down private enterprise restore its confidence? Yet that is what he must do if the economy of this State is to

get going again. If any honourable member opposite wants to argue with me about the outlook of the Treasurer on this matter, we have only to remember what he said (and surely this was a prepared and considered statement) last week at the Federal Conference of the Australian Labor Party. The following statement underlines what I have been saying:

The difference between a Federal Labor Government and a Liberal Federal Government as far as the States are concerned is that the Liberal Government believes that basic development in Australia should be undertaken by private investors making private decisions, and a Labor Government believes that the decisions about basic development and investment must be made by those responsible to the community.

Mr. McKee: Hear, hear!

Mr. MILLHOUSE: I know the honourable member agrees with that statement, which illustrates (although he was speaking on the Commonwealth level) as clearly as anything the fundamental outlook of the Treasurer on this matter. That is the contradiction in which the Treasurer finds himself and in which a Socialist Government in a predominantly private enterprise economy finds itself. It is, in the long run, impossible for a dedicated, honest and avowed Socialist to work with and encourage private enterprise because his whole outlook is in the reverse direction. That is what is the trouble in South Australia; I venture to say that the troubles of South Australia will not be cured until there is a change of Government here, and until there is a Government in power in South Australia which is sympathetic to private enterprise and which is prepared to try to understand its problems and to do what it can to help it. That is the fundamental reason for the problems which we have had and which started in the very month that the Labor Government of the Hon. Frank Walsh came into office.

That is the fourth of the points I put forward on the first line of these Estimates. There will be plenty of time to debate the lines as we go through them and members on the Opposition side have plenty of questions to ask about them. On this occasion I have been talking only of fundamentals, of broad principle. I sum them up by saying that I am disappointed in this document, that it discloses a lower rate of spending of capital moneys, that the building industry (as evidenced by the activities of the Housing Trust) is still in a weak and depressed position and that, finally and most importantly, we

can never get development and prosperity while the Labor Government is in office.

Mr. COUNBE (Torrens): The Treasurer has introduced his first Loan Estimates, after having been in office for only a couple of months. When we examine them closely and analyse them with care, we find that they do not bear the gloss and shine that the first paragraph or two of the Treasurer's statement would lead us to believe. He commenced his speech by putting forward three arguments on which he based the whole of his case for getting the result that he wishes to achieve. Let us look at these closely. First, the Treasurer referred to "a stimulus in those areas of industry where Commonwealth policies have allowed a down-turn to occur". If we break up that statement we find reference to a stimulus and to the Commonwealth Government's part in a down-turn.

I ask honourable members opposite quite seriously to point out to me where, in the set of documents the Treasurer presented, a stimulus is given to South Australia or to industry generally. If members look through the second set of documents which the Treasurer presented they will see that no figures there could give a stimulus and that not one major project is announced about which we could get excited. I invite honourable members to point out to me where this stimulus is given because I would be the first to welcome it. The Treasurer hung his first argument on this point: that these documents provide a stimulus to industry. That is not so. The Treasurer said, "those areas of industry where Commonwealth policies have allowed a down-turn to occur". What are the Commonwealth policies that have caused the down-turn to occur in South Australia? Commonwealth policies have not caused down-turns to occur in other States and, if Commonwealth policies are involved, one would think they would apply Australia-wide.

Mr. McKee: You know the situation in the other States and you know what the Premiers of those States have said.

Mr. COUNBE: I invite the honourable member to say, if he can, what these things are. So far we have been waiting patiently to hear, in his usual inimical style, words of wisdom from the member for Port Pirie. The Treasurer referred to Commonwealth policies that have caused the down-turn in South Australia. I presume he meant South Australia because, a month or so ago, when discussing the Supplementary Estimates, members opposite said that the Commonwealth was not spending

as much money on building as they would like it to spend or it had spent in the past. I was interested in that matter and the other day the Minister of Education kindly gave me some figures. I am referring to building other than normal Commonwealth Government buildings and those at Woomera and Salisbury. These figures show that all buildings completed last year and those under construction this financial year (some of which are to commence this year and to be completed next year) by the Commonwealth education authorities alone are estimated to cost \$5,500,000. That is not a bad slice of money.

Mr. McKee: Go back a few years.

Mr. COUNBE: The member for Port Pirie would benefit from this. I point out that these grants by the Commonwealth are completely unmatched by the State. They are not connected with scholarship grants and they represent bricks and mortar. One of the works is the Radio and Electrical Trade School at the Kilkenny Technical College, which was opened just before the end of the last financial year.

Mr. Hurst: But the member for Mitcham says they are non-productive and should not be built.

Mr. COUNBE: I think the member for Semaphore has misinterpreted my colleague's comment.

Mr. Hurst: I don't think so.

Mr. COUNBE: Another project is the Laurel Park Technical College in the district of the member for Port Adelaide (Mr. Ryan). The Commonwealth is meeting the total cost of that work, which is \$33,000. Other projects that are the subject of Commonwealth grants are the Whyalla Technical College, Port Augusta Technical College, Roseworthy Agricultural College, and the Northern Teachers College. The latter project is in the Gawler District and work will commence this year and continue next year. According to the information I was given, the cost to the Commonwealth of work on that college is \$2,400,000. The total amount being made available by the Commonwealth is \$5,500,000 and we are extremely grateful for that.

I emphasize that these are Commonwealth activities in the State that were not being carried out a little more than 12 months ago. That \$5,500,000 and the \$2,000,000 being given by the Commonwealth to the universities and other tertiary bodies total \$7,500,000, which is to be spent in bricks and mortar. Therefore, the statement by Government members

that part of the down-turn in this State has been caused by lack of Commonwealth support has no foundation. In fact, I know from conversations with the Minister for Education and Science (Senator Gorton), and with educationists, that this grant is only a start. Grants of this type will not only continue but expand. The Treasurer's statement about lack of Commonwealth assistance being the cause of the down-turn is poppycock.

Mr. McKee: We haven't had the benefit of those grants.

Mr. COUMBE: One of the projects I have referred to is in operation and all of the others except the last have been reported on by the Public Works Committee, reports have been laid on the table, and some of the projects have gone to tender. The member for Port Pirie cannot have it both ways. He was talking as though he did not want the Commonwealth to spend money. When I say what the Commonwealth is doing, he still complains.

Mr. McKee: What does it cost to put the reports on the table?

Mr. COUMBE: A couple of years ago we were not to get these projects. However, now we are getting them.

Mr. McKee: We'll get the benefit eventually!

Mr. COUMBE: That will do the member for Port Pirie good. Nothing in these documents gives me any hope that a stimulus is being given to the economy and the community. I awaited the presentation of these Loan Estimates in order to see what was to be done to give effect to the Treasurer's statements in the last month or so that he was trying to entice new industries to come to South Australia and to encourage existing industries to expand. However, I now ask Government members to tell me where this enticement is being given. The second argument that the Treasurer used was that, with the expansion of works provided, the volume of expenditure would reach a clear record level. No-one will argue about the record level. Last year actual payments were \$77,800,000, and this year \$82,500,000 has been provided—an increase of only \$4,700,000 in a total of \$82,500,000. That is not an increase on which a record programme can be carried out: it is a minute increase that will not even cope with expansion in population and increases in cost.

I am concerned that insufficient provision is made to cover these matters. The Treasurer, in an effort to achieve a semblance

of balance, said that we were creating in this State a record expenditure.

Mr. McKee: And that's worrying you.

Mr. COUMBE: The Treasurer is correct mathematically, but we will not get a record number of bricks laid. The Treasurer also said:

Thirdly, the amount of expenditure that the Government is undertaking in the construction and financing of housing is not only a record for this State in that particular field but involves a provision at low interest rates of a far greater proportion of governmental Loan funds for housing than is provided in any other State of Australia.

I emphasize the statement that the amount of expenditure that the Government is undertaking is a record. Is it?

Mr. McKee: It's got you worried.

Mr. COUMBE: It has increased by \$250,000 in \$21,000,000. Mathematically, the Treasurer is correct. He is providing an increased figure. However, many fewer houses will be built. The number of houses built in 1964-65 was 3,317.

Mr. McKee: What about costs?

Mr. COUMBE: The number built in 1965-66 was 3,250 and, in 1966-67, the number built was 3,228. The figures that I obtained a few weeks ago by questioning, and to which the member for Mitcham (Mr. Millhouse) referred earlier, show that we shall be building fewer houses this year.

Mr. McKee: You aren't going to take notice of the member for Mitcham, are you?

Mr. COUMBE: He referred to figures given by the Treasurer, some of which had been given to me in reply to a question on notice.

Mr. McKee: I shouldn't be surprised if the member for Mitcham got them wrong.

Mr. COUMBE: The whole point is that there will be many fewer houses built this year. What will be the effect of the Labor Government's getting into office? Fewer houses will be built for the people. Nobody can deny that. The member for Port Pirie is one who will have to find the answer to this and explain it to his supporters. Under this programme, fewer Housing Trust houses than before will be provided. I have quoted the official figures from the Housing Trust report to show that for the three years since the Labor Government assumed office the number of houses has decreased. If members analyse the statement of the Treasurer they will find that he expects that the trust will build fewer houses this year than it built last year.

Mr. Quirke: The worst feature is that they are unoccupied.

Mr. COUMBE: Yes. When I asked a question on notice two or three weeks ago, I was told that 517 Housing Trust houses were vacant. Most members have been here long enough to recall the trials and tribulations experienced by most members, particularly metropolitan members, in respect of people trying to get houses because of the very acute housing shortage.

Mr. Jennings: That was under the Playford Government's housing shortage.

Mr. COUMBE: The Playford Government continued to build a record number of houses and people occupied them. Under the Labor Government no-one can get into the houses: they are vacant not because people do not want to get into them but because they cannot afford to get into them. The figure of 517 vacant Housing Trust houses has increased, and in reply to a question on notice the Treasurer recently said that this figure had increased to 610 in just-over a month. This 20 per cent increase should worry all members, for it shows that the Treasurer's claim that he is providing a stimulus to industry in this State and record money for housing is a hollow argument on which to hang the whole of the statement of the items put forward by him in this connection. I consider the document before us to be very pedestrian: it contains no announcements of major projects of an exciting nature. The Engineering and Water Supply Department is the only department that shows a fairly substantial increase. Although I agree that this is a department on which we should spend as much money as we can, I point out that the increase is in respect not of water mains and sewers but of items such as dams, rivers, locks, etc.

Mr. Hall: Some of the money was used to pay last year's accounts.

Mr. COUMBE: Yes, and that has been admitted. In his explanation I believe that the Treasurer said that some of the big bills had not come in. No other department shows an increase of more than the normal rise of costs. This is not even a holding document: it does not meet some of the natural increases, and there are even some reductions. The document does not meet the natural increases that can be expected at a time when the Government (and the Treasurer in particular) has said we must give a stimulus to the economy. There is no stimulus given here, nor is there any provision for the natural rises in costs or the increase in population. There is no emphasis on reproductive or money-earning items. Regarding housing, the Treasurer

said, shortly after assuming office, that he wanted to help the building industry, which was probably suffering more than any other. What help is there in this document to assist that industry? These are capital works, and we cannot expect very much help from the Revenue Estimates next month. No assistance is given in the Loan Estimates, so the argument the Treasurer has put forward that the whole of the ills of South Australia can be laid at the feet of the Commonwealth Government is a complete fabrication, and the claim that he has put forward this document as a stimulus to the economy falls completely to the ground.

Much play is made nowadays on the grants made by the States to tertiary education, in which many members are interested. We all wish that these grants could be increased. The grants to the universities and other tertiary institutions in this State last year totalled \$3,800,000, whereas this year they are \$4,000,000—a very insignificant increase. What has happened is that the Commonwealth Government has come to the party this time with a \$2,000,000 subsidy. So, the Treasurer's document shows a \$2,000,000 credit in this regard and only \$2,000,000 is really voted by the State Government. I know that the Minister of Education appreciates the Commonwealth Government's coming to the party, but credit should be given to the Commonwealth Government for giving this money to the State. I understand that for the remainder of this triennium the Commonwealth Government will provide increasing amounts. In this way, the Treasurer has been able to reduce the amounts he has provided, in an effort to balance the Revenue Budget. In this one line the Government is now providing only one-half of the sum it provided last year. The Loan Estimates are not very inspiring, so much so that no members on the other side have risen, full of inspiration, to praise the Treasurer for producing this set of documents, although I hope that they still will. The member for Port Pirie and the member for Gawler might even help me in this regard, and I am keenly looking forward to the member for Port Pirie saying that he is glad to have the schools built in his area with Commonwealth Government assistance. However, that remains to be seen.

Mr. McKee: You are issuing an invitation?

Mr. COUMBE: I am. I have been waiting eagerly to have the unexpected pleasure of hearing from the members to whom I have referred. I might even hear a few others speak. Points made by previous Opposition speakers are germane to the financial argument.

We have had no reply from Government members although I should like to have heard the member for Mount Gambier air his financial knowledge. I am disappointed in the Loan Estimates, because I think the Treasurer could have done better.

Mr. FREEBAIRN (Light): When I was informed that I was to be the next Opposition speaker I gained the impression that the member for Mount Gambier was keen to speak and be the first backbench Socialist member to take part in this debate. I regret that Socialist members opposite are taking no part in this debate, because I expected them to do so. An elder statesman of this Chamber reminded me during the dinner break of Disraeli's quotation, "Government is finance and finance is Government." Socialist members opposite, knowing little about finance, are reluctant to debate this financial Bill. The member for Wallaroo should be concerned about establishing a new industry in his district. The member for Glenelg has prepared the path for him to walk on, and the way is clear for him to do his part in ensuring that an industry will be established there.

Mr. Hughes: If we had to wait for your assistance we would never get one.

Mr. FREEBAIRN: I deplore the sad state into which the economy of the State has fallen because of the socialistic efforts of the Labor Government, and look forward to an incoming Liberal Government next April that will have the enormous task of righting the wrongs that have been perpetrated. I remind Government members of what the Treasurer said in explaining this Bill.

Mr. Hughes: We know what he said: we don't need you to tell us.

Mr. FREEBAIRN: When opening the debate the Treasurer said:

The Loan Estimates that I have the privilege now to present have three features of overwhelming importance. The first is that, although the programme has had to be constructed without the supplementary provisions that this State submitted to the Commonwealth as necessary to give a stimulus in those areas of industry where Commonwealth policies have allowed a down-turn to occur, a reasonable expansion of works is provided and at the same time the Government proposes to bring the Loan Fund to balance.

I wonder why the Treasurer did not call this a remarkable achievement. We have become so accustomed to budgets that do not balance that it is like a refreshing breeze to find one that does. The Treasurer continued:

Secondly, with the expansion of works provided, the volume of expenditure will reach a clear record level. Thirdly, the amount of expenditure that the Government is under-

taking in the construction and financing of housing is not only a record for this State in that particular field but involves a provision at low interest rates of a far greater proportion of governmental Loan funds for housing than is provided in any other State of Australia.

He continued with a pearl. We know that the Treasurer has met members of the Housing Trust and almost crawled on hands and knees imploring them to do something to stimulate the building industry, because his district is more affected than any other. Many migrants involved in the building industry live in his district, and they are having a difficult time because of the Socialist Administration. The Treasurer continued:

This will importantly contribute to employment in the building and construction industries of the State.

As the member for Torrens said, the building industry has declined since the Playford Government left office. I am sorry the member for Mount Gambier has not spoken. I recall that when a protest meeting on road transport was arranged at Mount Gambier, he went to a picture show. This shows how much he thinks of his constituents, and they will remember this incident when they go to the polls next March. In the gloom of the Loan Estimates four rays of sunshine appear, as my district is referred to four times: I am pleased that the Government did not entirely forget the District of Light. Members have heard me speak many times about the Watervale water scheme, as I have made more speeches about it than on any other matter. Under the line "Warren Water District", \$196,000 is provided, of which \$26,000 will be used to commence work on the Watervale water scheme, which is estimated to cost \$180,000 when finished. I asked the Minister of Works a question a couple of weeks ago about this scheme and the reply I received (for which I thank him) did not give me much hope. Therefore, it was with great delight that I found some provision for the scheme had been made in the Estimates. In reply to my previous question, the Minister said:

Alternative routes have been considered, the chosen route being that supplying most properties and having good storage sites. The scheme to supply Watervale requires two pumping lifts to balancing storages with possible alternative pumping equipment in the first lift to allow for the large variation of the piezometric head in the Warren trunk main.

For the elucidation of members, "piezometric" refers to the free water balancing level. The Minister continued:

The latter problem is, of course, common to each alternative. To extend the supply to

Penwortham would require an additional pumping station and small tank just north of the town, while scheme 3 to extend still further to Sevenhill provides for a larger main from the third pumping station and a larger third storage tank to balance the demand on the system. Branch mains covering most properties that can be supplied by gravity from the trunk system have been included in each case. All schemes would be subject to investigation by the Public Works Committee.

I then asked a further question on notice to which the Minister replied today, indicating that a water scheme to Leasingham and Watervale was estimated to cost \$210,000; a supply to Leasingham, Watervale and Penwortham would cost about \$300,000; and a supply to Leasingham, Watervale, Penwortham and Sevenhill would cost about \$370,000.

Mr. Shannon: None of those schemes has come before the Public Works Committee.

Mr. FREEBAIRN: That is so. I repeat that I was pleased to find provision made in the Estimates for the Watervale water supply, for which the estimated cost would be \$180,000, \$26,000 being provided for the commencement this year. Although somebody in the Minister's department got his figures a little mixed, I am happy that progress will now be made. I remind members that most of the people of Watervale are little retired folk living on their pensions—

Mr. Jennings: Pygmies!

Mr. FREEBAIRN: That was a very offensive remark that indicates how Socialist members appreciate good, ordinary South Australians. I am disappointed that the member has said that. The people at Watervale are hardworking and deserving of an accepted modern amenity. It is impossible for those people to afford their own bores but they will now have the benefit of a reticulated water supply, and they will enjoy some of the benefits that the member for Enfield and other Socialists, as well as the rest of us, may be able to enjoy.

Mr. Curren: Why didn't you get that scheme from a Liberal Government?

Mr. FREEBAIRN: I may have to make a contribution to this debate on behalf of the district of the member for Chaffey because, if he does not, it will be incumbent on me to do so. I hope he will run along and put his name down on the Speaker's list, because the District of Chaffey deserves representation in this Chamber.

Mr. Curren: And it is getting it!

Mr. FREEBAIRN: Having examined the provision under the line for hospitals, I recall that the previous member for Barossa (then

the Government Whip) spoke frequently in this place and made sure that matters affecting his district received a proper airing. I recall, too, that about three years ago, when I was canvassing in the Modbury and Tea Tree Gully area, local residents thought they were about to receive a new hospital. Although I understand that the site for that hospital was being prepared, I point out that almost three years have passed during which time those people still have not got their hospital. I suggest that at the next election they will be asking questions about this, and it will be difficult for Labor members to reply. Labor members may laugh, but the people will vote them out, because they will not tolerate this sort of thing. The Liberal and Country League Administration under Sir Thomas Playford stands second to none in reticulating electricity throughout the country. When I came into Parliament about five years ago, almost the whole of the farming areas in South Australia were receiving electricity.

This record was unsurpassed by anything undertaken in any other State in the Commonwealth. We find now that the single wire earth return system extends over almost the whole of the settled part of South Australia. Although I believe that the Liberal State of Victoria and the now Liberal State of New South Wales are fast approaching our achievements, they still have a way to go. I notice that \$110,000 is set aside for final work on the construction of a new 130,000-volt transmission line from Waterloo to Morgan. Although that is not a domestic line, I think members opposite who have some interest will appreciate that this is merely part of the overall Playford plan to decentralize South Australia and to develop industries in the North of the State. It was the Socialist Party that did its best, I believe, to nationalize the Broken Hill Proprietary Company Limited about eight or 10 years ago and thereby tried to discourage that organization from developing.

Mr. Jennings: Two minutes ago you were applauding the Electricity Trust; that was nationalized, wasn't it?

Mr. FREEBAIRN: I was about to say something nice about the Socialists, but I have decided not to, now that the member for Enfield has interjected. In fact, I will say something unflattering about the Socialists and refer to the New Era settlement. In about 1880 or 1890 a group of Socialists (they could not have been Marxists, but they were people who believed in sharing everything), their theory being that nobody owns anything

but everybody shares all the worldly goods of the community—

The Hon. C. D. Hutchens: I've never heard so much Conservative tripe in all my life.

Mr. FREEBAIRN: This group of community-minded people set themselves up at New Era, near present-day Cadell, where everybody shared everything. As well as sharing everything, they thought they could get by with doing no work. It was soon found that the primitive communistic settlement failed. It was not until 1919 or 1920 that the modern settlement at Cadell came into being. The Minister of Works will know that it is a First World War settlement. In the early stages of settlement the pioneers did not know as much about the finer points of cultivation (such as trace elements) and salinity as we do nowadays, and some serious mistakes were made. The Cadell settlement must have appeared attractive to the early settlers. It is situated east of the north-west bend of the Murray River. It is bounded on one side by a mallee island and on the periphery of the settlement is a high limestone cliff. The soils are quite good, but there is a clay band that soon proved to be impervious. The Cadell settlement is happy and has made a great contribution to the economy of South Australia. I was delighted that the Minister of Irrigation should see fit to spend \$70,000 at Cadell on building a new pumping station, that "\$70,000 is provided to commence the construction of a new pumping station at Cadell, the estimated total cost of which is approximately \$90,000". I know some doubt has been expressed by the Cadell settlers about the efficiency of the old pump, which has broken down once or twice, but these breakdowns have not caused any serious embarrassment. The people at Cadell will be grateful to the Minister for meeting their wishes. I like to give credit where credit is due and, where the overall policy of the Government is bad, to condemn it. No Government policy is so bad that it has not some good parts in it: I am now commenting on the few good parts. I thank the Minister of Irrigation now as I thanked the Minister of Works a little earlier.

I turn now to the Prisons Department, in respect of which "\$143,000 is required to complete construction of a new building at Cadell Training Centre, to provide improved dormitory accommodation, messing and recreational facilities." Most honourable members will know that this will make a worthwhile contribution to the rehabilitation of the prisoners of this State. An aspect of the Cadell Training Centre about which I am not happy (and in respect

of which I am disappointed to see there is no provision in the lines) is the failure to provide money for deep drainage over the training centre's irrigation area.

I understand that almost 600 acres is now under irrigation. This is part of the rehabilitation and training programme for the trainees. This training centre will fail if deep drainage is not provided. I understand that in several places the salinity build-up is now becoming evident. The training centre cannot continue for more than a year or so, at the outside, before deep drainage will have to be installed. The irrigation farm is worth saving and must be saved. Part of the objection to the lack of drainage is that the Cadell Training Centre effluent is tending to swamp out the rest of the settlement.

Mr. HUDSON (Glenelg): I rise with pleasure to support the first line of the Loan Estimates. I have not been at all surprised by the general tone of the Opposition's approach to the problem of these Loan Estimates. While I was in the United States I remember on one occasion I passed a fish shop with rows of fish staring out of the window with open mouths. I was rather reminded of the view of the Opposition from this side of the Chamber, particularly as the fish for sale were all carp.

Mr. Jennings: And pretty smelly, too, I should imagine.

Mr. HUDSON: It is true to say there was no noticeable odour. There is a famous book in the statistical world entitled *How to Lie with Statistics*. I was convinced this afternoon that the Leader of the Opposition had obviously taken to heart some of the principles of this book. If we want to juggle statistics to make them suit our own argument, one of the first principles is to take a particular base year rather than a trend over a period of years. That is what the Leader of the Opposition did in his argument this afternoon when he tried to suggest that the increase in expenditure by the Government under the Loan Estimates was minor over the last three years. He took the year 1964-65, when the actual payments on the Loan Account had a large boost over the previous year. The figure for 1964-65 for actual payments was \$73,640,000, but that was a substantial increase over 1963-64, when the actual payments were only \$63,596,000. In 1962-63 the figure stood at \$59,681,000. So, between 1962-63 and 1963-64 there had, in fact, been a fairly small increase in Loan expenditure. There was a substantial increase between 1963-64 and 1964-65.

By dint of comparing the current level of payments of \$82,560,000 with the 1964-65 figures, we are able to present a much less rosy picture than would be the case if we took as our base year for the purpose of comparison 1963-64 or if we went back to 1962-63. This is particularly true when we look at the actual lines of the payments under the heading "Engineering and Water Supply Department". In the year 1964-65 there was an increase in Engineering and Water Supply payments of almost \$6,000,000, largely because 1964-65 was an election year and the Playford Government was doing its best, by means of heavy spending, to stay in office. The E. & W. S. Department in 1962-63 experienced payments of \$23,680,000; in 1963-64, the figure was almost identical—\$23,675,000; and then came the large jump of \$6,000,000 to a figure of \$29,494,000 in 1964-65. The last two years have seen slight decreases on that figure. However, the proposed payments for this year of \$29,800,000 are in excess of the peak figure of 1964-65. The point is that if one is to draw conclusions about the overall trend of expenditure over a period of years then it is completely unfair and untruthful to take as one's base year a year that was out of the ordinary.

Mr. Clark: Do you think that year was taken by accident?

Mr. HUDSON: I assume not.

Mr. Quirke: In a progressive country it could be taken back five years.

Mr. HUDSON: The point is that, if one wanted to compare the record of this Government, one should compare the three-year period of its term of office with the previous three-year period to get the trend of the change over a period of time. As the member for Burra is well aware, the actual increase in Loan payments that takes place in any one year is completely dependent on the determinations of the Australian Loan Council.

Another point taken by the Leader this afternoon was that, in order to assess the net payment for this year, one had to deduct any carry-over of payments due for work undertaken last year but not as yet made or not made in the last financial year. That is not necessarily the case at all. There will normally be some carry-over of payments for work performed in one financial year into the following financial year.

Mr. Casey: That happens in ordinary business.

Mr. HUDSON: Yes. It happens in the Railways Department where, each year, there is a carry-over from the end of the financial

year of accounts due but not yet paid by the department. Similarly, there is a carry-over of amounts due to the department and not yet paid. For example, some of the benefit of the large wheat crop for railway revenue will not occur in the current Budget for 1966-67 but will appear in the Budget for 1967-68. Therefore, the Leader's conclusion that about \$2,500,000 had to be deducted in order to determine the true net payment under the Loan Estimates for this financial year was an incorrect one. It depends on the amount of carry-over that occurs at the end of this financial year. If the carry-over is \$2,500,000 again, then the position is that no deduction on that head is necessary at all. If the carry-over at the end of this financial year is greater than \$2,500,000, then the effective net payments this year will be greater on that account.

Mr. McKee: You wouldn't expect the Leader to understand that.

Mr. HUDSON: He has advisers whom, I presume, he employs in order to get his homework done. I should also like to deal with one or two of the statements of the member for Mitcham (Mr. Millhouse). Again, he made an elementary mistake when he said that \$7,000,000 had been transferred from Revenue Account to Loan Account. He forgot to take into account the fact that, of the \$4,000,000 devoted to university buildings, \$2,000,000 is recovered from the Commonwealth Government, so that the net South Australian contribution is only \$2,000,000 whether that item appears in the Revenue Budget or in the Loan Estimates. Consequently, the net effect of the change over of these building grants for hospitals and for the university from the Revenue Budget to the Loan Estimates is only \$5,000,000 and not \$7,000,000 as stated by the member for Mitcham and, I think, by the Leader of the Opposition.

I point out that certain revenue proposals put up by the Government have been defeated in another place. One particular important revenue item was defeated twice. If those revenue items had not been defeated, the necessity of all of this transfer from Revenue Budget to the Loan Estimates would not have taken place.

Mr. Nankivell: How much do you estimate is involved?

Mr. HUDSON: I assume that the loss on the succession duties legislation over a period of two years would be about \$3,000,000 (\$1,500,000 in each of two years) to the current Budget. That is a substantial impact

regarding the budgetary position of the Government. No-one would suggest that these transfers should take place if the Revenue Budget were in a position to accommodate these expenditures. However, because of the effect on the Revenue Budget in South Australia of the basic wage changes over the last two years (and particularly the \$2 rise in the basic wage and the subsequent margins change), and also because of the failure of certain of the Government's revenue proposals and the modification of others, the budgetary situation has been tight indeed. The consequence of the Opposition's attitude in another place (with which the Opposition in this Chamber has at no stage attempted to disagree) has been that we have had a much tighter budgetary position than need have been, or would have been, the case if the Government's planning in relation to revenue matters had been accepted fully by the Legislative Council.

Honourable members opposite can make a great song and dance about confining Loan Estimates expenditure purely to those works which give a productive financial return to the Government and therefore help to pay off interest on money borrowed, but if they do that they should at least be consistent and be prepared to support the necessary decisions regarding the current Budget in order that these amounts can be financed on the current Budget. If they are not prepared to do that, then they should indicate the items on the current Budget that they would have cut. What works that we have done would they not have done? We know that members opposite oppose the introduction of four weeks' annual leave for Government servants (they have made that clear), but apart from that item what other things that the Government has done does the Opposition oppose? Will members opposite tell us? Every time that any matter is discussed or raised in this Chamber, Opposition members (including the member for Mitcham) say that we are not spending enough money and that we must spend more than we are spending. The consequences of increased taxation Opposition members will not tolerate, and they will not tell us how to raise the extra revenue or how we can cut expenditure in other directions in order to do the things they say are necessary to be done. Although they make rather vain attempts in this Chamber to show that the Commonwealth Government does not play a significant role financially so far as this State is concerned, they know that that Government plays an absolutely crucial role

in the overall financial position of State Governments.

Mr. McKee: You wouldn't think they would be foolish enough to say that!

Mr. HUDSON: It is purely political.

Mr. McKee: I don't think it is good politics.

Mr. HUDSON: I think that at this stage it is rebounding on them, because the people are getting the truth. I think we have reached the stage in the history of Commonwealth-State financial relations (and this situation has been made much more serious by the great increase in defence expenditure in the Commonwealth Budget and by the cracking down by the Commonwealth on other forms of expenditure) where the States are now being placed in a most invidious position. The State Governments have important responsibilities to the community that they must discharge efficiently. They have to provide for education, water supply, sewerage, roads, hospitals, and so on. Because of the increasing population and rising standards of living, it is no longer sufficient for State Governments to expand expenditure by about 5 per cent or 6 per cent a year. That would not provide for necessary progress in our community. Even an annual rate of increase of 7 per cent or 8 per cent, in circumstances where there is a price change or a change in the level of wages throughout Australia, is not enough.

Yet, when we look at the overall position of the Revenue Budget in particular, we see that the Commonwealth Government's tax reimbursement grant increases by about 7 per cent or 8 per cent a year. This State, in order to do the kind of job necessary in education, needs to increase education expenditure, in particular, by at least 12 per cent a year, and for many years this expenditure has been increasing steadily as a percentage of the total Budget at about that rate. This increase is putting increasing pressure on the current budgetary position of the States. Quite apart from basic wage increases, another part of the reason for the need to transfer the building account items from current account to Loan Account is the vital need to get on with an extremely rapid rate of increase in education expenditure.

It is my opinion that the rate of increase of education expenditure is not enough. The need in the community is for much greater increases and, so far as I can ascertain, these greater increases in annual education expenditure will not come about unless we get Commonwealth aid for education in respect of primary and secondary schools. I know that

it may sound strange to talk about this matter in the Loan Estimates debate, but I think it has a vital connection with the Loan Estimates. Without Commonwealth aid for primary and secondary education, we cannot expect the pressure on the State's Revenue Budget to ease and we cannot expect to be able to transfer any building grant items from Loan Estimates to the Revenue Budget. I consider that Commonwealth aid for all schools on a direct grant basis, *pro rata* according to the number of students, is a vital necessity at present, and I hope that all members will join in bringing increasing pressure to bear on the Commonwealth Government until that Government agrees to make that sort of payment to the States.

That brings me back to some of the remarks that have been made by the member for Mitcham (Mr. Millhouse). He made a point about confining Loan Estimate payments to only those forms of expenditure that gave a recovery of interest to the Government and, therefore, helped to pay the interest obligation contracted by the State through the borrowing of Loan moneys. What about school buildings? These have been on the Loan Estimates for many years. The member for Mitcham is completely wrong when he says that, under the Playford Administration, the Loan Estimates covered only those items that gave a recovery of interest. Public buildings of one sort or another have always been on the Loan Estimates, and they do not give a recovery of interest. Should we, as a State, exclude State buildings from Loan Account because they do not give a recovery of interest? Are school buildings not a benefit to the community because they do not provide a benefit in this way? What rubbish!

Expenditure on education is one of the best expenditures that any community can make. It provides a return that flows back over the whole working life of those trained and it is absolutely fundamental to the community as a whole. Obviously, the member for Mitcham was just trying to score a point without thinking seriously about what he was saying. The critical question about these Loan Estimates (and this is how we are to be judged) is not whether they produce a recovery to the Government but whether they make an overall contribution to the community and to the future progress and development of South Australia.

I am sure that, if the member for Mitcham were pressed in debate, he would have to admit that the point he made was a lot of

boloney. In South Australia we have several large projects. Some come under the heading of Hospitals, others under the heading of Engineering and Water Supply Department, and others under their appropriate headings. The Electricity Trust programme this year is again far above what it was under the Playford Government. These large projects make big inroads into our Loan programme. Such projects as the Torrens Island power station—

Mr. Quirke: There is some compulsion about that.

Mr. HUDSON: In what sense?

Mr. Quirke: You have to go on with it.

Mr. HUDSON: It is all very well for the member for Burra to say that, but, if he checks the figures, he will see that under this Government the Electricity Trust's programme has increased from an annual rate of about \$18,000,000 to \$24,000,000 in 1965 and to about \$35,000,000 in 1966-67.

Mr. Quirke: Next year it will be the same, and the same the year after that.

Mr. HUDSON: No. There has been a slight cut-back this year because expenditure on the Torrens Island power station comes by lumpy amounts. When such a project is undertaken, lumpy payments can be expected one year, which means a rapid increase in the total expenditure on the project and a cut-back in the following year. This has happened with this project, which is a very large project for a State the size of South Australia. There has been a fluctuation in the payments made in respect of this project. Two years ago the amount was \$24,000,000; last year it was \$35,000,000; and this year it has come back to a total programme of \$29,600,000, which is considerably over the \$18,000,000 to \$20,000,000 average provided by the Playford Government in its last two years of office. The Torrens Island project, being of such a large nature, has had an important effect in the working out of this Government's Loan Estimates over the last two years. Without that project, instead of providing about \$6,700,000 to the trust under the Loan Estimates last year and again this year, the Government could have reduced that item to zero, and that sum could have been made available for other purposes.

Mr. Quirke: You are doing nothing about it.

Mr. HUDSON: It is not a question of doing nothing. The member for Burra well knows that the greater part of the trust's programme (about \$20,000,000) is financed from internal sources.

Mr. Quirke: All these expenditures you refer to were foreseen as future expenditures who-ever would be in office.

Mr. HUDSON: That does not alter the fact that, when these large expenditures occur, they limit the Government's ability to do other things.

Mr. Quirke: If you have the same amount, yes.

Mr. HUDSON: Quite, or if you only have a slightly increased total with a greatly increased vote for one purpose. This limits the amount you can spend in other directions. The point I was making was that the Torrens Island power station, the Royal Adelaide Hospital programme, and the building of Bedford Park Teachers College (and the impact that has on other school buildings) are large projects. These, together with the State Government office building programme seriously limit, while they are on the books, the ability of the Government to start a larger number of other projects. Within a few years I think we will reach the stage where the provision for the Electricity Trust in the Loan Estimates, which stands at \$6,700,000 currently, will disappear, and the trust, through semi-government borrowing, which is currently at \$7,000,000 a year, and through the funds that it has available to it from internal sources (\$15,000,000 to \$20,000,000 a year) will be able to finance the greater part of its loan programme without making any charge on the Government's Loan Estimates. When that takes place and we get relief from that source, it will make a substantial difference to the rate of increase of other work. As against that, there is the Chowilla dam coming up as a large item of expenditure that apparently has to be financed from the loan programme.

Mr. Quirke: When that is finished there will be another.

Mr. HUDSON: Yes. When many bulky items occur at the same time, they do, for a State of this size and for a Government Budget and for a Government Loan programme of this size, have a serious limiting effect on the rate of expansion in other directions which, in many senses, are also of fundamental importance to the future of the State. Over the last three years this Government has spent record amounts directly on public buildings. The Public Buildings Department's payments over the last three years of the Playford Government were \$15,780,000, \$17,059,000 and \$21,700,000, whereas this Government has spent \$24,000,000 in each of its first two years, and this year the expenditure of \$23,650,000 has been planned.

This Government, through its own building activity, has fully supported the building industry. Further, the rate of building by the Housing Trust has been maintained over the years by this Government, although as anyone knows, if the building industry has a difficult time and the rate of house sales falls off, then the rate at which the Housing Trust can turn over its capital and funds is reduced, and this can have an impact on the trust's rate of building. If the trust is building houses for sale and selling them immediately, additional houses can be built. If there are delays in selling the houses, the funds that can finance further work are not being turned over as rapidly, and this will have an impact on the trust's programme.

The Hon. D. N. Brookman: Has the trust maintained its rate of building?

Mr. HUDSON: Overall it has: 3,228 houses in 1966-67; 3,250 in 1965-66; and 3,300 in 1964-65. It has thus maintained a steady rate of building over the years.

Mr. Nankivell: Won't the building of more rental houses slow down the turnover?

Mr. HUDSON: To some extent, but many members have had to cope with cases of people who, having insufficient money to buy a home, need rental accommodation. Realizing the impact that the rent of about \$16 a week has on the family budget, the honourable member for Albert will appreciate the very great need for the Housing Trust to concentrate relatively more on building rental homes. Not only has this Government maintained the rate of building and expenditure through the Housing Trust, spent record sums on public buildings, and supported the building industry in that way: it has also ensured that the rate of increase in new mortgage lending by the Savings Bank and the State Bank has been at a record level. There is nothing to which members opposite can point in this Government's record over the last two years and say, "What you have done has been the cause for the decline in the building industry." Yet, the rate of increase of lending by other banks (the Commonwealth Bank and the private banks) for housing has declined. The total sum lent has increased, but not by as fast a rate each year. It is the increments in lending, not the total lent by a bank each year, that have the basic impact on the rate of building. If in one year a bank increases its lending by \$2,000,000 and next year by \$1,000,000 it has halved the quantity of building financed. It has been public knowledge that in late 1964 and again in 1965 the Reserve

Bank of Australia cracked down on bank lending. From the traditional source of funds for house-building, that is, private banks and the Commonwealth Bank, a reduction in the increase of funds allocated to mortgage lending occurred. This was the basic reason for the decline in private house-building in this State, and that is where the main decline has taken place.

It is not that there are not people waiting to borrow: the Savings and State Banks have longer queues than they had two years ago, as many people who would normally receive a loan from a private bank or the Commonwealth Bank have not received them. Money has been tight for several purposes in the last two years, and this has been a consequence of the Commonwealth Government's decision to produce within two years the dramatic increase in defence expenditure from about \$300,000,000 to over \$1,000,000,000 a year. That change in the use of resources has required a cut-back in other directions, and it has been made clear in budgetary speeches by the Commonwealth Treasurer that it has been for that purpose. In South Australia the economy is industrially geared to motor car production, and particularly to the production of consumer durable goods (refrigerators, washing machines and the like). When a cut-back occurs in the Australian community on expenditure on these items South Australia feels it relatively more than does other States. When a rapid expansion in these items occurs South Australia experiences a more rapid growth of employment and income than do other States.

In the last few years, together with the Commonwealth Government's crack-down on the building industry there has been a crack-down on the rate growth of demand for motor cars and other forms of consumer expenditure, resulting in an adverse effect on the South Australian economy. At the same time the increased defence spending has not given the same kind of boost to the South Australian economy as it has given in one or two States. Defence expenditure by the Commonwealth involves expenditure on food items and wages for people in the armed services, and has an impact on the economic system of a particular State or States. With less armed forces in this State there is less boost from this expenditure. Also, for some years the Commonwealth Government has shown a significant reduction in its public works expenditure in South Australia, this State receiving less than its fair share. A combination of these factors has produced our

current difficulties, particularly in the building industry.

The Labor Government is now creating a climate of confidence in the future. Opposition members do not like this and are doing their best to down-grade South Australia and the confident attitude that is now developing in the community. Significant signs show that in the next few months we will see an upsurge of activity in the building industry, and once this happens there will be direct and secondary consequences on the economy of the State. It will not take much of an upsurge to put us into a position where employers are short of labour again. At present, the South Australian economy is finely balanced. The rate of unemployment here is a little higher than the Australian average, but it will not take much of a stimulus to reduce unemployment figures to less than the Australian average. I congratulate the Treasurer for his job in this his first Loan Estimates. I know that these are the first of many, because the Treasurer will present them again next year, the year after, and the year after that. If the people of South Australia appreciate the true worth of a politician there will be more years, even after 1971, when the Loan Estimates will still be presented by the present Treasurer.

Mr. RODDA (Victoria): I do not share the great optimism of the member for Glenelg. I am a simple farmer.

Mr. Hudson: Beware of the fellow who says he is a simple farmer.

Mr. RODDA: I do not canvass the arguments put forward on the first two pages of the Treasurer's document, because my colleagues have discussed these matters. I was interested in what the member for Glenelg said, when he offered some sober thoughts on the general economics of South Australia. The two Bills introduced by the Government when it assumed office—succession duties and road transport—frightened the daylight out of the people of this State, and made them wary of the Labor Government. Had the Constitution Bill been accepted with the 1952 boundaries, we would have had a situation, with 56 members, that there could have been a Labor Government in this State for many years.

Mr. Broomhill: There will be.

Mr. RODDA: Hope springs eternal. As I never condemn anyone for being enthusiastic, the member for West Torrens can have this optimism: it is a good thing to see in a person.

Mr. Broomhill: Haven't you been talking to the public lately?

Mr. RODDA: I have, and I have not found that optimism on all fronts. Indeed, I have found much scepticism about the way in which the affairs of this State are being handled.

Mr. Broomhill: I don't think you could have been talking to many people.

Mr. RODDA: The honourable member has his opinion and the people of South Australia have theirs, and there may be some difference, major or otherwise. The Treasurer referred to drainage of the Eastern Division, which affects about 727,000 acres of land between Kalangadoo and Naracoorte and which is being carried out in two stages. I am pleased to say that the major part of the work (in regard to the connection of Mosquito Creek) has been completed. It is rather ironic that in this area where, normally, the construction of drains is carried out under the most hazardous conditions, we have experienced one of the driest years on record. That brings me to the point that many people in the South-East are concerned that the area may suffer from over-drainage.

I believe that the Land Settlement Committee would do well to examine this matter in the future with a view perhaps to retaining some of the water that is at present running into the sea. With the use of atomic energy, it may be possible to use underground water storages in this regard. Although the water is not there at present, I point out that that will not always be the case. We must recharge the aquifer, as I heard somebody say today. We must also examine the possibility of installing weirs in the drains. Although drainage is necessary in the wet years, we must examine this whole question, and I hope it is something in which the Land Settlement Committee will interest itself.

The Treasurer said that \$3,690,000 was to be provided for railway rolling stock. Sharing with my Parliamentary colleague, the member for Mount Gambier, the trip to the South-East and back once a week, I hope that the facilities on the train that we use will be improved. I believe that with the provision of a buffet car many more people will be induced to use the train. Following negotiations that took place earlier in the year concerning housing at Naracoorte, I am happy to see that the Housing Trust intends to build 24 rental houses at Naracoorte in the next two years. Although a person who owns his own house may be considered the best type of citizen, I believe that we cannot overlook the circumstances of young married couples who,

because of the avocation of the husbands (they may be bank clerks, schoolteachers or stock clerks, etc.), and because they live in country towns, are faced with accommodation problems.

We have seen these young couples being charged high rents for unsuitable accommodation. The provision of these rental houses is meritorious, and I am grateful to the trust and the Government for agreeing to build them. As a result of the efforts of the Minister of Works, the member for Glenelg, my colleague the member for Mitcham and, I think, the member for Semaphore, the Electricity Trust itself is now operating at Penola. More houses are needed there. I hope that in the next Loan Estimates we shall see an upsurge in housing in that town.

It is pleasing to note that \$87,000 has been set aside for the construction of the transmission line to Francis. This heralds a start. We are grateful for this, and for the electrification of an important part of the South-East. The lower part of the district of the member for Albert (Mr. Nankivell) shares in this glory. For 20 years certain hundreds in the district council area of Penola have been held in a franchise area and, as the Minister of Works will know, there is pressure from Coonawarra for action to be taken. I cannot stress too strongly the need for this Coonawarra extension. Its wine industry and its own characteristics make it necessary for the electrification to be undertaken as soon as possible. Then there are the vast areas of Lucindale, Millicent and Kingston, which are equally important. They are patiently awaiting electrification.

We talk about constructive suggestions, but in the South-East we have an underground water supply in what is probably the most richly endowed part of the State in that direction. Irrigation can assure good agriculture. At the moment, the Government is faced with drought relief for certain areas of the State. Conditions are not all that good currently in the South-East, but with electrification irrigation can practically assure water supplies there. I hope all the areas I have mentioned will soon enjoy the benefits of electrification. I make that plea to the Electricity Trust and the Government. The other matters I want to refer to can be dealt with when I speak on the lines. Whilst I cannot agree to using capital to balance Budgets, I support the first line.

The Hon. Sir THOMAS PLAYFORD (Gumeracha): The first point I want to make is that, although the expenditures constitute

a large amount of borrowed money, very little permanent asset is being created. No new industries are being serviced and, generally, it would be impossible to imagine a document with less features in it for the advancement of the State than these Loan Estimates. Usually in some part of the Loan Estimates there is an investment in some type of industry but on this occasion the expenditures of the departments are being maintained as previously. There is no departure in the way of any significant industrial advances in this State—and that at a time when Australia as a whole is experiencing a tremendous uplift in economic development. Scarcely a week passes without a large undertaking of some description being announced. For instance, only this week one of the largest aluminium works in the world is being established in Queensland.

With almost monotonous regularity we have had announcements from Western Australia of the enormous development taking place there—in nickel, iron ore (particularly for export), etc. But in South Australia little is heard of money for new projects. The amount of money available, for instance, for mineral exploration in this State has steadily declined. The two large expensive seismic plants purchased previously are idle. No-one in this Chamber believes that we have exhausted the possibilities of mineral exploration in South Australia. I cannot believe it, but this expensive equipment lies idle merely because there is not enough money for it to be used in the field. It is no good lying idle at Thebarton or wherever it is being stored. It is expensive equipment, and highly qualified people have been recruited to handle it, but the whole venture has come to a standstill; there is no activity in that direction.

Similarly, exploration into our fishing industry is at a standstill. The ship purchased for exploration purposes has been tied up and is in port. We cannot afford these things. If we are to keep up with the other States, we have undoubtedly to see that the highest priority in our public expenditures goes to the development of our natural resources and our economy. For that reason, the Loan Estimates generally are disappointing. Although the expenditure involved is over \$70,000,000 the Loan Estimates did not rate a mention on the front page of the newspapers, the reason being that they are featureless and there is nothing in them to stir the imagination. From that point of view these Loan Estimates are disappointing.

Another even more disappointing feature is that in some of our Government departments

activity is slowing down—for instance, in the Woods and Forests Department. We are proposing to plant less; we are not selling the timber we are milling; and we are losing a substantial part of our market for the timber. Although I could not today get the figures of employment in that field, I have no doubt that the number of employees in that section of the department's activities has decreased in the same ratio as the department's sales have decreased. It stands to reason that if a product is not being sold it will not be manufactured and people will not be employed to manufacture it. The market for that timber is being lost to timber imported from the Philippines. We have lost this internal market because we have not seen fit to take active steps to develop it. In answer to a question, the Minister of Forests said the State was still importing enormous quantities of timber; yet we are not selling the products of the forests in this State. This shows that something is lacking in this field of management. We should take every opportunity to advance the State's economy.

Not only are the Loan Estimates featureless but they show that something is still wrong with the State's public finances generally. In these Loan Estimates, we are still allocating substantial sums for projects that should probably be financed from the Budget. We will be making interest and sinking fund payments on these projects for the next 51 years. As a result of these expenditures, we will have no public asset to balance against the expenditure of the Loan money. Therefore, this type of expenditure is undesirable; it has never been practised before in this State. The member for Glenelg (Mr. Hudson) asked Opposition members to say what they would do if they were in Government. He had the grace to say that the Opposition had strongly opposed on two grounds the introduction of four weeks' annual leave for Government servants. However, Government expenditure is not the only problem with which the State is confronted at present.

The system of Commonwealth taxation reimbursements was established by the Chifley Government and has been refined from time to time. Originally it set out to compensate the State Governments for the sums they lost through not collecting income taxation. At one stage the tax reimbursement was linked closely to the taxes that had been levied in the States. Therefore, a State that had imposed light taxation received a light Commonwealth grant. Obviously that was unfair and gradually the system changed until a formula was worked

out which provided to each State a certain sum. This system was calculated on a per capita basis with a provision for altering the formula in each year of the five-year period of the agreement. The figures for each State were significantly weighted in favour of the smaller States. From memory, I believe that Tasmania received by way of tax reimbursement (including a special grant) \$70 a head of population; Western Australia received somewhat less than Tasmania; South Australia received about \$62 a head; Queensland, about \$56; Victoria, about \$54; and New South Wales, about \$52 a head.

The previous term of the five-year agreement ran out during the present Government's term of office. I do not have access to records of the Loan Council meeting but, as far as I can follow, the new agreement does not take into account alterations in money values and preserves only the previous margins. Obviously, if that is the case, the State will be in increasing financial difficulties during the next four years of the term of that agreement. The cost of providing services in a small State is obviously much higher than the cost in a large State. Also, South Australia has a scattered population. The margin has been preserved in relation to the money provided but not in relation to the services that can be provided from that money. Therefore, the agreement has been narrowed down because it has merely repeated the previous formula; also, there has been some narrowing down in relation to Loan moneys. The present agreement is not so advantageous as the previous agreement.

The Loan Estimates have rather a bad flavour in connection with the pulling back of money that was previously advanced for institutions that still have to fulfil the purpose for which they were established. That pulling back will have an adverse effect on the State. As an example, I refer to the State Bank, the first line on the Estimates. Regarding the line dealing with advances for homes (and we have heard about housing this evening), it is intended to make payments of \$700,000 but it is also intended to obtain repayments of \$1,700,000, so the net effect of that line is that the State Bank will be \$1,000,000 worse off. In some instances lines in regard to the State Bank are increased and in other instances repayments are being demanded from the bank and the net effect is a pulling back of \$856,000. That is happening in a year when the bank's customers will obviously be facing a fairly bad season agriculturally. That type of finance cannot

but lead to a curtailment of the State Bank's activity and ability to give service to clients, and this in turn will adversely affect the State's economy.

Other aspects of the Loan Estimates represent financing that is not good for promotion of the State. One line that is not on the Estimates has great significance. About 10 years or 12 years ago the Mines Department discovered a large body of low-grade material at Nairne. It was examined by one of the large Broken Hill companies, which decided that although the ore was there the proposition was not attractive to it. Finally, the Government arranged for the formation of a company that at that time had four shareholders. They were the Broken Hill Proprietary Company Limited, Wallaroo-Mount Lyell Fertilizers Limited, the Adelaide Chemical and Fertilizer Company Limited, and Cresco Fertilizers Limited. Each of those companies subscribed only \$100,000 and the Government made available, I think, about \$1,600,000 to get the project operating. The Government also arranged with the Commonwealth Government finance of, I think, \$4,200,000 to establish a chemical works at Birkenhead for the treatment of the ore. That industry has been successful. As a result, the industry, which is not now subsidized by any bounties from the Commonwealth Government or anything else, has been able to provide the sulphuric acid used in the manufacture of fertilizers in South Australia at a cheaper rate than the rate at which it could be provided by the importation of brimstone.

I should have thought that the Minister of Agriculture would be most anxious to see an expansion of this activity because, after all, anyone who has any knowledge of agriculture knows the extent to which we depend on superphosphate for our prosperity, just at a time when it would appear to be highly desirable to be using all of our efforts to expand that industry. I have been informed that the Government has called up its loan to the company, with the exception of about \$400,000. Although I am not disputing that the industry could provide the money to repay the loans, I should have been very much happier, as this industry is in my own district, if the Government, through its two directors on the board, had used its influence not to get the money repaid but to achieve an expansion of the industry. After all, we are still importing the costly brimstone for at least a part of our superphosphate industry.

I regret that the Treasurer is not in the Chamber while I am speaking, as I should like to have brought before his notice a State accounting practice that calls for attention. Members will recall that last year when the Loan Estimates were introduced, the Government stated, for the first time, that it would make available for non-Government hospitals, from Loan Estimates, the money that had previously been provided specifically from the Budget. The figures were set out in the Loan Estimates, and the Treasurer, in his explanation, said:

The building projects at non-Government hospitals for which the Government proposes to make grants out of Loan Account this year are as follows:

Adelaide Children's Hospital—The Government has agreed to contribute \$2 for each \$1 provided by the hospital itself to assist in the building of a new home designed for 151 nurses and estimated to cost \$1,750,000. A grant of \$510,000 is proposed this year towards the project which is expected to be completed in 1968-69.

Queen Victoria Maternity Hospital—The Government is meeting the full cost of a new 150-bed hospital building, the estimated cost of which is in excess of \$3,500,000. A grant of \$1,400,000 is proposed this year for work which will very nearly complete the building. Further grants of about \$20,000 are likely to be required for completion in 1967-68.

Lyell McEwin Hospital—At Elizabeth, new pathology and casualty sections are being built for the Lyell McEwin Hospital. The cost is estimated at \$310,000 and a grant of this amount is proposed so that work may be completed this year.

Whyalla Hospital—At Whyalla a new 150-bed hospital building will be completed this year and a grant of \$380,000 is proposed. The total estimated cost is \$2,115,000. The Government has provided \$2 for each \$1 raised locally.

The amounts were set out and, although I do not agree with the policy, they were clearly and properly stated. They were detailed in the Estimates, showing a proposed expenditure of \$2,600,000 under the general heading "Non-Government Hospital Building". Last year, without further approval by Parliament, the amount was exceeded and the total increased to about \$5,000,000. The remaining \$2,624,000 was spent not on the lines shown on the Estimates but on recouping the Budget for moneys spent on other lines. This raises some interesting questions. First, payments had been made for these items in the Budget under a Governor's warrant. The warrant was signed as providing moneys necessary for a public purpose and, the money having been used, we find that in the eleventh hour of the eleventh day of the Budget the Govern-

ment decided that this would be paid not from Budget but from Loan.

Mr. Nankivell: And no Supplementary Estimates.

The Hon. Sir THOMAS PLAYFORD: Yes, and no approval of Parliament. In some way or other the State's accounts must have been manipulated, because payment had been made under Governor's warrant for 11 months of the year. When I asked the Treasurer a question he said that everything had been done, and was being done, according to law. It is not being done according to law, however. When explaining the Loan Estimates, the Treasurer said:

Late in the year, having regard to the improvement in the Loan balance and to the heavy and continuing pressure on Revenue Account, the Government decided to relieve the latter account to the extent of the remaining \$2,624,000, by using the authority given by section 5 (3) of the Public Purposes Loan Act, 1966. This subsection permits the Treasurer to increase expenditure upon any line already in the schedule to the Act to the extent that provision for other lines may not be fully absorbed.

The Treasurer has clearly stated what he says is the authority that allows this \$2,624,000 to be transferred from the Budget Account to the Loan Account. Quite apart from the provision he cited, I point out that the matter should at least have received Parliament's formal approval, because the items included in the transfer were never mentioned previously in the Loan Estimates. If the Loan Estimates mean anything at all, surely they indicate to honourable members what is proposed to be expended in the following year. Section 5 (3) of the Public Purposes Loan Act, 1966, provides:

If the amount mentioned in any line of the First Schedule as the proposed expenditure for the work or purpose mentioned in that line is insufficient for that work or purpose, the Treasurer may issue additional money from the Loan Fund for that work or purpose but so that the total amount issued under this Act from the Loan Fund during the financial year ending on June 30, 1967, for works and purposes mentioned in the First Schedule shall not exceed \$77,459,000.

First, the line was not insufficient; it was fully provided for. Secondly, this provision could not be used if the total amount issued under the Act from the Loan Fund during the financial year ended June 30, 1967, for works and purposes in the First Schedule exceeded \$77,459,000. Honourable members only have to look at the Loan Estimates to see that the amount did exceed the total, and exceeded it substantially. Therefore, how can section

5 (3) be used? I suggest that the Treasurer examine this matter because I believe there is some point at least in having documents regularized by Parliamentary approval. When this matter was last raised, I said it was better to provide the money in this way than to go into deficit and incur all the penalties that were imposed under the Financial Agreement. However, I still say that while it is desirable to avoid those penalties, it is also desirable not to make payments that are not strictly in accordance with the relevant legislation.

How the Treasurer can say that section 5 (3) authorizes the transfer when it specifically states "it shall not exceed" I cannot understand; nor, incidentally, can I understand how he is able at the eleventh hour to alter the amounts of money that have already been paid out of the Budget under the Governor's warrant for the first 11 months of the year. Whether that will be credited to the Revenue Account from the Loan Fund, and then credited from there to the various accounts, with the substantial fictitious increase in revenue of \$2,600,000, I do not know, but it is not accordance with previous bookkeeping arrangements. It is undesirable but, apart from that, I do not believe that the section the Treasurer quoted as giving the authority does give it. In fact, I venture the opinion that it definitely does not give the authority and that the payments approved in excess of the amounts stated in subsection (3) are unlawful and should not have been made without the matter again being referred to Parliament. I reserve any further remarks I have for the lines.

Mr. QUIRKE (Burra): On this occasion the time I shall take on the Loan Estimates will be an all-time short time. I have listened to all the speeches from this side and, with the exception of that given by the Treasurer, to the one speech from the Government side, by the member for Glenelg (Mr. Hudson). One outstanding fact emerges from this debate, that whichever way we look at it, whichever way we twist it around, and to whatever cause we devote the money, there is still not enough of it. Granted, in the first place, that there is not enough money for the Government to carry out everything that today is vitally necessary to our interests, to promote South Australia's well-being, to provide for the people living here and to encourage the growth of industry, there is nevertheless in these Loan Estimates (and I support the member for Gumeracha in this) an appalling lack of progressive outlook. There is little or nothing to indicate that after spending the money we shall have something other than a

building. Water supplies and other things are currently in being, but there is no provision in these Loan Estimates for their expansion. I do not see how the State can progress in that way.

The member for Glenelg challenged us and said, "If members opposite were on this side, what different things would they spend the money on? Name some things." The member for Gumeracha has named some things on which the money should be spent, but the point arises all the time that we have not enough money. If all that is mentioned in these Loan Estimates is necessary, where is the money that should be available to provide other things necessary for the State's progress? It is not here. If the Loan Estimates are in order, then there must be a tremendous shortage, which will have to be made up to provide the things that are vitally necessary.

Regarding housing, I have been informed (I do not know whether this is true) that the Housing Trust can take as much profit as \$1,500 to \$2,000 for a house it builds. It has been suggested to me that for some types of house the profit-taking is greater than that. Of course, the Housing Trust must have money with which to build houses and the rotation of money is important to it. However, if it is as I have been informed, the profit-taking by that organization is too great, and is the main factor preventing the sale of houses today. Another reason for the decline in sales is that many houses were built at Smithfield, which means that people buying them would be far away from their work. If the Housing Trust makes as much profit as I have been informed, then it is utterly wrong for a State instrumentality to extract such profits from wage earners for houses that appear to be getting smaller; undoubtedly this would contribute towards people turning their faces against such houses. If that is the case, the position should be remedied without delay.

The Housing Trust should not expect to raise money by charging people high rents, thus making terrific inroads into the wages and salaries of the people in those houses. In these days, when house rents are increased, it does not necessarily follow that the incomes of the people occupying those houses have been lifted. They have to meet these charges from what are already probably insufficient incomes. I am not one of those persons who think that a tradesman, with three or four children, who receives \$40 a week is receiving a high salary; he does not receive enough. If a Government instrumentality extracts profits of the

magnitude to which I have referred then it is profiteering.

We must provide a water supply in this State not for five years hence but for eternity. The Chowilla dam is one way in which we can bridge the gap for many years. However, in itself it is insufficient and the time will come when we shall have to desalinate water. Our underground water supplies can let us down badly. Engineers who are investigating water supplies are frightened because of the intrusion of salt water into our underground aquifers. We must make provision for the future: We must be prepared. The cost of a nuclear power station to provide energy to desalinate water is completely beyond the ken of people used to narrow-gauge financing.

Although we are told that we cannot do it, I have read that a plant that will make 80,000,000 gallons of potable water a day can be obtained for \$40,000,000. That is a highly technical kind of precipitation process by which the water is turned over at high speed, but I do not understand the details, because I am not a physicist. That is a costly process but it is no more costly than the cost of bringing gas by pipeline from Gidgealpa to Adelaide, which we have considered without qualm or quiver. South Australia ought to consider this proposition, because anyone who travels around the State must become acutely aware of the State's dependence upon nature's bounty. When that bounty is withheld we get, as we have today, the precarious situation that the subsoil is as dry as a chip and crops, although green, are growing on no more than six inches of damp soil.

The cost to South Australia could be \$10,000,000 unless we get rain, such is our dependence on nature for our water supply. Lack of rainfall also reduces the amount of water in our underground aquifers, as the people on the West Coast well know: it is not only the supplies in our reservoirs that fall in dry seasons. Added to this is the slug of salt water that is coming down the Murray River. We are now struggling with a domestic position in regard to the State's finances and it is said that we must get money from the Commonwealth. In order that that can be done, the Commonwealth must raise more loans and more interest must be paid. More money is needed than is provided under these Loan Estimates, which meet little more than current needs. No provision is made for the big needs of the State.

However, I am not saying this as a criticism of the Government, because neither this Gov-

ernment nor any other State Government has sufficient money. The member for Gumeracha has engaged in the dog fight that takes place each year about whether the State will have sufficient money. The Government is getting more each year, but will that pay for the increase necessary to promote the well-being of the State? This cannot be done. What is necessary is for the Treasurers of all the States to call for a complete revision of how money is distributed to the States.

The Hon. D. A. Dunstan: We did. We were promptly told that the Commonwealth Government would not listen to the submissions when that Government had made up its mind.

Mr. QUIRKE: Then all State Parliaments will have to come into the issue.

The Hon. D. A. Dunstan: The Commonwealth Government would not entertain it.

Mr. QUIRKE: It is no use saying it will not entertain it: it will have to entertain it, and it must be the express wish of every Parliament that it entertain the idea. It is financially impossible to do the things that are necessary for this or any other State on the existing method of providing finance. There is no capacity, for instance, for putting greater individual taxation on the people of South Australia, as there is no avenue to do that. It could not be done in fairness to the people and without hurting many people. There is a tremendous avenue in indirect taxation that is recouped directly by the Commonwealth Government and taken from every State, but the grants made do not give the States a share of that, and never have given them a share. Enormous sums are taken from ordinary things: for instance, the Commonwealth Government extracts \$1.25 from the sale price of a bottle of brandy. That represents more than half the value of the brandy, and it is ridiculous. If the Commonwealth Government has the power to do that, the grapegrowers are entitled to some of it. I am certain we are not going to make any progress while we have the present method of financing State expenditure. I support the Loan Estimates.

Mr. CURREN (Chaffey): I wish to refer to the Loan Estimates so well prepared and ably presented by the Treasurer, merely to refer to the items that have been provided for the various undertakings in my district. In the matter of public buildings, there is provision for the new primary school at Renmark of \$340,000; an indication that the planning and design work for a new primary school at Berri will be undertaken during the year; and also

the provision of \$60,000 for the pathology block to be built at the Berri Hospital by the Institute of Medical Veterinary Science. There is also provision for a subsidy to the Renmark Hospital for capital works of \$80,000 that will put the Renmark Hospital into a worthwhile condition. In Barmera, which is one of the three major towns in my district, 10 houses were completed during last year and there is provision for 10 houses to be undertaken this year. In Berri, 22 houses were completed last year and 25 are to be built this year; in Renmark 11 were completed last year and 30 are on the programme for the current year. Provision is made for \$110,000 to build a high tension 132,000-volt line from Waterloo to Morgan and, as the Upper Murray area is depending more on electricity for its undertakings, this is a necessary work. Also, provision is made under "Loans to Producers" for an estimated \$1,150,000 of which \$750,000 will be provided from the Loan Fund.

This fund is the major source of finance to provide for expansion and improvement of the co-operative wineries and distilleries and fruit-canning and fruit-packing companies that are the backbone of the fruitgrowing industry in this area. A loan of \$250,000 is provided for the Renmark Irrigation Trust in accordance with the amended agreement between the Government and the trust to rehabilitate and improve the irrigation system in the Renmark area. It was pleasing to hear an Opposition member (the member for Burra) say something good about the Loan Estimates when he spoke about the money provided for construction work on the Chowilla dam. The Government is well aware of the importance to the State of this project, because the Treasurer said:

The Government remains confident that the current examination will show the great advantages of Chowilla and that the other States and the Commonwealth will give the project their full support. In the expectation of an early decision to proceed, the Government is providing in these Estimates for a contribution of \$2,500,000 towards work estimated to cost \$10,000,000 this financial year.

That indicates that the Government is prepared to proceed with this important work.

Mr. Rodda: Is the fear of salting in the channel under control?

Mr. CURREN: We have been assured of that by experts. In 1962 I asked questions of the then Treasurer, and was assured by him that the experts considered it to be under control. Being a layman, I do not doubt the opinion of the experts who have done the

preparatory work on the dam project. A sum of \$60,000 is provided for a new elevated tank to improve the water supply at Barmera. I have been assured that provision has also been made to investigate my suggestion concerning the need for a separate pump and pipeline to deliver water direct from the river to the Barmera town water supply. For the North Berri town water supply, \$107,000 is provided to construct two new storage tanks, one elevated and one at surface level. I join with the member for Glenelg in expressing my confidence in the Government and in saying that I am sure the present Treasurer will be presenting Loan Estimates in Parliament for many years to come. I support the first line.

Mr. CASEY (Frome): I wholeheartedly endorse everything the Treasurer has said in explaining these Estimates. It is always difficult to convince Opposition members about any particular aspect of the Loan Estimates. A certain sum has been made available to the State from which it makes allocations for certain works. It is merely a matter of allocating that money to the various lines in the Estimates to the best advantage. Although we have heard members opposite say that these Estimates are not conducive to maintaining a stable economy, I point out that, having examined the Estimates as far back as 1961-62, I cannot see that any of their contents have been likely to stimulate the State's economy. The money that is available is allocated as equitably as possible. It is up to the Treasurer, who is no doubt advised by Treasury officials, Ministers and their departmental officers, to decide priorities.

When the member for Gumeracha said that he doubted the authority of a certain aspect of the Estimates, he would not be specific when I queried his statement. However, he knows that the Loan Estimates are cased (or perhaps I should say prepared) by the same Treasury officers as those who prepared the Loan Estimates that he introduced when he was Treasurer. The honourable member later toned down his statement, because he said, "I would like the Treasurer to examine this particular aspect and let me know what it is all about." That, of course, is how he gets out of these things; he makes what seem to be defamatory statements, but he knows that he has made a mistake and later tries to retract his original remarks. However, that is beside the point. I want to mention one or two other things.

Members opposite have indicated that the Government should be spending more money

in certain directions. For example, the member for Flinders (Hon. G. G. Pearson) spoke on fishing havens. I can assure him that in 1961-62, 1962-63 and 1963-64, when his Party was in Government, the actual payment for fishing havens was \$83,096. Since the Labor Government has been in office, and taking the years 1964-65, 1965-66, and 1966-67, we find that the actual payments have amounted to \$129,505. I admit that the money available from the Loan Fund has increased, but nevertheless my point is that a substantial amount of money has been made available for fishing havens. This is the trend throughout the Loan Estimates. Let us take "Loans to Producers", which covers distilleries, fruit canning, fruit packing houses and fish handling co-operatives. The actual payment for 1961-62 was \$890,272; for 1962-63, \$438,000; and for 1963-64, \$958,830, making a total for those three years of \$2,287,102. For the years 1964-65, 1965-66 and 1966-67 there was a total expenditure of nearly \$1,000,000 in excess of the money spent in those three previous years. (The actual amount was \$3,127,759.)

The same can be said of "Advances to Settlers": there is still a marked annual increase. Under the Playford Government there was a line on the Loan Estimates for "Public buildings", which included hospitals, schools, courthouses, etc. They were not shown as distinct items in the Loan Estimates, but we altered that procedure slightly and brought into being for the first time a separate line for each of those items. This makes it much easier for members to follow. We find that the total expenditure on all these items is increasing year by year, as is only natural since we are getting more money from the Loan Council. I noticed particularly that, other than the member for Burra, no Opposition member has referred to the enormous sum of money set aside for the Chowilla dam, a project that is absolutely essential for South Australia. In future years South Australia will depend on the water stored in that dam.

Mr. McAnaney: It will be a monument to Sir Thomas Playford's foresight.

Mr. CASEY: It could be; he already has a lot of monuments and will probably have a lot more before he leaves this earth. In this State, people are becoming increasingly interested in water conservation. The member for Victoria said drainage water from the South-East runs to waste into the sea at Beachport. I think all members are aware of this, but two aspects of drainage in the South-East must be examined before a definite conclusion is

reached. First, the present development in the South-East would not have been accomplished without drainage; and secondly, the water that goes to waste is surplus water that is not required at any time. However, it was a shame that this water was not diverted inland initially, although I cannot say where that could have been done.

Mr. McAnaney: Where would it be stored?

Mr. CASEY: I believe it could be diverted north and stored in Lake Albert.

Mr. Shannon: That is about the worst possible proposition; it is a very shallow lake, subject to evaporation.

Mr. CASEY: I believe the lake has a salt bottom. If the water could be diverted inland and stored at, for instance, Lake Albert it would be highly profitable for the State. Therefore, an investigation should be held into the possible storing and utilizing of this water. I believe the member for Albert once said it would be feasible to utilize the water, and I have gathered the same impression. Under those circumstances, an investigation is warranted because no-one wants to see pure water, such as that which runs through the drains in the South-East during the wet season, go to waste. I know that very little, if any, water is flowing at present in the drains in that area because there is no surface water.

Mr. Rodda: Your committee should be looking at it.

Mr. CASEY: We cannot do much about the elements. The South-East will be the bread basket of this State in future, particularly in the livestock industry, although not so much in cereal growing. There is a great potential for the use of surplus water that is now diverted into the sea, and doubtless all these problems will be examined soon. There has been mention of nuclear power stations and the member for Gumeracha talked about these stations about five or six years ago. At one time during his term as Treasurer we were on the verge of having an atomic power station in South Australia.

The Hon. G. G. Pearson: He never said that.

Mr. CASEY: This was indicated on many occasions to me, anyway. The member for Flinders probably knew more about what was happening at that time, but we were led up several rungs of the ladder before we came back to earth. Nuclear power is not beyond the realms of possibility in this State within 20 years. The United States of America has almost obtained a break-through in regard to the enormous cost of these stations and that

country is also spending much money on research into the desalination of water. Israel, Saudi Arabia, and the United States (at San Diego, on the West Coast) have water conversion plants in association with atomic power stations. These stations can operate on a basis of 50,000,000 gallons of water a day.

The Hon. G. G. Pearson: Cost is a consideration secondary to the sheer need for water.

Mr. CASEY: The honourable member is trying to anticipate me and get his interjection into *Hansard*.

The Hon. G. G. Pearson: The United Kingdom is ahead of all other countries in relation to nuclear power stations.

Mr. CASEY: Yes, but not in relation to the desalting of water, in which research the U.S.A. is ahead. The latter country is experimenting with plant to convert 150,000,000 gallons a day. Technologists there are thinking in terms not of household requirements but of irrigation with desalted water and, according to the latest reports I have received from the United States, they hope by 1970 to obtain a complete break-through on the complex system of desalting water. Let us hope they are successful, because South Australia particularly would be a very advantageous place for such a plant. I congratulate the Treasurer on the way in which he has distributed the money available to the State. It is a very difficult distribution to make. He has done a very good job, and I support the Estimates.

Mr. SHANNON (Onkaparinga): I suspected that the Treasurer would have someone to fill the breach for him to explain the peculiar methods required in this new era to finance our funds in South Australia. The member for Frome (Mr. Casey) made it clear to me that money is money from whatever source it comes, whether from Loan or Revenue. In other words, the Treasurer has a free hand. The Treasurer disclosed on assuming office that he would convert his predecessor's deficit into a balanced Budget immediately by waving a wand and saying, "So much of this Loan money comes into the current Budget and we are balancing it." It was as easy as that: that was all that was necessary to balance the Budget.

We are not so concerned, apparently, about whether we use Loan money for developmental works that can be amortized over 50 years of development! Such a factor is not of major importance! The important thing to the

Treasurer this year is the direction in which he wishes to spend the State's money. The point seems to be how we are to provide the money to be spent on the projects on which the Government wants to spend it. However, when we spend, in certain other ways, money that should be spent to provide benefits for the future citizens of the State, then I protest, because certain things that would improve conditions by productivity will not be provided.

The Government has failed to continue with projects that would have been to its advantage. Had it proceeded with the Tailem Bend to Keith main many graziers who have had to dispose of stock would be in a much better position. The main was designed to bring into full production a large part of the Upper South-East. The land will carry one sheep to an acre and a half, and of the Loan money used to make good the deficit some of it should have been used on this project.

Of the many proposals referred to the Public Works Committee, an outstanding one involving little money was the Port Augusta Hospital. The committee did not adopt everything recommended by the Hospitals Department, but considered that it was simple to design a hospital so that additional beds could be provided in the future. Also, the committee decided that a group laundry should be established at Port Pirie, not at Port Augusta. It was proved that the committee's approach was correct, because it reduced the cost of the hospital. However, nothing has happened since the committee's investigation, although the project was referred to it as an urgent proposal.

All Governments are faced with the problem of having to spread over the whole of the State the money that is available. I do not criticize the Minister of Works (who, after all, administers the departments that incur the most expenditure) for saying that one particular project has priority over another. However, my criticism is levelled at a failure to appreciate the difference between Loan and revenue moneys. It should be understood that money raised for works of a permanent nature should, in fact, come from the Loan Fund.

We know that revenue moneys are devoted to activities carried on each year, such as hospitals, the police, and so on, but when we decide that moneys from any source shall be used for any purpose that the Government of the day may consider appropriate, I say we are headed for disaster. It is unwise for any well-run business to spend in excess of its ability to meet commitments as and when they fall due. I am convinced that we shall not

help our relationship with the Commonwealth Government in this regard by using money that has been granted through the Loan Council. I shall have a little more to say when we deal with the individual lines of the Loan Estimates.

Mr. BURDON (Mount Gambier): Having been challenged earlier in the debate to speak to the Loan Estimates, I will. Members opposite have attempted to play down these Loan Estimates—which, incidentally, are the first, but certainly not the last, to be presented to Parliament by the present Treasurer. We on this side have heard it said time and again that we are not spending enough money on this, that or the other; that we are not doing this and are not doing that. I again pose this question to members opposite: what would they do about not spending money on this, that or the other? Where would they propose to raise the money? Nowhere along the line has any member opposite said where he would raise the money for these purposes. If any member opposite can answer that question, now is the time to do so, because the people of South Australia will surely be interested to know how they will set about doing these things, how they will raise the money from the people of South Australia.

The member for Flinders (Hon. G. G. Pearson) spoke of the Loan Fund. I see that the member for Rocky River (Mr. Heaslip) appears to be interested in this; probably, he will try to refute what I am about to say. It has been said that payment for the Morphett Street Bridge from the Loan Fund is completely wrong, is something that has not been done hitherto. This point has been made several times lately in this Chamber, but what have previous Governments done? Anybody who cares to peruse some of the reports of Auditors-General in the past will see that they prove conclusively that this is not the first time this has been done. Honourable members opposite should agree on these things, because they are in the records. What do the various electoral districts get out of the Loan funds? I am happy with the funds allocated for work in my district.

The Loan Estimates provide for work on two schools, for which the people of Mount Gambier are grateful. For many years the previous Government was urged to do something about replacing the Mount Gambier High School. This year the present Government has allocated \$1,100,000 for this work. People in Mount Gambier are surprised that, so soon after making representations to the Government, an allocation of \$330,000 is provided for a new primary school. Also, provision is made for

further improvements to the Mount Gambier water supply and for sewerage work in the area. As I intend to make further remarks when the lines are debated, I shall conclude by indicating my full support of the Loan Estimates presented to the Chamber by the Treasurer.

Mr. HEASLIP (Rocky River): But for two matters raised by the members for Frome and Mount Gambier, I would not have spoken in this debate. The member for Frome said that the Treasurer had only a certain sum to spend and that he considered the Treasurer had allocated it wisely. The member for Mount Gambier asked Opposition members to say where the Government could raise the money that everybody wants raised. When Sir Thomas Playford was Treasurer he had only a certain sum at his disposal, but he put that money to the best advantage so that the people of South Australia benefited. The present Treasurer has spent some money as it had to be spent but much money he has had he has not spent wisely. Therefore, the Government is letting down the people of South Australia. I now wish to quote the following article, which appeared in the *Advertiser* of October 14, 1966:

Shock on Long Leave Plan: The Minister of Labour and Industry (Mr. Kneebone) in the Legislative Council said this on Wednesday. Mr. Kneebone announced the Government's intention to seek amendments to a Bill on long service leave now before the Council. Changes favoured by the Government, said the Minister, included the provision of three months' leave after ten years service, with *pro rata* leave after five years, for South Australian employees working under State awards.

The Hon. D. A. Dunstan: You are talking about my not spending money wisely. How did that affect Government expenditure?

Mr. HEASLIP: The Labor Government intends to introduce this leave plan and says it is boosting South Australia. It is not spending that money wisely. We are spending money to attract industries, but I have not yet heard of one being established.

The Hon. D. A. Dunstan: How does this refer to the first line on the Estimates?

Mr. HEASLIP: How can our industries compete with those in other States if costs are being increased all the time?

The Hon. C. D. Hutchens: Where is this in the Loan Estimates?

Mr. HEASLIP: This affects finances and the expenditure of money. Every industry that establishes here gives the State more money to spend.

The Hon. C. D. Hutchens: How does that affect the Loan Estimates?

Mr. HEASLIP: The Government does not seem to understand what I am saying. In the *Advertiser* of January 19, this report appears:

Union step to boost industry: The South Australian Branch of the Australian Workers Union decided to ask the Government to appoint a State Director of Industrial Development with the idea of taking full advantage of the natural gas discoveries in the State.

The report goes on:

This action must be taken before these industries are attracted to the already overcrowded cities of Melbourne and Sydney. Mr. Cameron added that the resolution would be conveyed to the Premier through the State Secretary of the A.L.P., Mr. G. T. Virgo.

Evidently the union thinks along the lines I do: that South Australia cannot bear these extra costs. The union realized the danger. Instead of getting industries we are losing them, and our workmen are leaving South Australia. On the front page of the *Sunday Mail* of April 1 appears the following headline: "\$86,583! Queues to bet on T.A.B." What a wonderful headline about the progress of South Australia! What does it mean? It only means that money goes from one pocket to another: it does not mean 1c more in production. Yet, this is what the Government boasts about as its effort for South Australia. In the *Advertiser* of March 3 appears the following:

Deficit of \$4,300,000 predicted.—The State Government expected a deficit of about \$4,300,000 at the end of the financial year—a deterioration of about \$2,000,000 on the Budget estimate, the Minister of Works (Mr. Hutchens) said in the Assembly yesterday. Speaking on behalf of the Premier (Mr. Walsh) who was absent because of ill health, Mr. Hutchens said the end-of-year result was likely to be rather better than the 1965-66 deficit of \$6,834,000 but not sufficiently to achieve the Budget estimate of a \$2,316,000 deficit.

How can the present Treasurer reconcile the statement of his predecessor that we would have a deficit of \$4,300,000 with his statement that now we have no deficit? This wonderful method of financing is beyond my comprehension, and I expect that the people of South Australia cannot understand it. It is the duty of the Government to spend its money wisely.

Mr. Shannon: And to collect it sparingly!

Mr. HEASLIP: If it wants to get back, yes. Statements by the Hon. Frank Walsh contrast sharply with those by the present Treasurer, and it seems that funds have been juggled so that the Government has balanced its Budget.

If private enterprise did what the Government has done the Attorney-General would be the first to inquire into the matter.

Mr. Shannon: I think Reid Murray did just this.

Mr. HEASLIP: Governments only collect money and they should spend it wisely in the interests of the people. Private enterprise cannot collect more money from people to make up losses.

Mr. Burdon: Last week you accused the member for Wallaroo of making a speech from the *Advertiser*, and you told him to forget it and make his own speech.

Mr. HEASLIP: I am not making my speech from the *Advertiser*. I am quoting what has been said by members of the present Government, and what has been promised but not fulfilled.

The CHAIRMAN: The honourable member must realize that he must direct his remarks to the Loan Estimates, because some of the matters to which he has referred have not been in order.

Mr. HEASLIP: Am I tied to the Loan Estimates?

The CHAIRMAN: Yes. The honourable member can speak to the Loan Estimates, but he cannot refer to any matter under the sun such as long service leave and T.A.B. and connect them to the Loan Estimates.

Mr. HEASLIP: Under the heading "\$40,000,000 Health Plan", a report in the *Advertiser* of April 20 states:

The State Government would spend almost \$30,000,000 from Revenue and \$10,000,000 from Loan on health and hospitals next financial year, the Attorney-General, Mr. Dunstan, said last night. The Labor Government had proceeded with the building programme for the Royal Adelaide Hospital and the Queen Elizabeth Hospital, and had referred to the Public Works Committee plans for a new \$2,500,000 108-bed hospital at Port Augusta and had prepared for submission plans for a new 400 to 500-bed general hospital at Modbury, and the proposed teaching hospital at Flinders University.

The Royal Adelaide Hospital project has proceeded because it had been started before the Labor Party came into office, and it is still proceeding. Reference is also made to the Queen Elizabeth Hospital, but nothing has happened in that respect.

The Hon. D. A. Dunstan: Nonsense! Why don't you go down there?

Mr. HEASLIP: Where is the money coming from? It is not shown in the Loan Estimates. Little work has been undertaken at that hospital; plans may have been prepared, but that

is about all. I understand that work on the 108-bed hospital at Port Augusta is under way, but can the Treasurer say what has happened about a 500-bed hospital at Modbury? And what about the teaching hospital at the Flinders University that we have been hearing of for years?

Mr. Langley: How many years?

Mr. HEASLIP: For nearly three years, since the policy speech was made. Nothing has happened in that regard.

The Hon. C. D. Hutchens: When the Playford Government was in power, I had to wait for 10 years for a school in my district after it was first mooted.

Mr. HEASLIP: The promises to which I am referring were made by the Government before it came into office. An article in the *Advertiser* of April 25 refers to "the lowest pay packets in South Australia and Queensland". Why does South Australia have the lowest pay packets? Is the Government's money being spent wisely? If it were being spent wisely, would the workers of South Australia have the lowest pay packets? That was not the case three or four years ago.

Mr. Burdon: Didn't your Government go to the Arbitration Court for a lower wage in South Australia?

Mr. HEASLIP: Employing workers, I know that they are not receiving overtime now.

The Hon. D. A. Dunstan: More overtime is being worked in South Australia today than in any other State in the Commonwealth. Just look at the figures!

Mr. HEASLIP: That is real news to me. Workers are not receiving the overtime that they were receiving previously. A press article of June 21 is headed, "Government men get extra leave". How will we persuade industries to establish in South Australia when we have to grant an extra week's leave? It is another cost to South Australian industry, and we cannot progress unless more industries come to South Australia. We have already lost too many people and must try to get them back. The only way to do that is to attract industries to this State instead of detracting from them. Unfortunately, we have lost and not gained them. On June 30 last under the heading "State poised for Industrial Boom" the Treasurer is reported in the press as follows:

The Premier told Eastern State industrialists that South Australia was poised to enter a period of industrial development at a rate of growth unequalled in any part of Australia, and decided to assist substantially in the establishment of an industrial design centre in Adelaide to promote industrial design and act as a show

case for visiting industrialists to see what South Australia was accomplishing in this field.

Is this Government with these extra costs that produce nothing making it attractive for industries to come to South Australia? I am sure that workers here would be far happier with an extra week's pay in their pockets and a chance to work rather than do nothing. They want more overtime, not holidays.

Mr. Shannon: Many of them would like ordinary time, let alone overtime.

Mr. HEASLIP: Then in July the heading "Swim Centre Backed by Government" appeared in the press. It was reported:

The State Government would make a grant of up to \$200,000 to enable work to start on a swimming centre in the North park lands.

The CHAIRMAN: Order! The honourable member is out of order. He is now referring to swimming pools, which are not mentioned in the Loan Estimates.

Mr. HEASLIP: I am referring to \$200,000.

The CHAIRMAN: It does not matter what the amount is: it is the item. I am advising the member for Rocky River that I am not concerned with the amount when he says that \$200,000 is involved. The item "Swimming pools" cannot be linked with the Loan Estimates, and I am advising the honourable member accordingly.

Mr. HEASLIP: I am not sure whether the Loan Estimates are a part of revenue.

The CHAIRMAN: I am sure of that point; the honourable member is out of order in referring to swimming pools.

Mr. HEASLIP: Then I shall not pursue it. There are so many other things here—

The CHAIRMAN: I think the honourable member has the wrong bundle of clippings. I am trying to point that out to him. They may be used in connection with the Budget, but not with the Loan Estimates.

Mr. HEASLIP: So much of the money in the Loan Estimates has not been spent wisely, to the best advantage of the people of South Australia. The member for Enfield is laughing, but this is not a laughing matter: it is of great importance to the people of South Australia that these moneys should be spent to the best advantage. I do not think the provisions in the Loan Estimates will be to the best advantage of the people. A few of the items for which the Loan Estimates provide will be productive but most are non-productive. Unless money is allocated to productive projects, then extra interest will have to be paid and nothing will be gained from the expenditure.

The Hon. D. A. Dunstan: Why did the Liberal Government build schools or hospitals?

Mr. HEASLIP: Last year the allocation for non-government hospital buildings was about \$5,000,000 whereas this year only \$3,000,000 is provided—a decrease of \$2,000,000. I believe that money should be spent on hospitals; it should be spent on non-government hospitals to which people contribute a certain sum and which provide the cheapest form of hospitalization.

The Hon. D. A. Dunstan: You think we should spend Loan money on non-government hospitals?

Mr. HEASLIP: There has been a decrease in expenditure from \$5,000,000 to \$3,000,000.

The Hon. D. A. Dunstan: You think that would be proper expenditure of Loan moneys?

Mr. HEASLIP: I do not know. I cannot agree with the members for Frome and Mount Gambier that the money allocated in the Loan Estimates has been allocated wisely. Also, I do not think it is necessary to raise more money: it is necessary to use the money we have to the best advantage.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I want very briefly to reply to some things raised by honourable members on the first line. Certain other matters I will reply to when the lines themselves are being debated. The general tenor of the criticism by the Opposition has been that the Loan Estimates, in the Opposition's view, did not provide sufficiently for expansion in the State. Opposition members consider (if one is to take the point of view expressed by the Leader) that we ought to have provided more money under Loan in areas in which the previous Liberal Government spent on Loans; that is, that we should not merely have provided the kind of money that it spent but that there should have been a substantial expansion in expenditure in those areas, and that there should not have been charged to Loan Estimates items which all other Governments, including Liberal Governments in Australia, charge to Loan Estimates, which this Government has charged to Loan Estimates, but which were not charged to Loan Estimates by the previous Liberal Government here.

Certain corollaries from this approach ought to be worked out, because the strange thing about the attitude of Opposition members on financial matters in South Australia is that when they have a piece of string not meeting at the middle they want to cut a bit off each other end and still say that the string has to meet in the middle, and that the way to go about it is this: they say we ought not to charge to Loan Estimates the

things that the present Government is charging to Loan Estimates: they say we ought to charge those things to revenue.

[Midnight]

They say that, therefore, there ought to be more money in Revenue Account to spend, because they do not believe in deficit financing. However, Sir Thomas Playford, in his last year as Treasurer, which was 1964, when there was a boom in the economy of South Australia and throughout Australia generally, budgeted for a substantial deficit. That is not now talked about by Liberal and Country League members: they do not believe in deficit financing, so they say there ought to have been, somehow or other, more money in Revenue in order to charge to Revenue the things that we are charging to Loan Estimates and to pay for increases in expenditure that have occurred naturally because of increases in costs to the Government.

An example of these increases is award increases for which the Government has had to find about \$14,000,000. In addition, we have had to meet increases in the interest burden that were forced on us by the Commonwealth colleagues of members opposite and we have had to meet the extra costs of items on which members opposite have said we ought to be spending money. Members opposite have not told us in any detail where they consider that our Revenue Expenditure should be cut, except in relation to one or two items.

The Leader of the Opposition did say that we ought not have spent money in purchasing land for a new Government Printing Office, because in doing that we were doubling up on expenditure by the Playford Government, which had purchased land at Kent Town. Of course, he overlooked the fact that it was found on investigation that the land at Kent Town was useless as a site for a Government Printing Office and that the money had been spent by the Playford Government completely improvidently and unwisely.

The Hon. C. D. Hutchens: It would have been a white elephant!

The Hon. D. A. DUNSTAN: We set out to establish a new Government Printing Office as soon as possible, but it was not possible to build on the Kent Town site.

Mr. Nankivell: What about the land for the hospital at Bedford Park?

The Hon. D. A. DUNSTAN: We did not have to buy more land there: we had a satisfactory exchange. That was not a cost to the State such as was the purchase of the

land at Kent Town. The Leader of the Opposition ought to charge Sir Thomas Playford, not this Government, with that. The other thing the Opposition did not like in the Revenue Budget that members opposite said we should have been able to meet was the expenditure of money to provide those people who had not previously been asked to go on to the Legislative Council roll with an invitation to enrol similar to the invitation issued to the first three classes of qualified voter. If we had not spent that money, \$84,000 would have been saved, and the underspending that would have occurred through the non-purchase of a site for a Government Printing Office would have also been a relatively small amount. Of course, the non-purchase of the land would have meant the establishment of the Government Printing Office at Kent Town.

These amounts would not have covered the difference between the extra expenditure of revenue that we had to meet and what members opposite have said we should have charged to Revenue Account. Of course, the Opposition did not leave matters there. There has been almost no area of the present Government's expenditure in respect of which the Opposition has not told us that we ought to be spending more money. The member for Mitcham (Mr. Millhouse) gets up and says that we ought to give concessions in tram fares: the member for Alexandra (Hon. D. N. Brookman) says that we ought not to have increased university fees and, consequently, ought to have made a bigger subvention to the university.

The Hon. D. N. Brookman: When did I say that?

The Hon. D. A. DUNSTAN: The honourable member raised the matter of increases in university fees several times and said that we ought not have done this.

The Hon. D. N. Brookman: I referred to your promise which you did not honour.

The Hon. D. A. DUNSTAN: Then the honourable member thinks it was perfectly all right to increase university fees. I am glad to hear that from the honourable member.

The Hon. D. N. Brookman: You were wrong to promise that you would lower them and not do it.

The Hon. D. A. DUNSTAN: In fact, we have pointed out exactly what occurred in this matter and the benefits to the students involved, but the honourable member never wants to admit this. Then, of course, he puts across to the university student of South Australia that university fees ought not to

have been increased, and university students at the university were putting up notices all around the university on the basis of the honourable member's statement in Parliament. In addition, the member for Mitcham and the member for Burnside informed us that we ought to have spent more on tertiary education, that we ought to have provided the hall of residence at the Flinders University before this, and that we should have provided earlier than we did extra amounts for research grants. The member for Burra said that the amount spent on Aboriginal affairs was only half what we ought to be spending, although it is far more proportionately than any other State is spending. I can go through a whole catalogue of things (and I am assembling one) of what honourable members opposite have said we ought to have spent in excess of what we have been spending. At the same time, however, they have told the people of South Australia that we ought not to have increased taxes and charges: in fact, these ought to have been reduced. The current pamphlet that is being put around by the Opposition has an item that says that the people of South Australia have had tax charges increased by a certain amount. It does not say that the tax a head in South Australia is the smallest in the Commonwealth. Members opposite do not point to the fact that the Western Australian Liberal Government has imposed a purchase tax that takes money out of everyone's pocket, whereas this Government took stamp duty off salary and wage earners. They do not tell the people of the 3 per cent impost on gas and electricity charges imposed in Victoria, of the impost on Victorian metropolitan third party insurance, or of the increases in stamp duty imposed, which amounts to a sales tax on all credit sales transactions in Victoria. They do not talk about this under Liberal Governments. They say, "We ought to have had less taxes in South Australia."

The Hon. J. D. Corcoran: And spent far more.

The Hon. D. A. DUNSTAN: And we ought to have charged not to Loan but to Revenue moneys in those circumstances. Just where did they say this money was to come from? They say we must balance the Revenue Account; we ought to spend more money from it; we ought to get less money into it from taxes and charges; and we ought to charge to it moneys now charged to Loan.

The Hon. G. A. Bywaters: They are totally irresponsible.

The Hon. D. A. DUNSTAN: Members opposite are trying to tell this kind of story to the people of South Australia and saying, "The Government is not spending the money available in South Australia wisely." I point out to members opposite, however, that what we are doing in South Australia in introducing the Loan Estimates is what every Liberal Government in Australia has been doing. The people in South Australia have the opportunity to judge: they can look at the performance of the Labor Government here and the performance of the Liberal Governments in neighbouring States to see what kind of action is taken by Treasurers of those States in the financial situation in which the Liberal Government in Canberra has placed every State Government in the Commonwealth. They can see the things done by Sir Henry Bolte, Mr. Nicklin, and Mr. Askin, and what has happened in those States. Under a Labor Government in South Australia there have been no increases in taxes, charges, and imposts that have occurred under Liberal Governments elsewhere.

Mr. Nankivell: Is that your fault?

The Hon. D. A. DUNSTAN: We have not had them because this Government believes that at this stage to add to taxes, charges, and imposts would markedly inhibit the expansion of industry in this State, and we do not intend to do that. The course demanded of the Government by Opposition members (that we charge certain things to revenue that we are now charging to Loan Account) would bring the Revenue Account so far into deficit that we would have to increase taxes and charges in South Australia. The Opposition demands this of the Government, and states that if we do not do it it is not responsible financing. By doing what we have done in these Estimates we will be able to get by this year without the kind of charges that Sir Henry Bolte has told every other Treasurer in the Commonwealth that he would be lily-livered if he did not impose on the people.

This is the advice given by a neighbouring Liberal Treasurer to me about what I should do. I am required to put on a purchase tax, in addition to the taxes he imposed before the last State election, that is, a 3 per cent impost on gas and electricity charges, and the like. If Opposition members intend that this be the financial policy of this State, let them be honest and say so. They cannot tell the people that they intend to spend much more from the Revenue Budget or that they intend to spend much more from the Loan Estimates on the things previously charged to Loan Estimates

than is being done now and so expand South Australia; because that is what they have said should be done. They cannot say they are going to do that and not tell the people where the money is coming from.

Mr. Burdon: They are not game to tell the people where they will raise the extra taxes.

The Hon. D. A. DUNSTAN: Of course not. Would they tell the people (and this is the alternative) that the Government was wrong to give service pay, wrong to start the equal pay process, and wrong to provide extra leave? The member for Rocky River said that a promise that future assistance would be given to a swimming centre was a dreadfully extravagant thing for South Australia. What do Opposition members propose financially in South Australia? They cannot have their cake and eat it, too. If they intend to spend more from Loan Account on works previously charged to Loan Account, and more from Revenue Account on things previously charged to revenue—

Mr. Heaslip: I never said it was extravagant.

The Hon. D. A. DUNSTAN: The honourable member said that it was something that should not have been promised.

Mr. Heaslip: I was not allowed to say what I wanted to.

The Hon. D. A. DUNSTAN: The honourable member said it was another extravagance.

The Hon. D. N. BROOKMAN: On a point of order, Mr. Chairman. Is the Treasurer in order in referring to that subject when it was ruled out of order earlier?

The CHAIRMAN: The Treasurer is referring to the statement made by the member for Rocky River more than once—

Mr. Heaslip: I never made that statement.

The CHAIRMAN: —that money spent by this Government was not being wisely spent. Amongst many other things he spoke about the matter the Treasurer is now referring to. The Treasurer is perfectly in order.

The Hon. D. A. DUNSTAN: I invite the Opposition to be honest with the people of South Australia about its financial policy. If Opposition members intend to spend money the way they have advocated in Parliament, they should say where the money is coming from, and what they will do to the people of South Australia to get it.

The Hon. J. D. Corcoran: Let us hear about it before the next election.

The Hon. D. A. DUNSTAN: The Opposition will be challenged to do a few sums. I have a few additions and subtractions I shall

put before the people of South Australia about the Opposition's financial proposals. Let the people of South Australia see where the gaps lie in what members opposite have been putting over in the little pamphlet they have been circulating around the community! The member for Mitcham delivered himself of a stirring address on the subject of housing: he said that as we had a number of houses over-built in the Elizabeth and Smithfield area, more than we had occupants for at the moment, this was a shocking situation about which we should do something. I am not happy about the fact that over-building has occurred in that particular area.

I have already explained how this occurs; estimates have to be made of the expansion and demand for housing in particular areas over some considerable period (because most of the contracts let by the Housing Trust are contracts that run over a period of two years and more) in order to get the economies of scale in building. In consequence, these contracts were let in that area and, as the anticipated demand did not occur, I took immediate action on becoming the Minister of Housing to level off contracts in that area as quickly as I could, in order to transfer the activities of the trust to areas where there was a clear demand immediately for housing.

That has resulted in light building approvals for the trust for this month because we are altering the area of our operations. That takes a few weeks to accomplish; it is not something that can be done overnight. The honourable member then points to the effect of the action that I have taken to remedy that situation in fewer building approvals for that particular period. Immediately after I came into office, I altered the direction of Housing Trust finance, something that the Housing Industry Association itself had asked me to do and had applauded when I said I would do it. The member for Mitcham says, "This is a shocking thing; it shows a very bad situation in housing." Just where is the Opposition going? The member for Torrens has orated to the effect that we shall have fewer houses built in South Australia under a new policy. I strongly believe, the Housing Industry Association believes, and most people in the housing industry in South Australia believe, that the proper role of the trust is in providing additional rental housing at the moment and that the area of speculative housing should be left to private enterprise. We have a great oration from the member for Mitcham about private enterprise, but when I go out to assist it and

do what it asks me to do, in order to help stimulate the housing industry, the honourable member says this is a shocking thing.

The Hon. G. A. Bywaters: We're all Socialists!

The Hon. D. A. DUNSTAN: That is right. Let me turn now to the matter of the Modbury Hospital that has been brought up by some honourable members opposite. The Government at the last elections said it was vital that we have in the metropolitan area two additional general hospitals. South Australia had had, since the war, the worst ratio of public hospital beds to population of any State in the Commonwealth.

Mr. McAnaney: That's not true.

The Hon. D. A. DUNSTAN: It is true. I have quoted the figures in this place time and time again. Have a look at the Grants Commission's report! The South Australian Government spent from 1945 onwards less per capita on health and hospitals than was spent in any other State. We said we had to have two additional general hospitals and that at least one of these should be a teaching hospital associated with the development of a medical school at the Flinders University. The only previous proposal for the development of clinical facilities for a medical school was a vague statement by the Premier of the Liberal Government that at some time or other there would probably be another tertiary institution somewhere in the Tea Tree Gully area, and that that Government would consider putting up a medical school for that. That would be somewhere in the 1980's. We bought the site for both these projects and set up planning committees for them immediately.

As far as the hospital at Flinders University is concerned, honourable members must know that to get teaching hospital facilities, which are expensive, we need the assistance of the Australian Universities Commission. We must have the cost of a teaching hospital underwritten by that commission. Therefore, our submission for a teaching hospital must be made for the next triennium grant by the Australian Universities Commission, and we cannot proceed with this hospital until we have the approval of that commission for it. But we have made all provision for that submission, so that at the earliest possible moment that hospital will be commenced. We have the land, the plans and the submission to go to the commission. So at the earliest possible time that that hospital can conceivably be erected by any Government, it will be.

Mr. Heaslip: Why don't you say that to the people instead of saying you are going ahead and doing it?

The Hon. D. A. DUNSTAN: We are going ahead and doing it, and it will be so much more quickly built than the Queen Elizabeth Hospital was by the Playford Government that it will look as though we are a hare compared with a snail. The honourable member knows how long the Queen Elizabeth Hospital took from the time of the original proposals to the time of its completion and opening—a fantastic time. Nothing like that time will be taken by the present Government in the erection of a major general hospital. The Modbury Hospital will be referred to the Public Works Committee, as my predecessor as Treasurer said, this year, and the site works will be undertaken before the end of this financial year. Provided we get reasonable assistance from the Public Works Committee, those works will be undertaken in the reasonably near future. Honourable members opposite have said, "Why isn't some money set aside for it?" I presume that honourable members who have been in this Chamber as long as I have know the provisions of the Public Works Standing Committee Act. I cannot introduce an appropriation into this Chamber for the site works until I have a report from that committee.

Mr. Coumbe: When will the reference be made?

The Hon. D. A. DUNSTAN: During 1967, I hope—quite shortly.

Mr. Heaslip: It could have been made in 1966.

The Hon. D. A. DUNSTAN: It could not, and the honourable member knows perfectly well that the plans for a major general hospital take a considerable time to prepare. Look at the time it took the Playford Government to prepare plans for the rebuilding of the Royal Adelaide Hospital.

Mr. Ryan: Many, many years.

The Hon. D. A. DUNSTAN: The member for Rocky River is being foolish, and he knows it. There are times when he probably does not know it, but I am sure he does on this occasion. The Modbury Hospital is going according to plan. There is on these Loan Estimates within the general line enough provision to cover my being able to meet the site works, but obviously I cannot introduce a specific estimate for them to this Committee; and I do not propose to do so, for it would not be in accordance with the provisions of the Public Works Standing Committee Act.

Mr. Jennings: You do not have to.

The Hon. D. A. DUNSTAN: No, I do not. When we have a report from the Public Works Committee, we shall be in a position to go ahead with this hospital, and it will go ahead according to plan and be rapidly erected. We shall have the necessary hospital facilities at Modbury far more quickly than the Playford Government ever provided hospital facilities, and in accordance with our promise to the people.

The CHAIRMAN: With the concurrence of honourable members, I intend to put the items *seriatim*.

State Bank, \$1,740,000.

The Hon. Sir THOMAS PLAYFORD: The first item in the provision for the State Bank shows that the Government will receive a repayment of \$1,000,000 under "Advances for Homes". Therefore, \$1,000,000 provided by a previous Government is being repaid at a time when it is generally admitted that it is necessary to have the maximum money available for the housing programme. Will the Treasurer explain what appears to be a contradiction in Government policy?

The Hon. D. A. DUNSTAN (Premier and Treasurer): The honourable member well knows that the people to whom moneys have been lent make repayments every year. Therefore, the repayments are shown in the Loan Account as credits to the Loan Account. This is not taking money away from the bank: it is simply repayment of loans. In these circumstances, the honourable member's own accounts have shown amounts of about \$1,000,000 as a net repayment every year. This is simply a return of money advanced and is a perfectly normal result of the use of the State Bank as a lending agency. Naturally, one gets no repayments as a result of one's previous loan advances.

The Hon. Sir THOMAS PLAYFORD: I do not accept the Treasurer's statement.

The Hon. D. A. Dunstan: I refer the honourable member to his own accounts.

The Hon. Sir THOMAS PLAYFORD: My Government was building houses for the people and everyone in the housing industry was busily engaged. However, today tradesmen have to leave this State to obtain work. The Treasurer says that he is going to put the housing industry on its feet quickly and then he takes from the State Bank a repayment of \$1,000,000. That appears to be a contradiction of policy.

The Hon. D. A. DUNSTAN: That is not so. The honourable member must know that

this account is drawn entirely according to the way in which it was drawn under his Administration. In 1964-65 the proposed payments were \$500,000. The estimated repayments were \$2,100,000 and the credit was \$1,600,000. That was the simple return of money. I said, at page 5 of my explanation:

The bank is likely to have available for lending in 1957-68, housing agreement moneys, State Loan funds, carryover funds from June, 1967, and repayments of previous advances, which together will be sufficient to carry out a lending programme of about \$13,300,000, or about \$500,000 more than in 1966-67.

The Hon. Sir THOMAS PLAYFORD: At present all repayments to the State Bank are not made available to housing. An amount of \$1,000,000 is being drawn from housing at a time when the Government has said that it is out to build up the industry.

Mr. HALL: In the 1965-66 Loan Estimates there was an item "Advances to State Bank Act, \$1,000,000". That line has been discontinued in these Loan Estimates and there must

be a good reasoning for the strengthening of the bank's funds as they were strengthened in 1965-66, because it has been said that additional payments are likely to be made by the bank to clients because of the drought. Can the Treasury say, first, what factor is operating that enables the Government to relinquish the payment on this line; and secondly, as it is not included as a payment this year, is he certain that the bank will have sufficient funds to make the additional loans one would expect it to make in the face of the adverse season?

The Hon. D. A. DUNSTAN: Yes, I think so. On the information given me by the State Bank, I believe that its balances are sufficiently buoyant to meet its obligations

Line passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 12.37 a.m. the House adjourned until Wednesday, August 9, at 2 p.m.