

**HOUSE OF ASSEMBLY**

Tuesday, September 12, 1967

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

**MINING (PETROLEUM) ACT  
AMENDMENT BILL**

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

**AUDITOR-GENERAL'S REPORT**

The SPEAKER laid on the table the Auditor-General's Report for the financial year ended June 30, 1967.

Ordered that report be printed.

**QUESTIONS**

**WATER RESTRICTIONS**

Mr. HALL: Can the Minister of Works give a clear indication to the House as to when water restrictions in South Australia may be imposed and as to the severity of the restrictions and the areas in which they will be applied?

The Hon. C. D. HUTCHENS: I regret that at this juncture I cannot give an answer.

The Hon. B. H. TEUSNER: Late last month I pointed out to the Minister that market gardeners in my district were concerned about the possibility of restrictions being imposed in the Barossa Valley as a result of the dry weather conditions being experienced. The Minister then said that he, too, was concerned about the position. Since then no rain has fallen. As I pointed out in August, it would be a great help to market gardeners to know as soon as possible whether restrictions will be imposed because, if they are to be imposed, the market gardeners can then limit their sowing of vegetable seeds. Therefore, can the Minister inform me today whether restrictions are intended to be imposed in the Barossa Valley, and if they are, to what extent they will be?

The Hon. C. D. HUTCHENS: The one decision made about water restrictions (and this affects market gardeners particularly) has been with regard to the Warren reservoir. As I told the honourable member when answering a previous question, we have been hoping for rain but, at the moment, it seems that we are hoping against hope. We resolved to make a decision regarding the area served

by the Warren reservoir because we did not want market gardeners there to go to the expense of buying seed and planting it if they would have insufficient water to bring to fruition that planting. It has been decided that, in the event of no rain falling in the next few weeks, restrictions will be imposed at the end of this month, but the extent of those restrictions has not yet been decided. As I expect that this matter will be decided within the next few days, I will take the earliest opportunity to inform the honourable member of the details of the restrictions.

**PORT PIRIE CHANNEL**

Mr. McKEE: Has the Minister of Marine a further detailed report regarding the proposal to widen the shipping channel at Port Pirie?

The Hon. C. D. HUTCHENS: Approval has been given for certain works. From memory, I believe that we intend to spend \$115,000 at Port Pirie in widening certain sections. However, rather than rely on my memory, I shall obtain full details for the honourable member and let him have them tomorrow.

**WHEAT**

The Hon. G. G. PEARSON: I refer to the stocks of wheat that may be held in the Adelaide Division of the Railways Department. My question is prompted by the knowledge that the Adelaide Division is called on to provide most of the wheat for local consumption to maintain flour mill output for metropolitan requirements and for export flour. As we are now in the second, or possibly the third, year of below-normal production in the Murray Mallee, from which a large proportion of Adelaide Division wheat is derived, can the Minister of Agriculture indicate the position regarding the Adelaide Division? Will it be necessary to bring in wheat from other divisions (perhaps from Wallaroo and Port Pirie) in order to meet expected requirements for next year? As I do not expect that the Minister has these figures with him today, I ask him to obtain a report on the matter.

The Hon. G. A. BYWATERS: Earlier this year, when drought conditions seemed imminent, I asked that sufficient quantities of wheat be held so that, in the event of this being a drought year, wheat would be available for feeding stock and for other purposes. I shall be happy to obtain a report including the latest information and to let the honourable member have it.

### SCHOOLGROUNDS

Mr. JENNINGS: The Chairman of the South Australian Public Schools Committees Association (Mr. King) was reported as saying last Wednesday at the opening of the annual conference of the association:

Buildings, equipment and playing fields should be used to full communal advantage instead of being prohibited areas after school hours.

Has the Minister of Education seen that report and, if he has, can he comment on it?

The Hon. R. R. LOVEDAY: I have had this matter examined since I saw the press report. It is not correct to say that the school ovals are prohibited areas after school hours. In fact, schools are encouraged to make their facilities for sport available for use by local communities at times when they are not required for school use. There is a wide and increasing practice of making available sports facilities for other than school teams. The turf wickets on many secondary schools' grounds are used by outside cricket teams and frequently the hockey grounds are regularly used by other local teams without their own grounds. At both country and metropolitan schools the enclosed, asphalted areas are used by tennis clubs in the summer and basketball clubs in the winter. At some schools the grounds are made available for teams of marching girls.

The maintenance of grounds is the responsibility of the schools, some of which pay out of their school funds more than \$2,000 a year for the wages of a groundsman, but in all cases schools generously make available their sports facilities. Consequently, the granting of permission for outside bodies to use these sports facilities is in the hands of the headmaster and school councils. Sports fields need to be free periodically for cutting, watering and general maintenance. From investigations made it is clear that the existing pattern of use of schools' sports facilities seems most satisfactory. School authorities are already co-operating in a marked degree with outside sporting bodies in this matter.

### PRIVY COUNCIL

Mr. MILLHOUSE: Late last week the Commonwealth Attorney-General announced that the Commonwealth Government intended to limit (or virtually cut out) appeals from the High Court of Australia to the Privy Council in the United Kingdom, and I understand that our Attorney-General made a comment about this. Will he now say whether

the Government intends to limit the right of appeal from the South Australian Supreme Court to the Privy Council, or whether it is intended to leave the position as it is at present?

The Hon. D. A. DUNSTAN: The latter is the case.

### RATING

Mr. LANGLEY: Has the Minister of Lands, representing the Minister of Local Government, a reply to my question about whether the Government has power regarding assessments for local government rating or whether councils have full control over this?

The Hon. J. D. CORCORAN: The Minister of Local Government states that the Government has no power to interfere in assessments by councils. The Local Government Act empowers councils to value properties for rating purposes under one of two methods—annual or rental values, or unimproved land values. Under annual values, the value of improvements has a large bearing on the value assessed. Accordingly, in a council area where the annual values system applies, as it does in Unley, it must be expected that the type of buildings referred to by the member will result in increased assessment and subsequently increased rates. It is pointed out that rate-payers of properties have rights of appeal to the Assessment Revision Committee of the council if they consider that the value assessed is too high.

### DROUGHT ASSISTANCE

The Hon. T. C. STOTT: Will the Premier read or lay on the table a copy of the letter that he sent to the Prime Minister applying to the Commonwealth Government for financial assistance for drought relief in this State, and can he say whether that letter complied with the conditions required by the Commonwealth Government with respect to the State's requirements? Also, has he received a reply from the Prime Minister informing him to what extent the Commonwealth Government is prepared to assist drought relief here?

The Hon. D. A. DUNSTAN: I do not think it is advisable for me to lay on the table of the House the letter to the Prime Minister until I have received a reply from him. At present, I have nothing other than an acknowledgment from the Prime Minister. The letter to the Prime Minister was a long one, fully setting out the South Australian requirements in respect of drought relief and

the position facing this State. The application was made to the Commonwealth Government for assistance on the same basis as that on which drought relief had already been given to other States: there was no difference in our application. I assure the honourable member that, if I do not receive a reply from the Prime Minister tomorrow, a letter will be forwarded to him asking for an urgent reply. This is one of several matters about which I have written letters to the Prime Minister to which I have had no effective reply.

Mr. NANKIVELL: On August 31 I asked the Premier whether \$804,636 standing in a trust account to the credit of the Debt Adjustment Fund could be used in any way to provide drought assistance. Has he a further reply to that question?

The Hon. D. A. DUNSTAN: This amount was derived in the first instance from grants made by the Commonwealth during the period 1936-43 pursuant to the Commonwealth's Loan (Farmers Debt Adjustment) Act, 1935-36. These grants were made for the purpose of enabling the States, in accordance with schemes authorized under State Acts, to arrange for the discharge in whole or in part of the debts of farmers by means of compositions or schemes of arrangement between them and their creditors. The amount granted to this State was \$2,042,000. The Commonwealth Act also provides that any amounts advanced to farmers and repaid in whole or in part to the State shall be applied by the State for the purposes of the State scheme and shall be deemed to be further moneys granted to the State under the Commonwealth Act. No portion of the moneys may be used by the State for payment of expenses incurred in connection with the administration of such schemes.

In this State the complementary legislation is the Primary Producers Debts Act, 1935-39, which provides the machinery for the adjustment of debts of primary producers. Accordingly these moneys could not be used for the purpose of providing advances for carry-on finance or for making the other payments for which authority is sought in the Bill at present before the House, except with special legislative authority from both the Commonwealth and the State. The Government does not propose, at least at present, to ask the Commonwealth to take steps to permit the use of this money for other than its original purpose. Whilst there would not appear to be any immediate requirement for farmers' debt

adjustment measures it does seem desirable to reserve these particular funds in case they should later be required for the purposes for which they were originally provided.

Mr. McANANEY: In the case of the New South Wales drought, the Government in that State committed large sums of State funds and also made concessions to primary producers out of State revenue sources before the Commonwealth Government came into the picture. As the Premier said he had submitted an application similar to the applications of other Governments, will he explain how this is possible when, up to the present, we have not made any concessions or committed any funds at all, other than that possible loans to primary producers have been considered?

The Hon. D. A. DUNSTAN: The application that was made to the Commonwealth Government, as I told the House, was specifically made on the same basis as that on which applications had been made by other States, and it was stated that our application was to be made subject to the same conditions as the Commonwealth sought from the other States in relation to drought relief. If the honourable member thinks that we should have delayed an application to the Commonwealth until this State had passed legislation, all I can say is that I disagree with him: I should have thought we should get on with the job straight away.

#### GLENGOWRIE HIGH SCHOOL

Mr. HUDSON: In answer to a recent question of mine concerning establishing the new Glengowrie High School in the first year in the old Sturt Primary School buildings on Sturt Road, the Minister of Education said that he understood that bus services available were adequate to take children from north of Oaklands Road to Sturt Road and to the Sturt Primary School buildings. I have since received several queries from local residents who, although living close to the site of the new Glengowrie High School, live two miles away from the Sturt Primary School buildings, and are concerned whether the local bus services will be adequate. Will the Minister consult his officers about providing adequate bus services to serve the new high school, in order to ascertain whether these local residents have any grounds for this disquiet?

The Hon. R. R. LOVEDAY: I shall be pleased to do that, but if the honourable member has any specific cases that he can bring to

my attention, I should like to have details that will help me provide a reply and assist in the investigation.

#### STIRLING BEAUTIFICATION

Mr. SHANNON: Has the Minister of Lands a reply from the Minister of Roads to the question I asked last week about beautifying the freeway through the Adelaide Hills, and about the possibility of using evergreens to make this rather devastated area look more attractive?

The Hon. J. D. CORCORAN: The principal criterion for the landscaping of a freeway is to preserve the character of the countryside and to permit the road reserve to blend into its surroundings. The existing vegetation between Measdays and Crafers consists of a natural cover of native trees and shrubs without exotic species, and it is therefore considered desirable to replant only native species on this section. The planting of groups of native trees of different species will provide contrast and relieve the monotonous appearance. In the built-up residential areas between Crafers and Stirling where both ornamental evergreen and deciduous trees are encountered, the Highways Department has planted numerous trees of these varieties to provide focal points of interest, autumn colour and to blend in with existing stands of trees of the same variety.

#### MOUNT GAMBIER CROSSINGS

Mr. BURDON: Has the Minister of Social Welfare, representing the Minister of Transport, a reply to a question I asked on August 17 regarding railway crossings at Mount Gambier?

The Hon. FRANK WALSH: The Minister of Transport reports that level crossings at Crouch Street and Commercial Street West, Mount Gambier, are included in the priority list from which nominations are made each year for provision of automatic warning equipment. These crossings are not, however, included in the work to be carried out during this financial year.

#### FOOTBALL TEAM

Mr. CASEY: A few weeks ago the South Australian Amateur Football League sent a football team to Tasmania to participate in a carnival in that State. Unfortunately, it did not fare as well as expected. However, it has come to my notice that the behaviour of our representatives on that occasion was reputed to be of the highest order. Members of the host club in Launceston (St. Patrick's

Old Collegians Football Club) were taken with our representatives and were not backward in showing their appreciation of these football ambassadors from South Australia. Has the Premier received any communication from the people concerned in Launceston regarding this matter and, if he has, has he informed the members of the team that went to Tasmania?

The Hon. D. A. DUNSTAN: I received a letter from the host club in Tasmania, commenting on the fine standard of behaviour and character of the football team that came from South Australia and asking me to pass on to the league here the club's views and its thanks for the way the team behaved in Tasmania. That message has been conveyed to those concerned.

#### VACCINATIONS

Mr. McANANEY: Has the Premier a reply to my recent question about measles vaccine?

The Hon. D. A. DUNSTAN: The National Health and Medical Research Council at its 60th session in October, 1965, recommended that measles immunization with current vaccines should be made available to—

- (1) children suffering from such diseases as mucoviscidosis, bronchiectasis and other congenital or chronic cardiac, respiratory and debilitating conditions; and
- (2) other special groups, such as Aboriginal children from measles free areas who are brought into settlements where measles is endemic.

This rather guarded recommendation was made because vaccines then available gave rise to moderately severe reactions in many people, not unlike an attack of measles, which is usually in any case a mild disease. Since then there have been some improvements in the vaccines currently available, and the council at its 64th session in Perth in April, 1967, recommended that "consideration be given to carrying out a joint Commonwealth-State pilot trial of vaccination against measles in the State of Victoria using the Schwartz strain of attenuated live virus vaccine".

This is the project to which the question refers. Its results will be awaited with interest in other States. In the meantime, there are adequate supplies of measles vaccine available in South Australia for the restricted groups mentioned in the earlier recommendation, and for any other individual children whom doctors may consider it advisable to vaccinate against measles.

## CIGARETTES

Mr. BROOMHILL: Has the Premier a further reply to the question I asked recently about the Health Department's analysing cigarettes with a view to publicizing the nicotine content?

The Hon. D. A. DUNSTAN: The Director-General of Public Health reports that it has been established beyond reasonable doubt that cigarette smoking is a major cause of lung cancer. Certain tar products have been shown definitely to be related to other forms of cancer. But it is not yet known definitely what factors in cigarette smoking increase the risk of cancer, heart disease, peptic ulcer and bronchitis. Although some cigarettes may be safer than others, it is quite definite that all cigarettes are dangerous, and there are no safe cigarettes from the health point of view. Analysis and publication of results would be likely to lead to claims that one type or brand of cigarette was safer than another. This might well tend to increase rather than reduce cigarette smoking, and there is no reason to expect that an overall improvement in health would result. Those concerned with reducing ill-health from cigarette smoking may be assured that the only reliable way of achieving their aim is to reduce the smoking of any kind of cigarette.

Mr. BROOMHILL: Because the Victorian Anti-Cancer Foundation, in its recent newsletter, pointed out that it would be relatively easy for tobacco companies to make cigarettes safer, will the Premier ask the Minister of Health to consider referring this matter to the next conference of Commonwealth and State Ministers of Health?

The Hon. D. A. DUNSTAN: I shall refer the matter to my colleague.

## OVERLAND

Mr. COUMBE: In the recent publication of the Railways of Australia booklet called *Network* figures are given relating to the increased patronage of modern express trains throughout Australia, indicating a 5 per cent increase in patronage on the Southern Aurora and other figures for the Brisbane Limited and the Transcontinental. However, as no figures are given for the Adelaide-Melbourne system, will the Minister representing the Minister of Transport ascertain what improvement in patronage may have occurred on the Overland in the last 12 months? Further, will he ascertain whether the Railways Department intends to engage in publicity that might lead to increased patronage of this service?

The Hon. FRANK WALSH: I shall be pleased to obtain a reply for the honourable member, and I will bring it down as soon as possible.

## LEFEVRE SCHOOLS

Mr. HURST: Can the Minister of Works say when work on the new classroom and ancillary buildings at the LeFevre Primary and Infants Schools is likely to commence?

The Hon. C. D. HUTCHENS: As I regret that I cannot give details at the moment, I will call for a report and inform the honourable member when it is to hand.

## TOW-TRUCKS

Mrs. STEELE: Has the Minister representing the Minister of Transport a reply to my recent question about tow-truck operators?

The Hon. FRANK WALSH: My colleague the Minister of Transport has informed me that it is necessary to make regulations and have the prescribed forms printed before bringing the Act controlling the use of tow-trucks into operation by proclamation. This matter is in the hands of the Crown Solicitor and as soon as the forms are completed there should be no delay, as administrative arrangements have been decided upon.

## MODBURY INTERSECTION

Mrs. BYRNE: Has the Minister representing the Minister of Roads a reply to the question I asked on August 23 about the Highways Department's proposal to re-align the Main North-East Road along Smart Road, Modbury?

The Hon. J. D. CORCORAN: My colleague the Minister of Roads reports that the proposed deviation of a section of the Adelaide-Mannum Main Road No. 33 referred to by the member is indicated on the 1962 development plan, which, on the enactment of the Planning and Development Act, has now become an authorized plan. The 1963 amendment of the Town Planning Act provided for a 12-month period during which objections to the development plan proposals could be lodged. No objection was lodged within the prescribed period concerning the proposal to which the member has referred.

The transportation proposals of the development plan are currently being re-examined in the Metropolitan Adelaide Transportation Study and no doubt variation of the proposals will result from this. At this stage, the route accepted by the Highways Department is that shown on the plan but work of implementing this proposal has been suspended pending the outcome of investigations being undertaken in the study.

### DRUG ADDICTION

Mr. HEASLIP: On August 30 last I asked a question of the Premier, in the absence of the Minister of Social Welfare, concerning the drug lysergic acid diethylamide (L.S.D.) which, according to the press, is being manufactured and is readily available in Adelaide and which, if taken by people for any length of time, may result in their spending the rest of their lives in a mental hospital. In view of the dangers connected with the taking of this drug, I asked whether legislation would be introduced in South Australia similar to the legislation already introduced in New South Wales, in order to control the use of this drug and to make it an offence for people to use it without authority. The Premier previously stated that he had received no complaints about the use of the drug and that he did not know of its circulation in South Australia. As this dangerous drug is apparently freely available, will the Government introduce legislation to prohibit its ready sale?

The Hon. FRANK WALSH: I trust that the following report from the Minister of Health will cover the questions asked by the honourable member:

The drug L.S.D. is subject to strict import controls, and the only persons in South Australia authorized at present to import it are two prominent psychiatrists. No drug company may do so. The drug could be sold only on medical prescription, but there is no legitimate means for pharmacists to obtain supplies. The legislation covering this drug is the Food and Drugs Act, the purpose of which is to control and regulate the sale of food and drugs. The Act does not relate to possession or use of drugs. The Dangerous Drugs Act is at present limited to the control of narcotic drugs, such as morphia, cocaine, heroin and marijuana, which are the subject of a single International Convention on Narcotics. Australia is a signatory to this convention, and all States have agreed to mould their dangerous drugs legislation on that convention. L.S.D. is not a narcotic, and it is therefore not appropriate to include it in legislation confined to drugs of that type. In summary, the importation and sale of L.S.D. are fully controlled, but the best means of prohibiting the unauthorized manufacture or possession of L.S.D. and related drugs are at present being examined.

### VINE NURSERY

Mr. CURREN: Has the Minister of Agriculture a reply to my question of August 30 in which I asked him to investigate the possibility of establishing a vine root-stock nursery in South Australia for the supply of nematode and virus-resistant stocks?

The Hon. G. A. BYWATERS: The vines referred to by the honourable member are the three varieties salt creek, dog ridge and 1613, which are nematode-resistant and have been indexed for known virus diseases. They were introduced from California by Victoria in 1965. Six cuttings of each of these varieties were introduced to South Australia from Victoria in August, 1967, and will be grown for one season in quarantine at Waite Agricultural Research Institute. If no abnormalities show up, the vines will be released to the Agriculture Department in the winter of 1968 for rapid multiplication. When the stock of cuttings is sufficient to meet demand, the varieties will be released for experimentation on growers' properties in South Australia. It is expected that numbers will be sufficient for release in the winter of 1970.

### PHYSIOTHERAPISTS

Mr. QUIRKE: Has the Minister of Social Welfare, representing the Minister of Health, a reply to my question of August 1 regarding physiotherapists?

The Hon. FRANK WALSH: I have the following report from the Registrar of the Physiotherapists Board:

Regarding the assurances alleged to have been given when section 41a was debated in the House of Assembly, neither the Chairman nor I have any knowledge of any such assurances being given by, for, or on behalf of the board. I am sure it will be agreed that such assurances could not properly be given by the board. It is the board's duty to use its best endeavours to see that all provisions of the Act are properly complied with. However, it has always been the board's practice to interfere as little as possible with the mode of business carried on by various persons registered under section 38 of the Act. So long as these people do no real harm to the profession or the public generally, it has been the board's policy to disregard possible offences by these people as it has been felt that their livelihood could be gravely affected. For these reasons, the board has not, to date, ordered any physiotherapist to discontinue the supply of vitamins etc., as alleged by Mr. Quirke, nor taken any proceedings against a physiotherapist for this purpose.

At the present time, however, this board does have two matters before it concerning section 41a. It is possible but by no means certain that some action may be considered against a physiotherapist for unprofessional conduct and for breach of this section. The matter is at present in our solicitor's hands. The other matter is that of Mrs. M. R. Morrison who is registered under section 38 of the Act. She had apparently been informed by someone other than an officer of the board that she was offending against the Act. She telephoned the board to ascertain the position and was

informed that she was probably offending against section 41a. She then wrote to the board and a copy of her letter and of my reply are enclosed.

The board intends to review the matter later this year.

#### CHOWILLA DAM

Mr. HALL: In Saturday's edition of the television programme *Four Corners*, Sir Henry Bolte (Premier of Victoria) said that the decision of the River Murray Commission to defer the construction of the Chowilla dam had been unanimous. In view of that statement will the Premier say whether the South Australian representative on the commission voted according to a direction given by the Premier or by Cabinet?

The Hon. D. A. DUNSTAN: The South Australian commissioner consulted the Government as to the difficult situation with which he was faced, there being three courses available to him. First, he could have sought to obtain a deadlock (that is, he could have voted in favour of letting a tender while everyone else voted against it) and not declared a dispute, which would have achieved absolutely nothing for South Australia. Secondly, he could have voted so as to create a dispute within the terms of the River Murray Waters Agreement that could then have been referred to arbitration, initially to the Chief Justice of Tasmania. If the honourable member looks at the agreement, he will see that there are then to follow certain other procedures which would have exceeded in time and procedure the time estimated for the studies the other members of the commission intended to undertake, and which could have led, in fact, to a decision, after the arbitration, in which the arbitrator would say that those studies had to be undertaken. Thirdly, our commissioner could have tried to get the best that he could from the commission for South Australia to get the project progressing as quickly as possible. We told him to use his judgment, and he did this. I do not know whether the honourable member wants to play along with Sir Henry Bolte in regard to the kind of statement that Sir Henry made on *Four Corners*, which was an attack on South Australia in respect of Chowilla. If he does, let him say so. South Australia's position is clear: we are trying to get the best we can for this State.

#### SUGARLOAF HILL

Mr. CURREN: Has the Minister of Lands, representing the Minister of Roads, a reply to my question of August 29 in which I requested

that action be taken to preserve certain features of Sugarloaf Hill at Cobdogla Flats?

The Hon. J. D. CORCORAN: My colleague, the Minister of Roads, reports that Sugarloaf Hill is the nearest available source of material required for the construction of the embankment approaches to the Kingston bridge. There is no alternative source within a reasonable distance that could be used without increasing the cost of the project considerably above the estimate accepted by the Government. However, during excavation the department will give consideration to the various points raised in relation to the preservation of native flora, habitats of fauna, and outcrops of geological interest.

#### CROP ACREAGE

Mr. RODDA: Has the Minister of Agriculture a reply to my question of August 31 about crop acreage?

The Hon. G. A. BYWATERS: Estimates of the areas sown in South Australia this season to the three main cereals are: wheat, 2,750,000 acres; barley, 1,100,000 acres and oats, 850,000 acres. These are estimates of sowings; the areas of wheat and barley actually reaped could be substantially lower if weather conditions were not favourable. The area of oats reaped is usually about half of the total sowings, and the proportion reaped this year could be less than normal.

#### GAUGE STANDARDIZATION

The Hon. Sir THOMAS PLAYFORD: Has the Minister representing the Minister of Transport a reply to the question I asked last week about what precise matter was delaying the agreement for the standardization of the railway line between Broken Hill and Cockburn?

The Hon. D. A. DUNSTAN: Both the honourable member and the member for Port Pirie asked questions about rail standardization of the Broken Hill section and about difficulties regarding the completion of the agreement between the Commonwealth and the Silverton Tramway Company. I asked the Minister of Transport whether he could reveal to the House the nature of the present dispute. However, he has reported that it is essential at this stage of negotiations to keep on a confidential basis what is transpiring with the Silverton Tramway Company. The negotiations between the Commonwealth and ourselves concern that company, which has yet to reply on the matter. This is the most that the Minister can say at this stage:

South Australia's attitude to rail standardization between Cockburn and Broken Hill has been placed before the Commonwealth Government in full detail and is basically consistent with the attitude of the previous Government. Our negotiations at this stage should be kept on a confidential basis until final agreement is reached. I assure the House that the Government is taking every step to see that South Australia's rights and interests are fully protected.

#### DEFECTIVE VEHICLES

Mr. HUDSON: Has the Premier an answer to my recent question about the facilities available to the police for the testing of motor vehicles declared defective and unroadworthy?

The Hon. D. A. DUNSTAN: The Commissioner of Police reports:

When the legislation to provide for the issue of defect notices by members of the Police Force was enacted in 1961, and later extended to cover secondhand car sites earlier this year, it was never intended that the Police Department would become a testing authority in relation to such matters as wheel and body alignment. The legislation itself does not extend beyond certain equipment specified in Part IV of the Road Traffic Act. No representations have ever been made from within or without the department to provide money on the Estimates of Expenditure for the purchase of testing equipment of such a specialized nature for use on other than our own vehicles. A machine for checking wheel alignment is available at the Transport Division, Police Barracks, Thebarton, but we rely on outside organizations for any equipment for checking body alignment.

Equipment of a less specialized nature, however, designed for the quick testing of wheel alignment, brakes and lights is used in vehicle Inspection Stations in Canberra and New Zealand, and is intended to be used shortly in Western Australia. This is separate from the issue of defect notices by police and relates more to compulsory inspections prior to registration on an annual or bi-annual basis. The purchase of additional specialized testing equipment would necessitate the employment of trained personnel for its efficient operation, and perhaps could receive consideration in conjunction with the setting up of the Vehicle Inspection and Driver Testing Centre at present planned for Deviation Road to facilitate the physical inspections of vehicles prior to registration in accordance with the provisions of the Motor Vehicles Act Amendment Act, No. 88/1966, assented to on December 8, 1966. Sound-level meters are in fairly common use in Europe in connection with excessive exhaust noise offences, but would require to be specially legislated for in this State. There would also need to be revision in thinking concerning the existing offence, which is more related to the manner of driving. A vehicle driven without offence by a moderate driver can create excessive noise when handled by someone else who accelerates more rapidly.

#### RAILWAY FARES

The Hon. B. H. TEUSNER: Has the Minister of Social Welfare a reply to my question of August 16 in which I asked whether, in order to attract additional railway passengers, consideration could be given to the granting in South Australia of a concession similar to the 30 per cent reduction in rail fares being offered in Victoria for travel in the metropolitan area during the off-peak period?

The Hon. FRANK WALSH: The Minister of Transport reports that proposals to introduce off-peak suburban rail fares have been considered in the past, but have not been favoured. Last summer beach excursion fares were introduced but the patronage, if anything, declined, and as a result the proposal was abandoned. It should be pointed out that a 25 per cent reduction in the fare demands an increase in patronage of 33½ per cent to break even, and such an increase in patronage could not be expected. The proposal to introduce off-peak concession fares in South Australia is, therefore, not practicable.

#### CO-OPERATIVE WINERY

Mr. FREEBAIRN: Has the Minister of Agriculture a reply to the question I asked several weeks ago about the co-operative winery at Morphett Vale?

The Hon. G. A. BYWATERS: The Chairman of Directors of Co-operative Wines (Australia) Ltd., Mr. O. S. Semmler, informs me that wine sold outside Australia through the Emu marketing organization will appear under the same labels as Emu has been using. Wine from co-operatives will continue to be sold within Australia through the individual selling organizations and under the established labels of the co-operatives. Emu wines will not sell within Australia.

#### NORWOOD HIGH SCHOOL

Mrs. STEELE: Complaints have been made to me by parents of students attending the Norwood High School that students are being deprived of a considerable part of their lunch hour so that they can recondition their desks. I understand that the girls are expected to sandpaper the surface and the boys' part is to re-varnish the desks when the sandpapering is completed. Mr. Speaker, there is no doubt who has the harder task. Mothers are concerned with the condition of their daughters' uniforms, which need to be dry cleaned, and one mother suggested to me that if the department was getting maintenance of school property done on the cheap in this way, the least



that the Education Department could do was to meet the cost of dry cleaning. Furthermore, the health of children, who are susceptible to respiratory conditions, is being affected by the dust-laden atmosphere. I was told, too, that students who do not co-operate have been told that they will be kept in after school until the job is completed. Whilst I approve of the principle of students being encouraged (and, in fact, expected) to respect and look after school property, I do not think it should be taken to such lengths as is apparently being enforced by this measure. No doubt this practice is an economy measure by the department at a time when, I understand, employees of the schools maintenance division of the Public Buildings Department are fearful of retrenchment because of lack of funds. Has the Minister of Education knowledge of such practices, which may well apply to other schools? If he is unaware of what is going on, will he obtain a report?

The SPEAKER: Before I ask the Minister of Education to reply to that question, I again point out to members the provisions of our Standing Orders, and suggest that it is just as improper to read from a letter containing comments as it is to make the comments themselves.

The Hon. R. R. LOVEDAY: I shall call for a report and have the matter investigated.

#### MURRIE ROYAL COMMISSION

Mr. MILLHOUSE: Earlier this session the Minister of Education announced that the Murrie Royal Commission would not continue. I rejoice to hear the news that the Honourable Mr. Justice Walters has now resumed duty at the Supreme Court. When the Minister announced that the Commission would not continue, information was also given by the Premier, I believe in answer to a question, that His Honour would be asked formally to terminate his Commission by making a report. Can the Minister of Education say whether a report from His Honour has been received and, if it has, will the Minister make it public, as the undertaking was that it should be made public? If it has not been received, when is the Minister likely to obtain it?

The Hon. R. R. LOVEDAY: I understand that the report is being prepared, and when it is available it will be made public.

#### SUPERPHOSPHATE

The Hon. T. C. STOTT: Has the Minister of Social Welfare obtained from the Minister of Transport a reply to the question I asked

on August 24 about the establishment by the South Australian Railways, in co-operation with the superphosphate companies, of bulk depots for superphosphate at various railway sidings?

The Hon. FRANK WALSH: My colleague reports that, although the construction of inland depots for superphosphate is a matter for the companies concerned, the Railways Department would be pleased to grant leases of land within its station yards for this purpose.

#### FREE MILK

The Hon. G. G. PEARSON: Has the Minister of Education a reply to my recent question about the cost to the Commonwealth Government of supplying free milk to State schools?

The Hon. R. R. LOVEDAY: During July, 1967, 5,944 gallons of milk was consumed daily at a cost of \$4,466 a day. During the financial year ended June 30, 1967, \$848,039 costs were incurred by the Commonwealth Government in connection with the free milk scheme.

#### STOCK ROUTE

Mr. HEASLIP: Has the Minister of Lands a reply to the question I asked on August 29 about closing a portion of the Wilmington to Port Augusta stock route through Horrocks Pass?

The Hon. J. D. CORCORAN: The former stock route in the hundred of Woolundunga was subdivided in 1962, but sections 280 to 284 were withheld from offer pending investigation of land suitable for reservation in Horrocks Pass. Following this investigation, section 284 was resubdivided in order that the timbered portion be reserved, and this timbered portion, now numbered as section 200, together with sections 280 and 281 and a former Stone Reserve, was dedicated on September 8, 1966, as a recreation reserve and placed under the control of the District Council of Wilmington. The balance of the land, being sections 282, 283 and 284, will shortly be made available for allotment. A road of varying width, but chiefly about three chains wide, remains open through Horrocks Pass to carry all traffic between Wilmington and Port Augusta.

#### CONTROL OF WATER

Mr. McANANEY: Some time ago I asked why it was necessary for water to be running out to sea while storages were half empty farther up the river, and the Minister of Works told me how it happened. When I pointed out that I had asked why and not how, the

Minister implied that I was trying to be funny, but when I gave the Minister's reply to my constituents they thought he was trying to be funny. Can the Minister now say why this is happening, as my constituents will be pleased to have a logical explanation?

The Hon. C. D. HUTCHENS: I apologize for saying that I thought the honourable member was trying to be funny: I know it is impossible for him to be otherwise. I shall try to obtain a reply for him.

#### NARACOORTE SOUTH SCHOOL

Mr. RODDA: Has the Minister of Education a reply to the question I asked last week about building a canteen at the Naracoorte South Primary School?

The Hon. R. R. LOVEDAY: True, money was approved for a subsidy towards the proposed canteen at the Naracoorte South Primary School in the 1966-67 financial year. However, the project has been delayed because of difficulties experienced by the Public Buildings Department in finalizing the tenders. On June 2 the school committee forwarded a revised quote from the lowest tenderer which was not accepted by the Public Buildings Department because of a rise and fall clause, and a firm quotation was required. This was forwarded on August 8. However, the revised firm tender price may now be higher than that of another competitor and it has been decided that competitive prices should again be sought on a firm basis. Action on these lines will now be taken and every effort will be made to expedite the reaching of a decision and commencement of the work.

#### PICCADILLY SCHOOL

The Hon. Sir THOMAS PLAYFORD: As primary schoolchildren in the Piccadilly area have to attend two schools outside that area for which no satisfactory transport is available, will the Minister of Education have a survey made to ascertain whether a school could be built in the area to serve the rapidly growing number of schoolchildren there?

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

#### ELECTRICITY

Mr. COUMBE: Has the Minister of Works a reply he undertook to provide to the questions that other members and I asked regarding the costs involved as a result of the accident and breakdown at the Torrens Island power station?

The Hon. C. D. HUTCHENS: I said I would endeavour to obtain a report. Although I have made such endeavours, I have not got the particulars.

#### FISHING

Mr. HALL: Does the Minister of Marine know when the report of the Select Committee on the Fishing Industry will be presented to the House?

The Hon. C. D. HUTCHENS: I am pleased to inform the honourable member that the report will be brought down on Thursday of this week.

#### CAMPBELLTOWN SEWERAGE

Mrs. STEELE: Has the Minister of Works a reply to the question I asked a fortnight ago regarding the Campbelltown-Paradise sewerage scheme?

The Hon. C. D. HUTCHENS: The Director and Engineer-in-Chief reports that work on the Campbelltown-Paradise scheme commenced in July, and the construction of trunk sewers and reticulation is proceeding satisfactorily. The areas to the east of the Lower North East Road are expected to be completed as follows: the area between the Lower North East Road, Gorge Road and Darley Road by the end of April, 1968; the area from Darley Road to Moseley Road and Alder Street by the end of September, 1968; the area from Moseley Street to Range Road by the end of November, 1968.

#### WINDY POINT

Mr. MILLHOUSE: For weeks I have been containing my vessel in patience waiting and asking for a reply from the Minister of Immigration and Tourism regarding his plans for Windy Point. As I understand he now has a reply to my questions, I shall be glad if he will give it.

The Hon. J. D. CORCORAN: The honourable member should appreciate that, in order to do one thing, it is often necessary to do other things. He does not seem to realize that this takes time and he seems to think that Ministers should have answers immediately available for him, but I am afraid that is not possible. If he had had experience in Government as a Minister, he would realize this.

The Government has decided to call for offers for the provision of facilities at Windy Point. The facilities envisaged include a high-standard kiosk, tea-room and restaurant built at the expense of the lessee in accordance with

plans and specifications approved by the Government. A lease for a period of 20 years with a right of renewal for 20 years is contemplated for substantial capital investment. Action is being taken by the Government because Windy Point is one of Adelaide's important tourist assets. From this vantage point, panoramic views of world class are obtainable. It is very popular with local residents and visitors alike, but unfortunately action has not been taken in the past to develop its valuable tourist potential.

#### GLADSTONE RAILWAY STATION

Mr. HEASLIP: Has the Minister representing the Minister of Transport a reply to the question I asked on August 2 regarding the poor illumination of the Gladstone railway station and of other country railway stations at which trains arrive at night?

The Hon. FRANK WALSH: My colleague reports that the problem at Gladstone has been found to arise not because of inadequate lighting, but in consequence of the fact that the position in which railcar consists stand causes shadows to be thrown on the path taken by passengers who alight from the broad gauge railcar. Arrangements are being made to place the latter car in such a position that passengers will have adequate lighting to see where they are walking.

#### MINIMUM RATING

Mr. McANANEY: Has the Minister of Lands a reply to my recent question regarding minimum rating?

The Hon. J. D. CORCORAN: My colleague reports that the amendment contained in the Local Government Bill concerning minimum rates refers to cases where a property is situated in two adjoining council areas. That was explained during the course of the debate. Cases have occurred where portion of the property which is located in one area is so small that the imposition of the minimum rate is unreasonable, particularly when added to the rates which are being paid to the other council in respect of the remainder of the property. The new provisions will enable the council concerned to offer relief, if it feels that this is desirable, by remitting all or part of the minimum rate set by the council. A minimum rate applied to a property located within one area is legal.

#### UREA

Mr. McANANEY: Has the Minister of Agriculture a reply to my recent question regarding urea?

The Hon. G. A. BYWATERS: Under the Stock Foods Act, 1941-1956, manufacturers are obliged to guarantee, *inter alia*, the minimum percentage of crude protein. Stock food samples are analysed for the percentage of total nitrogen and the accepted method of calculating the percentage of crude protein is by multiplying the total nitrogen percentage by 6.25. Manufacturers do not state the various forms of nitrogen (urea, ammonical, etc.) in guarantees, as this information is not necessary under the abovementioned Act.

From inquiries made by departmental inspectors, all stock food manufacturers in this State are aware of toxicity danger due to the excessive use of urea, and, as a result, the maximum amount used in dairy stock foods is 1.5 per cent. Manufacturers also realize that thorough mixing is essential. In this State, no legislation exists for the control of the maximum percentage of urea in stock foods, but in New South Wales and Victoria, the maximum allowable by legislation is 3 per cent. It will be seen that the maximum of 1.5 per cent urea in stock foods, voluntarily adopted by manufacturers in this State, provides a safe toxic margin.

#### VICTORIA SQUARE BUS STOP

Mr. MILLHOUSE: I frequently have reason to travel along King William Street in a Municipal Tramways Trust bus, my destination being in Carrington Street. Buses marked 1 and 2 have their last stop on the northern side of Wakefield Street in Victoria Square where, in obedience to directions, I alight. It is rather galling, however, to see the empty bus then sail on to the depot in Angas Street. I am not the only one who has to terminate his or her journey at this point and then walk the rest of the way, seeing the bus going empty. It has been suggested to me (and it is this suggestion that I should be glad if the Minister would put to his colleague for transmission to the relevant authorities) that the last stop for such buses should be made at the depot and not in Victoria Square, so that those who have to travel the full distance to Angas Street and beyond can do so in the bus and not on Shanks's pony. Will the Minister of Social Welfare therefore take up this matter with the Minister of Transport?

The Hon. FRANK WALSH: Yes.

#### ABATTOIRS

Mr. McANANEY: Has the Minister of Agriculture a reply to my question about the Metropolitan and Export Abattoirs Board?

The Hon. G. A. BYWATERS: Following the series of questions asked by the honourable member, I asked the General Manager of the board for a report and received the following letter:

I acknowledge receipt of your letter of August 31, 1967, enclosing copy of the *Hansard* report on questions by Mr. McAnaney, M.P., in the House of Assembly on the previous day and as requested I submit the following information to the Minister relating to the matters raised by Mr. McAnaney.

Report on the efficiency of the board's operations: The recommendations contained in the report of investigation into the efficiency of the plant, machinery, administration and operations of the establishment as at June 29, 1965, and submitted to the Minister on January 21, 1966, have been considered and in most cases implemented by the board. However, certain outstanding matters are at present being investigated in conjunction with a cost reduction programme by an independent authority engaged by the board.

2. Quantity of meat boned for export—  
year ended June 30, 1967:

(1) At Gepps Cross—

Beef . . . . .	Nil lb.
Mutton . . . . .	47,280 lb.

(2) Stock slaughtered at Gepps Cross taken elsewhere for boning and returned for freezing and storage—

Beef . . . . .	1,049,767 lb.
Mutton . . . . .	11,100 lb.

3. Treatment fees:

(1) There has not been a general increase in the gross slaughtering fees since August 17, 1966.

(2) In his criticism of the board's fees, Mr. McAnaney has apparently overlooked the fact that the net fees (that is, after allowances for fat and offals) vary with the fluctuations in market prices, particularly in respect of raw animal runners.

(3) The recent variation to which he refers was due to reduced returns from sucker lamb runners, which is usual at this time of the year and represented a reduction in the overall allowance for offals of .05c a pound and a corresponding increase in the net slaughtering fee for sheep and lambs from 2.51c to 2.56c a pound.

(4) The procedure for adjusting offal credit in keeping with market trends has been in existence since March 10, 1960.

(5) The need for the fixation of a minimum slaughtering fee was due to the large number of light-weight stock being submitted for slaughter and such minimum will apply to carcasses of a dressed weight of 17 lb. and under.

The extract from *Hansard* of August 31, 1967, in which Mr. McAnaney drew attention to his incorrect statement relating to abattoir fees, is acknowledged.

#### UNIVERSITY FEES

Mr. HUDSON: As the Minister of Education will no doubt be aware, academic salaries at universities have been increased from July 1 this year. I refer to the reported statements in this morning's *Advertiser* of the Commonwealth Minister for Education and Science (Senator Gorton), in which he suggests that a full investigation of the fee increases is necessary; that the effect of these increases is to increase the cost to the Commonwealth Government; and that it means that the State unfairly (so the report implies) is passing on to the Commonwealth Government the burden of some education expenditure. Can the Minister provide the House with any information in relation to this matter and distinguish clearly State and Commonwealth burdens with respect to education expenditure at universities and, in particular, with respect to the share borne by States and the Commonwealth of the costs of increased academic salaries? Will the Minister express an opinion as to whether or not he believes that Senator Gorton is shedding crocodile tears?

The SPEAKER: Order! Speaking from memory, I do not think that it is in order to ask a Minister to express an opinion. I shall leave that to the judgment of the Minister, and I assure him that I shall be listening to the answer.

The Hon. R. R. LOVEDAY: Naturally, I have read the report in the *Advertiser* of the statements alleged to have been made by Senator Gorton, and I have been struck by the fact that Senator Gorton is reported to have said that some way should be found to stabilize or bring down university fees, even if it caused some damage to a State Government's Budget. I should be interested to know whether the Opposition believes that the State Government's Budget should be damaged, by doing what Senator Gorton has suggested, in view of the facts that surround the question of academic salaries and students' fees. In order that the Opposition may be able better to express an opinion on the matter, I intend to give a few facts, because I think it is time that, when matters regarding the university are discussed by anybody, the whole picture should be shown and not just one facet of it. I believe that the comments by Senator Gorton go only part way; in one or two instances I think they certainly do not present the picture fairly in respect to South Australia.

I wish to point out that, with the exception of medicine, dentistry and physiotherapy, the average cost a year of ordinary degree courses

at Adelaide University for a full-time student taking a standard year's work, exclusive of matriculation fee and graduation fee for all other faculties, was at April 11, 1967, the lowest of all Australian universities. In medicine, the fee was lower than that at Monash and Melbourne Universities and slightly higher than that at all others. In dentistry, our fee was higher than that in Western Australia but lower than that in all other States. In physiotherapy, the South Australian fee was lower than that in Queensland but higher than that in Sydney. Although other Australian universities raised their fees last year, the South Australian Government refrained from doing so in order to assist students. This decision also assisted the Commonwealth Government in regard to the costs for which it would have been responsible through Commonwealth scholarships. I find it of interest that student university fees in South Australia were raised by the previous Government in 1960 by 30 per cent; in 1963 by 33 per cent; and in 1965, by 33 per cent. We intend to increase fees by 15 per cent to 20 per cent.

In order to compare the return from the increase in students' fees with the extra costs of increases in academic salaries, I should like to give the revised estimates in the light of the latest information. The cost of increases in academic salaries for the universities is expected to be about \$900,000 gross of which the Commonwealth will meet a little over \$300,000, and local sources almost \$600,000. This includes an estimate for the South Australian Institute of Technology toward which the Commonwealth Government's attitude is not yet known. There are submissions in respect of other salaries in addition to this, for example, technicians' salaries. When I had correspondence with Senator Gorton on the matter of academic salaries, I suggested that it was time that the Commonwealth Government came to the party on a \$1 for \$1 basis instead of a \$1 for \$1.85 basis, but I have had no reply to that submission. The increase in fees of 15 per cent for students at the university would bring in a little less than \$300,000 in a full year, that is, about half the local costs of the increased academic salaries. The Commonwealth Government approved of these academic salary increases and I believe it is in an advantageous position compared with the States in doing so. For example, the case was quoted in this House only a short time ago of a professor who would receive an increase in salary of \$1,600 of which the Commonwealth would have to find \$561. The professor

in question would pay tax of 55c in every dollar, the Commonwealth receiving back by way of taxation over \$800. Therefore, in approving an increase in academic salaries, as far as I can see the Commonwealth is likely to get back every bit of that increase by way of taxation.

The Hon. D. A. Dunstan: It took \$300 out of our Budget.

The Hon. R. R. LOVEDAY: Exactly. Of course, there would be some lower salaried academics than professors, but nevertheless I believe that the Commonwealth would receive back at least the whole amount in extra taxation as a consequence of approving increases in academic salaries. The Adelaide University intends to increase student fees overall by 15 per cent and the Flinders University intends an increase of about 18 per cent overall. However, the amount in which the Flinders University is involved is relatively small, and the overall increase is likely to be about 15 per cent. The Institute of Technology still has this matter under consideration. I notice that Senator Gorton is reported to have made the following statement:

Another even more significant factor is that at the present time if people cannot win Commonwealth scholarships they can be admitted to a university if they are of good enough calibre. But somebody who might have just missed winning a Commonwealth university scholarship might not be able to take advantage of being offered a place at a university because of his economic circumstances. And the more the fees go up the less chance they will have.

This Government realizes that fact and, under the assistance scheme to students in this category, we have approximately doubled the amount of assistance that was given by the previous Government. Therefore, we are aware of this situation and we are meeting it. Senator Gorton is also reported to have made the following statement:

When the sums are really worked out nowadays you find that the Commonwealth contribution is \$1—

(that is for current expenditure)—

and the State contribution is about \$1.25.

With all due respect to the Minister, I must differ with him because I have had an examination made of the position and I find that in South Australia the sharing of each \$2.85 provided for the universities and the Institute of Technology is as follows: for the Adelaide University, the State provides \$1.44 as a grant and by way of fees, 41c, and the Commonwealth makes a grant of \$1; for the Flinders

University, the State provides a grant of \$1.70, and 15c by way of fees, and the Commonwealth provides \$1; and for the Institute of Technology, the State provides a grant of \$1.49 and 36c by way of fees, and the Commonwealth provides a grant of \$1.

It was also stated that with regard to Commonwealth scholarships the Commonwealth pays more than half the fees. I find that about 40 per cent of the fees is met by the Commonwealth under the scholarship arrangements. Therefore, under those circumstances, South Australia comes out well in the whole picture of universities throughout Australia. Quite obviously this Government is doing everything possible to keep down students' fees at the universities and is providing the maximum assistance possible under the present financial circumstances. I believe it is essential that the Commonwealth should come to the party more than it has done in regard to tertiary education.

**Mr. MILLHOUSE:** My question arises from the comprehensive answer the Minister gave to the member for Glenelg about university finances and the contributions of State Governments and the Commonwealth Government. I thought I heard the Minister say that the State Government had doubled the sum given to assist students who needed financial assistance.

**Mr. Hudson:** Approximately.

**Mr. MILLHOUSE:** Approximately doubled. The question I should like to ask the Minister, as apparently he has all the facts and figures at his fingertips today, is how much the State Government allows for assistance and what proportion of students who will have to pay the increased fees are likely to qualify for that assistance.

**The Hon. R. R. LOVEDAY:** I cannot give the member the proportion of the students, but I can give him much other information on the subject. In doing so I shall be referring, of course, to the fees relief scheme, which was introduced by a previous Government in 1963. The relief at that time concerned full-time students who received no assistance in the payment of fees. Each application was considered on its merits in relation to the financial circumstances of the student and his parents. Relief was granted in either or both of these two forms: (i) demission of the increase in tuition and general service fees over the fees payable in 1962; and (ii) loan either of the increase or of a greater amount.

In 1965 the scheme was extended by the present Government by granting a concession of \$200 to full-time students from the country who had necessarily to reside in the metropolitan area in order to take their courses. Late in 1965, for application in 1966, the Government instituted a broader scheme under which eligibility was determined within a means test and continuation of assistance from year to year became subject to satisfactory academic progress. For the latter purpose the progress rules of the Commonwealth university scholarship scheme were adopted. The basis for calculating the assistance to be granted is the adjusted family income.

By "adjusted family income" is meant the gross income of the father and the mother (and in certain cases the income of the applicant also) for the previous financial year less \$300 for each child under 16 years of age and each full-time student child between the ages of 16 and 25, including the applicant. A student who is married or has reached the age of 25 years is treated as independent of his parents.

Assistance is granted in the form of a loan or of a combination of loan and grant. For metropolitan students maximum assistance is given when the adjusted family income is \$2,000 a year or less. As the adjusted family income increases above \$2,000 the fees concession decreases in direct proportion until no concession is given at an adjusted family income of \$4,400 or more. For students from the country a concession of \$200 is given when the adjusted family income is between \$4,400 and \$5,000. For an adjusted family income between \$5,001 and \$6,900 there is a proportionate reduction in the \$200. When the adjusted family income is less than \$4,400 a year the concession is \$200 on account of country home residence plus the proportion of the balance of his tuition and general service fees to which the student would have been entitled if his home residence had been in the metropolitan area.

The scheme applies automatically to full-time students at the Adelaide University, the Flinders University of South Australia and the Institute of Technology. While it is intended primarily for full-time students, applications from part-time students in specially difficult financial circumstances are considered on their merits. Compared with the previous scheme introduced in 1963, the present scheme has the effect of a further reduction in fees to those most in need, as indicated by the additional cost of the assistance given. The

amounts involved in the last three academic years have been \$35,084 in 1965, \$73,555 in 1966, and \$62,067 in 1967. The number of applicants has fallen from about 420 in 1966 to 350 in 1967. This fall, and the consequent reduction in the cost involved, is due, it is thought, to the larger number of Commonwealth technical scholarships made available in 1967.

**RIVER MURRAY COMMISSION**

The Hon. Sir THOMAS PLAYFORD: Can the Minister of Works say whether the River Murray Commission held a meeting last week and, if it did, what business it transacted?

The Hon. C. D. HUTCHENS: No meeting was held.

The Hon. Sir THOMAS PLAYFORD: Last week (I think on Friday) it was reported that the commission had decided that restrictions would apply this year and that certain allocations would be made in the three States concerned. If there was no meeting of the commission recently, can the Minister of Works say when that decision was made and how it was arrived at?

The Hon. C. D. HUTCHENS: I have the following letter dated September 1, 1967, and signed by Mr. G. L. Harrison (Executive Engineer of the River Murray Commission) regarding a decision made at an earlier meeting:

Pursuant to clause 1 of the River Murray Waters Agreement, the River Murray Commission has declared a period of restriction on the River Murray commencing on September 1, 1967. The commission has determined "the available water" from River Murray Commission sources for the period September 1, 1967, to April 30, 1968, at 1,263,000 acre feet, and the quantities available for use by each of the States are as follow: New South Wales, 486,000 acre feet; Victoria, 486,000 acre feet; and South Australia, 291,000 acre feet.

We think an error has occurred in that the last figure should be 297,000 acre feet, not 291,000 acre feet, and we are checking on that.

**HAY**

Mr. RODDA: A constituent of mine has told me that hay from other States has been found to contain skeleton weed. I do not know whether the Minister of Agriculture has made a statement about this matter. As farmers have paid for this hay and as I understand it must be confiscated, can the Minister say whether the farmers or the supplier of the hay must stand the cost?

The Hon. G. A. BYWATERS: True, I did make a statement. In fact, the Leader of the Opposition asked me about this being introduced in relation to Balaklava and suggested earlier that we might subsidize in relation to other fodder coming in. At that time I said I was afraid that skeleton weed could be brought in from New South Wales; it did come in to the Balaklava area in two bales of hay. We considered that we would be able to arrest this and my purpose was to acquaint people with the danger. At the time the fodder was inspected and advice was given to feed it either in troughs or in a concentrated area so that there would be no likelihood of spread and the weed would be arrested immediately. Apparently, what was found was not a live seed. However, the danger still exists. To my knowledge we have not up to date confiscated any hay. However, I think members would agree with my statement in the report that it would be our right and obligation to confiscate anything that could otherwise result in noxious weed being brought in. I think the matter of payment is one between the buyer and the seller.

**HOSPITAL BEDS**

Mr. McANANEY: Has the Premier, representing the Minister of Health, a reply to my question about hospital beds in South Australia?

The Hon. D. A. DUNSTAN: The following information has been obtained from *Health* (Volume 17, No. 2, June, 1967), the journal of the Commonwealth Department of Health:

Year	South Australia			Commonwealth		
	Public	Private	Total	Public	Private	Total
1964 . . . . .	3,945	1,935	5,880	57,258	12,039	69,297
1965 . . . . .	3,892	2,007	5,899	58,050	12,251	70,301
1966 . . . . .	4,031	2,014	6,045	59,143	12,162	71,305

It is not possible to obtain the details of the number of approved beds in 1963 but the Annual Report of the Commonwealth Director-General of Health for 1963-64 gives the total number of approved beds in public and private hospitals throughout the Commonwealth as 69,101.

**HIGHWAYS EXPENDITURE**

The Hon. G. G. PEARSON (on notice):

1. What amounts are to be expended by the Highways Department, during the year 1967-68, from—

- (a) State taxation other than road maintenance tax;
- (b) road maintenance tax;
- (c) Commonwealth sources?

2. What amounts have been allocated for this financial year for expenditure under each of the following headings:

- (a) New construction of highways by the department;
- (b) Debit orders to councils and corporations;
- (c) Grants to councils and corporations;
- (d) For bridges, lights and ancillary works;
- (e) For departmental buildings and depots other than the new head office;
- (f) For building additional accommodation at Walkerville;
- (g) For departmental plant and machinery;
- (h) For net amount of interest-free loans to councils and corporations?

3. What are the total allocations to each of the departmental districts for 1967-68?

4. What were the total allocations to each of the departmental districts for each of the years, 1964-65, 1965-66 and 1966-67, respectively?

The Hon. J. D. CORCORAN: The replies are as follows:

1. Amounts expected to be received for expenditure by the Highways Department from the following sources during 1967-68:

	\$
(a) State taxation . . . . .	12,010,000
(b) Roads maintenance tax . .	2,250,000
(c) Commonwealth Aid Roads Act . . . . .	18,320,000

2. Amounts allocated for expenditure during 1967-68:

	\$
(a) Departmental construction and reconstruction of roads . . . . .	9,431,000
(b) Grants for specific works to be carried out by councils on behalf of the department . . . . .	5,677,000
(c) Ordinary grants to councils including grant-in-aid . . .	3,870,000
(d) Construction of bridges, drainage, railway crossings, signs, etc. . . . .	2,703,000
(e) Departmental buildings and depots other than the Walkerville administration building . . . . .	467,000
(f) Walkerville administration building . . . . .	750,000
(g) Total amount provided for the purchase of plant and machinery . . . . .	3,180,080
(h) The amount of interest-free machinery loans . . . . .	400,000

3. Total allocations to each departmental district for 1967-68 for construction, maintenance and grants expenditure are as follows:

	\$
Central . . . . .	4,398,000
Eastern . . . . .	3,433,000
Metropolitan . . . . .	8,319,000
Northern . . . . .	5,279,000
South-eastern . . . . .	2,740,000
Western . . . . .	3,271,000

Total . . . . . \$27,440,000

4. Allocations to each departmental district for 1964-65, 1965-66 and 1966-67 for construction, maintenance and grants expenditure were as follows:

	1964-65	1965-66	1966-67
	\$	\$	\$
Central . . . . .	4,925,000	4,738,000	4,814,000
Eastern . . . . .	3,109,000	3,248,000	3,182,000
Metropolitan . . . . .	5,061,000	7,097,000	8,453,000
Northern . . . . .	3,756,000	3,874,000	4,191,000
South-eastern . . . . .	2,774,000	2,984,000	3,078,000
Western . . . . .	3,286,000	3,174,000	3,157,000
Totals . . . . .	\$22,911,000	\$25,115,000	\$26,875,000



## SEWERAGE ACT AMENDMENT BILL

The Hon. C. D. HUTCHENS (Minister of Works) obtained leave and introduced a Bill for an Act to amend the Sewerage Act, 1929-1966. Read a first time.

## THE BUDGET

The Estimates—Grand total, \$277,989,000.

In Committee of Supply.

(Continued from August 31. Page 1784.)

## THE LEGISLATURE

Legislative Council, \$41,011.

Mr. HALL (Leader of the Opposition): I think it was the Minister of Education who, during question time, asked the Opposition whether it desired to depress further the Government's financial position. I assure him that it is not our aim to do so: the Government itself has done a jolly good job in this direction, and finds itself, after three years, in real financial difficulties. I agree with the leading article in the *Advertiser* that described the Budget introduced by the Treasurer as essentially one of inaction. That is the best way to describe the present Government's activities in the financial field. It is the first Budget introduced by the new Treasurer, and I hope that it will be his last, and I mean that in the sense of his electoral success.

We should assess what has happened after three years of administration by a Socialist Government. This assessment is extremely important to primary and secondary industry, because these industries are interested in the future of South Australia, particularly concerning future investments and in the production that depends on our future population and trends. I am becoming annoyed at the Government's suggestion that every Opposition criticism is a criticism of the economy of this State. The Government has become too touchy, and is dishonest in its approach if it considers that every time the Opposition criticizes the Government it is criticizing the State. These are not synonymous, and the Government's attitude is a political ploy used to direct criticism from the Government.

When the Treasurer's action was criticized this afternoon he tried to turn it into an attack on the economy of the State instead of it being an attack on the Treasurer's political administration. This is what Sir Henry Bolte did on the *Four Corners* programme: he did not attack the economy of this State but said that he favoured constructing the Chowilla dam.

He attacked the political ability of the Treasurer, and that is a much different thing.

The Hon. B. H. Teusner: The *Advertiser* had something to say about the Treasurer's financial ability too.

Mr. HALL: Many people have had much to say about that, particularly concerning the past administration of this State. The Government has set out a knife and fork to eat the cake before it has baked the cake. It is disbursing future income that the Government does not have in ways that will not assist future production. This is a deficit Budget in more ways than one: it uses funds that will have to be replaced in the future, and it does nothing to inspire confidence. It is necessary for the Government to produce a confident attitude: it should approach industry with confidence and say that the State will provide an incentive for industry to increase production, to enable the work force to operate under proper economic conditions and to partake of the economic benefits available to the State. It is lack of confidence more than anything else that has depressed our economy, and the Government is entirely to blame for the present position facing it and the people of this State. What is the Government's record during its three years in office? We know it came into office three-quarters of the way through the Liberal Administration's last year, and it had surplus money on its hands. Yet within 12 months it had a deficit of \$8,250,000, having run down the State's financial resources by \$9,250,000 in one financial year. In its second financial year to June 30, 1967, we have seen a further reduction in the State's ability to invest in resources that would produce employment and goods, and the Government has had to resort during the last financial year to loading the Loan Account with extra burdens totalling \$7,000,000 which it did not have to meet before.

At the end of that year the Government claimed to have the Consolidated Revenue Account in surplus and to have a deficit of about \$1,200,000 in the Loan Account. This year we see a continuation of that type of financing. There will be an additional \$5,000,000 burden placed upon Loan Account, and there will be a total deficit of trust funds of about \$9,000,000. What has been the effect of this? By June 30, 1968, the trust funds will be down \$9,000,000 and will therefore stand to be repaid at some future time. We have seen placed on the Loan Account in the last two financial years an additional burden of \$12,000,000 which it had not previously had to

carry and the \$1,000,000 left to this Government in credit by the Playford Administration has completely disappeared.

How does the financial position in South Australia compare with that in other States? I believe it is important to compare a number of major items associated with growth and prosperity in respect of the date on which the Government came to office with the position today. The monthly average of persons receiving unemployment benefits in South Australia in 1964-65 was 782, or 5.9 per cent of the Australian total of 13,349, whereas in 1966-67 the number of persons receiving benefits in South Australia had risen to 3,150, or 15.1 per cent of the Australian total of 20,780. Let us not rely on only one item as an indication of South Australia's depression. The monthly average of new houses and flats approved in South Australia in 1964-65 was 1,028, or 10 per cent of the Australian total of 10,233, whereas in 1966-67 the monthly average in South Australia was 707, or 7 per cent of the Australian total of 10,078.

In 1965, 14,584 persons worked in the building industry, but by March, 1967, this number had fallen to 12,432. This is not a real indication of the drop in building employment, because persons engaged in the building industry work overtime in good times, whereas in poor times (such as we are going through today) they are on short time. The bare facts of the matter show a drop of one-fifth or 3,000 in the figures of those employed in the building industry.

The number of new vehicles registered in South Australia dropped from 10.2 per cent of the Australian total in 1965 to 9.4 per cent in the quarter ended March, 1967. The figures regarding cheque-paying accounts in Australia give an excellent indication of the health of the economic community. In 1964-65, South Australia had 7.3 per cent of the total Australian debits to customers' accounts, whereas in 1966-67 the figure had dropped to 6.9 per cent. Without doubt, from almost every economic angle one cares to investigate, South Australia has clearly deteriorated under the management of the present Government, to such an extent that employment, business turnover and future prospects are very much lower than they would have been had the Government been aware of its developmental responsibility when it assumed office. It is interesting to examine the Budget and to ascertain the growth of South Australia's economy, that is, that part of it that is affected by the Government's management. We find that the

Government's receipts will increase in this financial year by 5.87 per cent, that is, from \$258,000,000 to \$274,000,000. State taxation will increase by 4.7 per cent, and that figure includes the effects of the raising of last year's taxation at an intermediate period of the financial year.

Concerning public works and services, income will rise by 4.4 per cent; territorial receipts will fall by 3.7 per cent; and Commonwealth grants will increase by 8.8 per cent. But on examining the payments to be made in South Australia this year, we find that, although the growth rate in receipts has been 5.87 per cent, the expenditure is 7.4 per cent, an increase of \$19,272,000. This expenditure is made possible, of course, by the Government's going into deficit to the extent of almost \$4,000,000 and by loading on to Loan Account the responsibilities concerning the subsidizing of non-Government buildings. If those two expedients had not been availed of, and if the Budget had been accounted for normally, as in the past under the Liberal and Country League Administration, the payments would have grown this year by a mere 4 per cent, and that is the true comparison.

This is in direct contrast to the growth in Commonwealth revenue of 9.9 per cent. This Government has achieved a 7.4 per cent increase in payments this year by implementing two measures—measures that have eroded the ability of the State to develop. If one is to receive a true indication of the Government's financial management, one must consider the Loan and Budget Accounts together, because the Government has exchanged the responsibilities under these two accounts to such a degree that one must consider the effect on the Loan Account and on the State's development. There has been a great decrease in a number of important developmental items of State investment. We now see how the Budget was balanced last year and the effect on the State's development if this exchange of responsibilities is to continue. For instance, the Loan allocations to the Mines Department this year will be \$220,000, whereas in 1965-66 they amounted to \$303,000 and in 1966-67, \$161,000.

The vote for fishing havens, which has not yet recovered to anywhere near the degree of the \$105,000 average of the last eight years of the Playford Administration, stands today at \$80,000. The vote becomes especially weak when one considers the \$20,000 spent in this regard in the last financial year. We therefore find that, when considering the State's

investment programme, the balance of the Budget and the ability to increase payments by 7.4 per cent are achieved at the expense of development. The Treasurer says that he has arrived at the estimates without any diversion of borrowed money to finance the deficit and that his Budget continues the practice of switching Government subsidies to non-Government buildings to the Loan Account.

It is interesting to see what the Auditor-General has to say about this practice; he says that it is clearly desirable that the Government subsidies to non-Government buildings should be made from the Consolidated Revenue Account. Page 1 of the report states:

Because Loan payments require payments of interest and sinking funds for a period of up to 53 years it is desirable wherever finances permit to meet costs of non-revenue producing assets from consolidated revenue.

That is exactly what the Government is not doing today. The Treasurer supports the Budget by making a number of inaccurate statements, "mini-truths" as I call them. He has bolstered his case by diverting public attention from Government financing wherever possible. However, no amount of diversion can reduce the effect that this practice is having on revenue-producing items in South Australia. While considering Government investments, it is interesting to examine the connection on an important item under the Government's charge between investment and return: the receipts last year from the Mines Department totalled \$1,152,239, and this year's receipts are estimated to be \$1,082,000, a decrease of over \$70,000. Why are the State's returns from the Mines Department decreasing at this particular time? The answer lies in the Loan Account under which, as I have said, in 1965 \$303,000 was invested, \$161,000 in 1966, and \$220,000 is to be invested this year.

That is the obvious result of neglect on the part of the Government. Under the Budget, the Mines Department is to receive an overall increase in expenditure of .8 per cent but, more important, the investment in geological and geophysical surveys will be decreased by nearly \$40,000, or 11 per cent. That is why Mines Department receipts are falling. What is more, while the other States of Australia, from Tasmania to Western Australia, are making intensive and rewarding searches for minerals, we are simply lying down on the job and not trying. Future returns to the State and, indeed, to the whole of Australia are concerned with mineral exploration and exploitation. This Government is deliberately

turning its back on the minerals that are undoubtedly contained in a large area of South Australia. I refer to the trust funds that have been used (in the case of the Mines Department, one could say that these fees have been ineffectually used). The Treasurer has added to his reasons for using trust funds to bolster the Budget by saying that Victoria and New South Wales have used greater sums from trust funds than we have used. Although that is technically true, the inference from it is another mini-truth.

The Hon. G. G. Pearson: Figures I have obtained from New South Wales show that that State is in debt to trust account for about the same sum as we are.

Mr. HALL: I believe that. However, I have made a comparison with Victoria. The inference behind the mini-truth is that, when compared with Victoria, the amount of trust funds South Australia has used places it in a better position. However, nothing could be further from the truth. The fact is that Victoria has used 15 per cent of its trust funds by way of temporary deficits to bolster spending, whereas South Australia has used 30 per cent of its trust funds. This is even more serious because South Australia has suffered deterioration in production and commerce. The Treasurer has said that criticism by the Opposition is criticism of the public of South Australia. He has made other extravagant statements as he has refused to accept responsibility for his actions and those of his predecessor. I reject entirely the statement he made when he first assumed office that the troubles besetting South Australia were the result of the previous Administration of Sir Thomas Playford. I believe even the Treasurer's own followers know that that statement is nonsense of the highest order and that South Australia progressed over many years as a result of Sir Thomas's Administration. The Government should at least have the decency to acknowledge that fact and it should not try to fool the public; it should not talk about milk bar economies and try to blame the effect of its present decisions on Sir Thomas Playford.

The Treasurer has also made a number of extravagant statements regarding housing. Only recently he said that in future the Housing Trust would concentrate on providing low-cost housing for rental or purchase in appropriate areas. The trust has built fewer than 200 houses that would come within the category of low-cost houses. Considering that the trust has built altogether about 60,000 houses, that

is a low proportion indeed. Surely if the trust has built 200 houses that do come within the low-cost category, that does not entitle the Treasurer to imply that it has been building luxury houses all over South Australia. Obviously the trust has come in for some criticism. I wonder where the Treasurer stands in regard to the trust's future in this State. Referring to the trust, the Treasurer recently said, in effect, "We built houses at Elizabeth because the Commonwealth Government promised to build an ordnance factory in that area." He said that the reason for houses being vacant at Elizabeth was that the Commonwealth had failed to fulfil its promise in that direction. However, that statement has not stood up to investigation. In reply to a question, the Treasurer quoted from a report of the General Manager of the trust to the effect that no firm promise had been made to the trust by the Commonwealth about building an ordnance factory at Elizabeth and that the trust had had no details of a Commonwealth plan in relation to how many houses would be built. The report said that the trust built houses at Smithfield because Government services were available there. However, that did not deter the Treasurer from making a statement which appeared in the *Advertiser*. I cannot give the date.

Mr. Hudson: Don't worry about it.

Mr. HALL: Let the honourable member read the statements attributed to his Leader. This statement appeared under the heading "South Australian Government Gives Housing a \$21,000,000 Boost". Does the member for Glenelg think that is an honest statement? The public would infer from that that an additional sum of \$21,000,000 above and beyond ordinary expenditure was to be made available. Of course, that is not so: that sum represents an increase of only \$250,000 over the usual yearly expenditure under the Commonwealth-State Housing Agreement.

The Hon. B. H. Teusner: Is the Premier or the press liaison officer responsible for that statement?

Mr. HALL: I do not know who was irresponsible for it. The statement is as follows:

He was presenting his Loan Estimate programme for 1967 which is to total \$82,560,000. This is an increase of more than \$4,700,000, or about 6 per cent beyond South Australia's actual payments of \$77,800,000 in 1966-67. Mr. Dunstan said the spending that the South Australian Government planned on construction and financing of homes was not only a record for the State but involved a far greater

proportion of Loan funds for housing than was given by any other State. A total of \$21,000,000 has been allocated for housing.

What is that record expenditure achieving this year? It will enable progress work to be carried out for 4,661 units. One could ask why, although the Government is spending more, about 1,100 less units will be built. That question needs to be answered and yet no member opposite has endeavoured to answer it. Obviously the Government's policy is to spend more and to build fewer houses. In the publication *Inside*, the Housing Industry Association shows that it has been impressed by the Treasurer's statements. I hope that some day there will be some favourable result. So far we have seen only a retraction in the building target in South Australia.

Mr. Millhouse: He is mostly words and no action.

Mr. HALL: That may well be. As the *Advertiser* has said, this Budget defines a policy of inaction. It ill behoves the Treasurer to use the Commonwealth Government (as, for instance, in the ordnance factory episode) as a cause for the State Government's own inability to increase its housing programme, to properly site new houses and to properly stimulate the economy. The Housing Trust is unable to build as many houses this year as it built last year because, as the Auditor-General has stated, the trust at June 30 last had about 600 unsold houses. Goodness knows how many trust houses are about to be completed. Many millions of dollars that would otherwise be available to the trust for the continuation of its normal programme have been tied up in those unsold houses. It is a direct result of the failure of the Government to stimulate the economy and of the depressing effect the Government has had on the economy. Probably the most serious statement in the Budget speech is this one concerning rural production:

Fortunately, the winter rains, though sparse and contributing little to stored water supplies, have been reasonably widespread in area and favourably spaced in time, so that with normal spring rains a large proportion of the grain land and the developed pasture areas can look forward to production not seriously below average.

I know that we have entered into more forms of gambling in South Australia in the last year by way of the many reforms in that sphere, but that statement by the Premier represents gambling and a refusal to face facts. Unless significant rains fall on a large part of South Australia during this month, a widespread

failure of agricultural production will result and the Budget predictions in those aspects that depend upon the injection of money from the rural sector will not be realized. The Government is not facing facts at a time when it is applying to the Commonwealth Government for drought relief, when our reservoir holdings are low and when there is no reserve of subsoil moisture in much of the agricultural areas. Only fortuitous rains can produce anything like the prediction made by the Premier.

In addition, the Budget ignores the decline in wool prices, which probably has much more significance on South Australia in the long term than does what we hope will be a temporary period of drought. A decline of about 1c in wool value means a decline of \$2,000,000 in the funds coming to South Australia. A decline of 5c or 10c, as is taking place today, to a price of about 35c or 40c a pound for agricultural wool means the loss of many millions of dollars that would otherwise be available to the pastoral and mixed farming section of the community. A decline in wool prices and what could be a drastic drought could not occur at a worse time and they will seriously affect the Treasurer's predictions. It is strange that, despite this, the Treasurer continues to advocate the granting of an additional week's leave in the Public Service. It is obvious that policy comes first as far as the Government is concerned. Socialism, as expressed by the Government, will load the community with financial burdens, regardless of whether we are able to bear them. That is exactly what the Government is doing. Although I have used the word exactly, it is difficult to understand what the Treasurer meant when he spoke of the additional week's leave. He said:

No separate or specific calculation department by department has been made of additional costs for leave during the second half of this year, but each department has compiled its estimates having in mind the work loads expected for all purposes. The staffing allocations have been laid down by the Ministers responsible after examination of departmental submissions and in the light of policy and funds available. All departments will be required to make every reasonable effort to operate within the provisions now proposed.

Mr. Chairman, I should be grateful if you could tell me what that meant. I am sure you are as confused as I am about the meaning of that passage. Does it mean that this proposal will come into operation immediately, or in the middle of the year, or whether preparations are being made to put it into operation next year? I hope that the Government knows, but

it has not been made clear to the House. The Treasurer said in answer to a question that the additional leave could cost \$1,750,000 a year. I am not saying that to give better conditions to those in the Government service or to those in private industry is wrong when the State can afford to do so. However, South Australia is in poor health economically. We know that the other States in Australia, except one, have not this provision and I understand that the Commonwealth Government, to which the Treasurer is making appeals for assistance, does not have it. Yet, we are to set a higher standard, although we are in a poorer position.

Whether the additional leave costs \$1,000,000, \$2,000,000 or the \$1,750,000 stated by the Premier, the amount involved represents significant resources that will not be available for expenditure in other directions. The Government makes a choice between the demands made upon it and those things which it can fulfil. This Government has said that it cannot afford to bring the gas pipeline along the western route and thereby more easily supply gas to the ports on Spencer Gulf because the cost of doing that is \$1,600,000. However, it has said that it can afford up to \$1,750,000 to give another week's annual leave to the Public Service.

The Government has not yet installed a container terminal port. I know that finance is not the only problem, but it is an important one. The Government is not developing the fishing industry in this State, and those engaged in that industry know that loans that were available to purchase boats became unavailable when this Government assumed office. No investments have been made in fishing havens. Although the Government cannot do this, it can afford to grant an extra week's leave to public servants.

A deliberate attempt has been made to take money to be used in the developmental spheres of this State and put it into current expenditure. The Government frequently states that it cannot afford developmental works suggested by the Opposition, but it can afford the cost of a week's leave for public servants. In addition to its failure to develop the resources of this State the Government has relied on revenue from lotteries and the Totalizator Agency Board to relieve it of what has normally been its budgetary responsibilities. The Opposition expected the Government to use funds obtained from lotteries to relieve it of normal hospital expenditure for which it was responsible.

This year the Government has granted an additional \$7,000 only to be spent on hospitals, but the remaining expansion is to be financed by the accumulation in the Hospitals Fund. This practice is not bad, because the funds will assist the Government to meet its hospital responsibilities, but the Government is using the fund in the same way as though the profits from lotteries and T.A.B. were going to general revenue. What is the future for South Australia? We must expand the items on which our future development depends. Our transport system should be a free system. We should consider carefully containerization, and we should ensure that we do not accept advice from one quarter only about it.

The Hon. C. D. Hutchens: You are not suggesting that we are?

Mr. HALL: I emphasize that there is a possibility that we are.

The Hon. C. D. Hutchens: You are wrong: we have had many opinions on this matter.

Mr. HALL: I should like to know from whom we are receiving advice. Not all those engaged in the shipping industry believe that we are doing the proper thing. I am not accusing the Minister.

The Hon. C. D. Hutchens: The Commonwealth Senate Committee said many complimentary things about the position in South Australia.

Mr. HALL: The South Australian Parliament should look after the State's interests, and I think we are being taken for a ride on this question.

The Hon. C. D. Hutchens: Please explain.

Mr. HALL: We are putting containerization into the hands of one company.

The Hon. C. D. Hutchens: We are not.

Mr. HALL: We are to be served by one ship, which will bring the containers from Melbourne to Adelaide.

The Hon. C. D. Hutchens: More than one ship will come here and such ships will be from more than one company.

Mr. HALL: If we are to have a terminal port, I appreciate what the Minister has said.

The Hon. C. D. Hutchens: We are not to have a terminal port at present, but we will have more than one ship.

Mr. HALL: The position should be carefully assessed. We are to receive containers from Europe from one consortium. More than one industrialist has expressed fear that, psychologically, the minds of those people who may be thinking of investing in South Australia will be influenced if we do not have a terminal port.

The Hon. C. D. Hutchens: Every industrialist is represented on the committee that is considering this matter.

Mr. HALL: The committee is not unanimous.

The Hon. C. D. Hutchens: It has not indicated otherwise to me, and I receive copies of all minutes.

Mr. HALL: Some industrialists are concerned that we should have to depend on Melbourne as our terminal port. I should like more knowledge to be made available to the House on this important matter. I know that there has been a complaint that we are not actively planning a terminal port. The Government, by its attitude and decision on the route of the pipeline from Gidgealpa to the metropolitan area, has not taken the opportunities it had for decentralization. The Treasurer has said that natural gas will be available at Port Pirie or at Whyalla when it is wanted but, obviously, it will cost more to do this under the present plan. The Treasurer said that the direct route must be used because the Government could not afford an additional \$1,600,000.

Another problem affecting the State, as emphasized by the member for Flinders, is the insufficient quantity of wheat in the Adelaide Division to supply local industries depending on it. This is an acute problem and, because of the present season, will be acute for the next 18 months. South Australia has an export wheat industry depending on bagging bulk wheat, and there is an occasional flour market still dependent on obtaining wheat from the Adelaide Division. The difficulty for this industry (and hundreds of people are employed by it) is that if wheat is obtained outside the Adelaide Division a surcharge is placed on the price, thus making it impossible for industries depending on this wheat to compete. I am told that operations may shift to another State unless more wheat is made available in the Adelaide Division at a price that will enable industries dependent on it to offer their products overseas competitively. This is one of a number of instances to which this Government and this Parliament should give attention. South Australia is going through a competitive stage with other States. It is no secret in South Australia that there is a feeling abroad among certain industrialists that there is not sufficient incentive in this State for them to remain here. We as a Parliament must get at this problem. We must say that we want progress and that we will encourage factories and industries to set up

here, and we must give them a long-term incentive to do so. This is what the Budget should be saying, but it is not.

We have heard that craft industries will be one of the big factors that will save the South Australian economy. The public knows that this is turning our backs on reality. Industries today are built on mass production and industrial techniques. While we welcome and encourage any development of craft industries, we know this is not the saving point for South Australia. Only efficient large-scale agricultural and industrial production will help.

The Government will leave a record of unfulfilled promises in many directions, particularly in regard to the hospital system in South Australia. As yet, no financial provision has been made for building the two hospitals that the Government promised when it came into office. This Government will leave the State in deficit (if these predictions are accurate) with \$9,000,000 removed from trust funds, and the State will know full well that it has made a choice between development and current expenditure. In keeping its promise to provide a week's extra leave for public servants, the Government has made a deliberate choice between development on the one hand and the feeding of Government money into current expenditure on the other. The Government has made a deliberate policy choice and the people must choose accordingly. If they agree that the Government has taken the right action they will, at the next election, approve the Government's action by voting it into power again. We will then see a continuation of this type of financial policy. If the people do not agree, they can reject the Government; the choice is quite clear. This is a different type of financial administration from that which we have previously had, and it is not producing good results for the State. The people of this State must not be diverted by mini-truth about the \$21,000,000 boost to housing or by talk of craft industries being established from the essential facts of financial development. In regard to Government expenditure, the public must look closely at the Loan Estimates and the Revenue Estimates together. Taken in conjunction with the Loan Estimates, the Budget is an indictment of the Government's failure to invest in development for the future. It is having a practical effect at this time when we find that there is a definite lowering and depressing of developmental items. We cannot afford to continue

in this vein any longer. Knowing it is traditional to do so, I support the Budget, but with a heavy heart.

Mr. MILLHOUSE (Mitcham): Before I say anything about the Budget, I express my disgust that the Premier and Treasurer has been absent from this Chamber during the whole of the time the Leader of the Opposition has been making in his speech.

The Hon. B. H. Teusner: It is the first time I have known it to happen.

Mr. MILLHOUSE: It is the first time I have ever known such rank discourtesy and such bad manners from a Premier of this State. As I understand it, the debate on the first line of the Estimates is a debate on the general economic condition of this State. As the Premier is also the Treasurer, he is responsible for the State's economy, a responsibility he has not been slow to grab for himself. The Leader of the Opposition was leading the debate from this side of the House, and the least one would expect of the Treasurer is that he would be here to listen to his speech. We have become only too used to the arrogant self-confidence of the Treasurer, but I very much regret that he has not been in his place to listen to what has been said. At one time, even though several back-benchers were present, there was only one junior Minister on the front bench, and this is disgraceful. I hope that when we debate the lines the Ministers responsible for the various lines will be in their places to answer the various matters raised by members on both sides.

I support everything the Leader has said about this document. I remind you, Sir, that this is the third Budget this Government has presented—

Mr. McKee: You're a disgusting speaker. Even your Leader will not stop and listen to you.

Mr. MILLHOUSE: Although I have almost given up trying to help the member for Port Pirie, the unofficial Minister, the prompter of the front bench, even he may benefit from what I am about to say. I remind you, Sir, and other members of the Committee that this is the third Budget introduced since the Labor Party assumed office in this State, and it is the last Budget it will be introducing before the next general election. One normally expects a Party elected to office to fulfil the promises it makes in its policy speech. The Budget is traditionally the time in which those promises are placed before Parliament for its approval or otherwise.

When it first came into office, the Government said it proposed to spread the implementation of its policy over a period of three years, so one would have expected to see in this Budget the final instalment of the promises contained in the policy speech delivered by the present Minister of Social Welfare. I remind honourable members that that honourable gentleman in his policy speech said, "We promise only that which can be fulfilled," but what do we find? If one goes through that celebrated document one finds that there are dozens of undertakings that have not been fulfilled by the present Government or by the Government led by the member for Edwardstown until the end of May this year. Let us listen to some of the things which have not been done but which he specifically said in his policy speech would be done. First, he said that the Labor Government would honour all the points of policy put before the people by the former Treasurer (Sir Thomas Playford). He referred in particular in his policy speech to extensions to the Queen Elizabeth Hospital, a new industry at Port Pirie (and I am sorry that the member for that district is not here at present), extra concessions for school travel and boarding allowances and the expansion of housing loans redemptions. Those were items in the L.C.L. policy. What else did we get from the honourable gentleman when he said, "We promise only that which can be fulfilled"? He referred to a general hospital of 500 beds at Tea Tree Gully (and I am glad to see that the member for that district is here; she must be disappointed that she has not been able to prevail on her Government to get any action in this regard); referring to a teaching hospital of 800 beds for the south-western districts, he said that it had to be built without delay; and, referring to mental hospitals in this State, he made three points.

This was the last real chance the Government had to fulfil its promises in the three-year term. These are the things mentioned under mental hospitals: Government infirmary accommodation would be increased; the Labor Government would subsidize small cottage district infirmaries; and it would speed up the rehousing of patients in modern buildings. What was said about railways in that speech? Passenger services of this State would be completely overhauled and the railways would be made to earn at least another \$2,000,000 a year, and even more in the third year. I point out that we are into the third year. The former Treasurer promised free books for

schoolchildren; he promised the replacement of the present dual system of high schools; he said that superannuation would be completely overhauled; and now I mention a matter that was raised in Question Time the other day: he made a great point, as did the Party (and the member for Glenelg was pushed on to television and billed as a lecturer in economics) about amalgamating the two State-owned banking institutions, the Savings Bank of South Australia and the State Bank.

This was one of the more prominent planks in the platform. The former Treasurer said (and I fail to understand quite what he meant) that he would reinvest Commonwealth and interstate Loan investments in our own guaranteed Government undertakings. He also said (and this is ironical in view of the 245 houses in the Elizabeth area that are now empty) that the Labor Government would speed up the erection of \$100-deposit houses; he said there would be free parking near railways and, referring to decentralization, he said that a land utilization council would be set up to co-ordinate the resources of the State and that it would be a special organization under the control of a Minister.

The Hon. B. H. Teusner: I think something was said about keeping railway fares down.

Mr. MILLHOUSE: There were lots of things like that, but I deliberately have not bothered to mention everything. I know that the member for Edwardstown (the Minister of Social Welfare) feels pretty carefree now as his time runs out but, even though he may not have to worry about these things, we do. As I said in opening, this is the third Budget to be presented by the Labor Government and the last opportunity the Government has to put its rotten policy into effect, and yet all those things to which I have referred have gone by the board; we have not had any of them. What did the present Treasurer, in ignoring all those things, say when explaining the Budget? To me, the most significant point he made (and it was in my view a wildly optimistic statement) was that there was clear evidence of a significant upswing in activity in this State. I wish to goodness this were the fact but, as I have said, in my view this was a wildly over-optimistic assessment that was made simply for the purposes of political propaganda.

I will grant the Treasurer and members of the Government Party that some improvements or signs of improvement have occurred in the South Australian economy in the last few



months; for example, overtime working in factories in June was above that in the June of the previous two years, and this was a matter to which the Treasurer referred with alacrity a few weeks ago. There has also been an increase in non-residential building approvals in this State, but these things are mere straws and I cannot find any other evidence of an improvement in this State's economy. The sad fact is that the economy of the rest of Australia is in a pretty good condition at present, whereas South Australia is unfortunately the only soft spot. I see the Minister of Works smiling when I say that.

The Hon. C. D. Hutchens: Better to be smiling than crying like you.

Mr. MILLHOUSE: The Minister should be crying because he is one who is responsible for the mess into which South Australia has fallen since the present Government came into office and it ill behoves him to smile at something as serious as this which has caused so much hardship to so many people in the State. Let us see the contrast between the economy in this State and the economy of Australia as a whole. I shall quote just a couple of paragraphs in the Budget speech of the Commonwealth Treasurer in this regard.

Mr. Hudson: That's a reliable source!

Mr. MILLHOUSE: I assure the honourable member, who sneers, that I will give him something else in a moment that is not contained in the speech of a member of any Government or political Party. The Commonwealth Treasurer said:

The year 1966-67 was one of strong and varied growth—

heavens, I wish we could say that about South Australia—

On the demand side, public authority expenditure led the way. With a much better season, rural output and incomes both increased notably. Consumer spending, comprising normally about three-fifths of all expenditure, also revived. While building and construction for commerce and industry and private spending on plant and machinery tended to fall away, there was a considerable lift in dwelling construction.

The Treasurer goes on later in the same optimistic vein:

As I now see the prospect, we can expect another good year.

Because the member for Glenelg, that well-known economist, sneered at what the Commonwealth Treasurer said, let me quote from another publication to the same effect. This is a publication put out under the authority of

the Commonwealth Government entitled the *Australian Economy 1967*—

Mr. Langley: Unbiased!

Mr. MILLHOUSE: I shall quote a few statistics in a moment, and we shall see whether the member for Glenelg or his henchman, the member for Unley, is prepared to say whether the statistics I quote are biased or not. This document states:

Over the year now ending, and especially over the past six months, output and sales in Australia have gathered pace again after the slowing tendency of the previous year.

Dealing particularly with the year 1966-67, the document continues:

As things have turned out, demand and output have both grown—and at a much faster pace—

that is, than was anticipated—

So far as trends to date can be read, gross national product at current prices for 1966-67 could approach a level not much short of 10 per cent above that of 1965-66. At that, the outcome for the year in terms of constant prices should compare well with results achieved in the years before 1965-66. At any rate, whatever it eventually proves to be, much of the leeway lost in 1965-66 will certainly have been regained.

That is the outlook in the Commonwealth sphere regarding the Australian economy as a whole. Yet in South Australia the position is different.

Let me, as I promised to do, give some statistics which I do not think anyone can say are biased or challengeable. In 1966, in South Australia the motor vehicle registrations totalled 35,000, which was a drop of 14 per cent on figures in 1965. For Australia as a whole, there was a drop of only 6 per cent. Even more recent figures for South Australia for the three months ended July, 1967, show that there was a drop of 2.4 per cent over the corresponding period. For Australia as a whole, there was a rise of 10.5 per cent.

Motor vehicle registrations has been one of the matters to which the Treasurer has referred. He has often said that one of the ways in which the Commonwealth Government could help the economy of South Australia would be to reduce sales tax on motor vehicles. He shed some crocodile tears when that particular form of taxation was not reduced in the Commonwealth Budget. Why does he not live up to what he says? May I remind members of the Committee that in South Australia there is a stamp duty upon registration and transfer of motor vehicles which yielded, according to the statement of the Treasurer, for the year ended June 30, 1967, \$1,722,910

in this State. If my memory serves me correctly, I believe that that duty was imposed first in October, 1964, and that at that time it was opposed by the present Government Party.

The Hon. Sir Thomas Playford: It was only 1 per cent then.

Mr. MILLHOUSE: I think it is higher now.

The Hon. Sir Thomas Playford: Yes, it is 2 per cent.

Mr. MILLHOUSE: The present Government has had deputations on this matter asking that this form of taxation be taken away because it is having an adverse effect on motor vehicle registrations in this State. The Royal Automobile Association of South Australia Incorporated was represented on a deputation about this matter, and in its official publication, dated January, 1967, it states:

The failure of the R.A.A.-organized deputation this year to secure the repeal or a significant reduction of the savage State stamp duty on motor vehicle transfers and new registrations . . .

If the Treasurer were genuine in his desire to do something to help the motor vehicle industry in Australia (an industry that has suffered more in South Australia than in any other State, as the statistics that I have quoted show), why did he not do something himself to encourage sales of motor vehicles here in a way that was under his control and in which he was asked to act, and in which his predecessor was asked to act, by the R.A.A. and other interests in South Australia? If there were any genuine desire by the honourable gentleman to help in this way our economy, then the opportunity was there for him to take, yet he did not do a jolly thing about it nor did he refer to it in his Budget speech. However, motor vehicle registrations are sicker in South Australia than in any other State.

In 1965, in South Australia dwelling commencements fell by 11.4 per cent, and in Australia as a whole they fell by 2.3 per cent. In 1966, in South Australia they fell again by 10.1 per cent but in Australia there was a slight rise. In the March quarter of 1967, commencements in this State were down by 24.5 per cent but in Australia there was a rise of 15.5 per cent. When the Treasurer came into office he made great play of what he was going to do to help the building industry in this State. On June 8, he said that he must increase the State's activity in encouraging building in the private sector and to this end he was holding interviews with building industry leaders. He said

that he hoped to have some good news shortly. He has been asked about that several times in the three months since then, but there is no significant improvement in the building industry in South Australia.

Mr. Langley: People are coming back here from New South Wales to work.

Mr. MILLHOUSE: It is interesting to hear the member for Unley chip in in that way. Let me tell him of one experience I had over the weekend, if he cares to listen.

Mr. Langley: I'll listen.

Mr. MILLHOUSE: Good. At the request of the Leader of the Opposition, last Saturday afternoon I called on a carpenter living in the hills, but in another district than mine. Incidentally, he complained about his union, but that is not relevant to what I am saying now. I found out from him that for two years he had been going to New South Wales to get work. He told me that there is a demand for carpenters in New South Wales. I said to him, "But hasn't your union said it has jobs on its books now for carpenters?" His reply was that there were four carpenters living near him, three of whom were out of work. The member for Unley says that people are coming back here for work.

Mr. Langley: I don't think that what that man said was true.

Mr. MILLHOUSE: That man is going to New South Wales again tomorrow to get work for himself: he will leave his wife and two children in South Australia while he goes to live in New South Wales, because that is the only place in which he can get a job as a carpenter; yet the member for Unley has the gall to say that people are coming back here. I have quoted an actual case.

Mr. Coumbe: Who drove the people away in the first place?

Mr. MILLHOUSE: I gave that specific instance to the member for Unley as a result of his interjection. Is he not satisfied when I give him an actual case to show what is happening here in South Australia now?

Mr. Langley: It isn't happening.

The Hon. C. D. Hutchens: One swallow doesn't make a summer.

Mr. MILLHOUSE: So says the sapient Minister of Works. Let me tell him of 385 swallows if he is so interested in this. At the end of July this year, 385 skilled building and construction workers were registered for employment in South Australia with the Commonwealth Employment Service, but there were

only 95 vacancies for tradesmen of that type in South Australia. Does the Minister challenge my figures?

The Hon. C. D. Hutchens: You are only substantiating what has been said: there has been a fillip to the industry and contractors cannot get carpenters.

Mr. MILLHOUSE: Yet there are 385 registered for work and 95 vacancies. I shall give the Minister contrasting figures for the rest of Australia which show that there are 1,513 applicants and 1,049 vacancies—a rather better ratio than we have in South Australia. Yet members opposite say that things are looking up in this State. Regrettably, they are not.

The Hon. C. D. Hutchens: The views of knockers!

Mr. MILLHOUSE: The honourable gentleman says that they are the views of knockers, and this has been one of the ploys of the Government, especially of the Leader of the Government, to deflect attention from the inactivities in the State. With incredible impudence and with the most extraordinary presumption, the Government is now identifying itself with the State and saying that every criticism made of the Government is criticism of the State. I am surprised to hear the Minister of Works take this cue. I know that such a ploy rather better befits the Treasurer, with his overweening self-confidence. When one hears of this identification of the Government with the State, one thinks of the words of the Sun King, Louis XIV of France: "L'etat, c'est moi." That is the sort of thing we are apparently getting to in South Australia. The Government, in trying to deflect criticism, apparently, says that any criticism of it is criticism of the State. That is arrant and rank nonsense.

The Hon. C. D. Hutchens: You are pretty good at it.

Mr. MILLHOUSE: We are criticizing the Government because of the mess it has made in South Australia since it came into office two or three years ago. That is the criticism we make of members opposite. I have given statistics regarding motor vehicles and houses and I could give more if honourable gentlemen opposite needed them. Let us look now not at statistics supplied from elsewhere but at the Treasurer's speech, which is littered with references to the state of the South Australian economy. Surely nobody could say that these statements were biased. On page 6 of the speech he said:

The volume of business of practically all kinds failed to achieve estimate, a reflection of the general lack of life in the economy last

year . . . . For business undertakings the main shortfall was in cash receipts of the Railways Department.

Does that not show that business is slack in this State, when the Railways Department does not get up to their estimates? The Treasurer also said:

Receipts from the operation of the services of the Marine and Harbors Department were \$224,000 below estimate as the volume of business was less than expected.

The Hon. B. H. Teusner: The charges went up by 25 per cent.

Mr. MILLHOUSE: Despite all the attacks made by the present Government on the Commonwealth, the Treasurer said in the next paragraph:

The increase above estimate of \$1,380,000 in Commonwealth general purpose grants may best be explained in two parts.

On page 9 (and I do not know which Minister is responsible for this; Agriculture, I think, one of the junior Ministers) there is a reference to the Woods and Forests Department.

Mr. Langley: You're the junior.

Mr. Casey: He's going to choose his own Cabinet.

Mr. MILLHOUSE: The Treasurer said this about the Woods and Forests Department:

For the Woods and Forests Department the annual contribution to Revenue Account is to be maintained at \$1,440,000. The problem arising from slow timber sales at the moment is one of reduced cash availability rather than less profitable operation.

He goes on to say:

The temporary difficulty in selling stocks now on hand—

That is another indication of the state of the South Australian economy, because this timber is used in the building industry. There are many examples, but I shall take only one more. Let us think finally of the distressing situation at Elizabeth, in the District of Gawler. The Government's figures show that 245 rental-purchase houses there are empty at present. There is a total investment of \$1,775,000 in those houses and we are paying interest at 4½ per cent on that money. I have mentioned these figures to a friend who has nothing to do with politics: I know him through the Army. He said, "Yes, they are Housing Trust houses, but I could tell you of just as many privately-owned houses that are also empty." Do not let us kid ourselves that these are the only houses vacant, for many houses are not yet completed.

Mr. Hall: The Auditor-General says there are 625.

Mr. MILLHOUSE: They would fall into this category, too. Surely these are four sufficiently serious indications of the situation in South Australia: motor vehicles, building, the speech itself, and the housing situation at Elizabeth, which was to be (and it was for some years) the pride and joy of this State, an area that was to develop industrially. That is the situation in South Australia, in stark contrast to the position in the rest of the Commonwealth. There are many reasons for this position and I should be the last to lay all the blame at the door of the present Government. There are other reasons for the trouble. Much investment in Australia is going into development, but there is very little investment in development in this State. Financial papers show what is going on elsewhere, not here.

Mr. McKee: How much is going into defence?

Mr. MILLHOUSE: We are dependent (and the Treasurer clutches at this one all the time) on the consumer durable market. We have Chrysler Australia Limited and General-Motors-Holden's. Their share of the market has not been maintained in the past few months but we hope that their position will improve when new models are brought out. These things are not the responsibility of the Government, but there are two things that are. First, there is the Government's own ineptitude in office and the lack of control of spending, which was particularly noticeable in the Government's first year of office. We know that it came into office determined to improve social services and so on in South Australia, and hang the cost. That is what it did, until we were in trouble. It forced costs up in this State to such an extent that to compete on markets in other States is now extremely difficult for South Australia. I hope that no member will try to deny it.

I have one gem of an example that would be, because of some of the things in it, funny if it were not so sad. Last Saturday morning there was on page 3 of the *Advertiser* (and no doubt by courtesy of the Treasurer's Public Relations Officer) a news item headed "South Australian company wins big contract." We find that this is a contract for 52 buildings to house equipment for the north-east micro-wave station between Northam and Port Pirie. The Treasurer rightly congratulated the company that secured the contract and went on to give the details. He concluded by saying that it was a further indication of the ability of South

Australian industry to compete with counterparts throughout Australia. What the honourable gentleman did not say was that a South Australian company had tendered for the building of the micro-wave link itself, the big contract, not just the tender to provide buildings for the men putting the thing up. However, the company lost that tender because it could not compete in respect of cost with a General Electric group that got the contract. This was not said by the Government, but we caught the sprat and lost the mackerel.

There is no secrecy about this, because it was well known at the time. The Telecommunication Company of Australia put in a tender for these buildings. T.C.A. is an offshoot of Philips although it is run independently and makes a practice of obtaining all its material locally, so it is a South Australian company. It tendered for the micro-wave link job, one of the biggest tenders let by the Postmaster-General's Department, but lost it because it could not compete with a company that had not previously operated in South Australia.

Yet the Treasurer has the gall, when inspecting the buildings to be used by the successful tenderer, to say that it was a further indication of the ability of South Australian industry to compete with its counterparts throughout Australia. That is utterly hollow, because the honourable gentleman must have known that a South Australian company lost the big tender.

Mr. McKee: You're only jealous.

Mr. MILLHOUSE: If I were in the Treasurer's position I would not be jealous. I would seek facts and not try to mislead the people of this State into believing that things were better than they are.

The third reason why I say the present Government is inept has been covered admirably by the Leader: the diversion of Loan moneys to revenue and back again, instead of using Loan moneys for developmental works to create employment in this State. The ineptitude of the Government is one thing that has brought about the present state of affairs, and the other is (and they cannot be held wholly responsible—they are made that way) that they are Socialists. There has been a loss of confidence in this State since the Labor Party came into office. It is impossible for a Socialist Government, which believes in destroying private enterprise, to obtain the confidence of private enterprise, yet private enterprise has always been the mainstay of this State. To say a Socialist Government should

obtain the confidence of private enterprise is a contradiction in terms, because it cannot be done. This is the root trouble with the present Government.

Mr. Langley: What about 1961?

Mr. MILLHOUSE: I refer the member for Unley to the speech made in the Budget debate in that year by the present Treasurer. At that time he advocated increasing State taxation, and spoke about the wealthy people (whoever they may be) who could pay more.

The Hon. Sir Thomas Playford: There was going to be a purchase tax.

Mr. MILLHOUSE: We were going to have expenditure tax and all sorts of taxes, because the wealthy people in this State were not taxed heavily enough, yet now Government members say that it is possible for a man who said that to gain the confidence of private enterprise. Because of the present position in South Australia the Treasurer is prepared to lay the blame anywhere but on the Government's doorstep. Since he came into office we have seen a remarkable propaganda programme (at public expense) to lay the blame anywhere but where it should be. The Commonwealth Government is to blame; the Legislative Council is to blame; the previous Government is to blame; Sir Thomas Playford has been blamed, and even the Opposition has been blamed for what is going on.

Mr. Shannon: What about the drought in New South Wales?

Mr. MILLHOUSE: That has been worked to death, too; although that State has recovered from it the drought is still being used as an excuse in this State. Despite the present propaganda drive (which I greatly admire, because it is a remarkable drive), I am sure that the people of South Australia have sufficient common sense not to be taken in by it. The Treasurer blamed the Commonwealth Government for the position of Elizabeth housing, because the ordnance factory had not been built at Elizabeth. The facts do not support what the Treasurer said. Questions were asked in the Federal Parliament and the Hon. Malcolm Fraser (Minister for the Army) in answering them, said—

Mr. Clark: He would be completely unbiased!

Mr. MILLHOUSE: He is completely factual, which is more than we can say for the Treasurer of this State.

Mr. Clark: Are you doubting the honesty of the General Manager of the Housing Trust?

Mr. MILLHOUSE: The Treasurer tried to hide behind Mr. Ramsay's good name. I shall not go into the fact that no definite undertaking had been given. We all knew that.

Mr. Clark: They have been putting it off for 20 years.

Mr. MILLHOUSE: In answer to a question from my Federal colleague, the member for Boothby, Mr. Fraser said:

About 44 members of the Regular Army would work at an ordnance depot of the size we would establish there and about 53 civilians. This would not be a net addition to employment in the Army in the Adelaide and Elizabeth areas; it would be a transfer of those already employed in the ordnance areas in the centre of Adelaide. I would imagine that a number of civilians who have been settled in Adelaide for some time would want to maintain their existing homes and would not want to transfer to Elizabeth. We believe there would be a request for about 20 or 25 homes at the most if and when the ordnance depot is completed and even that number could be reduced to some extent because Adelaide is one of the few areas where there is not a shortage of Army houses. Members may prefer to live in the city and commute to Elizabeth.

Mr. Freebairn: How many vacant houses were there?

Mr. MILLHOUSE: The figure given was 245, but only 20 or 25 houses were needed for people working at the depot. Yet the Treasurer had the gall to use this as an excuse for the housing situation at Elizabeth. When I asked him for details of the ordnance project the next day, he did not even know what they were and told me that he would have to obtain that information. Yet this was a matter that he said he had taken up with the Prime Minister direct.

The Hon. G. G. Pearson: I asked him the same day, but he could not answer.

Mr. MILLHOUSE: He did not know, yet he tries to use this as an excuse for the parlous situation in which we find ourselves. Whatever else the Treasurer is he is not unintelligent, and I cannot believe that he did not know the real situation concerning the ordnance depot and that it could not possibly clear up the housing situation at Elizabeth. The Treasurer's statement on the ordnance depot was a good one had it not been inquired into, but when one makes even a superficial inquiry one sees that it was not accurate.

The Legislative Council has been blamed for many things in this State, one of them being that the Government was not able to increase succession duties. The irony of it is that at page 8 of the Budget speech we read

that succession duties last year were considerably above the estimate. Last year's receipts were almost \$1,200,000 above those for the previous year and \$573,000 above the estimates made 12 months ago. The Legislative Council has been blamed for starving the Government of funds because it would not pass the Succession Duties Bill, yet the Government received over \$500,000 more in succession duties than it budgeted for. The previous Government has been blamed for many things, although the present Government has been in office for 2½ years.

It was in that respect that, for the first weeks after the present Treasurer came into office, he personally attacked Sir Thomas Playford by trying to make Sir Thomas personally responsible for what had gone on in this State. It is noteworthy that he has stopped doing that since his advisers told him of the adverse reaction caused by his personal attacks on Sir Thomas, a man who has done more for this State than has any other individual. He soon gave that away, and has not made any personal attacks on Sir Thomas Playford in the last couple of months. This is a rather significant straw in the wind, too.

The Opposition is another favourite whipping boy for the Government. We are said to be wasting the time of this House and to be knocking the State for our own political advantage (I have already referred to the latter). I have also referred to the announcement which the Treasurer made: that he would put the building industry right and that it was necessary to do this. Of course, he ignored altogether the fact that the Government of his predecessor (of which he was a member) had allowed the State to get into the mess which he implicitly acknowledged, by saying that action had to be taken to improve the health of the economy of this State. Despite his promises, however, he has done little to help the building industry of this State. Conditions are practically the same as they were when he assumed office, and there is very little hope indeed of any improvement in the next few months. As I said during the Leader's speech, the Treasurer is mainly words and very little action, and the people of this State are waking up to this fact.

In conclusion, I remind members that socialism and prosperity just do not mix, and we have had that experience in South Australia in the last two years. I am afraid there will be no real improvement in the economy of South Australia unless there is a change of Government, until

we get back to common sense in State financing, until we learn that we must cut our coat to suit the cloth, until we start to concentrate again on the development of the resources of this State, and until we try to regain the cost advantage that was so carefully and painstakingly built up by the Playford Government over the years. Above all, we will not get an improvement until there is a government with a political outlook sympathetic to private enterprise, on which the economy of this State depends. Only when the confidence of private enterprise is restored will conditions in South Australia improve. The only good thing I can say about these Estimates is that I expect confidently that there will be a change of Government in South Australia during the period we are now considering.

Mr. McANANEY (Stirling): I support, as a matter of course, the first line of the Estimates, although I should like to vote against it. It is not a healthy situation when we have to budget for a deficit to the extent we have, when we have already diverted normal Budget expenditure from the Loan Account. My two colleagues who have already spoken have covered most of the ground and subdued Government members into silence. They have hit members opposite where it really hurts.

I will deal with an article that appeared in the *Australian*, in which the Treasurer talks of his Government's plans for the future. The article commences by stressing the youthfulness of the Treasurer, saying it was a good thing that a representative of the South Australian Government with him was dressed in slacks, knickers, an open-necked shirt, and a jumper. Such attire does not seem to typify all the youth of today. I have often praised what I consider to be the sterling qualities of the modern generation; our younger people stand on their own feet and are independent. However, from what we have seen of the Treasurer, his characteristics are just the opposite: he has not been prepared to take firm action; he has criticized many people with whom he has come into contact; and he has not the vision for the future that is necessary in a leader. Only a fortnight ago when speaking about immigration, the Treasurer criticized the Commonwealth Government for sending immigrants to South Australia, saying that we had unemployment in this State. But is that not the basic problem confronting South Australia at the moment?

Our rate of increased population was previously second only to that of Victoria and, subsequently, Western Australia. It has been

proved over the years that with a rapid population growth a community prospers. For the five years prior to the taking of the last census, our average increase in population was 2.51 per cent a year, which included people immigrating to this State, enlarging our work force and increasing the demand for our goods. However, because of a lack of confidence that has been created by the Government, our rate of population increase has fallen to 1.68 per cent. A man such as our former Leader (Hon. Sir Thomas Playford) would be doing everything possible to attract more immigrants and to increase our work force, in order to get things going again. He would have the practical common sense that is so lacking now from the Government benches.

Had the situation of the unoccupied houses at Elizabeth occurred in the time of the member for Gumeracha, when the Government would have been receiving no revenue in the way of deposits, etc., money would have been diverted into the building of houses where a demand existed. The State Bank and Savings Bank have waiting lists of people wishing to build houses according to their individual tastes, and our former Leader would have ensured that sufficient money was set aside and spent on building houses that could, in fact, be sold. Deposits would have been received and the building industry would have progressed. When recently talking to the manager of a Canadian housing organization about the affairs of our Housing Trust, I was informed that his job was to see that the State's building industry flourished and that money, which might previously have been allocated for State purposes, should be diverted to private industry or wherever it was necessary.

That is how a progressive building programme is achieved, but it cannot be achieved in the present rut in which we find ourselves, and in which there is no flexibility. The Leader today referred to "mini-truths" but the statements that have been made about education over the 10 years from 1958 (during which the Liberal Government allegedly spent consistently less on education than the sum spent by any other State, although the rate of student intake was greater) are what I would call whoppers and a complete distortion of the truth. The *Australian*, quoting the Treasurer, states:

Now we have righted these things but we have done them in such a way that we have been able to maintain South Australia's cost advantage over other States.

One has only to point to the rising costs that have occurred over the last two years to realize

that what cost advantage we had is rapidly disappearing if, in fact, it has not already disappeared. The new Chairman of the Chamber of Commerce said only last week that we must get back to the stage where we have that cost advantage. However, once the horse has been let out of the stable it will be difficult to achieve that, particularly when the Government is so busily taking action that can only increase the costs of production. Everyone believes that four weeks' annual leave is a good idea. However, as a recent Gallup poll showed, the people want a prosperous State with full employment and better education facilities and hospital accommodation; extended holidays and other handouts were at the bottom of that list. Over the last two years, the average weekly wage in South Australia has dropped \$2.30 compared with the Australian average and, if this is an example of living better with Labor, I do not like it.

The article also states that the Treasurer believed the situation was recovering, but recovering slowly. He is reported to have said that there was still some room for the Commonwealth to stimulate Eastern States markets for the benefit of those States and for the benefit of South Australia as an exporter to those larger markets. Previous speakers have illustrated that the demand in other States has increased. Over the last few months, car sales in other States have reached an almost record high. Because of the housing boom in other States, the demand for household goods has increased, the production of refrigerators having increased by 10 per cent in a short time. Following the drought last year, the wheat harvest in New South Wales was large, resulting in increased demand for goods in that State. It is surprising that last year the Government blamed a drop of revenue in this State on the poor harvest when in that year we had about the third-highest harvest we have had. However, now that the State is on the verge of the worst drought it has experienced (although things could change overnight), not one word about its affect on State finances has been spoken by Government members.

Members opposite are quiet about the drought because they have not faced up to the responsibilities that a Government should face up to when drought conditions are apparent. The Governments of New South Wales and Victoria made large concessions towards railway freight rates when those States experienced conditions similar to those we are experiencing now. In time of drought, the Queensland

Government provided about \$156,000 as a concession for freight rates. However, this Government has not done anything as yet except to introduce a Bill to provide for lending existing funds to primary producers at bank interest rates. Therefore, Government members feel guilty about not doing in this State what Liberal Governments have done in similar circumstances in other States.

The article states that the Treasurer emphasized that an Industrial Development Department had been created and that research officers would be appointed. In South Australia much research is carried out at the Adelaide University where a large proportion of the total expenditure is devoted entirely to research. In fact, over the years more research work has been carried out at the Adelaide University proportionately than at any other university. The State Library has contact with every library in the world, so that industrialists or others inquiring about something that has happened in another part of the world may be supplied with particulars within a matter of hours. Research work is also carried out by private industry, which should bear the responsibility for such work. We congratulate the Treasurer on the establishment of this department but, up to a point, its work will be duplicating work already being done in South Australia. The Playford Administration is criticized because it had such a small staff in this connection, but the various research facilities to which I have referred enabled South Australia to progress as it did under that Government.

The article states that industrial and domestic consumers have continued to get cheap electricity. The Treasurer is reported to have said that he refused to pass on higher costs though this puts some strain on the Budget. What an imagination! For many years now slight decreases in electricity costs have been made, yet now this causes a strain on the Budget. The previous Government introduced a Bill designed to promote decentralization by providing cheaper electricity in country areas. In some years allocations have been made to develop country electricity supplies. However, I cannot see that any strain on the Budget is caused by keeping electricity costs low.

The Hon. G. G. Pearson: The Auditor-General reports that the Government pulled out of the Electricity Trust \$133,000; the Playford Government did not make that charge.

Mr. McANANEY: Wherever the Government gets the chance it is taking money to bolster its finances. The article also states that the biggest new thing for South Australia is natural gas. The Treasurer is reported as saying that, although this is clearly not a panacea, South Australia has come from last to first in the race to provide gas to the consumer at a reasonable price. Where is that gas? When the Government took office the gas field was practically proved. For two and a half years we have heard much talk and yet still not one tap of work has been done.

*(Sitting suspended from 6 to 7.30 p.m.)*

Mr. McANANEY: All that this Government can claim to have achieved is the introduction of the totalizator agency board system of off-course betting and 10 p.m. closing of hotels, and these changes would not have been made without the support of some Opposition members. Although it is claimed in the present report to which I have referred that 25 new industries have been established, none of those industries is named. Names are given in relation to the expansion of industries, but those industries were already well established and only relatively small extensions were made. It is also stated that the Government would guarantee loans for firms from recognized financial institutions, and the report continues:

The Housing Trust will build factories for sale or lease to firms. The Government will provide technical assistance. Water, sewerage and electricity are offered at competitive rates with other States—lower power is available for large users.

All these provisions were operative before the present Government came into office and this Government has done no more than increase charges and so cause South Australia to lose the low-cost position that it enjoyed. It is learned that the Government has increased the number of agricultural technical officers. Most of this has been done with assistance from the Commonwealth Government, the Roseworthy Agricultural College being an example of that. Many experimental works have been carried out with money made available from primary producers by way of levies and contributions, together with assistance given by the Commonwealth Government. The amount made available by the South Australian Government has not increased at a rate commensurate with price increases. This Government claims to have increased the sum allocated to electricity development and has mentioned a sum of \$30,000,000 being spent during the last financial year. This is said to be an



achievement but the true position is that the Government's contribution from Loan funds has remained static for seven or eight years.

The extension of electricity reticulation has been financed mainly by depreciation, which has been the result of expenditure in previous years of an amount that has been provided by consumers. The Playford Government is the Government that deserves the credit for the extension of electricity supplies. The present Government claims that, when it came into office, projects had been planned ahead by the previous Government and money had been allocated for developmental works. Despite that claim, the Government is now doing that very thing. The Auditor-General points out that at present \$180,000,000 is committed. However, the Government has not spent much money on projects: it has only started them so that it can claim the credit for them.

I consider that it is bad business to have a number of projects in course of construction at the same time. Jobs can be done more cheaply if they are done quickly. All available equipment can be concentrated on each project as it is being done and the capital is not lying idle. The completion of the freeway through Stirling will take many years and millions of dollars will be lying idle during that time. I think that this Government has erred by using the day-labour system, particularly during the present recession, because the contract method is much cheaper. That is one reason for the financial position that the Government has created during its period in office.

I have often complained that the Government's accounts are not set out in a way that makes them easy to follow. However, on page 22 of his report, the Auditor-General adopts a more up-to-date method of presenting accounts. It can be seen readily that the sum spent on education was about \$62,000,000. In addition, the sums spent in the previous five years are also shown. The increases in expenditure during the two years before this Government took office were about the same as the increases that this Government has allocated, so the position has not been improved. The expenditure last year on medical, health and recreation was more than \$1,000,000 less than the expenditure in the year before. In fact, one of the few items of social services in respect of which expenditure increased was that dealing with maintenance of law, order and public safety. I do not know the reason for that increase: it was probably brought about by increased wages.

The payment in respect of social amelioration also increased over the expenditure in the previous year. However, there is little increase in the case of expenditure on development and the maintenance of State resources. The expenditure in 1966-67 was about \$700,000 less than the expenditure in 1965-66, and that is typical of the Government's policy. Expenditure in relation to other administrative activities increased by more than the increase in expenditure on any other item. The expenditure for maintenance, etc., of administrative offices increased by about \$500,000 over expenditure for the previous year. I think this Government has spent extravagantly without ensuring that it got something in return. The total loss on public undertakings was about \$12,000,000.

Most State Governments have not adopted proper business accounting principles in their bookkeeping. The Railways Department in every State is running at a loss, but not to the extent it does here. The principle adopted by the Commonwealth Government for the Postmaster-General's Department should be adopted in this State. The Railways Department provides a service to the community and in some circumstances losses are unavoidable, but they have to be made up from some other department. All departments should be placed on a proper business footing rather than that Commonwealth Government assistance be obtained to bolster them. A press report of the Budget speech of the Commonwealth Treasurer states:

The post office was required to conduct its operation in accordance with the best business practice. The Government was convinced that this objective would be better served if the financial machinery of the post office were changed from the standard Treasury and departmental system to a commercial form more suited to business requirements.

Mr. McMahon said that after a thorough study, the Government had decided to create a Post Office Trust Account, into which post office revenues would be paid and from which its expenditures would be met. The department's net requirements for capital purposes each year would be provided annually under one-line appropriations for the Budget and paid to the trust account. The department would operate its own trading account, but would remain subject to the control of the Postmaster-General and Parliament.

The new arrangements would give Parliament greater opportunities to examine the affairs of the post office. Its commercial accounts and annual report would be tabled in Parliament each year. An innovation would be the tabling at Budget time in Parliament of a White Paper giving estimates of commercial results and

expectations, the proposed capital programme, together with the way it was to be financed, and other information on post office affairs.

Finance is government and government is finance, and the principle adopted by the Commonwealth Government should be the approach of all responsible Governments in respect of their business undertakings. Road transport competes strongly with the Railways Department. This Government insists that road transport should subsidize the railways, and set up a Royal Commission to inquire into the State's transport services. However, the policy should have been to reorganize the Railways Department. A considerable sum would have to be written off, because enough depreciation has not been allowed for, and this department is over-capitalized with a consequent interest burden. To put new life into this department it should be given a fresh start so that it could become an efficient organization and able to compete with road transport. When a particular railway service showed a loss or road transport provided a better service to the community, a business practice would have to be adopted and the loss written off. When I asked a question about railway branch lines I was told:

It is not practicable to supply the information desired without considerable effort and, in any case, a great deal of arbitrary apportionment of cost and revenue would be necessary in such an exercise because traffic originating on or destined for a branch line substantially affects the economics of contiguous lines.

That is a jumble of meaningless words and cannot be considered a responsible reply. Some of our agricultural extensions officers are telling farmers that they must know their income and their expenditure. Surely this should apply to a Government department. The Railways Department should be run on business lines and should be able to compete successfully with road transport. If this could be done the department would obtain a new lease of life and everyone would be proud of this undertaking. The answer is not to increase charges. When wheat freight charges were increased, an extra \$500,000 was received, but last year's harvest was bigger than the year before so that it is apparent that some wheat was carried more cheaply by road transport.

The Railways Department has done, and is doing, a tremendous job in developing South Australia. However, as other means of transport are now available, Parliament must protect the people of this State. If a Government undertaking is showing a loss, the socialistic

approach is to restrict private enterprise so that the Government organization can continue to exist. This is the policy that is being adopted at the Gepps Cross abattoirs, because private meatworks are boning meat more efficiently than it can be boned by the present set-up at Gepps Cross abattoirs. The Minister of Agriculture said today that most boned meat exported from South Australia came from private abattoirs. I was told that the exporters would have to go out of business if this meat had to be processed at Gepps Cross. Efforts are afoot to restrict the output of private meatworks because of their strong competition with a Government undertaking. I opposed the State Government Insurance Commission Bill because if the insurance office had not made a profit (and it would have been difficult under the terms of the Bill to do so) the next step by the Socialist Government would have been to restrict private insurance companies. I think we should investigate this sort of thing thoroughly, because I am sure the finances of this State cannot carry this ever-increasing burden. Something on a practical common-sense basis must be done rather than merely to curtail the road transport and boost up railway finances.

The Commonwealth Government has been severely criticized by the Treasurer and other States' Ministers. I agree that we must protect our State as much as we can, but I do not think the Treasurer was fair when he claimed that the Commonwealth Government was not carrying out its duty toward South Australia. In 1956-57 the total revenue of the Commonwealth Government was \$2,651,000,000 and it increased by 123 per cent to \$5,922,000,000 in 1966-67. It made contributions to the States in 1966-67 of \$1,216,000,000, an increase of 149 per cent over the total that it contributed in 1956-57, which shows that the Commonwealth Government is gradually helping the States to a greater extent. This year it has increased its education grant to the States by 35 per cent to an estimated \$194,000,000. When it helps to take up the slack in education or in any other field, the Commonwealth Government is helping the States and playing its part in their development.

This year that part of the States' income going into public debt services has increased by 0.4 per cent, yet the percentage to be spent on health, education, and other fields has dropped by a larger percentage than that. As a result of unsound business methods, the Treasurer has spent more Loan money than hitherto on non-productive works such as

education and hospitals. I know the member for Glenelg says that is an investment, and I do not argue with that because, from a humanitarian viewpoint, education is the best investment that we can make. However, we cannot let a debt like that accumulate, because the amortization of the National Debt Redemption Fund becomes an increasing proportion of the total income of the State every year. It is like the man who borrows too much money: more and more of what he earns is used to repay the loan and interest, and that is bad business practice.

When the Government first came into office, the State was prosperous and employment was rising, yet it finished up with a large deficit. The Government claimed that it had followed the correct procedure by budgeting for a deficit to give a boost to the economy. The employment figures dropped and conditions started to worsen when the Government imposed heavier taxes and collected them in December and January. This reduced the purchasing power of the private sector of the economy and built up a substantial credit in Government balances. At that stage there was more unemployment and towards the latter part of the year the State actually had a big deficit. However, by that time the damage had been done. The then Treasurer (Mr. Frank Walsh) and Mr. Dunstan claimed that that financing method was the correct one but, if it was, the Government should have put it into effect in its second year of office when there was considerable unemployment and when the State experienced a recession. However, during that period the Government restricted finance and did not go more heavily into deficit. It actually budgeted for a deficit of many millions of dollars, although it did not spend as much Loan money, which balanced it out. The Government has now had a change of heart and, when conditions in the other States are picking up and booming, this State is going more and more into deficit.

This Government has claimed that the Commonwealth Government indulges in deficit spending and that, as it has the control of credit resources of this country, it is certainly the right thing for it to do. However, the Commonwealth Government does not budget for a deficit on current day-to-day expenditure as the South Australian Government did last year and is doing this year. The Commonwealth Government has a substantial credit because it included in its Budget capital expenditure and loans to the States. When one takes out the

\$625,000,000 the Commonwealth Government lent to the States and the \$472,000,000 it spent on capital works one can see that, on its current expenditure, the Commonwealth Government had a substantial credit balance. This is an amount which will be repaid and on which the Commonwealth will receive interest, so it is not budgeting for a deficit as this Government is doing. The Commonwealth Government had an overall budget deficit on capital and income expenditure of \$138,000,000. I criticize the Commonwealth Government in this regard: it would have been more in the interests of Australia if it had a more accurate or quicker method of determining what is required in the economy. It is almost necessary to work out from day to day how much stimulus is required to keep an economy moving. During the 1961-62 recession the Commonwealth Government changed its policy too quickly and ran into a recession.

Generally speaking, the Commonwealth Government has been successful and the envy of world economists concerning the way in which it has more or less maintained a balanced economy. I noted that at the Australian trade union congress held only last week it was admitted that there was stability in employment in Australia, and that was a compliment to the Commonwealth Government. The economy changes so quickly that there should be quicker ways of making adjustments. I think the Loan Council, when floating a Government loan up to a certain sum, has incorrectly adopted the principle of not nominating the sum intended to be borrowed, simply accepting the sums being taken in on loan.

That practice does not give the necessary boost to the economy; it is a hit and miss method, whereas I think the sum should be more accurately determined. It is important that we keep an even balance in the Australian economy so that the demand for goods is equal to our work force and so that there is full employment and a higher standard of living. In supporting the first line, I do so as a matter of tradition, or I would otherwise feel disposed to vote against it, because this is not a good Budget and it is not in the interests of South Australia.

Mr. HUDSON (Glenelg): After the dismal forebodings of the member for Stirling I hardly dare rise in my place to defend the Government's actions. However, I refer to the explanation to the Budget given by the member for Gumeracha (Hon. Sir Thomas Playford) on September 1, 1964, in the course of

which explanation he announced that he planned to budget for a deficit in 1964-65 of almost \$5,000,000, having earlier pointed to the fact that there had been a good opening to the season; there had been a good run-off into the dams; and the state of the economy at that time was buoyant. Therefore, from the point of view of the kind of conditions that can adversely affect the financial position of a State, the honourable member did not need to budget for a deficit; he did not have the adverse pastoral and agricultural conditions that we have this year; he was not faced with the fact that there would be less revenue for the public utilities, such as the railways and water supply undertakings, because of the adverse season; nor was he faced with the fact that expenditure on pumping water from the Murray River would be greatly increased. Although no reason existed to budget for a deficit during that financial year, the then Treasurer saw fit to budget for a deficit of almost \$5,000,000. I think honourable members opposite would do well to hear the following remarks made by their former Leader:

Unless a substantially more favourable approach is then made by the Commonwealth, the 1965-66 State Budget will be very difficult. As members know, the "more favourable approach" was not adopted by the Commonwealth; in fact, during 1964-65 the Commonwealth clamped down via monetary restrictions operated through the Reserve Bank of Australia and in its own Budget of 1965 introduced substantial increases in taxation. The 1965-66 Budget turned out to be much more difficult than the former Liberal Treasurer had forecast but, as he made it clear when introducing the 1964 Budget, he knew that unless there was a substantial change in the attitude of the Commonwealth Government the State would face a difficult period.

Mr. McAnaney: You've got an extra \$8,000,000.

Mr. HUDSON: If the honourable member cared to examine the formula that applies in relation to the income tax reimbursement grants from the Commonwealth, he would appreciate that only an additional amount would be obtained when heavy wage increases had to be met, and that has been experienced by this Government. The honourable member knows that, if during a particular financial year there are not heavy wage increases, it has a less adverse effect on the State's Budget and less is received from the Commonwealth Budget. One simply cannot take a figure out of the air. This year we are faced with difficult seasonal

conditions that have an adverse effect on the Government's budgeting. First, we can expect that the cost of pumping water from the Murray River to Adelaide and to other parts of the State will increase from \$1,000,000 to \$2,000,000.

Secondly, we can expect that the revenue from water rates will be slightly less than it would normally be, because excess water accounts during next summer are unlikely to be as great as they were in the previous year. Thirdly, we can be sure again that there will be an adverse effect on railway revenue and, instead of the normal \$8,000,000 provision in the Budget, which has been the case for a number of years to cover railway deficits, it seems this year that it will be \$10,000,000, and the Treasurer has made an appropriate provision. We all know that the only part of the business of the Railways Department that is ever anywhere near profitable is the carriage of freight; the department depends heavily on revenue earned from the carrying of grain and other primary produce. In circumstances of drought, the revenue to the Railways Department will therefore be less than would otherwise be the case. Fourthly, we have also to remember that if drought means lower income for farmers they will be spending less; this will have an impact on the stamp duties revenue that the Government could normally expect. For all these reasons, the seasonal conditions that we are facing this year will be likely to have an adverse effect of at least \$4,000,000 on the financial position of the Government's Budget. The Government intends to budget for a deficit on Budget Account of \$3,967,000. All of the Budget deficit facing us this year is a product of the adverse seasonal conditions we are now experiencing.

Mr. McAnaney: The Treasurer said that it would be an average year or a year slightly below average.

Mr. HUDSON: One likes to look on the better side. However, it is clear, if one goes through the accounts carefully, that the increase in allocations made on account of pumping water from the Murray River is \$1,000,000. The accounts also show increased provision has to be made on account of the railway deficit. It can also be seen that the return from water and sewerage rates is not as great as usual because we can expect some adverse effect from less water being used. The Treasurer might have said that if we had good spring rains we might get through with a near average season; nobody can blame him

for trying to look on the optimistic side. However, surely the member for Stirling is not saying that the Treasurer has not made provision in the Estimates of Expenditure and Revenue for the fact that there are currently facing South Australia adverse seasonal conditions. These provisions have been made and they largely explain the reason for the deficit.

The present situation should be compared with that in 1964-65. I admit that in 1964-65 the year started off with something in surplus. However, there was no seasonal reason for budgeting for a deficit. At that stage, in contrast to 1961-62 and 1963, no reason in terms of some unemployment or downturn in the building industry existed to budget for a deficit. As everyone knows, 1964-65 was a buoyant year throughout the whole of Australia. No substantial reason existed at that time for budgeting for a deficit: the only reason for doing it, of course, was that it was a pre-election year. I believe the Government has adopted a responsible attitude to its Budget this year. With some slack in the economy (although, at the present juncture in my view, contrary to the view of the member for Mitcham, it is starting to be taken up in the building industry and is on the upturn), could we really justify the effort to recover an extra \$4,000,000 in revenue when the gap between revenue and expenditure has largely been brought about by the adverse seasonal conditions? Is that the kind of reaction that a Government can legitimately adopt to an economic situation, about which there are certain doubts, when there have been certain difficulties in the building industry and adverse seasonal conditions? We could imagine the cry that would come up if any demand had been made to obtain increased revenue that had in any way impinged on the farming community. Had that been done, there would have been a cry of complete outrage, with some justice, too, in view of the current circumstances. Would not the same cry be justified if the Government at this juncture attempted to raise more revenue from those sectors of the community that are a little bit slack? In view of the relatively slack conditions, justification exists for budgeting for a deficit if the State can afford it, and I believe the State can afford it at present.

Members opposite want to tell us that the economic conditions are the fault of the Government. They are even getting around to the stage where they will say (they have not quite said it yet) that it is the fault of the Minister of Works that it has not rained. One honourable member opposite suggested that

the Government has been remiss in its duty in not starting pumping on all four pumps this year. In answer to a question of mine the other day, the Minister was able to point out that this year water has been pumped continuously from the Murray River, whereas in the 1959 season, which was a drought year, pumping did not start until later, in the autumn. The member for Flinders, who made that suggestion, was the previous Minister.

Mr. McAnaney: Did we have water rationing then?

Mr. HUDSON: The average consumption of water in metropolitan Adelaide in 1959-60 was 23,000,000,000 gallons; in the coming financial year it will be 33,000,000,000 gallons.

Mr. McAnaney: There is a lot more storage.

Mr. HUDSON: Although we have more storage, there is little water in it. It would not matter how much more storage we had: if there is not the run-off into the storages, 12,000,000,000 gallons in storage this year may mean water restrictions, whereas 12,000,000,000 gallons in storage in 1959 may not have meant restrictions because the average water consumption for the whole of metropolitan Adelaide is now up by almost 50 per cent on what it was in 1959-60. If the member for Stirling thinks for a moment he will realize that; the problem is that he does not believe in thinking, even for a moment.

Members opposite have done their best to say that anything that has gone wrong has been entirely the fault of the Government. They have continually ignored the fact that the building expenditure carried out by the Government has been a record figure each year. They have ignored the fact that the amount of new mortgage money made available during the life of this Government through the State Bank and the Savings Bank has been a record each year. They have ignored the fact that, through the Reserve Bank of Australia, the Commonwealth Trading Bank and the private trading banks, which have been outside our control, from early in 1965 have had credit restrictions imposed which were as a result of Commonwealth Government policy and not the policy of the South Australian Government. They have ignored the fact that during five years the public works expenditure in South Australia by the Commonwealth Government has declined in successive years. Whereas some years ago the Commonwealth was spending more than \$16,000,000 or \$17,000,000 a year, it is now spending about \$5,000,000. The member for Mitcham (Mr. Millhouse)

blandly cites the statement by the Commonwealth Minister for the Army, who said, "Of course, when we talked about the need for houses, we never expected more than 20 or 25 houses to be required." Even the member for Mitcham seemingly is able to ignore that even 25 additional families in an area would create extra employment and a demand for more than 25 houses. The Housing Trust had honest expectations about the building of this ordnance depot, but those expectations have not eventuated.

Mr. Clark: It has been trying to get something concrete for 15 years.

Mr. HUDSON: Yes. All these facts are ignored. Members opposite even ignore the greatly increased defence commitment of the Commonwealth Government. That commitment basically is the main reason why the Commonwealth Government has clamped down on domestic expenditure. The member for Port Pirie (Mr. McKee) reminds me that the Commonwealth Government's defence expenditure is more than \$3,000,000 a day, or more than \$1,000,000,000 a year. That is four times our State Budget. This defence expenditure now is twice what it was two years or three years ago. I am being fair to the Commonwealth Government in this matter. If it is going to increase expenditure to such a large extent in one direction, a decision to clamp down on expenditure in other directions is justified. Unfortunately, the consequences of this increased defence expenditure have had adverse effects on South Australia in particular for two reasons. The first is because of our geographical situation. Perhaps there are political reasons also, but South Australia gets less benefit from defence expenditure in the State than do other States from such expenditure there. Any member who thinks about that will realize that it is so.

Mr. Heaslip: We have always been the same.

Mr. HUDSON: I point out to the member for Rocky River that since the Second World War there has not been such a fantastic increase in defence expenditure as has occurred in the last two years, and there has not been a previous case where such a large increase in defence expenditure was accompanied by a crack down on the internal economy. The second point is that the crack down on the economy initiated in 1965 by the Commonwealth Government was directed partly at the banking system and partly through increased taxation, and it had an impact on the demand for such durable goods as motor cars, washing

machines, and refrigerators. It was meant to have that effect and, in addition, that was the year of the drought in the Eastern States. The result was a down-turn of the production of those durable goods in Australia.

We in South Australia produce a much higher proportion of those goods than do other States, having regard to our population. Although we have only 11 per cent of the Australian population, we produce 35 per cent of the motor cars; so any crackdown on the demand for motor cars is bound to adversely affect South Australia. We do not get from defence expenditure the same stimulus as other States get. I have in mind Queensland and Western Australia in particular and, to a lesser extent, New South Wales. South Australia is the Michigan of Australia and factors of the kind that operate on the economy of Michigan, which is the centre of motor car production in the United States of America, operate also in South Australia.

In addition, what improvement there has been in motor car sales seems, unfortunately, to have benefited the Ford Motor Company more than General Motors-Holden's or Chrysler Australia Limited. Further, Japanese cars have been responsible for some of the increase in motor car sales. The impact on our economy of increased motor car sales has not been significant. We rely on G.M.H. and Chrysler to produce the result for us. I was pleased to read the other day that there had been a substantial increase in sales by Chrysler in the last month. I think we can expect a significant increase in employment with that company in the coming months and, if there is also an increase in sales by G.M.H., together with an up-turn in the building industry, employers will be saying that they cannot get labour, and the difficulties now current will be over. If we get that up-turn, even though we may be affected by drought, the Budget result will not be as adverse as we first expected.

A State Government in Australia has, for many reasons, a different role to play from the role of a State Government in the United States. On my recent visit to that country I was struck by the magnitude of State Governments there compared with that of our State Governments. In the United States the tradition has been for immigrants to govern themselves with a minimum of interference from any State or Federal authority. That tradition of local independence has been maintained for many years and is only now starting to break down. In the United States,

education, fire administration, police administration, water supply, sewerage, almost anything one can name, is the responsibility of local government, not of State Government. The area of responsibility of State Government is much less than is the case here.

Mr. Coumbe: Which do you prefer?

Mr. HUDSON: I prefer our system, for good reasons. We have never been sufficiently wealthy, particularly in the outback areas, to permit the local autonomy that operates in the United States. If we had permitted such autonomy, many of our outback areas would have no schools and inadequate public facilities. Even today people in these remote areas experience a lack of public services. Because the poorer areas in the United States have relied on local taxation for the financing of education, the education in those places has been of a poor standard. One of the matters at the background of the present racial problems in the United States is the vast difference in wealth in various parts of the country. A difference in educational standards has resulted from that. The Americans are an extraordinary people once they decide to tackle a problem. The question of the lack of equality in educational opportunity has been, for many generations, a serious one in the United States, but since 1965 the Federal Government there has decided that it is a problem that must be tackled, and under the Education Act passed in that year large Federal grants are now made available to local areas for primary and secondary education. At present, these grants are largely directed at evening up the standards of education throughout the country. Under Title 1 of the 1965 Act the Federal Government is now spending more than one and a quarter billion dollars a year, despite the fact that in the same period it has had a huge increase in defence expenditure.

During this two-year period it has increased expenditure from nothing to one and a quarter billion dollars a year. If we had the same expenditure in Australia we would be having about \$80,000,000 a year, perhaps \$90,000,000, spent by the Commonwealth Government in providing aid for primary and secondary education. That would have meant about \$8,000,000 or \$9,000,000 extra for education expenditure in this State, even if the Commonwealth Government aid programme for primary and secondary education was of the same order as that in America. That would have meant a substantial difference to our budgetary position.

I do not think we can say, when we consider our education system, that the worst of our schools are better than the worst of American schools, but the best of our schools are worse than their best. We cannot say, when we consider the education system, that what we are doing at present is completely satisfactory. We are pushed to the limits of our financial resources. For years the expenditure on education has been widening as a percentage of our Budget, until now it is the largest item. It is now the biggest investment made for the future of people in this State by the State Government, but it is not enough. It is not adequate in terms of the standards for which we should be aiming, and I strongly believe that one thing we must ensure in this country is aid from the Commonwealth Government specifically directed at enabling State Governments (and if necessary private schools as well) to improve standards in primary and secondary education.

We need to reduce class sizes: we need to have more trained and more fully qualified teachers; we need to lengthen the amount of training we give to our teachers; we need to improve the standard of equipment in our schools; and we need to fully equip our schools when they first open. On my return I was delighted to find that the Minister of Education had decided that new schools would be provided with an oval at departmental expense, and that schools would be provided with basic library equipment. These things are a basic part of education, and I have always considered that in this State the children who attended new schools were penalized because they were in a new school, because for the first few years they did not have adequate oval space and did not have library equipment available.

True, they had new rooms and equipment in those rooms, but certain basic things that were needed in the education system were not provided, and I am pleased to know that in future this will not be the case. I do not think we can ever look back on what we do in a field like education, or in the expenditure on hospitals, and say that it is satisfactory and that we are doing the things as they should be done. We must always aim to set our sights higher and improve the standard of what we do. I was interested to take out the figures concerning the change in expenditure on education during the last 4-year period with respect to the Budget. From 1963-64 to 1967-68 the expenditure within the Education

Department will have increased from \$32,702,000 to \$49,510,000, an increase of 50 per cent in four years.

Mr. McKee: The Leader conveniently overlooked that small detail.

Mr. HUDSON: We expected that. That is an extraordinary increase: an increase of \$17,000,000 over four years, and not taking into account the universities and the Institute of Technology. In the same four-year period the Adelaide University will have increased from \$6,899,000 to \$8,730,000. The Flinders University, on which no expenditure was made as a separate institution in 1963-64, has for this financial year an estimated expenditure of \$4,114,000. Under the heading of "Universities", expenditure between 1963-64 and 1967-68 has increased from \$6,899,000 to a combined total for both universities of \$12,844,000, almost an 85 per cent increase.

Mr. McAnaney: There has been a steady increase in the four years, not a jump in the last year.

Mr. HUDSON: Yes. I used the figures to illustrate that this Government is facing up to its responsibilities not only for hospitals but also for education, and this is a field in which I have always been interested. We have heard something about residential colleges from the Opposition. The figure for 1963-64 was \$132,526, but for this financial year it will be \$322,000, or more than double. For the Institute of Technology, an institution that has needed much greater financial support (and this is one area where the member for Stirling will be interested to know that there has not been a steady increase over the last four years), the increase has applied mainly in the last 18 months. The figure for 1963-64 was \$1,330,000 and for this financial year it is \$2,486,000—almost double. For the Kindergarten Union the 1963-64 figure was \$389,712, and for this financial year it is to be \$542,000. I wish now to refer to kindergartens.

Mr. Nankivell: Are you still in one?

Mr. HUDSON: I did not expect to hear a giggle from the member for Albert as soon as I mentioned the word "kindergartens", although it is understandable in a way. One of the anti-poverty programmes in the United States is called "Head start", which seeks to direct Federal money in that country towards the pre-school training of under-privileged children. That programme is now regarded locally as important and is receiving much local support: it has had a tremendous local impact in the poorer areas. It is disturbing that in

South Australia only about 14 per cent or 15 per cent of our children are covered by pre-school education and yet in the modern world I suspect that pre-school education is of vital importance in giving any child a good start when he or she goes to primary school.

The Hon. R. R. Loveday: It is even more important for Aboriginal children.

Mr. HUDSON: Quite. There is a real need in our community for greatly increased expenditure in providing kindergartens and kindergarten teachers. We can do much to improve the basic standards in our primary schools by spending money on kindergartens. Now, of course, in circumstances in which there is general budgetary restraint and in circumstances in which we are always at the limit of our financial ability in providing properly for education, starting off a new programme in relation to kindergartens does not really get off the ground, but it is something that needs to get off the ground and it is, I believe, something that would get off the ground if we had proper Commonwealth aid in Australia for primary and secondary education. I do not think the Commonwealth Government in this country can opt out of responsibility in relation to primary and secondary education; I think in any area of national interest (and education must surely be of national interest) the Commonwealth Government as the national Government of Australia has some basic responsibility.

I was interested to see the change that had taken place with respect to expenditure on hospitals over the four-year period, and I examined particularly not the position concerning Government hospitals, for which extraordinary increases in expenditure had occurred over the period, but the position relating to subsidized institutions. I found that subsidies to hospitals other than Government hospitals in 1963-64 totalled \$4,247,426. This financial year these subsidies will total \$6,139,364, an increase of about 50 per cent. The Home for Incurables, which in 1963-64 received \$310,000, will this financial year receive \$1,050,000; Minda Home, which in 1963-64 received \$20,000, will this financial year receive \$240,000; and the Woodville Spastic Centre, which so far as I can discover received nothing in 1963-64, will receive \$180,000 this financial year.

We would see a significant change over this period concerning the expenditure on Government hospitals and, of course, this is again an area in which there has not been a regular increase over the last four years; the increase has been concentrated relatively more over the



last two or three years, particularly over the last year with the effect on revenue in the Hospitals Fund from the revenue of the Lotteries Commission and the Totalizator Agency Board. Nobody can claim, while in each of the years of this Government expenditure on its own hospitals has been a record; while in each year of this Government expenditure on non-Government hospitals has been a record; and while in each year of this Government expenditure on subsidies to private hospitals has been a record, that what we are doing is satisfactory, because we still have large projects on the books to be completed, and we still have a great distance to go in order to produce a satisfactory standard within our hospitals. But we have made a real start in expanding expenditure on hospitals and I do not think it is fitting for the Leader of the Opposition or the member for Mitcham to make such a great song and dance about the fact that building has not yet started on the Modbury or the south-western districts hospital.

Members are well aware that there is a backlog of hospital building in this State; that it will be another year or 18 months before the programme for the Royal Adelaide Hospital is finished, and that it will be longer still before additions are made to the Queen Elizabeth Hospital. Honourable members opposite are aware, too, that expenditure can start this year in relation to the Modbury Hospital, which can start off as a relatively small hospital, but that, if the south-western districts hospital is to be a general teaching hospital, the planning must be done properly, and it will take some time before the first sod of soil is turned. As honourable members will also be aware, if they read the Auditor-General's Report, this Government faces problems in getting the south-western districts hospital project under way.

First, as a Government we knew that if we were to get a second medical school in this State attached to Flinders University (and there were no plans for this when we came into office) the south-western districts hospital had to be sited adjacent to the university or, better still, within the university grounds; otherwise, we would have no chance of getting Commonwealth assistance in establishing a medical school and in financing the provision of the teaching facilities within a general teaching hospital. Members will be well aware that if the land at Oaklands Park had been the chosen site, and had remained the chosen site, for the south-western districts hospital, that hospital as a general teaching hospital would not have got under way.

The Hon. Sir Thomas Playford: The honourable member needs to look at his facts, because he is not speaking in accordance with fact. The Queen Elizabeth Hospital is not attached to the university, yet the Commonwealth subsidizes.

Mr. HUDSON: The Commonwealth Government, through the Universities Commission, turned down, in relation to other capital cities that I know about, proposals for teaching hospitals attached to a new medical school, which was not in the commission's view adequately sited with respect to the university. If the honourable member wants chapter and verse on that, I can give it to him. Nevertheless, I put it to the honourable member that this Government made the correct decision in changing the site of the south-western districts hospital from its previous site at Oaklands Park to, first, the site at the Sturt Road, South Road and Marion Road triangle and then, when the Mines Department certified that the site had been shown to be unsatisfactory from the point of view of a multi-storey building, through an exchange of land with the Flinders University to its present location on the Flinders University grounds. Members at all familiar with the record of the Australian Universities Commission will be aware that this now permits the siting of a medical school near the hospital within the Flinders University grounds so that medical students will be a fully integrated part of the Flinders University. This also increases greatly the chance of getting Commonwealth support in the establishment of a second medical school at the Flinders University.

When the Queen Elizabeth Hospital was in question we were not talking about the establishment of a second medical school. For some years now the Adelaide University has had a quota on the entry of first-year medical students: the need for a second medical school is great. Honourable members will also recall the extensive planning spread over about 10 years prior to the re-building of the Royal Adelaide Hospital coming to fruition. Much time was also involved regarding the Queen Elizabeth Hospital. However, the Leader and the member for Mitcham, knowing that the Government in each year of office has had record expenditure on hospital buildings and knowing the backlog of work left over from the days of the previous Government, had the gall to say that this Government had not started spending on the building of the Modbury and south-western districts hospitals. Since this Government took

office there has been a significant increase in expenditure for hospitals. A substantial change has taken place in the pattern of the Budget (if one can talk about a Budget having a pattern) in relation to provisions for medical and health fields.

Mr. Hall: I got my reference from the Labor Party policy speech.

Mr. HUDSON: The policy speech stated that we would take steps to build the Modbury and south-western districts hospitals. Land for this purpose has been purchased in both cases and plans are in preparation in both cases.

Mr. Nankivell: Neither has gone to the Public Works Committee.

Mr. HUDSON: The member for Albert makes some idiotic interjections at times. He knows as well as I do that no large hospital project that has been planned in this State has got off the ground within a short time. If the previous Government had done its job properly, the south-western districts hospital would have been planned and ready to go when we came into office. The Leader never raised his voice in protest when he was a member of the previous Government Party.

Mr. Hall: We are criticizing your programme; you said the hospitals could be built within a three-year period.

Mr. HUDSON: We did not say that: that is another of the untruths which the Leader spreads around. Some months ago, in Mount Gambier, the Leader said that at the end of the last financial year, in June, 1967, this State would have a deficit of \$20,000,000. However, the Budget deficit was reduced from \$8,000,000 to \$6,800,000. When the Leader quoted the figure of \$20,000,000, he must have known that what he said was untrue. For my sins, the other morning I heard the Leader on the radio. I turned him off pretty quickly but not before I heard a few untruths about the fishing industry. When we get around to debating that industry I will detail those untruths.

The Leader says that the Government uses trust funds, and that that is a terrible thing to do. He says that not enough money is spent on fishing havens, that we have not built these hospitals, and that we must spend more money. At the same time, he says we must reduce taxation by getting rid of the winning bets tax, land tax and so on. However, when revenue proposals have come before Parliament he has opposed them outright, moved amendments, or in one or two cases given only half-hearted support. How does a Government increase expenditure, not collect as much revenue

as it did previously, and not have a deficit? If the Leader ever becomes Treasurer, judging by his statements he would get rid of the trust funds in six months. He would either do that or he has not been playing it fair with the public of South Australia. If he had been playing it fair with the public he would not have made the kind of speech he made this afternoon and he would not have told people in Mount Gambier that by the end of June, 1967, the Government would have a deficit of \$20,000,000. Also, he would not have made various statements that he has made about revenue and expenditure. In view of his record, it ill behoves the Leader to talk about any financial matter at all.

The Hon. B. H. Teusner: What about the amalgamation of the State Bank and the Savings Bank?

Mr. HUDSON: That matter was referred to in the policy speech and on television. As members opposite well know, when this Government came into office a campaign was conducted in certain quarters to try to cause a run on deposits in the Savings Bank of South Australia, because people were trying to stir up difficulty in the community and to say that the Government was trying to take over the banks. Of course, the banks were already Government banks and the story was a complete cock and bull one. However, it did cause many withdrawals to be made. In the present circumstances, where we need to be able to have the Savings Bank and the State Bank make available as much mortgage finance as possible, does the Opposition think the Government would have taken a wise decision by proceeding with a policy which it new would be deliberately misinterpreted by certain people and which might have lead to a run on deposits with the banks? I hope the member for Angas can answer that question. I also hope that, if he knows anyone who says, "I must withdraw my deposit from the Savings Bank because that terrible Mr. Walsh or Mr. Dunstan is going to take it from me," he will tell that person that he need have no worries. I should not like to think that any member was associated with a campaign to cause a run on the deposits in the Savings Bank.

Mr. Quirke: I think the member for Angas would do as you hope.

Mr. HUDSON: I think he would. I make no apology for the decision of this Government not to proceed with amalgamation. In view of the campaign that we were likely to encounter and because withdrawals had been

made although no action had been taken by the Government, the Government correctly decided not to proceed at that stage. I have dealt with many aspects and in relation to some I have brandished the big stick. However, I have tried to be sweet and reasonable on some matters. I am sure the member for Burra (Mr. Quirke) has seen that the provision for interest and sinking fund payments has now reached a total of \$41,096,071. If we look at the figure in net form, not in gross form as presented, we find that the total net expenditure other than expenditure on interest and sinking fund payments for this financial year will be \$133,323,000. That is arrived at by netting out and putting the various business undertakings of the State in as either a deficit or a surplus. In addition, there will be sinking fund and interest payments of \$41,096,071. In this way we arrive at the net increase in the burden that interest has become on our budgetary position.

Mr. Quirke: Have you any plans about it?

Mr. HUDSON: I should like to see cheaper money, at least. I think that, if we had a Commonwealth Labor Government, we would again have that cheaper money.

Mr. Quirke: The position may get worse.

Mr. HUDSON: It could not get worse. The last time we had cheaper money was under a Labor Government.

Mr. Quirke: That was in war time.

Mr. HUDSON: Yes, and cheap money was maintained in the post-war years until 1950 or 1951. The present Commonwealth Government is not particularly concerned that the rate of interest on Government bonds is more than five per cent. In the debate on the Budget last year I said that, if one looked at the Budget from a net point of view, one saw that on the Revenue side the percentage of total revenue represented by Commonwealth taxation reimbursement grants had fallen steadily from about 70 per cent to about 60 per cent in the previous 10 years. I pointed out that this had put South Australia in the position of relying more and more heavily on State taxation as a source of Revenue. There is not yet any sign of an end of this process. As the years pass, the responsibilities of State Government increase and the demands of the people for the discharge of those responsibilities become stronger. There is as yet no breakthrough about how our financial position tends to be dominated by what money the Commonwealth Government makes available and what conditions it lays down regarding interest rates and reimbursement grants. There is need for

a greater appreciation of the role of the States in our basic policy development and, when we get that, the Budgets for this and every other State in Australia will start to make much more pleasant reading for members of Parliament and the people. I support the Budget.

Mr. QUIRKE (Burra): I think I said when the present Government took office that the carrying out of its policy was not possible. That has been proved. The member for Mitcham (Mr. Millhouse) has enumerated all the things that the Government said it would do but has not done. I am not apportioning blame, except that I blame the Government for not knowing better. The Government could not have had available the money necessary to do the job that it announced. The Auditor-General's Report, at page 19, in the section dealing with receipts of Consolidated Revenue for the past five years, shows how miserable has been the increase each year. The figure for 1962-63 was about \$187,000,000 and in 1963-64 it increased to about \$203,000,000. In 1964-65 it was about \$214,000,000 and in 1965-66 it increased to about \$228,000,000. In 1966-67 it increased to about \$248,000,000. The budgetary increases on the Revenue side alone show that it was impossible for the Government to carry out the programme that it had enunciated. Taxation for succession duties, stamp duty, land tax, motor vehicle registration, hospital ratings, liquor, and other licences, increased last year by about \$5,500,000. Can the Government say it is game enough to do this again? It will have to do it if it wishes to carry out its programme. Charges for waterworks and sewers increased by about \$2,243,000, and that is a heavy impost on people. The receipts on Consolidated Revenue increased by about \$19,000,000. The payment for interest and sinking fund on the public debt for 1966-67 was \$60,167,000 an increase of \$4,160,000 over the previous year of 24.25 per cent of Consolidated Revenue payments. That means that about one-quarter of the Government's revenue from taxation is used for this payment. The public debt increased during the year by \$79,351,000 and now stands at about \$1,214,000,000, equivalent to \$1,095 a head. Interest-bearing indebtedness has risen in the past 10 years by about \$621,000,000.

Let us consider the unfortunate position of the Railways Department to see what a hopeless position is given by the whole picture. This department had a working deficit of about \$3,743,000 and a total deficit of about \$9,578,000. The Treasurer contributed

\$6,400,000 on account of working expenses and \$1,600,000 on account of debt charges, a total of \$8,000,000. Government members can speak as they like about where money should have been spent and whether it should have been spent on this or that, but the fact remains that no progress can be made without more money, and where is the Government to obtain it? It cannot slug the taxpayers to any great extent. Perhaps as people become more affluent the Government may possibly collect more taxation, but the Commonwealth Government collects much indirect taxation that is not available to States.

This system must be changed. It may be good bookkeeping, although different from that of a private company, and it is accurate. No-one suggests that a person is getting away with money and using it for ulterior motives. The money has been spent, but there is not enough available if the State is to progress. The Commonwealth grant has increased by about eight per cent a year. How can any State, and this one in particular, progress with such a small annual increase? This State receives grants for education, but I know that the Minister of Education agrees that we do not receive enough. More money can be spent, but it is not available.

This system has been in existence during my life in Parliament. I have never failed to speak against it and this is the last occasion I will be able to speak on the Budget. I do not know whether I have achieved anything in 27 years by speaking this way, but the position is becoming more acute and a change will have to be made. One factor militating against the change is the way Governments and Oppositions and the whole political world, particularly in the State field, argue against each other. The Roman emperors knew this story well: get authorities divided and they can be commanded. That is an imperious way of governing people, and one meaning of the word "imperious" is "to command"; "divide and rule" is another meaning, and if ever a nation was being ruled in its division it is Australia. A hatred is even engendered within political Parties, and the greater the "war" the easier it is for outside factors to rule a State. This State is being ruled; it is not being governed by the present Labor Government; nor would it be governed by any particular Government under present conditions. South Australia is governed by the people from whom we must obtain most of our money.

Finance is government and government is finance! This factor is becoming increasingly apparent, and the Victorian Premier has added his protest against the present state of affairs. The debt of the Commonwealth is coming down and the debt of the States is going up. In other words, the Commonwealth is shoving on to the States the debts that it formerly carried in part. The one thing that checks all State Governments today (the brake that is on them) is the Financial Agreement, which was signed many years ago and the conditions of which do not alter much, no matter how far forward the country goes. That agreement must be stopped. If we are to have a financial agreement (and I think a form of financial agreement between the Commonwealth and the States is necessary), I point out that the present agreement is outdated and outmoded. Unless it is changed, there is no progress for Australia as Australia is capable of progressing.

I read the other day a pamphlet in which some United States scientists were asked whether they cared to forecast what the 21st century would be like; what would be some of the things obtaining then? One reply was that the deserts of the world would disappear. Man's application to technological advance was such that he would wipe out the deserts and make them productive by the use of atomic reactors desalting water. It was also stated that it was possible for this world, which we think is grossly over-populated today, to carry comfortably 50,000,000,000 people. Further, transportation as we know it today would have disappeared and huge distances would be traversed by vehicles running on air in tunnels, travelling anywhere at a minimum speed of 500 miles an hour. Congestion in the city streets would be lifted entirely by using craft that would take people through the air from one part of the city to another. Hundreds of other ideas were voiced.

Will we have those things? What would they cost in terms of money? Is money going to be of any consequence at all if we are going to have these things, or are we going to restrict our progress by the miserable advance of \$8,000,000 on the Loan Account and \$15,000,000 on the Budget Account? I suggest that we shall never have progress that way. I remember reading many years ago a statement by Baron Rothschild, made when he was the person responsible for financing the northern forces in the American Civil War. The only one who seemed to know what he was about was Lincoln, and he was shot! When approached, Baron Rothschild said,

"Let me control the credit of a country and I care not who makes its laws." That statement is as true today as when it was enunciated. In the charter contained in the Commonwealth Bank Act it is provided that in the event of disagreement between the Commonwealth Treasurer and the bank the Treasurer's will shall prevail, although I do not think today that that is the case.

We have a hazardous season ahead of us. I never cry stinking fish in these matters, and good general rains over the whole of the State can reclaim much of what today looks as though it will be wasted effort. Although two parts of the State, namely, Eyre Peninsula and Yorke Peninsula, are looking quite well, much of the remainder is mediocre, and some of it is no good at all. Although we received about \$72,000,000 from last year's wheat harvest, under present conditions we shall be lucky to receive half that sum. The wheat areas of the Adelaide Division cannot look forward to much at all, and railway revenue will therefore be down. Wool prices have hit a low ebb and barley and oat prices can suffer the same way, although I sincerely hope and trust that that will not occur.

It is easy to compute that the purchasing power of the South Australian rural areas, in view of the calamity that is looming ahead of us, may be down by \$100,000,000, unless we receive bountiful rains. The sum for wool, for instance, amounts to almost \$100,000,000 on its own. If we receive only half that sum and only half the sum previously received for wheat, we shall be on the way to hardship. There is also the meat situation and the loss of stock to be considered. We have no hay reserves at all, and the test will come if we do not receive early spring rains that can save the situation. There will be considerable losses between now and when everything dries up. These conditions are not the fault of the Government or of the Opposition: this is a national calamity which cannot be averted. The effects of a calamity of this nature cannot be overcome in a short time. Therefore, Government revenue will be down. If these conditions arise who will provide the money to assist the general economy and secondary industry? Part of the \$100,000,000 to which I have referred would be cancelled out in overdrafts if they could be paid.

Not only farmers, graziers and other primary producers will be affected by this loss but also the wheels of industry in the city will be up-

set because primary producers buy their supplies from the city. Therefore, if a great sum is taken away from purchasing power the whole State will feel it. We have no means to offset this kind of economic tragedy. At present before this Chamber is legislation in which the Government has scraped the bottom of the barrel by providing \$500,000 from two ancient accounts. Perhaps the Commonwealth Government will match that on a \$1 for \$1 basis and we will have \$1,000,000. I realize that I am painting a dreary picture. However, this can happen to any Government in Australia. Revenue cannot be increased without additional taxation, and what forms of taxation can be imposed on the people of South Australia? From Commonwealth loans the State receives a yearly increase of about 8 per cent which is not enough. However, in one year the State pays on its interest account sufficient to provide for building the gas pipeline from Gidgealpa to Adelaide. In two years we pay sufficient interest to provide for the building of the Chowilla dam. Apparently building on that dam is not going ahead because somebody is hesitating to supply the money. No investment is worth more to Australia than the proper harnessing of Murray River waters: they must be harnessed and no financial consideration should prevent that.

The interest incubus must be lifted from the States. I do not mean that these debts should be repudiated: they could be put into a fund that could be progressively retired. Each State should carry its own expenditure, similarly to the way in which the Housing Trust operates. If capital expenditure on big projects is involved, the money should be a direct advance to the States for whatever projects are decided on. Whilst we cannot command our money, we are divided amongst ourselves. As political Parties, we look at one another in antipathy and distaste. Someone somewhere is smiling all the time. While we are carrying on in this way we are not ruling: we are being ruled.

Mr. COUMBE (Torrens): Earlier this evening I listened with some interest to the long, theoretical discourse of the member for Glenelg about the Budget and to his ramblings about the United States of America. Nothing he has said in any way alters the fact that the Budget will produce a planned deficit of almost \$4,000,000 and that we will have an accumulated deficit at the end of the coming year of a little over \$9,000,000. In fact, I

had the distinct impression that the member for Glenelg was indulging in an apologia on behalf of his Treasurer. Having read the Treasurer's speech carefully, I can say only that his first (and it could be his last) Budget is certainly mediocre. No-one could say that it was an exciting Budget. I believe it is simply a stay-put Budget. The only thing that may be interesting is the size of the deficit.

To describe the Budget as a typical pre-election Budget is a gross understatement. In an endeavour to win next year's election, the Treasurer has deliberately gone further into debt in order to avoid drawing further displeasure on himself by increasing taxation. Being rather a shrewd operator, the Treasurer knows full well that a new Government next year (whatever the Party) will, as a result of this Budget, have no alternative but to impose additional taxation. This position has been brought about by three successive Labor Budgets. South Australia has gone from having a surplus to having an accumulated deficit, which is expected to be about \$9,500,000 at June 30, 1968, in only three years, which has been the complete term of the present Labor Government. Even the figure we are considering tonight, \$4,000,000, and an accumulating expected deficit of more than \$9,500,000 have been arrived at after depleting the trust funds and deposit accounts by about 33 per cent. We, as members of Parliament, have to face the fact that sooner or later someone will have to not only make good the deficit on the Revenue Account but also replenish the trust funds and deposit accounts. That is the position that we are in after two Labor Treasurers have had a go at our financial affairs. Other speakers have emphasized that the economy badly needs a boost. I think the Treasurer implied that.

We all know the present position, but what does this Budget do to remedy it? The Treasurer spoke of avoiding any governmental expenditure that might inhibit increased activity in the economy. That is purely a negative view. He is saying, "I shall do nothing in this Budget that will lead to increased burdens being placed on the economy," but no positive action is being taken to stimulate the economy. I should imagine that the best way to get out of a recession or slump in industrial activity would be for the Government to give a lead by giving a stimulus on budgetary matters.

Mr. Casey: Wouldn't the Commonwealth Budget have a bigger effect than a State Budget in this respect?

Mr. COURCE: I am the first to admit that the Commonwealth Budget can have an effect on this State, and I shall deal with that matter soon. At present I am saying that this Budget should be complementary and show the lead.

Mr. McKee: Have you any suggestions to offer?

Mr. COURCE: I have many suggestions to offer, but I am not going to give them to the member for Port Pirie. First, he would not know what to do with them; secondly, he would not understand them; thirdly, I have my own ideas about how this can be done. I have heard the member for Port Pirie putting forward his ideas, which I presume are the Treasurer's ideas, because the member for Port Pirie is a faithful slave of his leader, and I assume that their ideas coincide. I consider that my duty, as a member of the Opposition, is to comment on the official view given by the Treasurer. I am saying that on this facet I disagree, but I am not going to give the member for Port Pirie my ideas, because one day I may be able to implement them myself.

The Hon. R. R. Loveday: That is a negative approach.

Mr. COURCE: This Budget, instead of giving a positive stimulus, seems to be negative. No new taxes are to be imposed this year and the Government will be able to hold its head high at the polls and righteously and piously say that no additional taxes were imposed. It will be hoping that the people it hopes to woo conveniently forget the taxes and other increases imposed last year.

The Hon. R. R. Loveday: You will be reminding them.

Mr. COURCE: I think I shall be doing my part on that. The Government will go to the election without saying a word about the heavier taxation that will be inevitable next year as a result of this Budget and the three years of Labor administration. The slump in the building industry and the deterioration in the employment position have occurred since the Labor Government took office.

Mr. Langley: The year 1961 was a good year!

Mr. COURCE: I did not catch the interjections, but I'll bet someone mentioned 1961. All I want to say about 1961—

*Members interjecting:*

The CHAIRMAN: One member at a time. The honourable member for Torrens.

Mr. COURCE: All I want to say about 1961 is that there was serious unemployment at that time and all members would remember that it increased sharply, then receded sharply, and then things were far better than they had been before.

Mr. Curren: Who caused it?

Mr. COURCE: One of the reasons why we got over it rapidly was that we had a progressive Liberal and Country League Government in office, not a negative Labor Government. The member for West Torrens said something about brick production a short time ago. We all realize that one of the prime factors in the economy of the building industry is bricks, whether clay or cement. Today I checked on the South Australian position and recently I checked on the position in Victoria, where much overtime was being worked in some brickyards. The production of clay bricks in South Australia for the year ended November, 1964, was 12,700,000. For the year ended November, 1965, it was 10,600,000, and for the year ended November, 1966, it dropped to 9,800,000. For the year ended June, 1967, it dropped to 8,000,000. The July figures, which are the latest available, show that production has dropped to 7,500,000. These production figures, available to any member, indicate that the output of clay bricks in South Australia since November, 1964, has been almost halved, and this is serious.

The one exception to this is the production at Whyalla, where many houses are being built by the Housing Trust. However, the figures I have quoted include the output at Whyalla, and this emphasizes the parlous position that exists in other parts of the State regarding the output of clay bricks. Although I do not have the figures for cement bricks and cement tiles, I have ascertained from checking on the position that there is a similar slump in sales of those products. This industry has now struck rock bottom, and the position is serious indeed.

Let us compare the position here with the position in other States. When the Treasurer has been asked questions on this matter by members on this side of the Chamber he has blamed a number of people for this state of affairs. In fact, he has blamed everybody except himself. This is patently clear. He has blamed all sorts of organizations when in fact his own Government, through its mishandling of the affairs of this State, is the guilty party. Who is the villain in the piece, according to the Treasurer? He blames the Commonwealth Government on every occasion. He does not look to see whether his own Government's

actions and policies have led us into this financial impasse in South Australia, this accumulated deficit which is estimated to be more than \$9,000,000.

The Treasurer has on occasions referred to how dependent we are on the markets of the Eastern States for our pressed metal products. He has blamed the Commonwealth for not assisting South Australia to sell those products in the Eastern States.

Mr. McKee: Hear, hear!

Mr. COURCE: Does the honourable member agree with the Treasurer?

Mr. McKee: I am blaming the Commonwealth Government.

Mr. COURCE: I always knew the honourable member was a "yes" man. These industries, in the main, were initiated, established or promoted during the time that Sir Thomas Playford was Premier and Treasurer of this State, and in that period there was no difficulty in selling these products in the Eastern States. Various members opposite have blamed the drought in the Eastern States for the present state of affairs, but my reply to that is that there have been droughts before and there will be other droughts in the future. How could the Commonwealth assist the manufacturers in this State to a greater extent than the manufacturers of similar products in New South Wales or Victoria? How could the Commonwealth give this State preferential treatment?

Mr. McKee: There was a Labor Government in New South Wales at the time you referred to.

Mr. COURCE: The honourable member is beyond me. The Treasurer has never mentioned various Commonwealth contributions to this State. He has suggested that the Commonwealth has lately spent less money in this State than it spent previously. I believe the member for Port Pirie has also said that.

Mr. McKee: Yes, I have, and you know it is correct, too.

Mr. COURCE: I do not know how closely the honourable member or any other member of this Committee has looked at the position. On looking at the Revenue Estimates before us we see that the estimated receipts in the Consolidated Revenue Account last year from Commonwealth contributions were \$94,300,000. However, the actual payments by the Commonwealth amounted to \$95,750,000. We find that the estimated receipts for this year have risen from \$94,300,000 to \$104,100,000, in other words, an increase of 8.3 per cent over the actual payments last year. However, this is not the significant factor: the significant

thing to look at is the ratio. This year's Revenue Estimates have increased from \$255,000,000 to \$274,000,000. Last year the Commonwealth's contribution to this Revenue Account was 36.9 per cent of the total, whereas this year it is 38 per cent. Therefore, we see immediately in this one context that in the increased total revenues we are considering today not only has the Commonwealth's contribution increased in amount but it has increased from 36.9 per cent to 38 per cent of the total. Let us look again as the Commonwealth's role in education, which was referred to earlier today. We must remember that not so many years ago the Commonwealth gave very little indeed to this State or to any State for education.

Mr. Hughes: It should be giving more, and you know it.

Mr. CUMBE: I admit that I would be pleased to see it give us more. I am asking the Committee to examine the role the Commonwealth plays in this matter and how much extra it is giving this year. I remind the Committee that it was due mainly to the efforts of Sir Robert Menzies that the Australian Universities Commission was first set up and funds to our two universities in this State started to flow. I think that action had the support of every honourable member in this place. Leaving out the massive financial contributions to the two universities and to the Institute of Technology in this State, the Commonwealth has over the last couple of years gone into another field, in addition, of course, to the scholarship field. Incidentally, these scholarships are extremely worth while, for with the State's contribution those scholarships are very readily available to a much larger group of students than previously. In fact, it is amazing to see the number of students now going to the universities on scholarships. The percentage of those paying full fees has dropped in recent years. I think the Minister of Education promised my colleague, the member for Mitcham, that he would obtain the actual figure, and I would be very interested to ascertain what that is. It makes one wonder sometimes about the responsibility of some university students who are being supported by the taxpayer.

Let us look at the replies the Minister of Education gave me on July 28 when I asked him questions about the Commonwealth's contribution to new projects in this State dealing with technical colleges and the like, a field that the Commonwealth has gone into only recently. The figures are to be found at page

891 of this year's *Hansard*. The Commonwealth Government's contribution to the Radio and Electrical Trade School (Kilkenny Technical College) was \$615,000, which was a 100 per cent contribution by that Government. Its contribution to the Laurel Park Technical College was \$1,080,000, again a 100 per cent contribution; to the Whyalla Technical College it was \$450,000, again a 100 per cent contribution; to the Port Augusta Technical College it was \$330,000, which was an 88.9 per cent contribution by the Commonwealth. It contributed \$620,000 to the Roseworthy Agricultural College and \$2,400,000 to the Northern Teachers College (the project now before the Public Works Committee), both being 100 per cent contributions by the Commonwealth. This is a new concept of education assistance by the Commonwealth. Those figures total \$5,500,000, to be spread over two or three years. This is in addition to the Commonwealth Government scholarships and its contributions to the universities and the Institute of Technology. We in this State would be in a bad way if these funds were not made available to us.

Occasionally, some credit and thanks should go to the Commonwealth for what it is providing for us. At the same time, I should like more money made available in these spheres, and I believe it will be. I recently asked the Minister of Education to furnish me with the figures of what the coming year's Commonwealth contributions were likely to be. They showed a marked increase. Therefore, the Commonwealth is playing a significant part in providing our capital works. This is significant because, quite apart from our getting the money, it is available for bricks and mortar to be put together and buildings to be erected, thus creating employment in the very sphere in which we want it now—the building industry.

I examined another aspect of the Budget to see whether we could get an indication that the State Government was giving local industry and development a shot in the arm, some stimulus. In the past, two major departments have been principally concerned with the development of the State and their activities ultimately lead to further development—the Engineering and Water Supply Department and the Mines Department, both of which were supported to the hilt by the Playford Government. So I looked at the Estimates to see what the present Budget provided for in this regard.



I expected the Engineering and Water Supply Department to have a greatly increased allocation this year, for two reasons: (1) that its operations have a great bearing on the expansion of services in this State, which eventually leads to further development, and (2) because of the present drought and fear of water restrictions. I did some arithmetic, and these figures can be checked. Last year the Minister of Works received 7.3 per cent of the total Budget for all the departments under his control. If his departments were proceeding normally, with no expansion envisaged, he could expect to get this year the same percentage, but, if his departments were expanding, he would expect a greater percentage. We find that instead of 7.3 per cent he is now to get 7.29 per cent, roughly the same as last year.

Further investigations revealed that most of the increase was to provide for wage increases. Apparently, no money is being provided for expansion in these departments. More than one-half of the extra money voted this year is being swallowed up in increased wages and salaries, resulting from various awards and determinations. It was conservatively estimated last year that wages rose by about 6 per cent and salaries by about 7 per cent. So the Minister has little money left for expansion of services in new housing areas, and nothing at all for major development work. That is tragic; the position should be rectified. It is a fault of this Budget.

Turning to the Revenue Estimates, we see that the Minister expects his income this year will be drastically cut back. The Mines Department has for many years played a major part in developing South Australia, so it is most important. It has some excellent officers. In Western Australia exciting discoveries and developments are taking place, but not here. It may be that we have not the minerals, but at least they should be searched for. Compared with last year the Minister of Mines has a magnificent increase of \$16,442. Salary and wage increases in the Mines Department account for \$93,611, but the Minister gets a miserable increase of only \$16,000. Where does it go? There is one item of \$52,000 for expenses in connection with the natural gas pipeline engineering consultant. Apart from that, it is still the fact that the Minister has been cut back this year by between \$30,000 and \$40,000.

Mr. Hall: Mostly in survey work.

Mr. COUMBE: Exactly. There is a shortage of money for survey work, boring and the investigation work carried out by the Mines Department. That is where the cut-back

has occurred. This is a wrong policy. It is tragic that a department that can do much to develop this State has been given such a miserable increase. It is ludicrous when wage increases alone for the department this year amount to \$93,000.

Mr. Casey: Research is being carried out into minerals.

Mr. COUMBE: South Australia is fortunate in that it has Amdel, which works for the Mines Department and for private industry; it is also fortunate in that the mining industry selected this State when setting up the laboratory that is now at Parkside. Why was the laboratory established in this State? Because the Mines Department of this State in the past had a great reputation. Expenditure on this department has been cut back and I believe this is a mistake; it should receive a boost, especially in its exploratory and investigatory work.

Further emphasis is given to this point when we consider the work done by the Western Australian Mines Department in consultation with private investigators. Every few months we hear of new deposits being opened up in that State and of new railway lines being constructed: we do not hear such announcements here. We may not have the minerals in the ground, but I do urge that investigations should continue. The minerals in the Western Australian soil might have remained there if somebody had not had the gumption to go out and look for them.

Mr. Casey: Most of them are on top of the ground.

Mr. COUMBE: They are on top of the ground at Whyalla. I now turn to the Hospitals Department. When the question of lotteries was discussed in this Parliament a year or two ago the Government said that money from the lotteries would go into the Hospitals Fund and that the normal hospital vote would not be cut down in any way. This solemn assurance was accepted. If we look at the Treasurer's Financial Statement we see that this has been observed, but it has only just been observed. Last year the allocation from Government funds to the Hospitals Department was \$24,680,000. The Government has increased this figure: it is now \$24,683,000. In other words, the Government is this year giving an extra \$3,000 out of its own resources. I think this is mighty!

Of course, the Government also said it would carry on with its normal allocations to hospitals. So, this year its normal allocation is \$3,000 greater than that of last year! This would

not cover the increase in the wages and salaries at one of our major hospitals. I know what such items cost because I am a member of a hospital board. I submit that, whilst on paper the Government has honoured its obligation, it has not really done so.

Mr. Casey: What you are saying is not factual.

Mr. COUMBE: I shall wait eagerly for the member for Frome to speak.

Mr. Casey: What about the grant of over \$2,500,000?

Mr. COUMBE: I shall come to that. The allocation to the Hospitals Department last year was \$24,680,000. This year the proposal is for \$26,768,000, of which \$2,085,000 will be provided from the Hospitals Fund. The sum of \$24,683,000 will be provided from Consolidated Revenue. So, from Consolidated Revenue the Government is giving \$3,000 more this year than it gave last year in respect of its normal allocation. Of course, it is giving from the Hospitals Fund this extra \$2,000,000, but a strong point of the Government when promoting the lottery was that all proceeds would go into the Hospitals Fund and these would in turn go to the hospitals, and in the meantime the normal allocation would not be cut back. This can be checked in *Hansard*; I think the member for Wallaroo agrees with me. We all agreed that the normal allocation would not be cut back. Let us consider the next portion of the Treasurer's Financial Statement:

For subsidized hospitals, maintenance grants met from revenue last year were \$3,559,000 and from the Hospitals Fund \$100,000. This

year it is intended that revenue shall meet \$3,563,000, or nominally more than last year, whilst the Hospitals Fund will meet \$1,065,000.

The position is that the Hospitals Fund will provide an amount considerably greater than that of last year; I agree with this. The Government has said, in effect, "Out of the allocation that we usually give, we will give \$4,000 more out of the Budget." The Government has met its obligation in this regard, but only just. I think that more confidence would be placed in the Government if it made provision for the amount required by increased wages and salaries, so that the same amount as was given last year was also given this year, and so that the extra amount from the Hospitals Fund would be available for additional work. This is a swifty, and I suppose the Government will get away with it, but I regret it.

This is the Treasurer's first Budget, and it is not a happy one: it may be his only one. It will not achieve the purpose that was hoped for. It is in effect a stay-put Budget, with no extra taxes being imposed this year, mainly because an election will be held next year and the Labor Party wants to go to the people and say, "We did not increase taxes last year." I regret the treatment meted out to the two departments I have referred to and I would have appreciated more stimulus being given to the business community of this State rather than hearing the Treasurer state that no additional burden would be placed on the people.

Progress reported; Committee to sit again.

#### ADJOURNMENT

At 10.20 p.m. the House adjourned until Wednesday, September 13, at 2 p.m.