

HOUSE OF ASSEMBLY

Tuesday, September 15, 1970

The SPEAKER (Hon. R. E. Hurst) took the Chair at 2 p.m. and read prayers.

**MINISTERIAL STATEMENT: CADELL
ESCAPE**

The Hon. L. J. KING (Attorney-General): I ask leave to make a statement.

Leave granted.

The Hon. L. J. KING: The statement that I shall now make will also be made by the Chief Secretary in another place this afternoon. The Government and the Prisons Department are most concerned at the escape of three prisoners from Cadell Training Centre on Sunday, September 13. It is understandable that the Cadell community should be concerned about this escape, particularly as a local resident was involved.

The care with which trainees have been selected for transfer to Cadell is reflected in the fact that in the 10 years of the centre's operation there have been only minor walk-offs, and only this one incident of a serious nature. It has been decided that the best action to take at this stage is to hear what the local community has to say, and to this end the Comptroller will arrange a meeting with local residents for later this week. The Government will consider any representations made by local residents at this meeting.

The use of open prison farms for rehabilitation purposes is a world-wide practice. In the past, the various services provided by the Cadell centre, such as emergency fire services, have provided valuable services to the community. Although the seriousness of this escape cannot be minimized, it is hoped that the community as a whole will realize that this type of prison farm operation has had considerable success, and that this form of rehabilitation will not be jeopardized by this one incident.

AUDITOR-GENERAL'S REPORT

The SPEAKER laid on the table the Auditor-General's Report for the financial year ended June 30, 1970.

Ordered that report be printed.

QUESTIONS**VIETNAM MORATORIUM**

Mr. MILLHOUSE: I refer to the projected moratorium demonstration which is scheduled to take place, I understand, next Friday. I

understand that, during the absence of the Premier overseas, there has been a change of heart amongst his Party and that the Australian Labor Party will not now be associated with the demonstrations which are planned for that day and in which they had previously been participating and organizing. In view of this change of heart, which, as I say, took place during the absence of the Premier, I ask the Premier whether he can give this House and the community at large an assurance that the Government will now stand four square behind the police in maintaining law and order, not only on Friday but during the whole of this week, when, I understand, some demonstrations are also scheduled to take place.

The Hon. D. A. DUNSTAN: The position that the Labor Party has taken in this matter has always been clear and consistent and there is absolutely no change of heart by the Labor Party.

Mr. Millhouse: That surprises me!

The Hon. D. A. DUNSTAN: I am sure it would surprise the honourable member, because anything that does not suit him politically always does surprise him. The position of the Labor Party on public demonstrations has always been that it believes in the right of people in this community publicly to demonstrate their beliefs, and, as long as those demonstrations are peaceful and orderly and do not interfere with the rights of other people to go about their normal business, those demonstrations are proper. The Labor Party is opposed to a continued involvement in Vietnam, and it supports the public demonstration of views that oppose such continued involvement. What the Labor Party sought of those involved in organizing Friday's demonstration was that there be sufficient information and co-operation given to the authorities that it could be seen that the demonstration would take place without interference with the rights of other people to go about their normal work and business in an orderly and peaceful way. Sensible suggestions were made on how this could be achieved. Most unfortunately, a small majority of those involved in organizing the demonstration refused that suggested co-operation. In those circumstances the Labor Party could not continue to support a demonstration where it could not guarantee the form of the demonstration or the outcome. That is most unfortunate and we regret it; nevertheless, the Labor Party's attitude on this has been completely consistent. I hope that wiser counsels will prevail in due course, but the position

that the Labor Party has taken on this matter in my absence is precisely the position that I personally had put throughout: that, if any demonstration was to take place, it must take place in a peaceful and orderly manner, with the necessary co-operation with the authorities to ensure this.

Mr. Millhouse: Will you back the police?

The Hon. D. A. DUNSTAN: There is no question of the Government's not backing the police in maintaining peace and order. The Government has never suggested that it would do anything else.

The Hon. D. N. BROOKMAN: I ask you, Mr. Speaker, whether you can outline the position regarding demonstrations that take place on the steps of Parliament House. Bearing in mind that this is the second occasion on which there has been a major demonstration in front of the House, I can only say that I would certainly be speaking on behalf of many citizens of the State who strongly object to having their Legislature decorated in such an unpalatable way. Can anything be done by the House itself, by you, Mr. Speaker, and perhaps by the President of the other place, or by the Government, to ensure that these demonstrations do not destroy the appearance of our Legislature? I point out that animosity would be caused if a private firm tried to advertise its article for sale on the steps of Parliament House. The placards and general decorations there are extremely unpalatable if not to all then to many citizens.

The SPEAKER: I intend to indicate at the moment only that I have conferred with the President of the Legislative Council concerning the occupation by demonstrators of the landing at the front of Parliament House and that we are keeping the situation under constant review. The motives of the demonstrators are best known to themselves, but I hope members will agree with me when I say I hope nothing is done seemingly to make martyrs out of zealots.

Mr. GOLDSWORTHY: Prior to the moratorium demonstration that was held some time ago, when Dr. Cairns was questioned about disrupting the passage of the public he said he considered it necessary to stage the sit-down strike in Melbourne streets and to interfere with the passage of people so that the demonstration could have impact. In view of the answer he has given today, will the Premier say whether he has always held the view that he has expressed and whether his view has always conflicted with that expressed by Dr. Cairns?

The SPEAKER: I think the honourable member will find the answer to his question in the previous answer given by the Premier. Does the Premier wish to reply?

The Hon. D. A. DUNSTAN: I believe that the honourable member is perfectly capable of listening to what I have to say and of understanding it, and I suggest that he exercise both his hearing and understanding. What I have said is what I have always held to be the case.

Mr. Goldsworthy: So you disagree with Cairns?

The SPEAKER: Order!

Mr. HOPGOOD: Does the Attorney-General know of reports of the activities of a right wing para-military organization, using violence or threats of violence against legitimate political action, and will he ask the Chief Secretary to investigate these activities to find out whether there is any truth in the reports?

The Hon. L. J. KING: I know nothing of the activities or suggested activities that the honourable member refers to other than what I have read in the press. Of course, the Deputy Premier referred to this matter in a statement yesterday or the day before and I can only repeat his statement that one hopes that the organization referred to is a figment of someone's imagination, because if the organization does exist, it is a type of activity that this community can well do without. In response to the honourable members question, I shall ask my colleague whether he has any further knowledge of the alleged organization.

Mr. RODDA: I, too, refer to the projected moratorium demonstration next Friday. While the Premier has been out of the country many members have been in various parts of South Australia and I have been to Victoria.

Mr. McKee: Why don't you go to Vietnam?

Mr. RODDA: Well, I am willing to go there if the honourable member is. Perhaps we will both go.

The SPEAKER: Order!

Mr. RODDA: Mr. Speaker, I think that about 90 per cent of the people of this State are utterly fed up with the demonstrations we are being subjected to. Can the Premier assure me and the House that he and his Government has taken action to ensure that law and order are maintained on Friday, because some organizations have views different from those held by the persons who are now on the front steps of Parliament House?

Mr. McKee: They're Fascists.

Mr. RODDA: They are not Fascists: they are people who are sick and tired of anarchists.

Will the Premier, as the responsible Leader of this State, say whether he has discussed with the police any emergency that may arise, and will he say what action he and his Government have taken to preserve law and order in this State next Friday?

The Hon. D. A. DUNSTAN: The Government is taking steps to ensure that no-one is guilty of a breach of the peace in connection with any demonstration, and that includes not only people seeking to demonstrate against continued involvement in Vietnam but all persons who would try to prevent others from expressing their views publicly—

Mr. Millhouse: And lawfully.

The Hon. D. A. DUNSTAN: —and lawfully, but at the same time this Government will not support people who seek to take the law into their own hands and assault those who hold different opinions.

Mr. Millhouse: On either side?

The Hon. D. A. DUNSTAN: On either side, yes.

Mr. Rodda: It's very close to the surface, you must admit.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: There are plenty of persons in this community (including a Commonwealth member of Parliament who belongs to the honourable member's Party) who give every encouragement to those who seek to take the law into their own hands.

Members interjecting:

Mr. Millhouse: That's a lot of rubbish, utterly ridiculous.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: As far as this Government is concerned, peace and order will be maintained, and that will apply to everyone.

Mr. MILLHOUSE: The Premier has made a very serious accusation against an unnamed member of the Commonwealth Parliament from this State.

Members interjecting:

Mr. MILLHOUSE: Members opposite may giggle, but we on this side take incitement to the breaking of the law very seriously.

The SPEAKER: Order! Members giggling are out of order.

Mr. MILLHOUSE: In view of the seriousness of the accusation the Premier has made, and as there are eight members of the Commonwealth Parliament from my Party, will he name the member concerned, as well as explain

to the House what incitement has been given by this member to break the law?

The Hon. D. A. DUNSTAN: Yes, I will do that, but so that the honourable member may have the sort of information he seeks, I will prepare a reply concerning the member in question (who will never justify his accusations against other people), and I will see that it is done in full.

Mr. McANANEY: The Premier said that he expected anyone connected with the march, or anyone who might be in the area generally, to keep the peace, but he did not use the word "law". Does the Premier consider that, if people sit down at a street corner or put on a play lasting for a quarter of an hour, they will be keeping the peace? Does he consider that marchers will be keeping the peace if they do something necessitating their being dragged away by the police?

The Hon. D. A. DUNSTAN: Activity in public streets does not always necessarily involve breaches of the peace. In fact, at times the streets are not open to members of the public in the normal way, because soldiers are marching down them.

Members interjecting:

The Hon. D. A. DUNSTAN: The Government has clearly stated that it intends to ensure that the peace is kept. If the honourable member wants to urge the Government to take action that ensures that the peace is not kept, I can only say that he will not get satisfaction.

DARTMOUTH DAM

Mr. CUMBE: My question relates to the negotiations regarding the Dartmouth agreement, which was the subject of the notorious debate that took place in this House on April 30. The Government now having been in office for 3½ months, concern has been widely expressed by members of the public and the Opposition about the fact that as yet no information on the outcome of the Government's intentions in this regard has been made available. As the Government recently announced that the Minister of Works in this State and his colleagues from Victoria and New South Wales and from the Commonwealth Government would meet to discuss this matter, can the Minister say whether that meeting has been held and, if it has, what is the outcome? If the meeting has not been held, will he say when it will be held, and, in the interests of all South Australians, will he take urgent steps to ensure that it is held without undue delay?

The Hon. J. D. CORCORAN: The meeting to which the honourable member refers has not yet been held. The South Australian Government has tried to arrange a meeting, but every other Government concerned wants a different form of meeting. Mr. Gorton has not yet replied to our request, just as he has not yet replied to any other requests we have made.

The Hon. D. A. Dunstan: Not a single one.

Mr. Coumbe: On this subject?

The Hon. J. D. CORCORAN: He has not replied on any subject on which the State Government has approached him. In fact, only yesterday I had a letter drafted on behalf of the Premier with regard to obtaining assistance from the Commonwealth Government for drought relief. On three separate occasions last week, I tried unsuccessfully to contact the Premier of New South Wales. It seems that some effort is being made by other States to delay this meeting, for which we as a State Government are pressing as hard as we can. Now that the Premier has returned, I have no doubt that he will again take up the cudgels on behalf of the State Government, as I have tried to do while he has been away.

The Hon. D. N. Brookman: Are you suggesting that the Premier of New South Wales is deliberately evading the issue?

The Hon. J. D. CORCORAN: No, I did not suggest that. I tried on three separate occasions to contact him, but each time I was unable to do so. As I have left messages for him to telephone me and he has not done so, the honourable member can draw his own conclusions; I will not draw them for him. The South Australian Government is doing everything possible to expedite this meeting, which we agree should be held as quickly as possible.

MODBURY DEATH

Mrs. BYRNE: Before asking my question, I welcome the Premier back to this State and, with other members, look forward to seeing the benefits that I am sure will result to the State from his recent trip. The Premier may or may not know that over the weekend a tragedy occurred in the Modbury North area of my district in which a 14-year-old girl, who was in the lounge-room of a house in which a gas fire was burning, lost her life. I ask the Premier whether the Government will consider seeking a full report on the death of this girl, and particularly on the safety aspect of natural gas. I ask this question with the full knowledge of the parents of the girl concerned.

The Hon. D. A. DUNSTAN: I express my sympathy to the parents of the girl, and I assure the honourable member that inquiries will be made in order to establish the situation about which she asks.

SCHOOL CLEANERS

Mr. JENNINGS: Some time ago I asked a question of the former Minister of Education, and I have since written to the present Minister, regarding the conditions of cleaners and, as I think they ought in some cases to be described, caretakers of departmental schools. I realize now from what the Minister said to me privately some time ago that he regards this as a union matter and that there is a demarcation dispute between two unions. Has the Minister any further information to supply to the House on this matter?

The Hon. HUGH HUDSON: Caretakers employed by the Education Department in its schools are paid under the Storemen and Packers Award, with a service pay provision that applies to daily and weekly-paid Government employees, and they are represented generally by the Australian Government Workers Association. Cleaners come under another section of the award if they are daily or weekly-paid Government employees, and they also receive service pay and any increases granted by the Government. There is a separate category involving cleaning under contract in various schools. Similarly to the cleaning of various other Government buildings, the nature of these contracts is not a subject that is peculiarly within my competence or that of my officers. I intend to discuss with the Minister of Labour and Industry the provisions of cleaning contracts.

PORT PIRIE INSPECTOR

Mr. McKEE: Has the Minister of Labour and Industry a reply to my recent question regarding the appointment of an officer of the Department of Labour and Industry at Port Pirie?

The Hon. G. R. BROOMHILL: Following a review of departmental activities in the northern areas of the State, approval was given for the Port Pirie office of the Department of Labour and Industry to close from January 22, 1968, because the continued industrial expansion at Whyalla made it a more efficient and economical arrangement to concentrate all of the department's activities in the north in the one office. Consequently the inspector resident in Port Pirie was transferred to the Whyalla staff, which now

consists of a District Inspector, Inspector of Construction Safety and an Industrial Inspector. Their district includes Port Augusta, Port Pirie and Port Lincoln.

However, arrangements were made to retain the office in the building of the Department of Marine and Harbours in Port Pirie for use by inspectorial staff when visiting that locality, and for messages to be left there for the inspector when calling on his regular visits. Experience has shown that only a few messages were left at the Port Pirie office, most inquiries being made direct by telephone to the Whyalla office where they can receive early attention. Visits of inspectors to Port Pirie in 1970 have been or will be made at least once a month in all cases for at least two days. Arrangements have been completed for the Industrial Inspector to call on the secretary of the Port Pirie Trades and Labour Council immediately he arrives in Port Pirie on each visit. The present arrangement is considered to be the most efficient from the department's point of view, and also will provide a satisfactory service for the Port Pirie district.

SOCIAL STUDIES TEXTBOOKS

Mr. CARNIE: A television news item of, I think, last Friday evening reported the Minister of Education as stating that Vietnam-moratorium literature would not be allowed to be distributed within State schools. He was further quoted as saying that it was not the department's policy to allow "partisan propaganda" in schools. This, of course, is laudable and, in my view, perfectly correct, and I am surprised and pleased that the Minister has taken this action.

The SPEAKER: The honourable member is commenting. He must explain his question.

Mr. CARNIE: How can the Minister reconcile this attitude with his continued refusal to withdraw social studies textbooks that show strong political bias?

The Hon. HUGH HUDSON: The honourable member heard that statement over the air on Saturday evening and the full statement was not reported. The following is the full statement:

Parents have a right to expect that their children are not subjected to partisan propaganda while they are in attendance at school. Distribution of pamphlets in this context within schools is therefore not approved, whatever their source may be. This is altogether different from the policy on curriculum, particularly evident in social studies and current events programmes, that encourages students to think for themselves and which may involve

discussion of the pros and cons of various contentious issues in a class or current events setting. This latter policy is operated by the heads at their own discretion and of course permits the use of visiting speakers putting different points of view. Heads willingly accept the responsibility and can be relied upon to act in the best interests of their schools, both children and parents, without instructions from the Education Department.

The honourable member seems, first, to be incapable of making a clear judgment on the type of textbook used, and he implies directly that schoolteachers are incapable of using textbook material that they have—

Mr. Carnie: You're putting that meaning on it.

The Hon. HUGH HUDSON: —in an unbiased way.

Mr. Millhouse: That's absurd.

The Hon. HUGH HUDSON: The member for Flinders has made certain accusations in his district, as he knows, and I have known of them for a long time.

Mr. Millhouse: What are they?

The SPEAKER: Order!

The Hon. HUGH HUDSON: The member for Flinders can tell the honourable member about them.

Mr. Millhouse: Why don't you, if you're saying it?

The SPEAKER: Order!

The Hon. HUGH HUDSON: No. The member for Mitcham also claims that certain textbooks are politically biased. I have given clear explanations on this matter previously. The persons responsible for writing the textbooks are respected members of the community and they have been subjected to unnecessary and vitriolic attacks by people who are not informed on the matter and do not bother to be properly informed.

Mr. Millhouse: What are these accusations you refer to?

The SPEAKER: Order!

The Hon. HUGH HUDSON: The honourable member should ask the member for Flinders about it. I do not intend to go into it, because they involve someone else.

The SPEAKER: The Minister has no need to reply to the member for Mitcham, because the honourable member is entirely out of order.

The Hon. G. R. Broomhill: Very rude, too.

The Hon. HUGH HUDSON: Thank you, Mr. Speaker. I knew the member for Mitcham was both rude and out of order, and I am

sorry that I have transgressed by paying any attention to his puerile interjections. The policy regarding textbooks applies now as it applied previously. It still operates in the way I previously explained to the member for Flinders and other members.

CROSS ROAD INTERSECTION

Mr. PAYNE: Has the Minister of Roads and Transport a reply to my question of August 26 regarding work carried out recently at the intersection of Cross Road and Goodwood Road?

The Hon. G. T. VIRGO: The purpose of the recently completed works at this intersection was to improve the traffic signal equipment and traffic island system.

AMBULANCE SERVICES

Mr. VENNING: Has the Attorney-General a reply to the question I asked a short time ago regarding payments to ambulances for work carried out for pensioners in rural areas?

The Hon. L. J. KING: Since May 9, 1949, ambulance committees in country areas of South Australia have been reimbursed by the Government the charges incurred in conveying pensioners or indigent persons to the nearest base hospital or, if their medical condition so warrants it, to either Royal Adelaide Hospital or the Queen Elizabeth Hospital. Further, approval was given on March 10, 1960, for payment to be made in those cases where a medical officer had certified that, in his opinion, it was necessary that an ambulance be used to transport patients from the base hospital back to their homes. The basis of these approvals was that pensioners or indigent patients who would normally be eligible for free treatment at a base or metropolitan teaching hospital should not be denied that treatment merely because they were unable to afford the cost of ambulance transport to the hospital. The cost of such transport is met by the Government to the nearest Government or Government-subsidized hospital able to provide the type of treatment which in the opinion of the patient's medical practitioner (who provides a certificate to this effect) is required by the patient. It was never intended that the payment for ambulance transport should be made merely to transfer a pensioner to any hospital of his own choosing. The ambulance committees in the country are fully aware of the conditions under which transport for pensioners is met by the Government, as these conditions have been in operation for many years. Over the period there have been very few, if any, complaints from the ambulance services.

BARMERA WATER SUPPLY

Mr. CURREN: Can the Minister of Works, representing the Minister of Lands, say how the Government intends to improve the town water supply at Barmera?

The Hon. J. D. CORCORAN: The honourable member was good enough to tell my colleague that he would ask this question, and I have received the following information: On August 17, 1970, Cabinet gave formal approval for the construction during 1971-72 of a new pumping plant and rising main estimated to cost \$199,000 to enable the town water supply system for Barmera to be supplied direct from the river at Cobdogla instead of via the irrigation supply system. Expenditure up to \$10,000 during 1970-71 to enable detailed drawings, designs and specifications to be prepared, has been provided for in this year's Estimates.

GOOLWA FERRY

Mr. McANANEY: Has the Minister of Roads and Transport a reply to my question of September 1 about the Goolwa ferry?

The Hon. G. T. VIRGO: Investigations into the improvement of the ferry service at Goolwa have been resumed following the decision (and a good and very wise one) that the Victor Harbour railway line will not now be closed. The possibility of coupling two ferries together in tandem to take about 18 cars is being examined in these investigations.

SHOP SIGNS

Mr. CRIMES: Has the Minister of Local Government a reply to the question I asked on July 23 concerning shop signs?

The Hon. G. T. VIRGO: The city of Woodville has taken action under the provisions of model by-law XXV, which was adopted by the council in 1938 as by-law 25 of the council. The action taken by the Woodville council has had the effect of reducing the number of signs on footpaths. However, the council is still concerned about the signs in front of the shops on freehold property. Other councils could, if they have adopted the model by-law, or a similar by-law designed for the particular need of a council, take action similar to that taken by the city of Woodville. I have asked the Secretary for Local Government to include this matter in the next local government bulletin to be sent to the councils.

WHEAT QUOTAS

Dr. EASTICK: As a result of the wheat quota problems, some farmers individually and collectively are selling chaff in the metropolitan

area to be used by racehorse establishments and for consumption by other livestock. This fact would suggest that those chaff mills that have existed for many years may find it difficult to place as much chaff in the future as they have placed in the past. As these chaff mills have a standing contract with many wheatgrowers that the wheat be cut as hay and not reaped as grain, several of these suppliers of hay may have standing crops left on their properties. The terms of reference that have been circulated by the Minister of Agriculture relating to the Wheat Delivery Quotas Inquiry Committee would not, it would seem, provide for special consideration to be given to suppliers who find themselves denied normal process of their wheat being cut for hay. Will the Minister of Works ask the Minister of Agriculture whether these terms of reference can be widened to provide for persons in country areas who are in difficulties as a result of these actions?

The Hon. J. D. CORCORAN: I shall be pleased to offer this suggestion to my colleague and obtain a report for the honourable member soon.

BOLIVAR EFFLUENT

Mr. GROTH: I have received a letter from the Parafield Gardens Progress Association, which states:

We, the above, would like to protest about the offensive smell coming from the Bolivar treatment works. We were informed well over two years ago that the odour would cease within two years after the completion of the works, but the problem is still with us. On hot summer days when there is a northerly wind blowing the smell is vile and we request that investigations be made into this.

(Signed) Barbara Morton.

In view of that correspondence, will the Minister of Works undertake to have this investigation made?

The Hon. J. D. CORCORAN: I shall be pleased to consider this request. I note that the letter states that on a hot summer day when a northerly wind is blowing a problem is created. I should not think that this would have been a problem recently. However, if the smell is offensive to people living in the area and is a real problem, I will investigate the matter and ascertain what can be done.

RUN-OFFS

Mr. EVANS: I recently asked a question of the Minister of Roads and Transport concerning the run-offs being constructed on the South-Eastern Freeway. In his reply the Minister suggested that the run-offs were barricaded

in order to prevent people from using them on Sundays, but I consider it was not only on Sundays that they were closed but also during the week. Also, the Minister considered that the second run-off would be easy to negotiate. I congratulate his department on the work that has been done since I asked my previous question. Has the Minister further information for me?

The Hon. G. T. VIRGO: The upper run-off near the chicken hatchery is blocked off to prevent any use before it is completed, as I previously said. The lower run-off is also incomplete. However, in this case it has been left open because the steeper gradient would even now afford a chance of safe negotiation in an emergency. The design of the entrance to the lower run-off is such that a slight curve must be negotiated. The radius is not considered to be a problem even for fast-moving heavy vehicles, and compensating superelevation has been provided on the run-off entrance. To increase the entrance radius further would require removal of a substantial quantity of rock to a considerable height. This would be very costly and almost certainly produce land slips on the steep slopes above for minimal improvement. Extended wet weather in August has delayed this work. However, it is expected that both run-offs will be complete by the end of September, 1970.

DARLEY FORD CROSSING

Mr. SLATER: Considerable inconvenience has recently been caused to traffic negotiating the Torrens River crossing known as Darley Ford crossing. Following recent rains, the ford has become impassable, and traffic has been redirected over the nearby one-way traffic bridge. Will the Minister of Roads and Transport ascertain whether the Darley Ford crossing is likely to be improved or, alternatively, whether a solid construction bridge will be built soon?

The Hon. G. T. VIRGO: I shall be pleased to obtain the information for the honourable member and to let him have it.

MINNIPA AREA SCHOOL

Mr. GUNN: Has the Minister of Education a reply to the question I recently asked about the Minnipa Area School?

The Hon. HUGH HUDSON: Funds have been approved, and tender documents are being prepared by the Public Buildings Department for the calling of tenders for repairs and painting at the Minnipa Area School. It is expected that tenders will be called in October, 1970.

This work includes repairs to floors, and covering of some floors with masonite. Separate action is being taken to repair the ceiling of the headmaster's office. A local contractor, who had been engaged to undertake the work in early July, has been on holidays since that time, and has only recently returned. However, early completion of the ceiling repairs is now expected.

SOUTH AUSTRALIAN YEAR BOOK

Mr. HARRISON: Has the Minister of Education a reply to my recent question about the *South Australian Year Book* being made available to school libraries?

The Hon. HUGH HUDSON: The *South Australian Year Book* is not supplied free to school libraries but can be made available at a concession price if it is to be placed permanently in the library. It is considered that it would be a valuable addition to all school libraries throughout the State and is excellent value for its cost. Approval has therefore been given for the *South Australian Year Book* to be supplied to all schools.

MANNAHILL POLICE

Mr. ALLEN: Has the Attorney-General obtained from the Chief Secretary a reply to my recent question about the Mannahill police station?

The Hon. L. J. KING: My colleague reports that, although there is no foundation for the rumours concerning Mannahill at present, the policing of this district will come under careful scrutiny as part of the State-wide survey to determine the most economical and the best possible use of available manpower and resources in the future.

CONSORTING

Mr. McKEE: Has the Attorney-General a reply to the question I recently asked about the Police Offences Act?

The Hon. L. J. KING: I have now received a report on this matter from my colleague the Chief Secretary. Section 13 of the Police Offences Act, 1953-1967, provides that "any person who habitually consorts with reputed thieves, prostitutes, or persons having no lawful visible means of support shall be guilty of an offence". The minimum requirement for a prosecution for consorting, in the case of an adult, is that the person reported was with seven different persons of the type referred to in the section quoted above on 12 occasions within a period of six months. In recent years, the only persons charged have been booked on

occasions far in excess of the minimum requirements. Although the formula for prosecution of juveniles is the same as for adults, the parents are interviewed once a juvenile is booked on five occasions or thereabouts, and the procedure is repeated if he receives further bookings. Prosecutions are undertaken only where the warnings are not heeded. Brothers would be booked for consorting if they were together and with a group of criminals. There is no known instance of a prosecution of any person for consorting with his brother only. I will let the honourable member have a sample of the form used by members of the Criminal Investigation Branch when reporting persons for consorting.

UNEMPLOYMENT

Mr. CRIMES: As I understand that Australian employment statistics for August are now available, I ask the Minister of Labour and Industry whether he can provide any details on this matter and whether he can say how the South Australian position compares with that of other States.

The Hon. G. R. BROOMHILL: During August, the number of persons registered with the Department of Labour and National Service as unemployed in South Australia declined by 684, or 10.5 per cent. Significant falls were evident in all classes registered, the largest fall being in the adult male class where a fall of 294, or 9.5 per cent, occurred. The largest percentage fall was in the junior male class where there was a fall of 148, or 14.8 per cent. I point out that seasonally adjusted figures show that South Australia was the only State to experience a fall in unemployment, and this indicates a continued buoyancy in the South Australian economy.

MARINE STORE DEALERS

Mr. MATHWIN: Has the Attorney-General a reply to the question I recently asked about the Marine Stores Act?

The Hon. L. J. KING: Cabinet has approved an amendment to regulation 6 under the Marine Stores Act deleting all reference to the colour of vehicles.

TAILEM BEND CROSSING

Mr. WARDLE: Has the Minister of Roads and Transport a reply to the question I recently asked about a new railway crossing at Tailem Bend?

The Hon. G. T. VIRGO: The location of a level crossing at the point referred to by the honourable member would be untenable because

it would cut across the main line and two sidings. Moreover, main line trains are prone to stand here awaiting entrance to the Taillem Bend yard. No level crossing could be contemplated south of the end of the storage siding. Not only would this be 1½ miles north of the existing crossing at 75 miles 00 chains but it also would involve a total of about 1½ miles additional running for each return movement for vehicles coming from south of Taillem Bend. In addition, no public roads exist in this area; consequently either a private access road would have to be negotiated or public roads opened and constructed. I can also see a road traffic hazard being created if a level crossing was provided. Heavy vehicles proceeding northwards along Princes Highway would be obliged to turn right across oncoming traffic in an area outside the 35 miles-an-hour zone. While I admit that road vehicles proceeding from the north of Taillem Bend to the silo would use the level crossing at 75 miles 00 chains and so traverse the commercial part of the town, I am unable to see why those from the south could not use the crossings at 75 miles 39 chains. I am therefore opposed to any new crossing.

CONSTRUCTION MATERIAL

Mr. HOPGOOD: Has the Minister of Works a reply to the question I asked recently regarding construction material in schools?

The Hon. J. D. CORCORAN: Investigations have been carried out by departmental staff, but it is not possible to identify the unit from the photograph supplied by the honourable member. There have been no reports of failure of concrete at the two schools mentioned in his question, but, if additional specific information can be given, further investigations will be carried out.

LOXTON PRIMARY SCHOOL

Mr. NANKIVELL: Some weeks ago I asked the Minister of Education about the progress being made on the open-unit teaching block at the Loxton Primary School. I can now inform the Minister that, as I have since inspected the site myself, I am not acting on secondhand information when I say that work is still at a standstill. Will the Minister of Works, as Minister in charge of the Public Buildings Department, therefore ascertain the reason for the continued delay and say when it is expected that work on this project will commence, so that it can be completed at the earliest opportunity?

The Hon. J. D. CORCORAN: I believe some problems are being experienced with beams and that this has caused a delay in other schools of this type, such as that at Millicent. However, I shall be happy to take up the matter with the department to see whether the fault can be rectified.

APPRENTICES

Mr. COUMBE: Last year, when I had the privilege of being Minister of Labour and Industry, in the interests of apprenticeship and in order to encourage a greater enrolment of apprentices in this State I was responsible for the issue to employers of a pamphlet urging them to employ more apprentices, and I pointed out the advantages of South Australia's apprenticeship system. I sent a copy of this pamphlet to each member of the Thirty-ninth Parliament. When I left office at the beginning of March the preliminary figures showed that there had been a considerable improvement in the number of indentures being signed. Some time has since passed, and I imagine that by now the Minister of Labour and Industry has much more up-to-date enrolment figures. Will he therefore tell me as soon as possible what is the percentage increase in the total enrolments this year as compared with last year and what is the actual number involved in the increase?

The Hon. G. R. BROOMHILL: The information with which I have been provided shows that apprenticeship enrolments have been satisfactory this year. However, I will obtain the exact figures for the honourable member and let him have them in due course.

ROYAL SHOW HOLIDAY

Mr. EVANS: It has been the practice in the past for workers in certain sections of the Government service, and particularly public servants, to be given a half-day holiday to enable them to attend the Royal Show. However, I am told that many of these people do not use their half-day holiday for that purpose. As I take it that the Premier would be aware of this, can he say whether the Government will consider giving a half-day or a full-day holiday to all Government workers? If it will not, will it discontinue the present practice, which seems completely unsatisfactory and unfair to those Government workers who do not receive the concession that a certain privileged few receive?

The Hon. D. A. DUNSTAN: The Government is not embarking on a course of taking away from public servants privileges that they

have enjoyed over the years. However, the whole matter of public holidays in South Australia is currently under review.

DEBIT ORDER WORK

Mr. GUNN: Has the Minister of Roads and Transport a reply to my recent question regarding payments to councils in the Western Division for works undertaken by them on behalf of the Highways Department?

The Hon. G. T. VIRGO: During the past three years the payments to councils in the Western Division for specific works undertaken on behalf of the Highways Department and for ordinary grants were as shown in the table that has been supplied to me. I ask leave to insert in *Hansard*, without my reading it, the table that follows.

Leave granted.

PAYMENTS TO COUNCILS			
	Ordinary Grants	Debit Order Grants	Total
	\$	\$	\$
1967-68 . . .	696,286	450,527	1,146,813
1968-69 . . .	701,001	752,621	1,453,622
1969-70 . . .	766,090	1,117,327	1,883,417
	<u>\$2,163,377</u>	<u>\$2,320,475</u>	<u>\$4,483,852</u>

The Hon. G. T. VIRGO: The total funds available under ordinary grants to councils in the Western Division as at August 31, 1970, amounted to \$928,073, including a carry-over from the last financial year of unexpended allocations totalling \$194,115. The anticipated expenditure by councils on specific works undertaken on behalf of the Highways Department during the current financial year is \$530,000.

BREAD

Dr. EASTICK: In the country there are some bakeries whose only outlet is through their own shops which are adjacent to or a part of the bakery. Is it intended, in the legislation which the Minister of Labour and Industry has foreshadowed, to prevent these people from selling through their own retail outlets bread freshly manufactured on Saturdays and Sundays?

The Hon. G. R. BROOMHILL: I will get a reply for the honourable member.

Mr. MATHWIN: As the Minister of Health is so concerned about the danger involved in returning unsold bread, will the Attorney-General ask his colleague to consider

requiring that bread be wrapped, as this would be good from the health point of view and would also help to keep bread fresh?

The Hon. L. J. KING: I will take up the matter with my colleague and give the honourable member a reply.

Mr. MILLHOUSE: A few weeks ago the member for Glenelg asked the Attorney-General to seek from the Minister of Health the reply to a question regarding the enforcement of the regulation dealing with the non-return by shopkeepers of unsold bread, and I understand from the honourable member that, although he has followed up that question once (or it may be twice; I am not sure) asking for a reply, the Attorney-General has been non-committal and has not yet given a reply. At about the same time as the member for Glenelg asked his question, I received from a storekeeper in my district a letter about the same matter, pointing out that the enforcement of this regulation that shopkeepers were not permitted to return unsold bread after, I think, the end of August last meant, for most storekeepers, that the sale of bread over the counter would be entirely uneconomic. The letter I have shows that the discount that storekeepers get is only 12½ per cent. On a turnover of 283 bread units the profit was, therefore, only \$5.74 and if a storekeeper had only a few loaves left over a week (say, 25, or five a day) it did not pay him to stock bread. During the show adjournment I heard from several other sources that storekeepers are discontented because of this rule, and that discontent will almost inevitably result in their not stocking bread in future, because it will not pay them to stock it, or, if they do, they will make certain that they stock less than may be required.

The SPEAKER: Order! The honourable member is starting to debate the question. The honourable member may explain sufficient to ask his question so that a reply can be given, but he should not continue to give unnecessary details. I ask him to confine himself to asking the question and not to debate it.

Mr. MILLHOUSE: With respect, Sir, I do not think I was debating the question but, in deference to what you have said, I shall ask it immediately. Because of the importance of this matter and the widespread discontent that is being caused amongst shopkeepers by the ruling promulgated by the Minister of Health, will the Attorney-General, as a matter of urgency, obtain a reply this week either for the member for Glenelg or for me, about the

reasons that have prompted the Minister to give a directive that this regulation is to be enforced?

The Hon. L. J. KING: I shall refer the question and the honourable member's comments to the Minister of Health and obtain a reply.

SOCIAL WORKER

Mr. McKEE: Has the Minister of Social Welfare a reply to my recent question regarding the appointment of a social worker at Port Pirie?

The Hon. L. J. KING: I can now inform the honourable member that negotiations for office accommodation for the Department of Social Welfare and Aboriginal Affairs at Port Pirie are proceeding satisfactorily. It is expected that the Public Service Board will recommend the creation of positions for a resident welfare officer and an office assistant at Port Pirie soon.

INSURANCE

Mr. NANKIVELL: This morning, when I was insuring a motor cycle for my son, I inquired about the possibility of taking out third party property insurance that would cover vehicles other than my son's if he were involved in an accident; in other words, his own motor cycle would not be covered but the other vehicle with which he was involved would be covered in the case of a major accident. As the premium for such a policy was only a nominal sum, it seemed to me that consideration might be given to making this type of insurance compulsory because many vehicles are on the road at present in an uninsured state because they are not worth insuring, and such vehicles are often involved in accidents with vehicles worth a considerable sum. If the Attorney-General has not already considered this matter, will he consider bringing down legislation to make third party property insurance compulsory?

The Hon. L. J. KING: A great deal of consideration has been given to this matter and it was made part of the policy of my Party at a conference in July this year. It is very pleasing to note that the honourable member agrees with the principle that was adopted. The Government supports the principle of compulsory third party property insurance, and investigations are currently in hand to determine the likely cost to the insured and generally into the administrative measures required to put

it into effect. I expect that when these investigations are completed a Bill will be introduced to give effect to the principle that the honourable member supports.

AERIAL SPRAYING

Mr. VENNING: Has the Minister of Works a reply to my recent question regarding aerial spraying of crops in this State? I read with concern only recently of further damage being done in some areas, particularly in the Murray District, where problems of this kind have been experienced previously.

The Hon. J. D. CORCORAN: My colleague states:

Discussions on possible conditions to enable uniform State legislation for the control of aerial application of agricultural chemicals have been held at Agricultural Council and at meetings of Attorneys-General over a number of years. South Australia was kept aware of the progress of legislation in other States and the difficulties associated with the implementation of such legislation through these meetings and meetings of technical officers. The drafting of suitable legislation to control aerial spraying presents highly complex problems, because of its wide implications; but the matter is now being carefully examined with a view to a submission to Cabinet for the introduction of a Bill.

SOLDIER SETTLEMENT

Mr. RODDA: Some confusion has arisen as a result of the finding of Mr. Justice Bright in what has become known as the zone 5 settlers case. Can the Minister of Works inform the House of the actual situation regarding this judgment in the soldier settlers' rent case?

The Hon. J. D. CORCORAN: I have the following statement issued by the Minister of Lands in relation to the case:

The Minister of Lands, in commenting upon the judgment in zone 5 settlers' case, said that, after examining the judgment and consulting with the Government's legal advisers, he took the view that the method declared by Mr. Justice Bright to be the proper method of fixing the rental for the petitioner's land had, in fact, been complied with, although the form of certificates issued by the Commonwealth and State officers and produced at the hearing of the case did not appear to His Honour to say so. Subject to the views of the Commonwealth Government in the matter, the State Government is considering issuing fresh certificates to satisfy the conditions referred to by Mr. Justice Bright. If this procedure is adopted, the rents will now be notified to settlers concerned in order to comply with statements in the judgment. The notification will not involve any reduction in the final rentals already communicated, as those rentals have been fixed in

accordance with the arrangements between the Commonwealth and the State. They have been calculated as if they had been fixed during the first 12 months after the dates of allotment.

PETERBOROUGH PRIMARY SCHOOL

Mr. ALLEN: The Minister of Education will recall that I have asked two questions regarding the Peterborough Primary School. In his reply the Minister drew attention to the condition of a cement drain that runs through the school property and asked me to approach the Peterborough corporation with a view to having the drain cleaned out. Having taken this matter up with the corporation, I have received a reply which states:

I wish to advise that the corporation is unable to allocate the funds which would be necessary for a project of this nature; however it is intended to approach the Education Department for financial assistance to clean out the drain in the vicinity of the school.

The letter continues:

It is considered that a considerable amount would be required to overcome the inaccessible nature of the drain in this particular locality (there being three bridges and several water supply pipes over the drain).

On a previous occasion a tractor was lowered into the drain with the result that there was considerable expense in repairing the tractor later. It has also been pointed out that the drain was constructed by a State Government department, is now the responsibility of the corporation, and in the school area is surrounded by the non-ratable property. The letter concludes:

In view of the present state of the total length of the drain, I have been directed, in addition to approaching the Education Department for financial assistance, to seek a grant from the appropriate Minister for maintenance and re-fencing. The corporation feels that its financial commitments to the ratepayers—

The SPEAKER: I think the honourable member could achieve what he is aiming at by forwarding a copy of the letter to the Minister.

Mr. ALLEN: The corporation intends to ask the Minister of Local Government for a grant for maintenance and fencing of the drain. When the Minister of Works receives this application for a grant will he take the matter up with the Minister of Local Government to see whether a sum can be allocated to the corporation to enable it to have this drain cleaned out?

The Hon. HUGH HUDSON: I was not sure, from what the honourable member said,

whether the application for this grant would be made to me, to the Minister of Works, or to the Minister of Local Government.

The Hon. J. D. CORCORAN: To the Minister of Local Government.

The Hon. HUGH HUDSON: However, it may be desirable for the honourable member to suggest to the council that it approach the Minister of Local Government. He has broad shoulders and likes to receive applications of this kind. It would not be the practice of the Education Department to make grants for the cleaning of drains for which councils are responsible. After all, the Peterborough council has accepted responsibility for this in the past, and I think the community has a right to expect that the council will do this work in future. If the honourable member approaches the Minister of Local Government, I have no doubt that the Minister will, in his usual way, consider the matter carefully.

PATAWALONGA BASIN

Mr. BECKER: On September 1, I asked the Minister of Works a question about pollution occurring in the Patawalonga basin and on September 9 the Minister replied to me in writing, stating:

Consideration has already been given to the construction of a trash rack in the Sturt channel, immediately upstream of where the pond from the Patawalonga basin ceases. To aid in maintenance operations in the clearing out of the channel, this trash rack can only be of limited height, otherwise there would be danger if it clogged in a flash flood of over-topping the channel at that point. This screen should not be installed until the construction works on the river upstream are completed.

As this matter is urgent, because pollution of the lake and Sturt River is a health hazard, will the Minister support my demand for the construction of the trash rack immediately?

The Hon. J. D. CORCORAN: I am not an engineer and do not know the problems that could result from immediate construction of the trash rack. As is pointed out in my letter to the honourable member, it was not intended to do this until construction was completed. However, in view of the honourable member's question, I shall be pleased to consider the matter again and obtain professional opinion on his request.

FERTILIZERS

Mr. McANANEY: Has the Minister of Works received from the Minister of Agriculture a reply to my question about fertilizers?

The Hon. J. D. CORCORAN: My colleague states:

The value of a material as a fertilizer depends on its chemical composition, irrespective of its origin, and fertilizer companies have always sold materials such as rock phosphate, lime, gypsum, sodium nitrate, etc., from natural deposits as well as chemically treated or synthesized products. I am informed that the distinction between mineral and chemical fertilizers is quite artificial. Agricultural and soil conservation advisers are aware of a number of cases where so-called mineral mixtures have been applied by farmers, but in very few instances have there been alternative treatments with which to compare any responses obtained. In a number of cases, it is known that the mineral mixture contained urea, a chemically-produced nitrogenous fertilizer, and responses obtained could be attributable to the nitrogen content of the mixture, but without comparative treatments no valid conclusions are possible. In a few instances, advisers have reported unfavourable responses to mineral mixtures which included dolomite where some comparative standard fertilizer treatments have been applied, but again these observations cannot be taken as conclusive evidence. Dolomite is at present being used in departmental experiments in the South-East on soils where it may possibly be of some value, although this is not yet proven.

DRUGS

Dr. TONKIN: Has the Attorney-General a reply from the Minister of Health to my question of August 18 regarding drugs?

The Hon. L. J. KING: My colleague states:

The letter referred to by the honourable member appeared in the *Advertiser* on August 17, 1970, and relevant extracts are as follows:

My child of 14 recently purchased a box of tablets of the barbiturate family . . .

The packet my child bought is one of the S.3 poisons.

Barbiturate tablets of all types are schedule 4, not schedule 3, in this State; that is, prescription only. It would appear that the writer is referring to the bromureide group of drugs, which are schedule 3, and has, because these are sedatives, confused them with the barbiturates, or loosely used that chemical classification instead of the general sedative classification. Replies to the letter were subsequently published in the *Advertiser*, and the Senior Pharmaceutical Inspector contacted the reporting staff to assist in correcting this matter. The reply from the Pharmacy Guild, for example, set out the facts, as above, regarding the availability of the barbiturates and the awareness of pharmacists in general of the need for the supervision of the sale of schedule 3 drugs.

SOCIAL WELFARE

Dr. TONKIN: Has the Minister of Social Welfare a reply to my question of August 26 about categories of staff employed by the Social Welfare Division?

The Hon. L. J. KING: When replying to a question asked by the honourable member on August 26, I agreed to supply him with details of certain categories of staff employed by the Social Welfare Division of the Social Welfare and Aboriginal Affairs Department. The following is the information promised:

Psychologists 5

Social Workers:

Qualified (that is, holding a Diploma of Social Studies or its equivalent) 26

Unqualified. Many of these officers have completed a departmental training course of one year's duration for social work staff. Some are studying for the Social Work Diploma at the Institute of Technology on a part-time basis. Others hold a variety of tertiary qualifications regarded as appropriate for social work 63

Social work trainees: These people are expected to complete the one year departmental training course for social work staff in December this year. They will then be appointed to the staff of the department 18

Social work students: Two people attached to the department are studying for the Social Work Diploma at the South Australian Institute of Technology on a full-time basis 2

Psychiatrists: The department has not been successful in filling an approved position for a psychiatrist. However, it is able to refer children to the Mental Health Services for psychiatric examination and subsequent treatment, where necessary Nil

WATER LICENCES

Mr. CURREN: I have been approached recently by many irrigators on the Murray River concerning the problems they face because the acreage they have been granted is too small to provide them with a viable proposition on the properties they are irrigating. They have asked me to submit to the Minister their request for a small increase in acreage; in some cases three acres, and in others up to 10 acres. Will the Minister of Works review water diversion licences in excess of 50 acres which were issued several years ago and which have not been used to the full acreage granted?

The Hon. J. D. CORCORAN: I understand that when the licences for larger areas were

issued provision was made for a review to be made after the licences had been held for a certain time. This was to allow the department to examine what activity had taken place on land over which a water licence was granted. If the landholder did not intend to use the water, it would be considered whether that water licence or part of it would be taken away. To my knowledge this has not yet happened, but perhaps some of these licences are to be reviewed this year, some next year, and so on. However, if a review was made and as a result people lost some of the water licence, I would not at present contemplate issuing additional areas under water licence to smaller landholders, because we are over-committed in our use of the Murray River at present. If water rights were taken from some people, that would only help to alleviate the situation in the worst possible circumstances.

STRAY DOGS

Mr. WARDLE: On September 1, when asking the Attorney-General whether he had been able to investigate further the matter of dogs straying on school property, I referred to an article that appeared in the *South Australian Teachers Journal*. Three weeks before that date, when asking a similar question, I said that I believed council officers understood that they did not have the authority to enter on school land in order to apprehend stray dogs. Has the Attorney further information for me?

The Hon. L. J. KING: I shall inquire and obtain a reply for the honourable member.

INDUSTRIAL DEVELOPMENT

Mr. BECKER: During the Premier's absence overseas a statement by Mr. J. P. Young (Chairman of John P. Young and Associates Proprietary Limited) was reported in the *Advertiser* of September 9, along the lines I have been advocating for some time.

The SPEAKER: Order! Can the honourable member indicate what his question will be about?

Mr. BECKER: It will be about industrial development. The article states:

South Australians did not realize the advantages of their State and so were not exploiting them to the full.

The SPEAKER: Order! Can the honourable member indicate what his question is about?

Mr. Millhouse: He said it was about industrial development.

Mr. Clark: It could be about a million things.

Mr. BECKER: I am asking a question of the Premier about industrial development, and I am quoting from a report of a statement that appeared in the *Advertiser* on September 9. I seek leave to explain my question.

The SPEAKER: The honourable member may explain his question, but he did not say what the question was about. He said it was about industrial development and then read a statement from the *Advertiser*. I ask honourable members to co-operate.

Mr. BECKER: I will start again. I ask a question of the Premier and, with your permission, Mr. Speaker, and the concurrence of the House, I will explain it briefly. It refers to industrial development. During the Premier's absence overseas, Mr. J. P. Young (Chairman of John P. Young and Associates Proprietary Limited) was reported in the *Advertiser* of September 9 (and this I have been advocating for South Australia for many years) as stating that South Australians did not realize—

The SPEAKER: Order! The Premier is not responsible to reply to anything appearing in a newspaper article. I should like to know what the honourable member is trying to get at.

Mr. BECKER: Very well, I will ask the question. Now that the Premier has had the chance to investigate Asian markets in the past few days, can we expect an increase in industrial development activity in this State?

The Hon. D. A. DUNSTAN: Certainly, considerable interest in developments in South Australia was shown in Japan and in Hong Kong. At this stage, it is impossible to say that firm arrangements have been made. One cannot go to a country and come away five days later with an industry in one's pocket. However, one can at least open the way for serious negotiations on matters of considerable benefit and interest to this State, and that has been done. I assure the honourable member that much interest was shown in this State's potential.

Mr. MATHWIN: My question concerns a statement the Premier is reported to have made about the Japanese industries that have expressed considerable interest in establishing in South Australia. Can the Premier say whether those industries are likely to bring their own labour, thus causing discontent and unemployment in this State?

The Hon. D. A. DUNSTAN: I said nothing of the kind, and the honourable member had better get my statements clear. What happened while I was in Japan—

Mr. Mathwin: You said that they would—

The Hon. D. A. DUNSTAN: If the honourable member will listen, I shall tell him. I saw the Foreign Minister in Japan at his request, and I consider that a signal honour: I am the only Premier who has been asked to see him. When I explained to the Foreign Minister the industrial development policy of this State, he pointed out that there had been difficulties facing Japanese industrial development here because technical operatives needed to train local staff and senior management people had been unable to get residence. I said that certainly, if there was an industrial development that depended on people bringing to South Australia the managerial persons concerned and the technical people necessary for the development of that industry, the State Government would make the necessary representations to the Commonwealth Government and, in my view, those representations would be within the existing stated immigration policy of the Commonwealth Government.

PENOLA COURTHOUSE

Mr. RODDA: Has the Attorney-General a reply to the question I asked a fortnight ago about the Penola courthouse?

The Hon. L. J. KING: Since I replied previously to the honourable member, this matter has been further considered, and I have received the following report from the Minister of Works:

Because of the changing situation with regard to the police and court requirements at Penola, a meeting was held recently with representatives of the departments concerned to discuss future accommodation needs. The departments are to submit specific details of their requirements and, on receipt of this information, this department will undertake planning and formulate a programme for the work.

ALAWOONA-MERIBAH ROAD

Mr. NANKIVELL: In the Auditor-General's Report, at page 77, under "Highways Department", reference is made to work on the Alawoona-Meribah road and it refers to "the whole length". I point out that work on this road has been completed between Alawoona and Paruna. Can the Minister of Roads and Transport say whether it is intended to complete the whole length of the road,

which is the extension of the new road alignment from Paruna to Meribah?

The Hon. G. T. VIRGO: I will get a report for the honourable member.

CLARE PIGGERY

Mr. VENNING: Some time ago, I asked the Minister of Local Government to produce the evidence that was responsible for the Clare District Council's allowing a piggery to be established adjacent to the caravan park at Clare, across the road from the showgrounds, and adjacent also to the Clare golf club. I suggested to the Minister that he might take up residence alongside a piggery so that he would know the effect that the piggery would have. However, this situation having now taken place, the Minister now has a reply, and I should be pleased if he would give it to me.

The Hon. G. T. VIRGO: I think we ought to be quite clear: when the honourable member says "this situation having now taken place" he is not suggesting that I had accepted his offer to go to live alongside him! Under the provisions of section 9a of the Building Act, the local council may, if it is of the opinion that it is undesirable for a building to be erected on certain land, give notice in writing to the owner of its intention to refer the matter to the building referees. The referees, in considering the application, are required to be satisfied of the undesirable effect of the building on "development, health, or amenities of the neighbourhood" before they may declare that the council may disapprove of the plans. In this instance the referees did not consider that there would be these adverse effects. I understand that the proposed piggery at Clare was planned for in-door husbandry in well-drained concrete pens. Proposals for the collection and disposal of solid wastes, and the ponding and subsequent disposal of liquid wastes, have been the subject of discussion between the local board of health and the proprietor. It appears that the establishment will be of high standard and well maintained.

It is not inevitable that there will be any nuisance or unpleasantness created. The local board of health and the proprietor are aware of the powers and duties conferred by sections 83 and 89 of the Health Act. These sections make it an offence to allow any place to become or be likely to become in such a state as to be a nuisance, or injurious to health, or offensive. In the case of trade premises, it is a defence to show that the "best practicable means for preventing injury to health or offence

have been used". The proprietor has taken advice on the best practicable means to prevent offensive conditions. It appears that he will follow this advice and, if he does not do so, the local board may take legal action against him.

DIRTY WATER

Mr. EVANS: My question relates to the filthy reticulated water being supplied in the Springfield area. I recently wrote to the Minister of Works about a complaint made by a person living at 34 Netherby Avenue, Netherby, and departmental officers investigated this complaint and examined the water being supplied. The occupier of the property told me that one night her child asked for a drink of water and, having been given it, said she wanted water, not cordial. The water was a dirty orange-pink colour. Will the Minister of Works therefore have the condition of water in this area investigated to see whether it is possible to have better quality water supplied to these people, who are paying such high rates for the water they are receiving today?

The Hon. J. D. CORCORAN: I do not know whether the Leader of the Opposition is copying the member for Fisher, or *vice versa*, because I heard him tell the same story the other day about a little child receiving a glass of water and claiming that she did not want a glass of cordial. I regret, as does the department, that this situation has arisen. It has done so largely because of the heavy run-offs on new formations, particularly at Kangaroo Creek, in the last month. This has caused the discolouration of which the honourable member and his constituents have complained, so much so that the supply in this area has been disconnected in the hope that the position will improve. Apart from that, it is difficult to know what can be done without having a complete filtration system for South Australia's water supply, which may eventually be necessary.

TARCOOLA-CEDUNA ROAD

Mr. GUNN: Will the Minister of Roads and Transport say whether, in view of the Commonwealth's recent announcement that it intends to build a railway line from Tarcoola to Alice Springs, the Government will consider constructing a road between Tarcoola and Ceduna?

The Hon. G. T. VIRGO: The construction of roads in all areas is constantly being considered and this would apply to the one to which the honourable member has referred.

However, many of these roads are so long and are so located that it is impossible for the Highways Department within its budget to do anything about them. This point is typified by the Eyre Highway. I am not surprised that the honourable member smirks, because about a week after coming into office the Premier wrote to the Prime Minister again asking the Commonwealth Government to provide necessary funds to seal that highway and he has not yet received a reply, although the member for Eyre has received from the Commonwealth Minister a statement that has been published in the paper. However, the Premier and the South Australian Government have been ignored. If that is the sort of treatment we are to get from the Commonwealth Government, the chances of building a road such as the one to which the honourable member has referred are pretty slim.

DROUGHT RELIEF

Mr. NANKIVELL: Prior to the Royal Show adjournment the Premier read to the House a letter regarding drought relief that he had addressed to the Prime Minister. Unfortunately, he did not say when the letter was written. Will he now tell the House when it was written and whether he has yet received a reply to it? I assure him that I have not received a reply.

The Hon. D. A. DUNSTAN: I cannot say offhand exactly when it was written, but it was written about the time I made the statement to the House, and it had been sent to the Prime Minister when I read it. As I have not received a reply, I have sent a further letter to the Prime Minister this morning asking for one.

NURSES

Dr. TONKIN: Has the Attorney-General a reply from the Chief Secretary to my recent question regarding the employment of nurses?

The Hon. L. J. KING: A total of 193 nurses completed their training in the year ended June 30, 1970. Of those, 30 accepted positions of junior sister in the hospital. Encouragement to remain on the hospital staff after registration is given in the following ways: First, they are informed during their training of the value of employment as a junior sister for a year as a means of consolidating the knowledge gained during training, and are urged to undertake this employment. Secondly, junior sisters are given the opportunity to attend during working hours a course of lectures designed to increase their

skill in administration and personnel management, and, thirdly, they are also offered the opportunity to undertake a post-basic training course in operating theatre nursing.

The alternatives which are available to newly registered nurses and which have a substantial effect on the number seeking re-employment are, first, the desire to obtain immediately a second certificate, for example, midwifery, and, secondly, the desire to seek employment interstate or overseas. Also, a large number plan to be married on completion of their training, which inevitably reduces the number who are interested in immediate re-employment.

NORTH-EASTERN HOSPITAL

Mr. MILLHOUSE: On August 20, somewhat more than three weeks ago, I asked the Attorney-General about the Government's plans for building the North-Eastern Community Hospital, and I referred to reports which had reached me that, at the meeting which was held early in August, the organizations that must provide money for the infirmary part of the hospital were told that the Government was reviewing the whole project and that it would be three months before a decision was made. In his answer to me on August 20, the honourable gentleman said that this was a project in which he had taken great personal interest, as it was in his district, and he went on to discount the reports to which I had referred. He concluded by saying that he would obtain a report from the Chief Secretary and furnish me with a reply from his colleague on the matters within his Ministerial control. So far, I have not received that reply. As over three weeks has passed, can the honourable gentleman now give me a reply, either from his own knowledge stemming from his personal interest in a matter in his district, or from his colleague?

The Hon. L. J. KING: The honourable member would not have overlooked that for one of the three weeks to which he has already referred the House was in recess. It is possibly an explanation also that the Chief Secretary has been so busy preparing replies to questions asked by the member for Bragg that he has not yet reached the question asked by the member for Mitcham. However, I will ask my colleague when the answer will be ready and let the honourable member know.

B.H.P. WATER

Mr. COUMBE: My question relates to the supply of water, under the Indenture Act, to the Broken Hill Proprietary Company Limited.

About 18 months ago negotiations were commenced between the company and the then Treasurer (Sir Glen Pearson) and me, with a view to increasing the rates at which the Engineering and Water Supply Department supplied water to the company at Iron Knob, Whyalla and other places. These negotiations proceeded and they were very protracted: at the time of my leaving office they were not complete. Can the Minister of Works say whether his Government has taken further action to get a more satisfactory return under this Act and, if it has not, will he take this matter up as a matter of urgency?

The Hon. J. D. CORCORAN: I assure the honourable member that this Government is just as concerned as (and even more concerned than) the previous Government about this situation. I visited Sir Ian McLennan (Managing Director of B.H.P. Company Limited) in Melbourne a little over a week ago and had discussions with him because I was not satisfied with the offer made by the company to the previous Government. I will not go into those details at the moment, but since my return I have written to Sir Ian to confirm the point of view I put to him and I await his reply with great interest.

LEVEL CROSSINGS

Mr. McANANEY: Has the Minister of Roads and Transport a reply to my recent question concerning warning devices at level crossings?

The Hon. G. T. VIRGO: The practice in the South Australian Railways is to design level crossing warning devices to operate for 30 seconds before the arrival of the fastest train. This is in excess of the 20 seconds recommended by the Association of American Railroads and is considered to be quite adequate for present day conditions.

RABBIT CONTROL

Mr. RODDA: Has the Minister of Works received from the Minister of Lands a reply to my recent question concerning rabbit control?

The Hon. J. D. CORCORAN: The Vermin Act provides that a landholder is responsible for the control or destruction of vermin on his land. It also provides that a local council is empowered to issue a notice requiring a landholder to take specified action in this regard. Should the plant operated by council not be available, the landholder is obligated to take alternative measures to control or destroy vermin on his land in compliance with the council notice.

MERRITON CROSSING

Mr. VENNING: Recently another fatality occurred at the Merriton railway crossing on Main Road No. 1. I have travelled on the train from time to time and members of the staff on the train have expressed their concern about their own safety in relation to this crossing, which is obscured by a house built right against the railway line and by several trees. Will the Minister of Roads and Transport ask the Railways Department whether warning lights can be installed at this crossing?

The Hon. G. T. VIRGO: I am pleased to inform the honourable member that the programme provides that at Merriton, on the Port Pirie to Templers road, the "stop" sign will be replaced by flashing lights this financial year.

DENTAL TREATMENT

Mr. McANANEY: Has the Attorney-General received a reply from the Chief Secretary to my question of July 22 about dental treatment of poor people in country areas?

The Hon. L. J. KING: I will obtain a reply for the honourable member.

At 4 o'clock, the bells having been rung:

The SPEAKER: Call on the business of the day.

THE BUDGET

The Estimates—Grand total, \$376,760,000.
In Committee of Supply.

(Continued from September 3. Page 1286.)

THE LEGISLATURE

Legislative Council, \$48,969.

Mr. HALL (Leader of the Opposition): I am somewhat at a loss to come up with a name that could describe this Budget in an overall sense. Some Budgets could be described as "take all" Budgets and some could be called "give a little" Budgets. This Budget does tell something about the financial impact on the State of some Government attitudes, in the main Commonwealth Government attitudes, and the new procedures that Government will be adopting to benefit this State along with other States. However, as regards the State Government and any financial discretion it may have in the way it may wield its new powers as occupants of the Treasury benches, I believe that this is a "cover up" Budget because any significant increase in taxation is left to the future. Whether this is so is left to members on this side to conjecture.

It is interesting to note that the Government is being so tardy in putting a figure on its proposed increases in succession duties (which it mentions briefly in passing) and an increase in harbours and marine charges and some increase in insurance duties. One gets the impression that it is not taking the traditional means of handling its first Budget: of being fairly heavy-handed in raising revenue in the first year; of adjusting to increased revenue in the second year; and of being rather generous in the third year. We wonder whether this is the election Budget, but this is something about which we can only conjecture.

The Treasurer and some of his supporting Ministers (supporting at least while he is here—there seems to have been some division in the ranks while he was absent recently) have been saying that there will be a dissolution and then a double dissolution and a confrontation on a grand scale with the Legislative Council. We can only wait to find out whether or not this will eventuate. It will depend on the legislation introduced here and its passage through the Council. We can only speculate on whether the Government is willing to say definitely that this is its plan. The Government is obviously preserving its position and has not moved in with heavy-handed taxation: it has left for later conjecture just what its main taxation measures will be.

The main issues that have faced the Government since it took office early in June still remain unsolved, and the great fanfare of the rush of legislation that was to come with the Dunstan Government still remains a fanfare. We are seeing some legislation filter through on to our papers; we have had one break for the Royal Show, which is traditional, and I believe we are to have another after a fortnight's sitting. We appear to be no nearer to solving the great water problem of South Australia. Nearly four months has passed since the election, yet all we can get from the Government is that it cannot get answers to its correspondence or that it cannot renegotiate the agreement that was brought into this place. I wish to put on record clearly that I have had no communication whatsoever with the other Premiers of Australia who were my previous negotiating partners (or opponents) in relation to this agreement. Whilst I have seen the Prime Minister at a Party function, I have not spoken to him about the renegotiation of this agreement. In other words, I have kept out of the picture so as to give the new Government a completely

free hand without any political interference from me, as Leader of the Opposition in this State. I want to get that on the record. I have not spoken to the other Premiers or to the Prime Minister on this matter and I have not spoken to any of their close associates. Having said that to make sure that the Opposition's role is clean, and having given the Government an unfettered opportunity to renegotiate what it has said it can renegotiate, we find that nothing has happened and that little pettifogging excuses have been given in this place.

Surely we are not to sit here, from afar in Opposition, in sympathy with the Government because it cannot get replies to its letters! Although it has available to it a realistic assessment of the need for a water guarantee for this State, it has blithely rejected it and has said it could renegotiate a better deal for this State. Having adopted that stand, it has not begun to set the basis for renegotiation and already it has fallen behind the time that I understand the present Treasurer, when he was Leader of the Opposition, stated at Peterborough as the period he would need for renegotiation.

Mr. Coumbe: He said "within a few months".

Mr. HALL: Yes. What is "a few months"? Did he mean a few years? Nearly four months has passed. We have the rejection of the Metropolitan Adelaide Transportation Study. I think the Minister of Roads and Transport, in his wondrous slur on all the South Australian experts who have contributed to the study, has called it the product of poverty-stricken imagination. This was his thought about what South Australians could produce in the transportation sphere. So, we got from the United States of America two experts, or supposed experts (I do not know of their credentials) to reassess the programme, and we still await Government action, while properties all over the metropolitan area are again thrown into the melting pot because there is a possibility of acquisition taking place on some new and futuristic plan that may be forthcoming. On that issue we apparently have the Government rejecting the procedures that other United States experts, in conjunction with South Australian experts, have said were necessary.

The Government, by its action, has rejected the traditional answer to the metropolitan area's need for transportation and it has said that some new technology will replace it. It

is about time we knew, or began to have some glimmerings of knowledge about, what is to replace what has been rejected, because every year the number of motor vehicles on our roads increases, and problems will develop as a consequence. It is not good enough for the South Australian Government to say, "We have breathing space and time." Other cities that have said that are now paying dearly for it. Anyone who wants an instance of that need go only to Sydney or Melbourne to find examples of moving too little too late in the transportation field.

These two items present a tremendous challenge to the Government on a scale that Governments, in this State at least, have not previously been confronted with. In my opinion, the Government is falling down badly by not accepting the challenge and fulfilling the role that it has claimed for itself. In addition, we still have the apparent negation by the Government of the rail standardization proposals to link Adelaide with the standard gauge line. We know that the Government has said that the new proposals would not connect enough industry in this State to the new standard gauge line. The Treasurer and his Ministers, in saying that, have rejected entirely the Maunsell report and have not accepted advice from the previous Government, the present Opposition, that, whatever the Labor Government's view has been, it should use the Maunsell report as the basis for negotiation, instead of throwing the report aside.

We have warned (and I give the warning again) that the Commonwealth Government will have no part in connecting Adelaide to the standard gauge link as long as the present State Government adopts the attitude that it wants to go back to square one, to the old scheme that the South Australian Railways Commissioner had many years ago. Therefore, the new Government has not just stopped: it has turned the clock back, and at present we have no prospect of having Adelaide connected to the standard gauge railway grid of Australia. Today the Minister of Roads and Transport claimed that the Commonwealth Government had not been co-operative in that it had not answered his correspondence about the Eyre Highway. Why should the Commonwealth Government be co-operative, when every proposal that that Government puts up after long periods of negotiation with former State Governments of both political colours is rejected utterly just when finality is about to be reached? After long periods of protracted negotiations, the present Government opts out

of agreements when they are ready to be signed. What manner of behaviour this is for a Government to adopt! It has done this regarding water, railways, the M.A.T.S. plan and the Commonwealth's payments for road construction in this State. The Government opts out at the last minute every time it can.

Mr. Coumbe: Is this responsible Government?

Mr. HALL: The people will know whether it is. All I know is that this Budget does not include the go-ahead proposals that it should include as a result of the protracted engagements in compromise and negotiation that have proceeded over the years. Of course, we have yet to find out what the Government will do about industrial development, another important aspect of our development. The Treasurer has gone overseas in the last few days searching for new industrial contacts, and I thoroughly agree with the purpose of his trip. He will not get opposition from this side regarding making contacts on behalf of the State anywhere in the world where there is an opportunity for these contacts to be made.

Mr. McKee: That's an amazing statement, because all of a sudden you've become a State knocker.

Mr. HALL: The interjection by the member for Pirie is rather incomprehensible. I refer him back to the topic of rail standardization, which may be of interest in Port Pirie. Perhaps he can use his good offices in that regard. The contacts that the Treasurer is making around the world will be supported by this side but what the Government will produce in industrial development remains to be seen. It must be ready to take advantage of opportunities as they occur and, as the Treasurer knows, not all of our development will be planned development in the sense that he or his department will be able to say, "We will go and get a particular type of industry." Opportunities will arise suddenly, and it will be up to the Government to seize them and provide facilities and advice that the State can offer, and in particular the public relations that the State can offer through the Industrial Development Branch and the Treasurer's officers. We wait to find out what the effect the Treasurer and his department will have on future industrial developments that we look forward to having in this State. So far we have not seen any significant moves. I think we have seen one industry follow from the contacts made previously.

I do not criticize the Government at present on any aspect of its industrial development programme: I wait to find out what eventuates. A period of four months, or a little less, is far too short a period to enable me to say that the Government has failed to achieve anything yet, because I realize that these projects come not in a steady stream but as aggregations. However, one can expect over a year, or perhaps two years, to be able to assess the Government's activity and energy in this field.

The Budget is a tribute to a previous Treasurer of South Australia (Sir Glen Pearson) in many respects. The Treasurer made a significant statement in his address in presenting the Budget. Concerning State taxation, he said:

Stamp duty receipts varied most from the original assessment, finally reaching a level of \$897,000 above estimate. The effect of greater economic activity on all stamp duties was sufficient to more than offset the shortfall in receipts duty caused by uncertainty about its constitutional validity.

Those words were putting briefly the real effect that took place under the administration of the former Treasurer, Sir Glen Pearson. Revenues became buoyant, especially in the second year of his administration, because of the increased business activity that flowed from the encouragement that the previous Government had given. As a member of that Government one can look back to much success in industrial development and much involvement in the added confidence in business activities, which is an intangible but important part that industry and commerce must have if it is to flourish and produce not only the products that the people of this and other States need but the State revenue that comes from the products and the turnover that is created.

In passing I refer to one or two matters in the Treasurer's speech. It was a cover-up of what the Government intends to do with taxation, as only a mere reference was made to some of the revenue-raising matters that the Government has mentioned from time to time. The speech makes the traditional attack on the Commonwealth Government, and this type of attack was highlighted by the Minister of Education's attitude to the Commonwealth in relation to the Loan programme as applied to school buildings. I have yet to hear or see a more dubious performance than that of the Minister in setting up a special \$3,000,000 fund, in allocating from it even to the extent of naming particular schools, and then putting

the hard word on the Commonwealth Government to provide the finance for this programme that he had set up without any promise from the Commonwealth. He could then say to the schools, when this mythical fund had not been produced by the Commonwealth, "Well, the Commonwealth is to blame for our inability to fulfil the programme in the time we said we would do so." That was the most cynical political behaviour I have seen in this House.

However, the Treasurer's Budget speech makes the traditional attack on the Commonwealth Government at a time when the States have received significant assistance from the Commonwealth Government. In the general furore of presenting plans to the Commonwealth (they were prepared over several years and I took full part in them as a previous Premier), the Commonwealth has not received full credit from the Australian community for what it has done for the States. I dealt with that aspect at some length during the debate on the Loan Estimates a few weeks ago, but perhaps it would be a good thing, in the light of the stringent criticism made by the Treasurer of the Commonwealth, to re-examine briefly some of the additional funds that the Commonwealth has made available to this State and to draw conclusions by dissecting some of the activities involved in the State Budget. In the renegotiated formula and agreement for financial assistance grants which the States extracted from the Commonwealth and which the Commonwealth considered it could give to the States, the Commonwealth made available to the States an additional \$40,000,000 overall above what they would have received had the old formula continued to operate for another year.

In addition, the betterment factor was increased (and this had been one of the main points of improvement for which the States had been pressing for a long time) from 1.2 per cent to 1.8 per cent. Overall, the Commonwealth offered to take over (and these were agreed conditions) \$200,000,000 of the States' debts in the immediate year and relieve the States of interest burdens by providing grants free of interest to the States for their Loan programmes at the rate of \$200,000,000 a year. As the Treasurer pointed out, this benefit was to flow generally in the next financial year. These moves are of great significance to the States, and it is wrong not to give some credit where credit is due. I remind the Treasurer (and I believe that all State Treasurers should realize this) that it is one thing

to fight a hard effective fight but that it is another thing to accept what has been gained without mentioning that these gains are of proper and real assistance to the States that receive them. It is not an effective way in which to continue the type of dialogue that should exist between the States and the Commonwealth.

It is interesting to consider the increase in Commonwealth receipts that has been made available to the States. Last year South Australia received \$128,800,000 from the Commonwealth Government as part of that Government's constituent make-up of our Budget, but this year it will receive \$147,700,000, an increase of \$18,900,000; an increase of 14.7 per cent compared with an increase last year of 9.6 per cent. Whilst this amount is not enough to fulfil any State Government's programme, it is a significant and handy increase to enable this State to meet its responsibilities now.

I now turn to increases in taxation foreshadowed by the Treasurer. He said that there would be an expected increase in revenue of \$900,000 a year from additional stamp duties on insurance. This will mean that the community will be able to put that much less into effective insurance. However, one must realize (and whilst I regret this move I do not criticize the Government for it) that a Government has to have revenue, and it is obvious that State Governments are reaching the end of their tether in many respects regarding the effective revenue-raising procedures open to them.

I am rather disturbed at the taxation aspect that is entering the administration of the Marine and Harbors Department. Harbours duties are to increase to such a degree that they will provide another \$300,000 or \$400,000 a year. We find that this year the expected revenue from harbour dues is \$7,400,000, whereas the expenditure in the department is to be \$4,160,000. Although the Marine and Harbors Department is making a handsome profit on its operations, there is to be a further increase in dues, so that it will be a taxation-raising department for the Government's budgetary purposes. While I fully agree that the Marine and Harbors Department should operate with its head above water financially, I believe that this is putting an unwarranted imposition on an important part of South Australia's export capacity.

The Treasurer, who has just been overseas, is talking about possible new outlets for some forms of South Australia's primary production. He has talked about revisiting places that he has seen in order to make more effective the contacts that have or will be established as a result of his recent trip, yet he is imposing on the very industries that he is trying to promote overseas an additional duty by way of wharfage, or whatever charge is being made on the goods that move through the facilities administered by the Marine and Harbors Department. It is a contradiction between aims for the Treasurer to travel abroad to promote our exports, on the one hand, and, on the other hand, to return and on the next day of sitting discuss an increased charge on the export of those goods the sale of which the Treasurer has been overseas trying to facilitate.

Although there is a reference to succession duties, I am at a loss at present concerning why the Government is unable to state its intentions clearly. The only clue one can get is that the Treasurer believes that the last month of this financial year will see something like the full impact of increased succession duties, and the implication is that this increase will yield another \$150,000 for the year. I concede that it is difficult to assess succession duties on a year-to-year basis, because of the very real variations that occur in the size of estates and, to some extent, because of the fluctuating property values in the community. However, it seems that the Government aims to raise a further sum totalling just under \$2,000,000 through increased succession duties. The sum can be only a matter of conjecture at present, because the Government has been particularly vague in its references to this matter. Regarding taxation on gambling, we are left with nothing more than a reference in words. In these matters, this may be a cover-up Budget; in many ways, it is a carry-on Budget.

It is fortunate in some respects that the Commonwealth Government is providing a much greater total sum and a much greater percentage increase as a result of the conferences held and agreements reached. This sum is much greater than previous Governments have been able to obtain, and it at least indicates some success at the conferences held with the Commonwealth Government. The great criticism that the Treasurer made of the Commonwealth Government has been substantially blunted in this State as a result of the interim recommendations made by the Grants Commission for a grant to assist the State's

finances. The additional \$5,000,000 that the State is receiving from the Commonwealth Government on the recommendation of the Grants Commission has meant that South Australia has regained its position, which the Treasurer said it had lost. We may well receive additional financial assistance for the rest of the year when the Grants Commission completes its investigation, but at least we cannot now say that we are the odd man out in relation to financial grants being received from the Commonwealth Government.

Having had tables prepared concerning one or two matters of wide impact, I point out that one thing is shown by a dissection of education expenditure: the Labor Party's attitude during the last election campaign was a hollow, cynical sham. The Labor Party was blatantly using education as a political lever, and not giving one hoot for education as a practical and essential social service in our community. We recall that, as late as May 30, education in this State was at a record low; the Government said something to the effect that the Liberal and Country League had been in office for 34 years out of 37, that things were bad, and that matters would immediately improve on Labor's accession to office. What has Labor done? I heard the Minister of Education say the other day, when he opened the new building for the South Australian Institute of Teachers, that expenditure on education had risen in this Budget by 15 per cent, but he did not say what the rate of increased expenditure was last year. This Government is not matching the efforts of the last Government regarding the rate of increased expenditure on education last year. This is something the Government does not refer to as a comparison; it refers to 15 per cent, but it does not say what that is in relation to the percentage increase last year, because it is an unfavourable comparison.

Mr. Rodda: The crisis has passed!

Mr. HALL: Yes, and we apparently do not need to increase expenditure on education this year to the extent that it was increased last year. The crisis apparently passed on May 30, the date of the election. That is when things got better, and we could reduce the increased rate of expenditure on education as from that date! In 1968-69, the first year of the Hall Government, \$54,800,000 was spent on education, and this represented an increase of \$5,700,000, or 11 per cent, on the expenditure of the previous year. In 1969-70, we spent \$65,100,000, an increase of \$10,300,000, or 18.7 per cent, on the expenditure of the

previous year. That is when we went to the election and our opponents were talking about the old chair of about an 1880 vintage that they had dug up from a cellar.

Mr. Rodda: Is that the seat that pinches?

Mr. HALL: It may be. The increased expenditure last year was \$10,300,000, but what is the increase this year—in this new age of vision and leadership, when we are expected to see a solution to the problem of the education crisis? Education expenditure will be increased this year by \$9,600,000, and this will be \$700,000 less in total terms of increase. Whereas the increased expenditure on education last year was \$10,300,000, this year it is only \$9,600,000. Why is it only to be that increase? Will anyone answer that? Members opposite cannot answer it. They can merely laugh; that is all they can do when they are in the seat that counts and when they are supposed to be responsible.

Mr. Rodda: You'd think the Government Whip would know.

Mr. HALL: He knows as much about this as he knows about many other matters, and that is nothing.

Mr. Langley: Who prepared that graph for you? Did you do it?

Mr. HALL: This ought to be put on the front of the stamp. The increase is 14.7 per cent, not 15 per cent, compared with an increase last year of 18.7 per cent. The absolute increase is 9.6 per cent, which falls short of last year's increase by \$700,000. This reveals the hollow, cynical sham of a policy that the Labor Party had at the last State election, and I hope that every teacher and member of a school committee in this State will see these figures.

Some inferences are to be drawn from the increases in actual expenditure and receipts. In 1968-69 the State Budget expenditure totalled \$297,900,000, an increase of \$20,500,000 or 7.4 per cent. In 1969-70 the total expenditure was \$335,600,000, an increase of \$37,700,000 or 12.6 per cent. The State Budget expenditure will aggregate \$376,800,000, an increase of \$41,200,000 or 12.2 per cent. Therefore, in the general increases in the last few years and the proposed increase this year, the Government again falls short in actual expenditure. I admit reasons exist for this. First, the Government that I led faced a severe deficit when it came into office; it faced not only a run-down of funds but a run-down in the manner in which funds were entering the

Treasury annually. We had to examine the revenue-raising ability of the Government, and we instituted some taxation measures. This gave us a surge of income, which is shown in the high increase of expenditure of the previous Government in the last financial year. Set against this, however, is the real and high increase of Commonwealth revenue made available to the State this financial year which, as I have said previously, has risen by 14.7 per cent, compared with a 9.6 per cent increase last year. Therefore, the State is receiving from the Commonwealth Government in financial reimbursement grants about \$7,600,000 more than the Liberal Government received last financial year.

This State's Budget expenditure has increased by 12.2 per cent, and it has been forecast in the Budget that wages will rise by 6.5 per cent. This constitutes most of the State's expenditure. As a result, less than 6 per cent of this increase, which is a real increase in buying terms, will take care of the increasing standards demanded by an expanding population. This is not a large margin to place at the disposal of a Government to enable it to meet the demands that continually arise.

Without wishing to bore members with figures, I point out that the receipts of this State rose by 8.7 per cent in 1968-69, by 13.5 per cent in 1969-70, and this year they are budgeted to rise by 9.8 per cent. I draw two sets of figures together. The proposed increase in expenditure is 12.2 per cent, and the proposed rate of increase of receipts is 9.8 per cent. Therefore, State budgetary expenditure expansion is significantly greater than the expansion of receipts. In addition, the receipts which constitute the 9.8 per cent expansion include a 14.7 per cent expansion this year in Commonwealth funds—funds which are unlikely to increase at the same rate next year, when the normal course of the five-year agreement reaches normalcy. The fact that the Government is budgeting for a deficit of just under \$5,000,000, including the Grants Commission subvention to us of \$5,000,000 (a large increase in the five-year arrangement) means that the Government will be on dangerous budgetary grounds if it lets this expenditure run headlong without making proper checks on it, because it cannot expect a repeat of the increase, on a yearly basis, of revenue items that it has got this year.

Mr. Coumbe: They are extraordinary this year.

Mr. HALL: That is so. One can only draw serious conclusions from an expansion in expenditure that is not matched by an expansion of revenue on a longer-term basis. It may be that the Government is well aware of this. Of course, this is its first financial document, and one cannot criticize its results before they are achieved. Indeed, I should be foolish if I were to try to do so. I have drawn some satisfaction from studying the Budget, because one can easily see the successful story it tells of the previous two-year Liberal administration in South Australia, an undeniable success story of financial management of this State.

The Government has, I believe, set an expansionist course. It has been lucky to receive a surplus from the previous Government and increased financial assistance from the Commonwealth Government on a scale that the public has not yet recognized, because not only do we get increased tax reimbursement assistance but we also get significant debt assistance which, as the years pass, will greatly assist our budgetary position. Having been set with two large and essentially favourable factors (of surplus and of Commonwealth assistance) one finds the Budget expenditure expanding at a rate greater than the favourable receipts situation. I must impress on the Government the urgent need to contain its expenditure within its proposals if it is to avoid serious future budgetary difficulties.

The role of the Opposition will therefore be one of ensuring that it knows what the Government is doing, and of impressing on the Government the need to be aware of this financial tendency. We have been warned by the Government's previous failure to administer the finances of this State properly. The Opposition does not desire always to take the role of picking up the debt that the Labor Government leaves it and reasserting the economic viability of this State, as we had to do in the last two years. As we expect to return to office soon, I implore the Government not to set us on a difficult course that will mean we will have to manage the finances of the State as well as we did in the last two years. The Opposition will adopt this watching brief with energy, and Ministers will be questioned fully and asked to reveal the course of the Government's financial administration throughout the year. Therefore, whilst I regard this Budget as a possible election Budget framed to conceal fully the Government's taxation objectives because of a possible conflict with the Legislative Council and a double dissolution, we

await an opportunity to criticize the Government's taxation policy when it is revealed fully.

Every rural producer will be bitterly disappointed at this Budget. It does not indicate what the Government will do about land tax on rural producers and it does not indicate what relief there may be from succession duties for hard-pressed rural landholders. It is time the Government matched its vague promises on these matters with facts and figures. The Budget does not match what the Treasurer told the farmers who marched. It is high time the Government sat down and put its objectives in this matter into arithmetical terms. One would expect the Budget to tell us: this is the Government's financial accounting, but all producers must wait longer, apparently, to find out what the Government intends to do on these two important measures.

My criticism is at the tardiness of the Government, which seems to be putting off until tomorrow every measure that it can put off. The Government's rural taxation policy has gone into limbo, as have its policies on Dartmouth, gauge standardization, the M.A.T.S. plan, and anything else we think of. I suppose that, if the Government could hold a referendum to escape responsibility, it would do so. However, a referendum is not appropriate here and so the Government cannot escape that way, but it is putting things off until tomorrow. I do not address myself to the Budget with enthusiasm. It is not so much that the points that one would criticize are included in the Budget: it is the lack of leadership in the Budget that is to be criticized, the putting off, the running away from responsibility, and the lack of mention of items on which this State needs to build its future. It is with much reluctance that I traditionally support the first line.

Mr. McKEE (Pirie): I will not disagree with the Leader for the sake of disagreeing, but I consider this to be an excellent Budget and I do not intend to delay its progress. The Leader has referred to attitudes, and I think some of his changes of attitude regarding the treatment of this State by the Commonwealth Government should be mentioned. First, the Leader said much about the Dartmouth dam, but he would be wise to drop that subject, because he is about the only person in this state who does not know that the major cause of his defeat at the last election was his giving away of Chowilla. The Treasurer is not likely to take any advice from the

Leader about industrial development. We have had a sample of the Leader's activities in that matter. When he was in Government he raced around the world two or three times and his Cabinet met in various places, including Trafalgar Square, in London. When he returned, he said he had a bag full of possibles. I think he must have been talking about a bag of fish, or something like that.

The Leader has said that the crisis in education passed on May 30 last, and I agree entirely. We are now moving towards the solution of education problems. When I was a member during the latter part of the Playford Government's last term of office, on the occasions when credit was due, I gave credit.

Mr. Rodda: You've always been fair.

Mr. McKEE: Yes, but I have not been able to give credit during the term of office of the Hall Government.

Mr. Ryan: What about Stott? He was part of that Government.

Mr. McKEE: Yes, I could have described it as the Stott-Hall Administration. Since the Dunstan Labor Government has been returned to office it is evident that that Government is gaining confidence. This Budget gives assistance where it is most needed, and I am grateful for this. I refer to the increased expenditure provided for in social services, health, and education. These fields were sadly neglected by the previous Government. I give credit to the present Treasurer for this. The allocations being made indicate that the Ministers are sincere and responsible and that they have recognized the need to assist those in greatest need. Members opposite will find little to complain about, although the Leader wandered on about the Dartmouth dam.

Members opposite should realize what their major mistake was, what they did that was wrong. For years Liberal and Country League Governments have given no attention to the essential needs of the people. The member for Victoria may grin like a Cheshire cat, but we shall be interested to hear what he has to complain about. For many years the Liberal Party paid little attention to the needs of the people, and that is why the Party was defeated. The previous Government had spent millions of dollars less than was necessary to give South Australian people standards of service that are enjoyed by people in the Eastern States. When we were in Opposition because of the gerrymander, we agreed that South Australia was not receiving a fair deal from the Commonwealth Government, and our Leader

supported the Government because these conditions applied. However, when our Treasurer invited the present Leader to support his claims the Leader rejected them, and it is obvious he has no further regard for the welfare of the people of this State. The Leader continually criticized the Commonwealth Government, but now that the people of South Australia have rejected him his attitude has changed completely.

Mr. Langley: He's going to Canberra.

Mr. McKEE: Perhaps he is doing that for his own political purposes, but from what I have heard he has been referred to as their prefect in South Australia. When he returned from conferences with the Prime Minister, particularly when he had been refused financial aid to seal the Eyre Highway, he told members of the press that the result was most disappointing, particularly following the partisan attitude of the Commonwealth Government when it had increased its road aid for Western Australia for obvious political reasons.

Mr. Clark: That is 100 per cent true.

Mr. McKEE: Of course it is: he said it.

Mr. Jennings: That does not make it true.

Mr. McKEE: I agree. However, Mr. Hall said that he was angry with the succession of rebuffs that had been handed to South Australia by the Prime Minister, and Mr. Hall did not pull any punches in accusing the Prime Minister of playing favourites to an outrageous degree. At the conference table Mr. Hall said that he saw the Prime Minister as a centralist, bent on stripping the States of any sovereign rights that they might possess, and that he considered that the Commonwealth thought that South Australia was a second-rate State. These are things that Mr. Hall said when he was looking for excuses to cover up his bungling of this State's affairs. He said that he could not imagine a more disgraceful treatment than the State was receiving from the Commonwealth, and that he would continue to be angry until he received a fair deal. The result is that he is still angry, but his anger is now turned in another direction. He is bitter, sour, and angry at everyone, particularly the people of this State for rejecting him as Premier. He is also jealous of Don Dunstan, because he knows that Don Dunstan is a more capable and popular Premier than he ever was or is likely to be.

Mr. Venning: How much longer will he be your leader?

Mr. McKEE: The honourable member is a bit long in the tooth and I do not think he will be here to see the change. Mr. Hall knows that Don Dunstan is recognized throughout Australia as possibly the most brilliant Premier who has been in office in any State.

Members interjecting:

Mr. McKEE: It seems that the Leader is not angry now with the Prime Minister.

Mr. Evans: You will get the next Minister's job.

Mr. McKEE: Now that the Leader's Government is out of office the Leader supports the attitude of the Commonwealth towards this State, and I should say that he has requested the Commonwealth to give us a dirty deal. His support of the Commonwealth attitude has been demonstrated by his refusal to support the Treasurer in his aim to get a better deal for South Australia. When one considers the attitude of the Commonwealth towards this State this Budget is, I think, an excellent one and far in advance of anything produced by the previous Government. It gives me much pleasure to support it.

Mr. McANANEY (Heysen): Last year I had to follow the then Leader of the Opposition and I thought I would have something to rebut, but he made one of the poorest speeches in reply that I had heard. Now I have to rebut what has been said by the member for Pirie, but it seems that there is nothing to rebut in that speech, either. However, I will make a non-Party political speech and deal with the facts of life.

Mr. Jennings: We won't understand it.

Mr. McANANEY: I apologize to the member for Ross Smith, because I am sure that he can never understand anything that is intelligent and sensible. I do not intend to make a Party-political speech. The Budget is the most important document with which we have to deal each year, but it perhaps receives the least consideration. The Budget proposals should be set out clearly so that we know what is going on. Here, I congratulate the departmental officers on the way in which they have given us much detail. However, it is high time that we introduced a reform and brought our accountancy in the document up to date.

I believe that the Budget should be divided into two sections, as is the case in other States and in other parts of the world. One section should deal with taxation and how the revenue derived therefrom is to be spent, and the other

section should deal with public utilities in such a way that we can ascertain the actual income and expenditure and see what this Parliament is actually voting. A committee should be appointed to prepare the Budget in a more modern form, such as is done in private enterprise. Although it cannot be carried out as well at the State level as at the national level, I believe that, by using correct budgeting methods, one can avoid the slight depressions that often occur by using Loan funds when there is unemployment and, when there is full employment, by deferring tenders.

Indeed, I do not think that we have had this system since the days when Sir Thomas Playford was Treasurer, when he so wisely managed the State's finances. The Walsh Government, in its first year, increased taxes without increasing expenditure and we experienced a recession, and it took a long time to get over it. Even though my own Government previously carried out orthodox financing, it certainly did not use the modern techniques of Government financing, to the extent that, when it took over from the former Labor Government and had to contend with a high unemployment rate, it unfortunately did not use the Loan funds and other resources at its disposal in order to restore the employment position more quickly and to get the State going again. At this stage, when Australia generally is enjoying a state of full employment, I think this Government is wrong to budget for a deficit and to contemplate using accumulated Loan funds, which should really be kept for the time when they are most needed. The figures that I have obtained show that revenue obtained this year from the Commonwealth Government totals about \$160,800,000 and that \$46,300,000 will be obtained from State taxation, apart from revenue obtained from motor vehicle taxation, which is spent on roads, which really is a charge on the people for the use of the roads, and which is not included in the Budget as expenditure on social services or on administration.

Bearing in mind that there will be \$46,300,000 from State taxation, we will have a deficit of \$4,900,000, and we will spend about \$35,000,000 to cover the losses on administering public utilities. The States are falling down when, as a result of losses incurred on public utilities, they run to the Commonwealth Government and are responsible for increasing taxation in order to make up for these losses. We are spending this year a total of about \$177,000,000 on

social services and on administration and we are receiving \$160,800,000 from the Commonwealth Government, which Government supposedly does nothing for the States. We will receive another \$39,000,000-odd from the Commonwealth for such items as roads, railways, and education assistance, etc., and the States generally are receiving at least one-third of the Commonwealth expenditure and well over one-third of the additional sums being paid out by the Commonwealth Government this year. The Commonwealth Government will now provide these loans interest free and also writes off certain past debts, so that the commitment for interest and loss on public utilities would be reduced considerably.

It is up to the States to see that its utilities are made to function more efficiently. We see a criticism in the Auditor-General's Report of the way in which we carry out certain functions and do not watch our expenditure. We must heed this sort of criticism so that, for instance, more education facilities can be provided. Despite what the Commonwealth Government is providing, there will be few additional education facilities, because much of the money provided will be going out in wages. Although I am not saying that this is wrong, I am pointing out that it is a matter of giving a priority to certain items of expenditure. The Government itself breaks away from the principle of arbitration and makes over-award payments and, although I am not criticizing it for doing this, I point out that, if it does this, and if, for example, it gives an extra week's leave to public servants, less money will be available for education and hospitals, etc.

As was the case in the three years when Labor was formerly in Government, this Government would definitely spend less on these facilities than would be spent otherwise. We hear this drivell from the Labor Party that South Australia is getting a raw deal and that the States as a whole are not receiving proper treatment. Here, I point out that the press in South Australia has been responsible for making inaccurate statements about South Australia's share of Commonwealth disbursements. I think it is up to the press to present the true facts to the people instead of printing some of the things that have appeared recently. I will go back to the period 1959-60 to 1964-65. The document dealing with the Commonwealth Budget states:

The financial assistance grants replaced the tax reimbursement grants and supplementary grants that had been paid to the States under earlier arrangements and were instituted under

arrangements agreed at a Premiers' Conference in June, 1959, and embodied in the States Grants Act, 1959. In brief, this specified the financial assistance grants payable to each State in 1959-60 and laid down a formula for determining the annual grants in succeeding years. Under this formula the grant paid to each State in each financial year was calculated by taking the grant paid to it in the previous year and increasing that grant in proportion to the increase in the preceding financial year in both the State's own population and in the level of average wages for Australia as a whole—increases in population and average wages being the two main factors affecting State current expenditure. In addition, to assist the States to improve the standard and range of their services, a "betterment factor" was introduced equal to 10 per cent of the increase for the year in average wages; for example, the effect of an increase of, say, 4 per cent in average wages was raised to 4.4 per cent. Subject to certain modifications to the grants in 1961-62 (see Appendix II), this formula determined the financial assistance grant payable to each State in each of the years 1960-61 to 1964-65 inclusive.

The 1959 grants arrangements were discussed at Premiers' Conferences in April and June of 1965 and the decisions reached at the June Conference were embodied in the States Grants Act, 1965. The main change under these arrangements was that the betterment factor was fixed at 1.2 per cent per annum regardless of the size of the increase in average wages. As a result of this change, the effective size of the betterment factor over the five years 1965-66 to 1969-70 was on average approximately double what it would have been if the previous arrangements had continued unaltered. The increase in each State's population used to calculate the grant for each year was changed from that in the preceding financial year to that in the year ending December in the year of payment but the Commonwealth's proposal that the increase in average wages be changed from that for the preceding financial year to that for the year ending March in the year of payment was not adopted.

In this respect the States were getting a raw deal, because, as wages increased, the Commonwealth Government received extra taxation but the States did not receive any increase in their allocation. This was later corrected and, in the whole 10-year period, the Commonwealth Government has made continual concessions to the States. The document continues:

Mainly in recognition of Queensland's large area and relatively small population it was also decided that there would be an addition of \$2,000,000 each year to the base on which Queensland's grant was calculated. In addition, to reduce the difference between the per capita grant for New South Wales and Victoria, the latter State received an addition of \$1,200,000 to its 1965-66 financial assistance grants and this amount was incorporated into the base for calculating its grants for later years. As a result of discussion at Premiers'

Conferences in February and June, 1967, two alterations were made to these arrangements. First, for purposes of calculating the grants for 1966-67 and subsequent years, the increase in average wages became that for the year ending March in the year of payment, instead of that for the preceding financial year. Secondly, special revenue assistance totalling \$5,000,000 paid to the States in 1966-67 was added into the base grants for purposes of calculating the formula grants for 1967-68 and subsequent years.

With this last qualification, the formula grant to each State in the years from 1965-66 to 1969-70 was determined by taking that State's grant for the previous year (with the addition of \$2,000,000 each year in the case of Queensland) and (a) increasing it by the percentage change in the population of that State during the year ending December 31 in the year of payment; (b) increasing the amount so obtained by the percentage increase in average wages for Australia as a whole for the year ending March 31 in the year of payment (except for 1965-66, when the increase was for the previous financial year); and (c) increasing this amount by the betterment factor of 1.2 per cent.

At a Premiers' Conference in June, 1968, the Commonwealth said that it regarded a State receipts duty on wages and salaries and comparable payments such as superannuation and pensions as an income tax and, as such, in breach of the financial assistance grants arrangement. The Commonwealth stated that it adhered firm to the principle of uniform income taxation and was convinced of the desirability of avoiding multiplication of income taxes. It did not object in principle to modest extensions of State taxation into the general field of business receipts or business turnover, provided this was not carried to a point where it could significantly affect the Commonwealth's ability to carry out national policies or to raise Commonwealth revenue. However, the Commonwealth did not favour the imposition of a pay-roll tax by the States. It was agreed at the June, 1968, Premiers' Conference that Western Australia might withdraw from the special grants system as from 1968-69 but that this move should not disturb the existing formula grants arrangements. It was decided that: (a) in lieu of the special grant the Commonwealth would pay Western Australia the sum of \$15,500,000 in each of the years 1968-69 and 1969-70 in addition to the State's formula grant;

This is what happened to South Australia at the end of the 1950's: this State went away from the Grants Commission and received an extra amount. The document continues:

(b) the sum of Western Australia's formula grant for 1969-70 and the amount of \$15,500,000 would form the base of consideration for purposes of the 1970 review of the financial assistance arrangements.

A Premiers' Conference was held in February this year. This was the first time that the States had got together and gone to the Commonwealth Government for financial assis-

tance with a case setting out their requirements. Prior to that, previous Premiers indulged in individual horse trading. The States did not until 1970 receive what they should have got, because they did not previously go to the Commonwealth with a well documented case and with proof that their needs existed. One must give much credit to the present Leader of the Opposition because, when he was Premier, he took the lead and had much to do with presenting a common front and the submission of an intelligent case to the Commonwealth Government. This was the first time that had been done. One can see from the report that South Australia did not get a lousy deal at the Premiers' Conference, that was held in June this year; rather, it was a lousy action on the Premier's part when he returned and gave a false picture of the whole situation. At the conference to which I have referred, the Prime Minister gave details of four ways in which the Commonwealth Government was prepared to provide revenue assistance to the States. This was in reply to definite requests, requests that had not been made before. The document later continues:

First, an interest-free capital grant would be made starting at \$200,000,000 in 1970-71 and increasing in future years in proportion to the increase in the total Loan Council works and housing programme. This would relieve the States of debt charges they would otherwise have to pay and would free State funds for other purposes.

What happened to South Australia? With 9.2 per cent of the population, we are going to get 13.7 per cent of this \$1,000,000,000. Is that a lousy deal, or is it something that will benefit this State? The document also states:

Secondly, grants would be made to meet the debt charges on \$200,000,000 of existing State debt in 1970-71 and an additional \$200,000,000 in each of the subsequent four years so that, as from the commencement of 1974-75 the Commonwealth would have taken over full responsibility for the debt charges on \$1,000,000,000 of State debt, with this amount of debt being formally transferred to the Commonwealth in June, 1975.

This State will receive an increase of 13 per cent of these amounts, and it is of tremendous advantage to South Australia. The document continues:

Thirdly, an addition of \$40,000,000 would be made to the 1970-71 grants determined under the existing formula and this amount would be incorporated in the 1970-71 base for purposes of determining the formula grants for 1971-72 and later years. The amount of \$40,000,000 would be distributed between the States in the same proportions as their 1970-71 formula grants.

This is where South Australia, perhaps slipped back in the percentage rate, because from 1965

on, when a Labor Government was in office, instead of our having the highest population increase in Australia, or nearly the highest, as we had had for many years, we dropped back to the lowest or next to lowest. Therefore, the percentage of this fund that we got also dropped. Through poor government, our population growth declined, and this decline caused a reduction in the grant. At the same time, of course, the absence of this population increase meant that the demand for schools and other facilities was not as great. In Commonwealth-State relationships, this is reasonably fair. Regarding grants on a population basis, including the \$5,000,000 from the Grants Commission, South Australia received an increase of \$14.75 a head of population. Tasmania received the next highest figure, \$12.02, while the figures for Queensland, New South Wales, Western Australia, and Victoria were \$11.22, \$10.34, \$9.22, and \$7.28 respectively. This is what the Treasurer calls a lousy deal for South Australia, and the people of this State have accepted these untruths or have been misled. The Treasurer's claim that the other States received special concessions at the last conference is incorrect. This document also states:

The Prime Minister also made two proposals in relation to the grants to individual States. First, there would be a continuation of the \$2,000,000 addition that had been made to the base on which Queensland's grant was calculated in each of the five years of the previous arrangements. The Prime Minister stated that the Government had "come to the conclusion that in spite of the considerable improvement that has been effected in Queensland's share of the grants over the last five years, the grants being received by that State are still too low compared to other States."

It has been said that Queensland got a new concession, but this was a continuation of assistance that had been given over several years. The document continues:

Secondly, in addition to its formula financial assistance grant and in lieu of the amount of \$15,500,000 paid in both 1968-69 and 1969-70, Western Australia would receive amounts starting at \$12,500,000 in 1970-71 and reducing by \$3,000,000 per annum in each of the subsequent four years.

It has also been claimed that Western Australia has been getting additional amounts, whereas that State got much less this year than it got last year or during the previous four years. The document continues:

The Prime Minister said that the Government had "noted that since 1967-68 there appears to have been a significant improvement in the relative capacity of Western Australia to finance its Budget expenditure . . ." and that "if the

State continued to receive its present share of the revenue grants, including the special amount of \$15,500,000 the situation would become increasingly unfair to the other States and could result in a significant distortion in the allocation of governmental funds between the States". However, in recognition of the rapid rate of population growth and economic development in the State, the Commonwealth would, in the Loan Council, support increases in Western Australia's share of the borrowing programmes to offset the reductions in the revenue grants.

It is understandable that additional Loan funds are required because of the 3.8 per cent growth in population. The document continues:

The Premiers regarded these proposals as inadequate and suggested a minimum increase in the 1970-71 grants of \$90,000,000 and a minimum betterment factor of 3 per cent to apply from 1970-71. After considering the States' arguments, and in particular the case put by New South Wales and Victoria that the absolute gap between their per capita grants and those of the smaller States was becoming larger year by year, the Prime Minister proposed that a grant of \$2 per capita be paid to New South Wales and Victoria in each of the next five years. This would be additional to the formula grants and would not be included in the base used to determine those grants.

The next paragraph that I shall read deals with the Treasurer's claim when he came back that the Prime Minister had snarled at him and said, "If this does not make you happy, go to the Grants Commission." That paragraph states:

In the event that any of the four less populous States considered that the additional per capital grants would adversely affect their ability to provide services of a standard comparable with those in New South Wales and Victoria, the Prime Minister said that it would be open for them to make an application to the Grants Commission for a grant in addition to their share of the financial assistance grants. Under the previous arrangements the Commonwealth had indicated that it expected each of the other four States to remain non-claimant for the period of the arrangements.

The Prime Minister gave a concession. He told the four States that, if they considered that they were not getting a fair deal, it would be open to them to apply to the Grants Commission. The Prime Minister was offering the right to go back to the Grants Commission and the fact that New South Wales and Victoria received \$2 a head of population meant that, when we went to the Grants Commission and the grants for South Australia were determined having regard to the services New South Wales and Victoria could provide, if those States got an extra \$2 a head we would get \$2 in the long run to balance that up. I was going to use the word "dishonest", but I will say that

it is misrepresentation to say that that shows that South Australia was treated unfairly. South Australia has received more than a fair deal. As I have said, I intended to deal only with facts and did not intend to discuss Party-political matters. I disagree to some items in the Commonwealth Budget. As we are free citizens on this side we can criticize and make a stand on a specific matter. We have been a heavy-borrowing State but we will receive more interest-free grants than any other State will receive, except Tasmania, which is a small isolated island with many problems. It does not have the central situation enjoyed by South Australia. If we have confidence in South Australia and if the Government can bring confidence to the State in its central position, with the wealth of Western Australia on one side and the developed industries of the Eastern States on the other we must have a great future.

If the States want more money they can receive it only from the taxpayers of Australia who will provide it, not the Commonwealth Government. Last financial year and this year, because of the high level of activity in the Australian economy, the Commonwealth Government could not and cannot use credit facilities as has been done previously. It means that every cent given to the States must be raised by taxation. If we are not charging the proper cost of our various public utilities we must demand higher taxation from the general public in every State. It seems that none of the States are prepared to tell the people that supplying water and providing railway services costs so much money and they should be prepared to pay for those services.

Many railway lines in South Australia have no value to the community, and if private road transport was used the losses of the Railways Department would be reduced. The Auditor-General, in his report, has stated that the loss on country railway lines has been reduced, because several of them have been closed, but that the loss on suburban passenger services has increased by about \$700,000. It is a reflection on past Ministers of Roads and Transport that they have not straightened out the Railways Department and placed it on a business footing, so that we do not have to continue to carry these losses. The Municipal Tramways Trust carries about five times as many passengers as are carried by the railways services but, because of expert advice received, the trust's losses are small. If we are to consider ourselves a responsible Parliament we should investigate these matters.

Mr. Hopgood: Do you think railway rates should be increased?

Mr. McANANEY: I think it is more just to increase the rates where a loss is made rather than do what the Labor Party is doing. In 1965, when Labor was previously in power, harbours made a substantial profit but the Labor Government increased harbour charges. Last year \$800,000 was the profit, but now the Labor Government is increasing harbour charges again, and it will be the farmers who are affected. At the last election the Labor Party stated what it would do for farmers, but it said nothing that had not been done already. Bulk handling charges of \$1,300,000 were collected by the Marine and Harbors Department, but now the Government is to increase bulk handling charges.

Mr. Hopgood: You want us to be business-like.

Mr. Clark: There is no increase in bulk handling charges.

Mr. McANANEY: The Government is increasing the charges now. This is a most vague Budget and does not state where the increases are to be made.

Mr. Clark: It would be a good idea if you checked it.

Mr. McANANEY: I understand that there is to be a reduction in bulk handling charges.

Mr. Clark: You just said the opposite.

Mr. McANANEY: I stated what the collection was. It does not matter by how much harbour dues are increased and whether they apply to goods coming in or going out, an increase will still affect the cost structure of farmers.

Mr. Hopgood: Rail freights affect them, too.

Mr. McANANEY: If the honourable member lived at Strathalbyn he would realize that it costs more to send wheat from the local mill by the railways service to Adelaide than it costs by road transport. However, this railway line has been kept open, but it will make a substantial loss that will be carried by the general community. The Railways Department should be able to write off the interest charge on the money lent to it. It should be able to operate as a business. If we find that either a primary or a secondary industry is affected an approach should be made to Parliament to subsidize that industry in the interests of the State. In this Budget we are voting \$14,500,000 to the Railways Department, and we should know how that money is to be used. Obviously, if we keep

paying this money to the Railways Department when it continues to suffer such heavy losses, it will not change its method of operations. The whole thing is against efficiency and human nature, and is getting back to a socialistic outlook rather than trying to provide an active and efficient service that competes with some other service. We should investigate this matter.

The Leader of the Opposition dealt adequately with education. The Government claims that there will be an increase of almost 15 per cent on the actual payments for last year. The increase is not as high as it was in the previous year, even though there is a much greater percentage increase in revenue. Despite what it says, this Government will not put as much into increases in Education expenditure as in the previous year. On the question of the photographs that were distributed at election time showing old school desks, I point out that it has been departmental policy for some years that, on an application being made, a school can receive a new set of desks for a classroom each year.

Mr. Clark: Are you sure of this?

Mr. McANANEY: I was instrumental in securing a new set of desks at the Jervois school, and that may be why I improved my vote considerably in Jervois.

Mr. Clark: You aren't seriously saying that a school could get a new set of desks each year?

Mr. McANANEY: It could get them for one class and replace the old type of desks. The member for Elizabeth has not taken too much interest in the schools in his area.

Mr. Clark: I've taken an interest, but the way you explain it you make it terribly obscure, and I can't understand it; no-one can.

Mr. McANANEY: One of our problems at the State level in regard to collecting revenue is that our scope is limited. The Government has been vague regarding what it intends to do about succession duties. I believe that our system of obtaining succession duties in South Australia is not the best and can be improved, but this does not mean that I am advocating any large increase in succession duties. I hope that the Government does not introduce a Bill similar to the one introduced previously in which it altered the whole system of collecting succession duties and as a result of which many people with small estates would have had to continue paying succession duties. The exemptions generally should be raised. I believe in the idea of the family property, whether it

involve primary or secondary industry, and there should not be levies on small family estates, for they should be carried on with a reasonable degree of success.

An aged person who receives a pension at present receives an income equivalent to that of a \$20,000 estate, bearing in mind the various concessions that apply, and I believe that this matter should be examined. Further, no probate or succession duties should be paid in respect of an estate of less than \$20,000. The present rates of duty applying to an estate of, say, \$10,000 to \$20,000 and to an estate of over \$200,000 are inequitable and do not accord with the principle that one should pay according to one's ability to pay. I hope the Government will introduce a better measure than was introduced previously, so that these matters can be considered on a more equitable basis. I do not believe that the total amount obtained through capital taxation, wherever it is taken from, should be increased. The Government is also vague about what it intends to do concerning land tax other than that it says that people with smaller estates should pay less than is paid by those with larger estates.

More than half of the land tax paid in South Australia is being paid within the Adelaide city square. Having seen John Martin's balance sheet in this morning's paper, one realizes that that company pays a terrific sum in land tax and in water rates, and this is obviously being passed on in the way of additional charges, so that the man on the land, who is at the end of it all, cannot pass it on. I believe that land tax is a bad form of taxation. If there is to be a tax on land, it should be on land whose value increases merely because of an increased demand for subdivision such as in developing areas. As I have said, I believe that the Budget should be divided into two sections, one relating to taxation revenue that is spent on social services, and the other relating to separate public utilities, for this would enable members, when we reach the lines, to discuss the revenue aspect more thoroughly. When we get into Committee we are not permitted to speak on revenue that has been collected. It is a weakness in the system that when one wants to speak on, say, waterworks one cannot discuss the revenue aspect as well as the expenditure aspect. When one looks at the Budget and analyses it, one can see that most of the increased expenditure has been incurred because of rising wages. I repeat that I do not object to this, but one must realize that there is not going to be much

of an increase in education facilities; this is a problem that must be examined. I support the first line. Whenever we go to the commonwealth Government, either because we disagree with it or because we think we are not getting a fair deal, we should go to it with a well documented case. However, when we in South Australia have received more than a fair share, taking into account our population increase compared with that of the other States, the Government should admit that we have received a good deal, and the South Australian press should go more thoroughly into the facts and figures presented and let the people of South Australia know the true situation, rather than print something that is not factual.

Mr. MILLHOUSE (Mitcham): It is perhaps not surprising, in view of the time spent by the Treasurer in presenting this Budget, when dealing with the question of Commonwealth-State financial relations, that each speaker in the debate so far on the first line has dealt with this subject. I intend to deal with it not, I hope, covering the same points as have been made by the Premier, by my Leader, or by the member for Heysen, but dealing with some of the wider constitutional aspects of the relationship between the Commonwealth and the States. You, Mr. Chairman, may recall that I touched on this matter during the debate on the Loan Estimates. However, on that occasion you pulled me up and told me that I should deal with that subject not during the debate on the Loan Estimates but during the debate on the Revenue Estimates. I regard this question of the relationship between the Commonwealth and the States as one of the most important and significant questions facing Australians at present and, alas, so far as I can see, into the future. It is a truism to say that government is finance and that finance is government. The Premier in his statement set out clearly by implication, if not explicitly, the way in which the States are now completely dependant financially on the Commonwealth Government and, because they are dependant financially, it means (to me, anyway) that sooner or later, if it has not already happened, the States will depend in every other way on the Commonwealth Government.

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

Mr. MILLHOUSE: Before dinner I said that I intended to discuss Commonwealth-State relations, to which finance is the key. In other words, I intend to speak about the federal system of Government that we have

in Australia and its future; or, I am afraid, more accurately, its lack of it. I canvassed this matter in the Budget debate a few years ago but even since then the situation has continued to change adversely to the States. To me, the essence of a federal system is that the Commonwealth Government and State Governments alike are independent within their own spheres.

That situation no longer exists in Australia. There is no doubt whatever, if one takes even the most casual look at the constitutional scene in Australia, that the States are no longer independent in their own spheres. They depend on the Commonwealth Government, and it may well be too late consciously to devise any rearrangement of powers, any new relationships between the States and the Commonwealth Government so as to give the States an independent role again in this country. In other words, the federal system may well be finished or so far sapped of its vitality as to be moribund, and it may well be that the people of this country really do not care about the situation. So far as I can see, three courses are open to us. The first is to continue as we are now under the present arrangements and see power flowing continuously from the States.

Dr. TONKIN: Mr. Chairman, I draw attention to the state of the Committee.

A quorum having been formed:

Mr. MILLHOUSE: I was saying that the first of the three courses open to us was to go on as we are now and see power flowing continuously from the States to the Commonwealth Government until the federal system that we have in this country will be a mere shell and we will be saddled with the Commonwealth Constitution in much the same form (probably, in exactly the same form) as it is in now, but there will be no substance of power left in the States. In my view, that is the worst course of the three that we can take, but it is also the most likely for us to take.

Secondly, we can abandon the federal system of Government and adopt some such system as is set out in the platform of the Australian Labor Party, or, thirdly, we can try to remodel the present Constitution to make it work: in other words, as I have said, give the States again some measure of independence. It is a fact, as we all know and as I have implied already, that since Federation the Commonwealth Government has been getting stronger and the States have been getting weaker. That is not necessarily bad, and I do not want to be heard to

say that it is. In some ways it is quite natural that this should happen. As Australian nationalism and a feeling of unity within Australia grows, so does the strength of the Australian Government, the national Government, also grow. Constitutionally, I guess we can say that there were two milestones. The first was the Engineers Case of 1920 which, of course, was a triumph for R. G. Menzies—he made his name professionally, I think, in that case. The second was the uniform tax scheme of 1942, the responsibility for which rests with Menzies's long-time opponent, the late Dr. Evatt.

The uniform tax scheme was based on a flaw in the Commonwealth Constitution that was never intended, and it would never have succeeded and that flaw would never have become significant if in the time between the late 1890's and the early 1940's income tax had not become the principal means of raising revenue. At the time when that Constitution was drawn up, customs duties and excise were the principal means of raising revenue for Governments. However, in the intervening four or five decades income tax became the principal means and, taking advantage of that development and the flaw in the Constitution, Dr. Evatt was able to work out the uniform tax scheme, which robbed the States of their principal means of revenue and has bound them to the chariot wheels of the Commonwealth very definitely ever since, and this is becoming increasingly so. That scheme was worked out and put into operation, and it has been operated by subsequent Governments ever since, not as a result of any conscious decision of the people of Australia nor as a result of any constitutional amendment but, as I say, by virtue of a flaw in the Constitution.

What are the policies of the Parties in Australian politics on this matter? I have already referred briefly to the policy of the A.L.P., which is to abandon the federal system of Government. In more detail, this is what it says:

Amendment of the Commonwealth Constitution to clothe the Commonwealth Parliament with unlimited powers and with the duty and authority to create States possessing delegated constitutional powers; to abolish the Senate and, pending the achievements of the aims set out in subparagraphs (1) and (2), to remedy the defects as they appear and to keep the Constitution abreast of changing conditions.

Well, we can forget the last one because it does not mean very much; and, for the purposes of this debate, the abolition of the

Senate is not relevant. The important policy is the aim to clothe the Commonwealth Parliament with unlimited powers. That is the formal policy of members opposite. There has been some recent developments which give me hope that this may no longer be the policy or the outlook of all members opposite. Probably the fact that he is in power has had some influence on him, but the Treasurer has in recent months (and, I suppose it would be fair to him to say, in recent years) been championing the rights of this State. He has done it, I think, for a number of reasons, but certainly in the course of that championing he has said things that are quite contrary to that plank in the platform of the A.L.P., and it may be that there is, even though it has not formalized yet, a change of heart on the part of at least some members of that Party.

On our side of politics we have always stood for the federal system of Government; but, paradoxically, the present Commonwealth Government and its immediate predecessors have not always acted in a way that would lead one to believe that they are wholeheartedly in favour of the federal system. One of our difficulties on both sides of politics is the question of Party loyalties. We are members of the same Party as our Commonwealth colleagues, and members opposite are members of the same Party as their Commonwealth colleagues. Even though we are members of the same Party and therefore try not to have divisions and differences of opinion between each other, each of us in our sphere likes the power and authority we have and tend to champion it. When Liberal members visit Canberra they tend to champion the rights, privileges, and power of authority of the Commonwealth Parliament and Government, whereas Labor members, when in power in the State sphere, as the Labor Party is in this State, tend to champion the rights and authorities of the State Parliament and Government.

Conversely, we are loath to scrap with our Commonwealth colleagues, and I have no doubt that Government members are loath to scrap with their colleagues. So while in our respective spheres we favour our own powers, because the divisions of politics are as they are, we are loath to break with our colleagues in the other sphere. This is one of the difficulties of ever getting any resolution of this matter. It cuts both ways, and the present State Government here is only too anxious to attack the Commonwealth

Government for both reasons; because it is a State Government and wants to champion its own position and because the Commonwealth Government is of another political complexion. This was a matter that the Leader dealt with this afternoon. We have seen the most bare-faced use of the ploy of attacking the Commonwealth Government under the guise of championing State rights, whereas it is to gain a political advantage, and none has been more active in this than the Minister of Education has. On the night of the election he told me that when in Government the Labor Party would always get out from under by blaming the Commonwealth Government when things went wrong. This happens all the time.

Mr. Jennings: When did he say this?

Mr. MILLHOUSE: He said it to me on channel 7.

Mr. Jennings: Privately?

Mr. MILLHOUSE: No, we were on television together, if the member for Ross Smith will remember. I do not know whether he watched that channel.

Mr. Jennings: I certainly turned it off when you came on.

Mr. MILLHOUSE: The honourable member is the poorer for that. That is obviously what all Government members have been doing and, from a narrow political point of view, one cannot blame them. They want the Commonwealth Government to lose, because they want their colleagues to get into office in Canberra. The situation would be reversed if by some disaster there was a Commonwealth Labor Government. We would not find the State Government of South Australia (if it retains its present political complexion) criticizing the Commonwealth Government then.

Mr. Jennings: There would be no reason for it.

Mr. MILLHOUSE: The honourable member confirms the point I have been making. It would have no reason in that case, and this is one of the difficulties with which we have to contend. The activities of the present State Government are quite transparent in this matter. This irresponsibility (and I regard it as irresponsibility) of itself will contribute to discredit the institution of Parliamentary democracy, and, heaven knows, in this country and elsewhere the whole institution of Parliamentary democracy and Government is under great criticism and, indeed, attack. On the steps of this building we have a moratorium demonstration now.

Mr. Payne: This is democracy.

Mr. MILLHOUSE: The member for Mitchell murmured something about democracy.

Mr. Payne: I did not murmur it: I said it out loud.

Mr. MILLHOUSE: It was not very loud but it was loud enough for me to hear. I would be the last to deny the right of citizens to peaceful protests, but I point out to the honourable member and to others that the protest that we see outside is a protest that is beyond the normal, conventional or traditional avenues of protest.

Mr. Payne: It is 1970, not 1870.

Mr. MILLHOUSE: That may be so. If the honourable member (and I do not want to appear patronizing) would cease interjecting I would then be able to develop my point and he would be able to follow my argument; if he did this he might even acknowledge that what I am saying is correct—that the protest is outside the conventional channels of democracy. I presume that those who indulge in this type of protest are dissatisfied with traditional methods such as complaining to members of Parliament and having matters raised here. This is merely an illustration of the fact that our Parliamentary democracy is at present under criticism and, indeed, attack. I imagine (I have not been out there tonight) that it is damn cold on the steps of Parliament House. The protesters have been there for about 36 hours, but not one has come in here to listen to what we, the members of the South Australian Parliament, are doing, and that is of some significance.

The CHAIRMAN: Is the honourable member extending an invitation?

Mr. MILLHOUSE: I think it would be a very good thing if they came in and listened to the debates here—the traditional place in which matters of importance in the community are discussed. Whether this is right or not—

Mr. Jennings: I think some heard the member for Heysen speak and went out and said, "For God's sake don't go in there."

Mr. MILLHOUSE: No; I must defend my colleague from Heysen. I have been watching the galleries and, to the best of my knowledge, no protesters have come in at any time; this shows the complete lack of interest that there is in the proceedings of this place on the part of many people. I hope I have said enough to illustrate the point that I make, that the Parliamentary institution is under attack in this country and that the way in

which there is squabbling and back-biting for Party political purposes between the Commonwealth and State Governments does nothing to protect the institution of Parliamentary democracy. Indeed, it confirms in the minds of many people the low opinion that they have of democratically elected Parliaments.

Mr. Jennings: Well, get rid of the Legislative Council.

Mr. MILLHOUSE: Let us now leave that point. In my view the federal system of Government still does have a significant role to play in the life of this country. It may not always play such a role, and it certainly has a less significant role now than it had 20, 30 or 40 years ago, but it still has a role to play, and I believe it will still have some role to play at least until the end of the century. Demographers tell us that by the year 2000 four-fifths of Australia's population will live in Melbourne and Sydney. Whether the other one-fifth of Australia's population will be prepared to give up the federal system altogether and put themselves in bond to a Parliament that will be so completely dominated by the two great metropolises I do not know. However, demographers tell us that there will be this enormous concentration of population in Melbourne and Sydney within 30 years. So on the ground of demography, on the grounds of geography, history, and indeed, of my own political philosophy, I believe that the States still have a useful role to play in the life of this country. I do not reject any proposal to re-arrange powers between the Commonwealth Parliament and Government and the State Parliaments and Governments, so long as the States have independence within the sphere left to them because, as I have said, this to me is the essential of a federal system of Government.

I do not know whether every member on this side would take the view I have expressed, and I do not know how many members on the other side would take this view. I suspect, as I have said, that at least some do, but we in our 1968 policy, which was enunciated by the present Leader of the Opposition, said that we would aim for a permanent settlement of the financial problems which were bedevilling relations between the Commonwealth and States. Indeed, the Leader, when he was Premier, took the lead amongst his colleagues, the other five Premiers of this country, in doing so. I hope that all members of this Chamber have seen the case, which was prepared in the name of the Premiers but which,

in fact, was prepared within South Australia under the direction of the present Leader of the Opposition (the then Premier and Treasurer of this State) by his Treasury officers. This case sets out clearly the problems I have touched on, and it also makes suggestions concerning their solution.

One of the lost opportunities, in my view, is that nothing was done at the conference in February to get agreement; there was no agreement between the Commonwealth and the States to act as was proposed in that case. As the seven Government Leaders were all of the one political Party it should have been easier for them to agree but, in fact, the Commonwealth Government rejected the proposals put forward by the States in that document, and the States had no option but to accept the proposals put to them by the Prime Minister. I have a copy of the case and, while I do not intend to quote it at length (as I say, I hope all members have seen it), I intend to quote from the introductory part, because that sets out the problem which we face, and also from the final part, which sets out the proposals to solve the problem. We find the following on page 3:

The evidence is overwhelming that the principal obstacle is the increasing imbalance between the constitutional responsibilities of the States and their access to financial resources as limited by constitutional factors and by the action of the Commonwealth.

The case then goes on to deal with the ways in which the Commonwealth Government has been "assisting" (I put that word in inverted commas, in one sense anyway) the States. The case continues on page 4, as follows:

Latterly, the tendency has been for grants provisions in categories 4 and 5—

they are continuing special purpose grants and occasional special provisions—

that is, special purpose provisions, to be expanded significantly more than the provisions in categories 1 and 2 (that is, general purpose grants and advances). This has meant that more and more the Commonwealth has been able by indirect means to take out of the hands of the States the determination of priorities of expenditures over a widening area of functioning in which the States have clear constitutional responsibility.

That sums up what I have been saying. This is what is proposed, and it appears on pages 27 and 28:

It is therefore proposed that the process of restoring the nexus between the State revenues and income tax yields should be developed in two steps: (1) First, as a transitional measure operative from July 1, 1970,

the present tax reimbursement grants should be amended by adequately increasing their base and by adopting a new system of increases upon that base to conform with the rate of growth in the yield of income taxation assessed upon a constant rate schedule.

This was the proposal for interim assistance to the States.

The Hon. Hugh Hudson: That would involve the betterment factor of about 3 per cent and not of 1.8 per cent, wouldn't it?

Mr. MILLHOUSE: Secondly—and this was a proposal for the more permanent solution of the problem:

That the Commonwealth and State Treasury offices be instructed to devise a scheme whereby the States shall have access to income tax broadly along the lines of the system presently operating in Canada, for implementation as soon as practicable and preferably from July 1, 1971. Such a scheme would have to be one adapted to Australian circumstances and to the recognized needs of the less populous States.

They had said earlier that this was the crux of the problem. The document continues:

Not only do we believe that the States must have an access to revenues with the flexibility and growth features of income tax, but we accept that the States must take direct responsibility for raising a substantial proportion of their revenue requirements by means of income tax.

However, we cannot have responsible Government without responsibility for the collection of Government revenues, in large measure at least, and we just have not got that in Australia at present. They go on to say:

We consider that the only adequate assurance for the financial viability of the States is that they should again have direct access to income taxation . . .

I need not quote any more. I hope that those members who have not studied that document will get hold of a copy and study it, because it sets out the whole problem as well as the proposed solution. As I have said, the Commonwealth rejected those proposals and instead presented to the Premiers proposals of its own, which were accepted because they had to be accepted as the Commonwealth is the party with the whip hand in this matter. However, leaving aside the fact that the Commonwealth has imposed a solution on the States, it has not, in my view, in the short-run treated the States ungenerously.

However, the nub of the matter is that the States are at the mercy of the Commonwealth. However generously the Commonwealth treats the States, the arrangements between the Commonwealth and the States will still be bad and

will still contribute to irresponsibility on the part of the States while this obtains. I am not alone in saying this: many people have said it. I was looking the other day at the *Australian Quarterly*, in which there was an article by a man called Dixon, an economist who has been a visiting consultant to the Commonwealth Government and is now an economist in the Fiscal Affairs Department of the International Monetary Fund. He has canvassed the whole question of the proposals put up at the conference and their rejection by the Commonwealth. This is his conclusion:

I am not firmly wedded to the notion of the introduction of a system such as that proposed by the State Premiers. My overwhelming plea is for a rational system of Federal-State financial relationships in Australia which, amongst other things, involves that proper recognition be given to the important role of State-local governments in Australian economy. The flexibility in raising revenue which I consider to be a necessary requirement for the existence of viable State Governments could be obtained by permitting State Governments to levy marginal taxes defined as percentages of Commonwealth income taxation collections in individual States. Thus, there appears to be little need to introduce a system similar to the Canadian one for this reason alone. But, failing any move towards a rational method of distributing general revenue assistance to the States and in the absence of any proposal to increase the flexibility of State Governments to raise revenue from their own sources, I must prefer the Canadian system of Federal-State financial arrangements proposed by the Premiers to the present Australian one.

I hope it is not too late (although I fear that it is) for something to be done but, of course, the real question is this: what is to be done? Many of us agree broadly or in detail about what I have said, but we do not take the matter far enough if we just leave it at that. What is to be done? If in future the States are to have any degree of independence of the Commonwealth Government, the Commonwealth Constitution will require some significant alteration, and experience shows that it is almost impossible to make a significant alteration to the Constitution of this Commonwealth if only one side of politics puts it forward and if it is, therefore, opposed by the other side.

The Hon. J. D. Corcoran: Even when both the major Parties support a proposal, the people may turn it down.

Mr. MILLHOUSE: That is right. The people of Australia have shown themselves to be extremely conservative about altering the Constitution. I think there have been 27 Commonwealth Constitution referendums and only

five have resulted in a change being made to the Constitution. As the Minister of Works interjected, even when both Parties agree and urge that the Constitution be altered, that is not necessarily accepted. I guess most of us remember the referendum held four years or five years ago to break the nexus between the Senate and the House of Representatives. The people of Australia rejected that proposal, even though both the Liberal Party and the Labor Party were in agreement.

Therefore, there is no chance whatever of getting any alteration to the Constitution that will restore independence to the States unless both Parties are agreed and, even then, it is far from certain that we will get it. How to go about getting an agreement is an extremely difficult matter. I do not know that we can ever get agreement but I believe, because of my faith in the federal system of Government, that we should try, and the only way I can see such a proposal having a chance of success is, by holding a constitutional convention or conference (call it what you will) of those concerned about and interested in this matter. I am not the first to make such a suggestion. I hope it will come more easily to members opposite when I tell them, if they do not already know (and they probably do know), that a similar proposal was put up by a member of their Party. I do not know whether he is the Leader now. He has had a rather chequered career since he put this up. He is the former Leader of the Labor Party in the Victorian Legislative Council (Mr. Galbally). Is he the Leader now?

Mr. Ryan: He is still Leader.

Mr. MILLHOUSE: He may be the Leader again, but I do not think it is correct to say he is still the Leader. However, in the vein in which I am now speaking I do not want to remind members opposite of the painful events in Victoria. That is not my purpose at present: there will be another time for that. In October last year, in the Victorian Legislative Council, Mr. Galbally suggested that a constitutional convention be held, and he supported the suggestion by a very telling and, I thought, accurate and good speech.

Mr. Ryan: That would be the first time you have admitted that a Labor man could do anything good!

Mr. MILLHOUSE: No, it is not the first time. On those occasions when a Labor man says or does something good I am, I hope, one of the first to say so. Anyhow, let us not argue about that. This is the motion

which, in its amended form, was passed, and it was passed with the support of the Labor Party, the Country Party, and the Liberal Party in the Legislative Council in Victoria:

That the Legislative Council request the Government of the State of Victoria to invite the other States of the Commonwealth of Australia to join with Victoria in a conference to consider and frame desirable amendments to the Commonwealth Constitution Act, 1901-1967, such amendments to be transmitted to the Parliament of the Commonwealth with a strong request that such amendments be the basis of a Convention of the Commonwealth and the States with a view to implementation by appropriate legislation or other constitutional action.

So Mr. Galbally and his colleagues in the Legislative Council in Victoria have put forward this suggestion already. Alas, I have to say that when the message transmitting that resolution got to the Legislative Assembly of Victoria it was not debated; it was lapsed business. However, it certainly was not rejected, and that at least is something. But I cannot see any other way there is any hope of getting the major political Parties in Australia to come to any agreement on a constitutional amendment that would restore to the States a degree of independence. I have put forward a suggestion tonight, and I should be interested to hear whether other members think it is good or bad or whether they do not mind about it. I hope that members on the other side will be prepared to say what they think about it; I am told that not many of them intend to speak in this debate. However, perhaps they will do so now. As I say, I would be most interested to know what their views on this suggestion may be.

I should also be most interested to know what the views of members on this side of the Committee may be on this question. As I have said, I am afraid that the most likely course of events is that we will go on as we are and that in the not too distant future the federal system in Australia will be a mere shell. There will still be the Commonwealth and State Parliaments and State Governments, but all the effective power will be in the hands of the Commonwealth Parliament through the Commonwealth Government, and this will be a farce. I think it will do great damage to the institution of Parliamentary democracy, and it will be, as I have said, a waste of time and a waste of money. I hope it does not happen, and I think we should do whatever we can to avoid its happening. The suggestion I have made is the only one I can think of that has any hope of success.

I do not intend to say any more on the first line. I hope that there will be an opportunity on the lines as we go through to comment on the various matters raised in the Budget, but on this first line I have confined myself to this topic because I believe it is something that overshadows every other matter set out in the Budget. If we do not have financial independence, we are kidding ourselves when we debate other individual matters. I support the first line.

Mr. WELLS (Florey): I, too, support the first line. I am amazed to hear members opposite rush to the support of the Commonwealth Government in respect of its activities surrounding the financial position of this State. I believe that Canberra dealt to South Australia a backhander and that it deliberately deprived us of funds for the running of this State that we should have had. I believe that members opposite agree with this, but I point out that when the Leader went to Canberra as Treasurer of this State he returned a disappointed and disgruntled man, and the then Opposition, now the Government, fully endorsed his remarks and the position he outlined that clearly indicated that South Australia had received a shabby deal. Surely, it would not be too much to ask of the Opposition that, when the Treasurer journeyed to Canberra and was rebuffed in a shoddy manner, they should state unequivocally that this was their opinion. The member for Mitcham put it clearly on the line when he described Party loyalties and activities, and said that if the present Commonwealth Government was a Labor Government we, as members of this State's Government, would not be criticizing that Government irrespective of its activities. I believe that this is an admission that he and other Opposition members are indulging in Party loyalties and that they really think that South Australia has had a rough deal. However, because of Party loyalty they do not say this. Before the election before last I remember vividly watching a television programme on which Mr. Gorton appeared. He was asked to give his opinion of the result of the election (which the Liberal and Country League won), and when asked what attitude the Commonwealth Government would take financially to a State controlled by the now Leader of the Opposition he said that in his opinion it would be favourably received and he used the words, "You know, it would be keeping it in the family." That seems to me to contrast with the present position. I believe that, despite the vehement denials of Opposition members, they also think that the Common-

wealth Government gave this State a rough financial deal. However, we have to consider the Budget as it is: one must study the advancements that have been made and the improvements, if any, effected.

Mr. McAnaney: You got the words, "if any".

Mr. WELLS: If the honourable member will listen I will demonstrate the many benefits, and perhaps he will learn.

Mr. Jennings: No he won't: you don't know him as well as we do.

Mr. WELLS: I refer to the question of education in the State. Provision is made for a 15 per cent increase in expenditure for educational purposes. In addition, the grants for tertiary education and independent schools are 23 per cent greater than those of last year. Irrespective of a person's political affiliations, he must surely acknowledge that these are gigantic steps forward in the interests of the people of this State.

Mr. McAnaney: The Commonwealth Government provided 80 per cent of the money, and you know it.

Mr. WELLS: The honourable member knows that his statement is entirely incorrect. Expenditure on hospitals is 22½ per cent greater than that of last year. Expenditure on medical and health services is 23 per cent greater than that of last year—a wonderful step forward. Because law and order is a topical matter, I point out that expenditure in connection with the Police Force is \$1,503,000 (or 14 per cent) greater than that of last year. Provision is made for the training of additional police cadets up to the establishment of 450, and very fine people they are. In this connection I have only one regret: these men are grossly and sadly underpaid and I hope the Government, if it is at all possible, will see that wages paid to police officers are greatly increased soon. If they are so increased, we will probably hear strong objections from the member for Heyesen because we are making over-award payments.

Mr. McAnaney: Where will you get the money from?

Mr. WELLS: We will get it from the Commonwealth Government. Expenditure in connection with the Prisons Department is \$166,000 greater than last year's expenditure of \$2,032,000. This year's provision will enable obsolete machinery and equipment to be replaced. The increase of \$545,000 (or 10 per cent) in expenditure on social welfare and Aboriginal affairs is a great step forward—a step sadly neglected by the Government of which the member for Heyesen was a member.

I turn now to a matter with which the honourable member is directly concerned: he complained about increases in harbour charges. Better facilities for the berthing of ships and the handling of cargoes will be provided in South Australian ports. The honourable member appears to be grossly concerned about farmers. However, I advise him not to bother about harbour dues, which he claims will cripple the farmer. He should contact his colleagues in Canberra and have them provide for Australia a fleet of nationally-owned ships which will carry the goods we produce in this country to every country in the world and which will lift from other countries in the world goods to bring into Australia. It is an indictment on this country that we have a national shipping line consisting of two ships. We want an oversea national shipping line. The member for Heysen, while he is in Canberra, can also see that the freights charged are investigated by the Commonwealth Government, because the Conference Line charges whatever the trade will bear. He should also have investigated the Conference Line and other consortiums, which are bleeding the rural producers and secondary industries (where import is concerned) to the bone through excessive freight rates.

Russia, which entered this trade, was going to take away wool and other products and compete with the Conference Line, and people thought that this might bring about a situation in which there would be competition and that freight rates would fall. But what happened? Russia joined the Conference Line and no difference occurred; in fact, Russia shares the same rates as are shared by the Conference Line and other organizations concerned, so there is no benefit there. The member for Heysen should use his influence on his colleagues in Canberra to have an oversea national shipping line built in Australia by Australian labour, manned by Australian seamen, and carrying Australian cargo.

The member for Mitcham outlined various ideas which he states would improve this country's financial situation, and he outlined a couple of schemes that seemed to me to be most impressive. I do not profess to know anything about those schemes, but I will make it my business to learn something of them in the future. However, if the member for Mitcham and other members of the Opposition are of the opinion that such a scheme as outlined is feasible and desirable, does this not indicate that the Commonwealth Government is not giving the States an equitable

share of the taxation money available? This in itself, I believe, is an admission that we must implement a system that will be used to bring about a better position concerning the equity of the country's finances.

Mr. RODDA (Victoria): I support the first line. I was disappointed to hear the member for Florey joining the chorus of those members blaming the Commonwealth Government for the alleged trouble that this State Government finds itself in. I do not know that it is in such dire straits with its financial problems. This is a tolerant Opposition: although it points out the Government's shortcomings and the difficulties it faces, it also offers constructive suggestions. When the Treasurer introduced his Budget, he said he would budget for a deficit of nearly \$4,896,000. One cannot help but cast one's mind back to 12 months ago, when a different situation obtained. It is truly said that when things are not the same they are vastly different. Then, we were hearing about the crisis in education.

The Hon. Hugh Hudson: There was a crisis, too.

Mr. RODDA: Things have not improved at all: certain people have only gone quiet. We have heard the member for Florey applauding the increased finance that his Treasurer was producing for education, but I think my Leader this afternoon referred to the comparative figures. He did not underline the fundamental differences: he drew comparisons, showing that there is an escalation each year. It is right that there should be, irrespective of which Party is in Government. We on this side of the Committee are fair enough to admit this. However, it is striking just how different the scene is today: the galleries are empty. This may mean that the teachers are either satisfied or dissatisfied; perhaps they are not being promoted to the extent they were previously.

We on this side are looking forward to the next election. Somebody told me today that there will be one before Christmas; we are ready. The Commonwealth Government has been blamed for the position the Dunstan Government finds itself in. The member for Florey has underlined this. The Treasurer returned from Canberra abusing the Prime Minister and saying what a lousy deal he had got.

The Hon. Hugh Hudson: The Prime Minister does not even reply to our letters. He hasn't even replied to one he has had since June.

Mr. RODDA: Perhaps the Premier could take a lead from my Leader, who got answers from the Prime Minister. That leads me to refer to water. Last year it was acknowledged, I think, by both sides that we must have water. We wanted to build one dam and members opposite were going to have either two dams or no dams: we look like getting no dams.

Mr. McKee: You wanted to build a dam in Victoria!

Mr. RODDA: We wanted to build a Commonwealth dam, a dam for the people of Australia, on the Mitta Mitta River, and we decided that on the best advice available. The Minister of Education knows the situation about this dam and the argument that took place on that fateful and memorable night. We are waiting for the Premiers of this State and of the other States to renegotiate this agreement, against the very best advice of the best engineers in this country regarding a scheme that would increase our water supply by 37 per cent. We have nothing now and we may have nothing in future. I would not like to be the Premier and his Party facing an election with the position as it is now. We hope, for the sake of South Australia, that the position improves, because we are good South Australians. The rail link with Port Pirie, which our industrialists in South Australia want so much, has a big question mark over it.

The Hon. Hugh Hudson: Do they want it, or do they want to be connected with the railway? Do they want the line to finish at Islington?

Mr. RODDA: Our industrialists want a rail link. The Minister is trying to put words into my mouth.

The Hon. Hugh Hudson: No, I'm just trying to get you to say something sensible.

Mr. RODDA: The Minister does not like me to remind members opposite about this rail link. This State is cut off from the standard gauge now.

The Hon. Hugh Hudson: Do you think it is better for Chrysler to transport cars by road to Islington and then put them on a standard gauge line to, say, New South Wales than it is to transport the cars by road to Port Pirie and rail them on the standard gauge to New South Wales?

Mr. RODDA: That is a convenient peg for the Minister to hang his hat on. The Government has not done anything about this link, although the eastern seaboard and the western seaboard are linked now by a standard gauge

line. The points that the Minister raises would have been ironed out when we got the railway here.

The Hon. Hugh Hudson: You've given it away.

Mr. RODDA: I have not given anything away, but the Government has given away the line to Port Pirie. I hope that the Government has a rabbit in the hat.

The Hon. Hugh Hudson: Surely a reduction in costs would result from avoiding the need to have road transport and rail transport by being able to connect up at Chryslers at Tonsley Park direct on to standard gauge line?

Mr. RODDA: At present, we have nothing to connect up to, so the Minister's point does not impress me. We have had experts from the United States reporting on metropolitan transport needs, at a cost of \$12,000, so we are told. I imagine that we will find out something different from this, perhaps next year. I forecast that we will be told ultimately that on the findings of these American visitors this metropolitan transportation scheme is not a goer, and we will probably find ourselves in the same situation as we are in with the Dartmouth dam and the Port Pirie rail line.

The Hon. Hugh Hudson: Did you agree to the findings of the Maunsell report?

Mr. RODDA: I was not the Minister of Roads and Transport.

The Hon. Hugh Hudson: If you had been the Minister, would you have agreed to it?

Mr. RODDA: The Minister has lost none of his expertise in trying to put words into people's mouths, but he knows how difficult it is to put words into my mouth. He has not got himself off the hook, for he is a member of a Government that has done nothing about these three major proposals that are so vital to South Australia. The member for Florey disappointed me. He promised the member for Rocky River that he would say something about bulk wheat, but he did not do so. He did say something about ships, which I do not think pleased the member for Rocky River much.

The farmers are growing wool for about 30c a pound. The member for Rocky River can grow wheat but he cannot get rid of it. It is obvious from the very fine policy enunciated by my Leader in the Adelaide Town Hall in May that we recognize the severity of land tax and succession duties. When presenting the Budget, the Treasurer said:

Land tax in South Australia is presently rather higher than in most other States. To continue this tax at its existing higher level over most of its coverage is reasonably justified.

I can assure the Minister of Education that the farmers in Millicent, Mount Gambier, Rocky River and Chaffey take extremely cold comfort from that passage.

The Hon. Hugh Hudson: Do you know who pays the bulk of the land tax?

Mr. RODDA: I do. However, land tax is one of the capital taxes strangling the farmer.

The Hon. Hugh Hudson: The farmers are not going to pay any more.

Mr. RODDA: I hope the Minister is right. They are paying too much at the moment if they are going to remain on their properties. This is very difficult to get through to the erudite mind of the Minister. It is essential that we do something practical. I admit that the State Government is a dispenser of services and that because of the Commonwealth-State relationships it has problems in raising sufficient money. However, the man on the land is penalized by these high charges.

Mr. McKee: What did you do for the man on the land? Did you do anything for him when you were in Government for 30-odd years?

The CHAIRMAN: Order!

Mr. RODDA: I have done all I can to emphasize the real problems of the man on the land. It has been hinted that the Government intends to increase the number of Cabinet members. I hope it will do this and that it will appoint more than one extra Minister. I believe there is a real need for Cabinet to be increased.

Mr. Millhouse: Strengthened!

Mr. RODDA: That is so. The Government has not appointed Parliamentary Under Secretaries, and I know that the Minister of Education had a poor opinion of them. Perhaps they were not as effective as they could have been and, for that reason I should like to see an additional two Ministers, or perhaps Assistant Ministers, appointed. A Parliamentary Under Secretary can be of only limited help to his Minister, because he does not attend Cabinet meetings and has no authority. I enjoyed the 14 months in which I worked for Steele Hall, who is a fine gentleman to work for. I do not say that because he is the Leader of my Party.

The Hon. Hugh Hudson: No, but because you have to,

Mr. RODDA: We do not have friction in our Party. I think one Government member said today that Don Dunstan was the greatest Premier in Australia. This remark leads me to believe that there will be a vacancy soon on the front bench. It is disappointing to hear the Commonwealth Government criticized. It has problems, too, the same as those that trouble State Governments. We want to see this State prosper, and we appreciate a balanced viewpoint. We recognize that the Government has to control the State in the interests of everyone. I am a farmer, as is the member for Rocky River, and we may give the impression that we are one-eyed at times, but we take an interest also in the welfare of city people. We are also interested in the problems of education. I have much pleasure in supporting the first line.

Mr. COUMBE (Torrens): I have studied the Budget papers in some detail because this is the first Budget presented by this Government. Because the Estimates now before us comprise one of the most important documents presented in the life of the Parliament, they deserve thorough study. This Budget seems to depart radically from the traditional and responsible way in which any Treasurer should present such an important document to Parliament. Many items are not dealt with in any detail; instead, hints are given that at an appropriate time taxation may be increased or certain measures may be introduced.

It is surely the Treasurer's responsibility to present to Parliament a complete picture of the revenue aspect of this State's finances, but he has not done so on this occasion. We can see that succession duties and harbour dues will be increased, that every suburban householder will have to pay an additional \$2 in land tax, and that there will be some increases in stamp duties on insurance documents. Consequently, this Budget can be termed an "if and but" Budget. Like Micawber, the Treasurer is waiting for something to turn up. In the first part of his statement the Treasurer has criticized the Commonwealth Government at some length but then there is a curious contrast: in the second part of his statement he says how much he is relying on the grants that he expects to receive from the Commonwealth Government. In other words, he knows full well that in due course any deficit will be written off by the Commonwealth.

The Hon. Hugh Hudson: By the Grants Commission, which is an independent authority.

Mr. COUNBE: Yes, but where does it get its money from?

Mr. Millhouse: And who accepts its recommendations?

The Hon. Hugh Hudson: The Commonwealth Government.

Mr. COUNBE: Of course.

The Hon. Hugh Hudson: Are you aware that the Commonwealth Government opposed our application to the Grants Commission?

Mr. COUNBE: I am also aware that Mr. Hall, when Premier, was successful in getting an extra \$2,000,000 from the Commonwealth Government at the end of last year—a far better deal than the present Premier and Treasurer got. This proves that Mr. Hall is a better negotiator than the Hon. Mr. Dunstan is. That is undeniable, and the results are shown by the fact that we had a surplus in our Budget.

The Hon. Hugh Hudson: \$5,000,000 is less than \$2,000,000!

Mr. COUNBE: We find a remarkable increase in certain expenditure lines regarding the offices of various Ministers. I refer here to the administrative staff, not to expert technicians or special officers. We find that the appropriate line in the Premier's Department increases from \$56,512 to \$89,013; the line for the Chief Secretary's Department's clerical divisions rises from \$35,917 to \$52,391; for the Attorney-General's Department, it rises from \$27,488 to \$45,987 (almost double); and, regarding the Minister of Works Department, it rises from \$18,988 last year to \$33,468 this year. I know something about the office of this Minister, having held the portfolio for just over two years, and I know how much work goes through that office, but I am referring here only to the clerical staff and not to the Secretary, who is one of the best Secretaries in the Public Service.

The corresponding line for the Education Department rises from \$9,739 to \$17,470; and in the Agriculture Department it rises from \$17,274 to \$27,797. Although a similar line does not appear for other Ministers, if we aggregate these increases we see that there is an increase relating to this clerical category of \$115,308. I think perhaps much of this goes towards the salaries of press secretaries. Having had the privilege of occupying four portfolios during the term of the former Government, I know something of the office of the Minister of Works. During the previous Government, the Premier naturally had a press secretary.

The Hon. Hugh Hudson: He had a couple.

Mr. COUNBE: Yes, he had two, and one other press secretary was available for the rest of the Cabinet. Now, we have one press secretary who has been or who is to be appointed for each Minister. How will this officer fill in his time? What does the permanent Secretary of the department think about this? He is having his nose rubbed in the mud a little. When we should have a responsible Government that should be doing some good housekeeping, here is an example of extraordinary and extravagant expenditure. Over the last two years we saw some good housekeeping achieved by Sir Glen Pearson who, as Treasurer, brought us to the position where we finished at June 30, 1970, with a surplus. In his period as Treasurer, I believe that Sir Glen did a wonderful job in keeping expenditures within bounds; he certainly vetoed extravagant expenditures such as those we are now discussing. The Treasurer made some play on this matter in his statement, and I was interested to hear the member for Florey refer to it a few minutes ago. I looked at the total expenditure provided for this year. I took out some figures and found that in 1969-70 actual expenditure was 12.6 per cent greater than in the previous year, and that the expected expenditure this year is 12.25 per cent greater than last year's actual expenditure.

The Treasurer made great play of saying that the provision for the Education Department at \$74,697,000 was almost 15 per cent more than actual payments last year. I remember that when I was Minister of Education the present Minister stirred the pot vigorously regarding education, complaining that the wicked Liberal Government was not doing enough for education and asserting that, if he came to power, he would spend money left, right and centre on education. Let us see the result. The Treasurer has said that expenditure is to be increased by nearly 15 per cent. Expected expenditure for 1970-71, as shown in these documents (which are the only documents the Committee can rely on) is only 14.7 per cent more than actual expenditure last year. The actual payments for the Education Department in 1969-70 under the L.C.L. Government were 18.9 per cent greater than the actual payments in the previous year. Yet, in the great new deal we are to get from the new Minister of Education, the expected increase is 14.7 per cent.

The Hon. Hugh Hudson: If you go back to the Budget of last year, you will find that you provided for an increase of only 9 per cent.

Mr. COUMBE: As a result of good house-keeping under a good Treasurer we were able to improve our figures.

The Hon. Hugh Hudson: As a result of an award in respect of teachers' salaries, you had to pay out extra.

Mr. COUMBE: We paid the extra salaries and absorbed them, still ending the year with a surplus.

The Hon. Hugh Hudson: Teachers' salaries were not included in the Budget figures last year, which provided for an increase of only 9 per cent.

Mr. COUMBE: Yes, but the important point is that the L.C.L. Government achieved an increase in expenditure over the previous year of 18.9 per cent for the Education Department. If we look at the whole line for the Minister of Education, we find that expected expenditure for the current year is 16.2 per cent greater than actual expenditure for last year, whereas in its last year of office the L.C.L. Government achieved an increase of 17.8 per cent in expenditure on education compared with the previous year.

The Hon. Hugh Hudson: Go back to Budget time again.

Mr. COUMBE: I like to rely upon official figures and results. Not only did we increase this expenditure but we finished up with a surplus.

The Hon. Hugh Hudson: The Budget did not take into account increased teachers' salaries. You are trying to get out of it.

Mr. COUMBE: I am not trying to get out of anything. I have been here long enough to have suffered patiently the innuendoes and continuous mumblings of the Minister of Education, both as a Minister and as member for Glenelg. When he was back-bencher on this side, he not only made his own contributions by speaking: he then proceeded to make speeches by interjecting, and he is still up to his old tricks. He cannot get out of his old habits.

I have taken the figures for three developmental departments with which I was connected. They are the figures for Minister of Education, Minister of Works, and Minister of Labour and Industry. In last year's Budget the provision for Minister of Works increased by 7.8 per cent, whereas this year the increase has been only 7.3 per cent. The same sort of thing

happens with the Minister of Marine, and, in the case of the Minister of Labour and Industry, we achieved an increase of 8.7 per cent, whereas the increase this year is only 6.3 per cent. These comparisons are interesting, because they show what has happened. Whilst we are dealing with education, I shall read on, because the Minister of Education seems a little touchy this evening on this aspect. The Treasurer's Financial Statement (Parliamentary Paper 18) deals with school allowances at page 15 and states:

From the beginning of 1971 the allowance will be \$18 in the first, second and third years, \$26 in the fourth year, and \$28 in the fifth year. This will be the first of three annual steps to increase allowances in accordance with the undertaking given in the policy statement before the recent election.

What figures were given in the Labor Party policy speech at the recent State election?

Mr. Jennings: They were very good. We won.

Mr. COUMBE: All right, I will quote the figures. The Labor Party said that it would increase the allowances for the first, second and third years from \$16 to \$22, that it would increase the allowance for the fourth year from \$24 to \$28, and that it would increase the allowance for the fifth year from \$26 to \$32. Incidentally, the figures we quoted were \$24 for the first, second and third years, \$32 for the fourth year and \$34 for the fifth year, these amounts to be paid immediately. Now we find that the allowance for the first, second and third years, instead of being \$22 as promised in the election policy speech, is to be \$18.

Further, the allowance for the fourth year will be \$26, instead of the \$28 promised, and the allowance for the fifth year will be \$28 instead of the \$32 promised. These increases are to be made in three annual steps, but was this mentioned during the election campaign? I did not hear it in the official announcement or at any subsequent country meeting, and I do not know of any member of my Party or of the public who heard this type of thing put over. If ever there was a confidence trick, this is it.

Mr. Millhouse: If it had been said, the Minister would have interjected by now.

The Hon. Hugh Hudson: The honourable member says anything that comes into his head.

Mr. COUMBE: To which honourable member is the Minister referring?

The Hon. Hugh Hudson: I am referring to the member for Mitcham, not to you.

Mr. CUMBE: So that there will be no mistake about this, I will mention again that the figures quoted were as follows: for the first, second and third years the A.L.P. promised \$22 and the L.C.L. promised \$24; for the fourth year, the A.L.P. promised \$28 and the L.C.L. promised \$32; and for the fifth year the A.L.P. promised \$32 and the L.C.L. \$34.

The Hon. Hugh Hudson: Can you give *verbatim* in any election speech any statement by Mr. Hall or Mr. Dunstan as to what time during the three-year period this change would be made?

Mr. CUMBE: I was the Minister of Education at the time and was responsible for the writing of the greater part of the education section of that speech, and I can say that it was our intention to bring it in by January of next year. Furthermore, the implied intention of the A.L.P. in its policy speech was that it would apply it at the same time. Certainly there was never any mention by the A.L.P. that this would be brought about in stages and that this year it would go up by only \$2 for the first, second and third years.

The Hon. Hugh Hudson: Quote Mr. Hall's policy speech.

Mr. CUMBE: I give the Minister the undertaking that it was going to be brought in next year.

The Hon. Hugh Hudson: That does not mean anything. Quote the speech itself to show it would be brought in next January.

Mr. CUMBE: Are you calling me a liar?

The Hon. Hugh Hudson: No, I am just asking you to quote the speech.

Mr. CUMBE: If I can get a copy of the speech I will quote it for you. I know that this was the intention of my Party, as I presumed it was the intention of the A.L.P. I gave credit to the A.L.P. for being as honest as we were. The first indication we had of this confidence trick was the Treasurer's statement in the Budget. I intend here to give some idea of how by probing through the statement of the Treasurer one can get a pretty good indication of what is behind the thinking of the Labor Party. On the one hand it is criticizing and lambasting the Commonwealth Government for what it terms a lousy deal, and in the second part of the statement it is gratified and it is relying heavily on the Commonwealth grants which it is going to get and which will enable it to run into a deficit Budget which in 18 months or two years' time

could be wiped off. There is also the added advantage it will get next year with debt and interest relief. I only wish that we had had that privilege when we were in Government, for it would have made a wonderful difference to the things we could have done.

I have now been able to get the document that the Minister of Education queried me about. The words in the L.C.L. policy speech are quite clear. The then Premier, Mr. Hall, was talking about what had been done in education and what we were going to do, and he went on to say:

But we are not satisfied to rest here. On re-election we will increase the book allowances for all secondary students in State and independent schools by \$6 per student over the full five-year course and liberalize allowances for school materials for deserving cases in primary schools.

It was my intention to introduce this from January 1 next year. That is what the L.C.L. Government intended to do. It is interesting to note references to certain matters, but also we can see what will happen in the future. The excuse given is that the Government has not had time to make up its mind how it will work out certain taxation. Succession duties will be increased, and the gambling tax will be adjusted. I have already referred to the \$2 that will be imposed on every suburban householder's land tax. The Treasurer states:

In its adjustment of current financial effort in relation to Budget the Government proposes to increase the rates of stamp duty in respect of certain insurance business, in particular life insurance, workmen's compensation and personal accident. This is expected to produce about \$900,000 additional revenue this year.

The stamp duty increase is expected to bring in \$900,000 additional revenue this year, which is not a full financial year. The Treasurer's statement continues:

It is proposed to increase harbour charges later in the year. The details are yet to be worked out with the expectation of additional revenues of \$300,000 to \$400,000 this year.

We assume that this will be for nine months of the year, and in this case it will be an extremely steep impost. Who will suffer? Not only the poor farmer but also every exporter of manufactured goods of this State, and every district in the State will be affected. The statement continues:

The Government has also under consideration a number of other measures, but they have not been taken into account in this Budget as firm decisions have not yet been made. Their timing and extent will depend in some measure upon the costs and timing of increased wage awards and other commitments encountered during the year.

The practice in the past has been for a responsible Treasurer to state in this important document (which is one of the major documents to be debated) all the details about every item. The Treasurer went on to speak about freight rates being revised, the rail link from Broken Hill, and other matters, and I am interested to see that there will be a greater income from patients' fees. I hope sincerely that this does not mean another increase in the hospital charge for each patient. I am kind enough to imagine that this statement is ambiguous, and that the increase will occur because more people are entering hospitals. However, I have a shrewd idea that the Government has not the guts to say now that it will increase fees for patients in hospitals.

In the last paragraph of the financial statement are shown details of the Commonwealth grants to be made to the State that will assist this State considerably. I refer not only to the assistance to education, to the colleges of advanced education, the two universities, and the Institute of Technology, but also to increases that will be granted for hospitals and other matters. Recently, the Minister of Education had much to say on the question of Commonwealth aid to States for primary and secondary schools. The Minister has my full support in the application made by the six States to the Commonwealth. He knows (Mr. Bowen said this) that Sir Hugh Ennor, the permanent head of the Commonwealth Department of Education and Science, has undertaken to review the whole submission. The scheme was to commence next year. The Minister said the other day that the Commonwealth Government would not accept the segment dealing with recurrent costs; he based his statement on something that was apparently said at the Premiers' Conference in June.

The Hon. Hugh Hudson: And on what Mr. Bowen said.

Mr. COUMBE: Long before I became a Minister I had some knowledge of the way in which the Australian Universities Commission and similar commissions operate. I am certain that we will get a recurrent cost reimbursement in this regard. Where the disappointment lies is that we have not had an emergency capital grant so far this year. The increase in expenditure on education proposed by the State Government this year is not as great as the expenditure by the previous Government last year. Expenditures in some other departments are not as great, while some of the increased expenditures are extravagant.

This is an "if and but" Budget: if we get much more money we will do certain things. We can run up deficits and get them wiped off but, if we do not get additional money, we will blame the Commonwealth. On the other hand, what was the attitude taken by Sir Glen Pearson when he was Treasurer? He was responsible enough to run this State with good housekeeping, and he finished with a surplus.

Mr. Jennings: And then he was sacked.

Mr. COUMBE: It is about time the honourable member was sacked. It is about time the people in the Ross Smith District woke up to their representation. The honourable member was very fortunate when the electoral boundaries were reallocated. He should be the last to complain.

Mr. Jennings: I am not complaining.

Mr. COUMBE: Like Micawber, the Government is waiting for something to turn up.

The Hon. D. N. BROOKMAN (Alexandra): The Government has produced a Budget with the least possible clarity of explanation, but what does become clear is that the present Government is extremely lucky to be following a Government that had a good Treasurer. I ask the Committee to remember the position that the previous Government had to face when it came to office. It was confronted with an almost desperate financial position, and it righted that position during its term of office. I am expecting, from the way the Government is setting about its work, that it will quickly run into more problems. When explaining the Budget in September, 1968, the former Treasurer (Mr. Pearson, as he then was) said:

At June 30 last the deficit disclosed in the Consolidated Revenue Account was \$8,365,000. This was built up over a three-year period during which expenditures increased without a fully compensating increase in taxation and other revenues.

He was referring there to the previous Labor Government. Later, after setting out a number of financial manipulations (I mean that in a general sense, such as accounting changes), the former Treasurer said:

Without these changes in accounting procedures the last three years—

that is, of Labor Government—

would have shown deficits on Revenue Account of \$6,834,000, \$6,796,000 and \$7,875,000, or an aggregate of \$21,505,000.

That is the state of affairs when Sir Glen Pearson took over the Treasury, and he performed a good financial job. He raised some

taxes and, in doing so, he detailed in his Budget explanation what those taxes would be. In this case, the Budget tells us virtually nothing, whereas Sir Glen Pearson set out his taxation proposals in reasonable detail, and nearly everyone who was interested in future taxation could get from his Budget speech fairly close detail of what could be expected. However, what do we have by way of comparison on this occasion? The present Labor Government has said practically nothing about what it intends to do regarding taxation. The Treasurer merely says that there will be some relief from land tax, but we do not know what that relief will be. There is only a sketchy outline of what he intends in this regard, but the Treasurer is following the unequivocal statements made by Sir Glen Pearson when he delivered his Budget speech in 1969. On that occasion, referring to land tax, Sir Glen Pearson said:

This situation has a most severe impact on the primary industries. By contrast with most other business concerns, which expect to cover their costs plus full interest on capital funds employed plus a profit margin, primary producers are presently able to expect only a modest return on capital funds employed, and upon those they must live. For those with heavy capital liabilities, the situation is becoming acute. For this reason, the Government is giving serious thought to farmers' problems, particularly in regard to land tax, and action will be taken to amend the Land Tax Act during next year to afford substantial relief for rural land from the cost of the prospective new assessments which are to come into effect from the beginning of the financial year, 1971-72.

That is a succinct and accurate statement of the position of primary industry at the time and, furthermore, a clear statement of what the Government was proposing in respect of land tax. The then Premier (Hon. R. S. Hall) in his policy speech gave a number of undertakings, which included considerable relief from land tax. He promised to "reduce rural land tax by 50 per cent in the next financial year" and, after the operation of the new five-yearly assessment in June, 1971, he promised to "further reduce rural land tax to yield approximately \$300,000 to the Treasury. This will be a total reduction of something over 80 per cent on existing payments."

Mr. Jennings: It is easy to make promises from your side of the Chamber.

The Hon. D. N. BROOKMAN: Promises were not made from this side of the Chamber; they were made by the Premier, Hon. R. S. Hall (as he then was). He continued:

As a parallel move we will also double the concession existing today for State succession duties as applied to primary producing property. The present range is a concession of 30 per cent downwards according to the value of the property. This will become 60 per cent downwards on a similar escalating arrangement.

That was in the policy speech. It was a firm undertaking that was circulated widely. The then Government, had it been re-elected, would have lived up to that undertaking. What do we now find? In respect of the 1970-71 Budget, in a paper where we would expect to have some detail of proposed taxation, we get virtually nothing. We have been told there will be some relief from land tax and that there will be a review of stamp duty. "Review" is a pleasant-sounding word that can mean anything, but the Treasurer goes on to say that it should yield \$900,000 of additional revenue. That is about as much as we know about the taxation provisions that this Government is preparing. It has put out its Budget with the minimum of information about matters which naturally affect the people most and matters which, I think, affect the rural sector of the community probably more severely than anybody else. They do not know what to expect. They have this Budget before them and they still do not know. Although this statement occupies just as many lines and pages as the average Treasurer's statement does, the matters that we need to know before we can discuss the Budget properly are not set out clearly in it.

What is the Government doing? As far as I can see (and I have mentioned how obscurely this statement is worded, in some respects) there are some unequivocal statements. The first few lines of the Treasurer's statement are as follows:

In this Budget the Government has as its main aim the expansion of the State's social and other services and the improvement of Government wages towards the levels enjoyed by the larger Eastern States, as far as it is feasible within the limits of the funds likely to be available to us, and so far as it is practicable in one year having regard to the available resources of skilled people.

We saw in 1965 how the Government set out with heavily increased expenditure in social services and in certain kinds of service payments, and the like. It did not do much good to the State finances: it had an undoubted beneficial effect in some ways and it did things that any Government would like to do if it had the resources. However, the Government at the time did not have the resources, and I am afraid that we may slow down the

impetus of this State's development if we concentrate too much on one aspect of our finance. We cannot afford to put costs to our industry as high as the costs in the Eastern States. If we did that, we would not survive on those heavy Eastern States markets, on which everyone knows we are extremely dependent. We are at least 500 miles from those markets and because of that the State must operate efficiently and industry must operate with an efficiency greater than that of competing industries in Sydney, Melbourne or anywhere else along the eastern coast.

We must be careful how we increase our wage structure and our social services. I am not saying that they should not be increased and, as I have said, every Government wants to be able to increase them, but are we watching the situation as carefully as we should be? The Labor Government did not watch the position carefully enough in 1965, with the results I have set out, showing a run-down over three years of more than \$21,000,000,000. Are we starting to do that sort of thing again? If we are, the Government is taking an enormous chance. It makes me wonder what plans the Government has for future elections. The Government seems to be betting on all sorts of revenue from Commonwealth Government sources that it may think it can get simply by going to a television studio and making statements about the Commonwealth Government, insulting the Prime Minister, and making grandiose threats about the Commonwealth Government coming to heel.

Is the Government, by doing that sort of thing, guessing that it will be able to get itself out of any financial trouble that it gets into? Is it punting on a change of Government in the Commonwealth sphere? Is it planning a new State election? If it is not doing any of those things, why is the Budget worded so obscurely? The Budget seems to me to be mysterious in many ways.

I have said we should be careful not to slow down the impetus of our development and, although I do not intend to deal in detail with the items in the Estimates this evening, I will deal with them later. I am disturbed at the interesting parallel with 1965, in that Mines Department expenditure has been reduced once again. It has not been reduced literally: expenditure by that department is increased, as is expenditure for every other department of the Government. However, against an overall average increase in expenditure of about 12 per cent, the Mines Depart-

ment provision has faded to an increase of only 7 per cent. When one considers increased salaries and awards, one sees how little scope there is for contingencies to be met from the sum provided.

The Mines Department has not been given a fair go in this Budget. It has been made to coast along, perhaps in the hope that it will get something in the future. We all know that the Mines Department is not an election-winning department, and that there are not many people who will squeal. Also, the effort of the Mines Department is long-term, and one cannot expect dramatic results each year or each part of a year. To my mind, this Government has set out to attract goodwill and good friends in some respects but it is taking a chance on the development of the State in other respects. There is this rather sinister parallel with its actions in 1965 which had such bad results.

My criticisms of the Government tonight will not be very detailed. However, along with other members on this side I am disturbed and distressed for South Australia's sake that nothing whatever has been done about the future of our water supply. Earlier this year we had arrived at a stage in South Australia when each of the Parliaments concerned (the Commonwealth, New South Wales and Victoria) had passed legislation which was to give South Australia a guarantee of more water than it has ever asked for previously. That was put in front of us on a plate, as it were, for us to take, but this Parliament did not take it. I will not go over the sordid history of the politics in that debate earlier this year when the present Government, at that time the Opposition, supported by its vote in this place the so-called two-dam policy which each one of its members knew was totally unrealistic and a totally false ideal that could not be achieved by the State in any circumstances. The Labor Party went to the election which it wanted and which it achieved by selling its own integrity in that respect, and it won that election. However, it has done nothing about the water supply.

It is not nearly good enough. It is not easy to get three other Parliaments, parties to an agreement, to pass legislation to give us something more than we had earlier expected and something more than they had wanted to give us previously. Yet we refused to accept it. We were told by the present State Government that this agreement could easily be renegotiated, but we have not heard any encouragement

from any sources in the other States regarding this matter, and there is no sign of any activity whatsoever.

I have said over and over again that I am in favour of Ministers travelling overseas and thereby making contacts and gaining experience. I am pleased to see the Treasurer going overseas, for I think it is a good thing that he should do so. However, if I had been in his position and I had given the undertakings that he had given, and if I had voted the way he voted in the last Parliament, I would not have left the country before I had renegotiated that water agreement, because that was the issue on which the last Parliament was dissolved. He did not take any further action in the matter and, so far as I can see, he has passed the responsibility over to the Minister of Works. As far as I know, the Minister of Works has not done anything about it. In reply to a question today the Minister said he had not received replies to his letters. When a Government takes office in the circumstances in which the Labor Government took office following a vote in this Chamber on that issue, it is absolutely improper for the Ministry to sit down and state that it has not received replies to its letters. Has the Minister of Works travelled to other States to interview the Ministers concerned and to negotiate on this vital matter of our water supplies? Of course, he has not: he has not done a thing about it and neither has the Treasurer. No Government should sit smiling in those circumstances.

The people of this State want action: not only people in the areas that support the Government so strongly but people in all areas, including the Murray River districts. Most people know that the Dartmouth dam is a sound proposition and that it is a better proposition than any other. Most people now accept the judgment of our paid engineers that this is a better proposition, and most people know that the Chowilla dam is by no means a lost cause. It may well be the next dam to be constructed after the Dartmouth dam has been built. The Government has claimed that it wants the construction of the Dartmouth dam and Chowilla dam guaranteed, and it achieved office as a result of that claim, but now it has done nothing. This is a shameful situation.

I am concerned also about the position of the so-called Metropolitan Adelaide Transportation Study plan: I am concerned for the future of South Australia and not merely for a seg-

ment of the metropolitan area. All characteristics of South Australian geography are bound up in the centralized area of metropolitan Adelaide. Despite the efforts of everyone for many years to encourage industry away from Adelaide, the fact is that Adelaide is a centralized area: geographically the pull to Adelaide is so strong that there has not been much decentralization in South Australia, in spite of the incentives that have been given by various Governments. Surely everyone should realize this obvious fact, and we should set about making the Adelaide metropolitan area an efficient area and not an area, similar to the Sargasso Sea, in which traffic is brought to a standstill two or three times a day.

It is just as important for primary industries in the southern districts to have access into, out of, and through Adelaide as for anyone in the metropolitan area, and it is just as important for small industries in those country areas as it is for small industries in the city. It is not merely a matter of the convenience of someone wanting to drive a motor car to and from some point of recreation: it is a matter for trade and commerce as well. The metropolitan area of Adelaide could become a Sargasso Sea where there is little movement at all. During the week before Christmas traffic is sometimes held up for half an hour without moving at all. Every day we see traffic building up in parts of the metropolitan area, yet Adelaide has a very low density of population.

I hope we will not adopt the overseas practice of increasing the density of the population in the metropolitan area. I hope we will avoid the tendency to replace backyards and private open spaces with living units in multi-storey buildings with community lawns and gardens between them. However nice those flats and gardens may be, there is absolutely no family life possible in the way that we know it. People who live several storeys above the ground cannot send their small children down to play in the garden without an adult to supervise them. We know only too well how crime has got out of hand in those parts of the United States of America where the population is very dense.

We should keep our backyards and, if people want to make them untidy and pull a Holden to pieces or tinker at some other hobby, let them do so. Let us recognize that it will cost us something to have this privilege: our sewerage system, water supplies and public transport must be less efficient if we have a low density of population, but for that price we

have the invaluable possession of open spaces around our houses. At one time an officer of the Housing Trust asked migrants who visited the trust's office why they had decided to come to Australia; the overwhelming majority said that they wanted to have their own block of land with their own house on it. It would be dreadful if we encouraged redevelopment to the extent that the density of our population was greatly increased. I am not against redevelopment of some of the worst residential areas, but I do not want to see vast numbers of people housed in multi-storey buildings. Residential buildings with a few storeys may be satisfactory in some cases, but I do not want to see the kind of residential building I have seen overseas.

We must recognize that many of our costs will be higher and that our transport problems will be considerable, but I hope that Doctor Breuning's visit to Adelaide is not an indication that the basic freeway system proposed in the M.A.T.S. plan is to be discarded. Judging from the statements of the Minister of Roads and Transport, one can believe anything. The Minister is given to adjectives describing the M.A.T.S. plan; sometimes he calls freeways "monsters", etc., yet at other times he says that he recognizes the need for freeways.

It is difficult to get a clear statement of just what the Government wants. To my mind, the terms of reference under which Doctor Breuning made his survey were most peculiar; "We, having regard to the policy of the Government" is the phrase to be found somewhere in the terms of reference. We need some freeways and we already have a proper transport system on which we can build, and which, incidentally, is far more comprehensive than the systems operating in most American cities that have introduced freeways. By combining the basic public transport system with some sort of freeway system not dissimilar to that proposed in the M.A.T.S. plan, Adelaide can become and remain a pleasant place in which to live. People who talk about a freeway being ugly do not know what life can be like in a few years' time without freeways; indeed, life can be much uglier than it is at present.

In 1968, the number of vehicle miles given in relation to either a day or a week (I am not sure of the unit of time) was 4,000,000 miles which, by comparison, is estimated in 1986 to rise to 10,000,000 miles. Already, in 1970, we are having serious traffic problems and, as I say, not only are metropolitan residents suffering; also suffering, are the country

people who take produce into and out of the city market. Anyone who sets out to motor from Gepps Cross to Darlington has to drive over more than 100 intersections, encountering many sets of traffic lights and many delays, whereas, with a freeway system throughout the metropolitan area generally, there need be no intersections, and people can travel probably four times more safely than they can travel at present.

In those circumstances, we want to see, if not the complete plan advanced by the M.A.T.S. engineers, something good in its place, and it must include a substantial part of the M.A.T.S. plan to be effective. If this does not occur Adelaide will lose its efficiency in comparison with the standard of efficiency in other cities. Melbourne, which has a worse problem than ours, is spending much more money per capita on its programme than we are discussing here. Now, by this sort of backstep, the Government has left us in complete obscurity about the future. Just as we have not much time to go with our water supplies, so we have not much time to go if we want Adelaide to remain an efficient centre of industry.

I am not happy about the decorations outside Parliament House. The moratorium that is going on on the steps of Parliament House, desecrating the place, is nothing but a discredit to our community. I am not going to provide the solution to this tonight but I think this Parliament should act to provide a solution rather than have our Legislature building, which is one of the nicest buildings in the State and which should be the most dignified of places, plastered with all sorts of placards and messages with various political slogans. That is not right. It is no more right than if we allowed bakers and salesmen of washing machines and refrigerators to display placards advising us to buy certain kinds of article and stick them all over the pillars of Parliament House.

Parliament should not be ignored. The Speaker said today in answer to my question that he did not want to make martyrs of the people outside. I do not know that we make a martyr of anybody simply by telling him to go and not sit on the steps of Parliament House with notices. I do not know that there is much martyrdom about that. It takes no physical courage to create the demonstration now taking place, and it certainly demands no physical courage to put oneself in the position of being removed from the steps of Parliament House.

Other people like to be able to walk in and out of the State Legislature building and have respect for it. Parties of small primary school-children are having to pick their way through these people on the steps, and each of them comes in clutching leaflets, some of which (I have not seen any this time but I have seen some previously) are most unsuitable for small children to have. I know the Attorney-General will agree with that.

The Hon. L. J. King: They seem to share your views on the A.L.P., don't they?

The Hon. D. N. BROOKMAN: I have not read the leaflets but I suppose that, when the Labor Party did a *volte-face*, they had to rush out something in print. However, whatever the solution is, it should be reached and we should be concentrating on seeing to it that the dignity and appearance of our building are maintained in the ordinary way. I remind the Committee that one of the greatest dangers to our community, which is really the most free and the most democratic community possible, is the complacency that overcomes people who enjoy freedom. If Parliament is held in contempt, either by this sort of demonstration or by being despised by the people for one reason or another, it weakens that democratic freedom. To my mind, we are often brought to see this clearly when we visit groups of migrant people who have come from countries overseas that have not been free in the lifetime of those people. Countries such as Poland have not been free for hundreds of years, and other countries in central Europe have been free for, perhaps, a shorter period. For a short time before the Second World War Czechoslovakia had a freedom that does not exist there now.

People from those countries have no illusions about the possible loss of freedom, and that is why they react angrily to people who hold our Parliament in contempt. The immigrants may not follow the particular political issues that the Parliament is discussing but they uphold the existence of Parliament and the democratic system under which we live. We must not lose that system and we should not miss an opportunity to tell young people of the value of that freedom.

I do not consider that most young people are unaware of the value of democratic freedom. We often hear reference to the silent majority that does not speak but believes in the same sort of principle as the older people in the community believe in. Nevertheless there is a danger in allowing too much of the type

of demonstration that is so common now, because by doing so we may appear to be becoming complacent about the value of our Parliamentary system.

I intended to mention several minor matters this evening but I shall refer to only one now and shall deal with the others in the debate on the Estimates. I want to speak of tourism in South Australia. I have travelled extensively in the remote areas of the State and last week I again travelled in the outback. I have noticed increasing interest amongst tourists in this type of travel, but there are several problems associated with it. Any tourist going to the outback areas must be properly prepared. He may be caught in heavy rain that could bog his vehicle for a week or more, so he must set out with an adequate food supply. He may be caught in a heat wave or his vehicle may be involved in an accident. These contingencies require him to have plenty of water available. He should also take light spare parts for his vehicle. A tourist who makes these provisions is wise and he does not cause difficulty to anyone.

On the other hand, some people take this sort of travelling too lightly and, perhaps, after reading this evening's *News*, they may think that it is easy to travel quickly up the Birdsville track, even in a borrowed car, but I do not think the average tourist would find it as easy as that. Therefore, he must take proper precautions. With the increasing popularity of travelling in the outback, more accidents will occur unless we educate the traveller about the requirements. My other point about outback touring refers to a worse problem than that, namely, the litter problem. The Attorney-General is listening intently. I think he spent some time last week travelling in the outback, and I am sure that he would agree with me that there is a vast untidiness about it. Undoubtedly, many tidy people as well as some untidy people live there. Also, there are many people in all walks of life who take the trouble to be tidy.

There is an absolutely horrible aspect about some of the places where the tourists go. I was recently at Innamincka, which is a deserted town, with all the old buildings being in ruins. A motel is being constructed there, and there is a petrol selling place at the present time. This is quite a recent development, and it will be a help to the tourists. However, I was horrified to see the surroundings of the magnificent waterhole in Cooper Creek. The lignum bushes were littered with

beer cans and beer stubbies, and there was plenty of paper and other rubbish lying around. It is nobody's job to pick this up, and it is nobody's job to stop other people from throwing this litter about, and, to be quite fair about it, I do not know what the solution is. I would like to be able to suggest to the Government that it appoint a few rangers and watchmen and that sort of thing, but that is obviously impractical at this stage of our development. There is no way that I know of stopping people from making a mess if they want to do so.

We have to try to work this out in a methodical way, perhaps by educating people both young and old and hoping that they will listen. However, when I see the improvement of outback communications and of motor cars and the increasing popularity of outback travel I am afraid of the results, because the general natural untidiness of people away from home has not improved in any respect, so far as I can see. Yet, if people take a pride in being tidy and do not mind burning their tins in the fire so that they will rust and do not mind bagging up the bottles and keeping them until they come to a place where they can properly dispose of them, they enjoy themselves just as much. To go to a popular camping spot in the outback and to find the bushes and the ground littered with empty containers is quite distressing. Like the traffic in Adelaide, which will get worse, the untidiness in the outback will get worse as touring popularity increases. Mr. Acting Chairman, I have made a number of criticisms of the Government, but despite that I have no complete objection to the first line.

Mr. HOPGOOD (Mawson): One of the privileges and the freedom honourable members have in speaking to the first line seems to be that they can refer to practically any topic that comes within the scrutiny of this Parliament, and not the least of the advantages of this is that it is possible to speak to the Budget without having actually read any of the Estimates involved. Listening to honourable members opposite, we note that they have used this opportunity to air their grievances on various matters, such as water, rail standardization, the M.A.T.S. scheme and even, listening to the member for Alexandra, the Vietnam moratorium activities.

This seems to be straying considerably from the subject of the Estimates. All I want to say on that particular matter is that it seems to be an index of the honourable member's

thinking about the moratorium and about civil rights in general that he can equate commercial activities (buying and selling) with a legitimate demonstration of political rights. I remind him that young people are increasingly finding that the political freedoms of which older people boast seem to be there until they are tested, and when that happens they magically disappear. When people attempt to assert some of these freedoms they are confronted with an honourable member for Alexandra, who decries the sort of thing they are trying to do, or they are confronted with a council authority that strengthens its regulations against this type of activity. One can hardly blame the younger generation for being cynical about our democratic process when these confrontations take place.

I remind members opposite, who asked us to hasten on important matters of water, rail standardization, and the M.A.T.S. plan, that in many of these matters once a decision is taken it is irrevocable. If we consider the problems of rail standardization and the M.A.T.S. plan we must admit that these two issues will have important long-range effects on the industrial development of this State and on the future shape of the city and the style of life of its citizens. It is all very well to have many spidery lines drawn on a map: they can be erased but once they are translated into arteries of steel and concrete they cannot be removed and, therefore, on any important issues like these that will determine the future of Adelaide, one would think that a rather conservative Party like the Liberal Party would tell us to hasten slowly so that decisions we might regret later will not be made.

I refer to water: the situation in which we find ourselves is that the previous Government went to the ace poker player, Sir Henry Bolte (Premier of Victoria) and was taken for its shirt, despite the fact that it had up its sleeve an ace, which it did not use because, apparently, it did not know it was there. In the short term Sir Henry Bolte needs the increased water entitlement far more than we do: in the long term we need the water and we need Dartmouth dam, but in the short term we have a strong bargaining point with Sir Henry Bolte because he is over-committed in terms of his irrigation water entitlement on the Murray River. On the other hand, even in dry years we still do not use more water than we are entitled to from the Murray.

We should play this card for all it is worth, because we should not give away the right to Chowilla and I see no reason why we should be asked to sign away the particular entitlement that we have. The member for Torrens at least spoke to the Estimates and I congratulate him on it, but what the honourable member was trying to do was to compare our Estimates with the L.C.L. Government's results. That is so much nonsense. When the Minister of Education called the honourable member's attention to this fact he completely shied away from it, and said that he was using the figures of his Party's results. How does he know what the present Government's results will be?

Mr. Coumbe: I hate to think about that.

Mr. HOPGOOD: The only legitimate comparison that can be made in this debate is between our intentions and theirs; between these Estimates and those. I suggest to the honourable member that judgment of our results be delayed until such time as we see the results, and then he can make a legitimate comparison between our results, and those of his Government. Any State Budget reflects the desires and objectives of the Government on the one hand and, on the other hand, the sort of conditions it runs into—the restrictions it has on it. With regard to the desires and objectives of the Budget, I would hope that these would be humanitarian and that they would look at the condition of people and seek to improve that condition. When speaking at the recent conference of the Liberal and Country League the Leader of the Opposition, in referring to matters on the agenda, said that the only matters he could see relating to the Commonwealth were matters of criticism. Perhaps that suggests that the thinking of many of his back-benchers is out of step with that of Party members: He went on to say:

While the Liberal and Country League has been supreme in providing things which affect living standards, power plants, roads, ports and capable financing, our opponents have dwelt continually on things which matter to the man in the street in everyday life.

I cannot agree with the first part of the quotation, but it is rather important and germane to the whole point of humanitarian legislation and budgeting that the last part of the statement was made. I welcome this sort of statement if it means that more humanitarian thinking and even what honourable gentlemen opposite call Socialism are creeping into the thinking of the Liberal and Country League. It may lead to a lessening of political tensions in this State and elsewhere if that is so. Our

objectives are humanitarian and equalitarian, but the other side of the picture is just what is possible to us. We have the limitations of the federal system and we have the state of the economy, both Commonwealth and State.

We are all aware that the balance of the Constitution has been upset over the years—that the States have been largely stripped of their revenue-raising capacity far more rapidly than they have been able to shrug off the areas in which they have to spend money. Consequently, they must either starve their departments, their social service recipients and other dependants or they must go into deficit. Looking at the record of most State Governments in recent years, one can see a sort of judicious admixture of both kinds of policy. State Governments have had to go into deficit and they have also had partly to starve those dependent on them for the sort of funds that should have been provided. In this State we find that deficit financing has not been confined to Governments of only one Party complexion. From the Auditor-General's Report we see that from 1954-55 to 1959-60 the Liberal Governments continually ran deficit Budgets. In 1954-55 the deficit was \$4,467,856. In 1964-65, immediately prior to a Labor Government, there was a deficit of \$2,621,670. In two of the three years of the previous Labor Government there were deficits. So, deficit financing is by no means confined to Parties of one complexion.

There are times when it is absolutely necessary, and any sensible and realistic Government sometimes has to take the decision to budget for a deficit. When we look at the sort of deficits budgeted for in the Eastern States (ruled by Liberal Governments) during the coming 12 months we can see the sort of realistic calculation that these Government have had to make. Which way do we go in the overall picture of an upset balance of the Constitution? Do we return certain taxation measures to the States? If this means handing back a portion of income taxation, this would be a retrogressive move. Rather, the Commonwealth Government should take over the increased areas of responsibility that are overstraining State resources at present. For example, tertiary education and teacher training are areas in which I believe the complete financial responsibility should be handed over to the Commonwealth Government.

The member for Mitcham made extensive references to the difficulties that we have had over the years in amending the Commonwealth

Constitution. His solution to this problem was another constitutional convention. The object of the honourable member (I believe it is sincere and laudable) is that a constitutional convention would lift all these things out of the political realm. As I say, I believe this object is sincere and laudable, but I also believe that it is rather unrealistic. When we look at the debates of the constitutional conventions of the 1890's, we find that Liberals and Conservatives were lined up on either side; and remember that only one Labor representative, a man called Trenwith, was involved in these conventions.

I am sure there would be those on the other side who would suggest that, had there been more than this one solitary individual, these debates would have been more acrimonious than, in fact, they were, and this may well be. However, I would agree that the Constitution would have been certainly more to my liking if there had been more Labor representatives on those conventions. Again, I remind the member for Mitcham that the Commonwealth Government set up an all-Party committee in the 1950's to examine the situation and to make recommendations on how the Constitution should be updated, and this committee brought down recommendations to the Commonwealth Parliament which were tossed out. The Menzies Government of the day just would not look at them, and it repudiated the work done by its own representatives on this all-Party committee. I remind honourable gentlemen opposite that the reason that those recommendations were tossed out was largely their own Party's ideological hang-ups, as the recommendations would possibly have opened the way to what members opposite would call socialization on the part of the Labor Party. For this reason, of course, the recommendations were rejected.

This is one of the problems confronting us in trying to bring about a true twentieth century situation. We are up against this sort of problem. Would honourable gentlemen opposite support a situation that would allow a Commonwealth Labor Government to bring in Commonwealth price control without a referendum? Would honourable gentlemen opposite, or their counterparts in Canberra, support a situation that would allow a Commonwealth Labor Government to control the activities of the fringe banking institutions in the same way that we can at present control the activities of the ordinary banking institutions? The Labor Party is perfectly happy to see a revision

of the Commonwealth Constitution, but this is the sort of thing we are up against. If the Liberal and Country League can cast off its ideological blinkers for the time being and throw away its terror of centralized planning, perhaps we can see some updating of the Commonwealth Constitution.

I would suggest, in addition to the possibilities of a constitutional convention (and I welcome it; I merely make the point that I think it is probably the Liberal Party that would be opposed to it and not the people on my side of politics), that the L.C.L. update itself so that the Constitution can, in turn, be updated. The third possibility I suggest is that we might think about amending the amending mechanism. Honourable members will be well aware of the fact that one needs not only a majority of voters in the whole of the Commonwealth in order to pass a constitutional amendment: one also needs a majority of voters in a majority of States; that is to say, a majority of one vote in each of the States of Tasmania, Western Australia, South Australia and Queensland can prevent a constitutional amendment.

Mr. Coumbe: Are you in favour of the big States overriding the little States?

Mr. HOPGOOD: What I am saying is that a majority of the people of Australia should decide what the future of Australia's federation should be, irrespective of where they live, in exactly the same way as I concede that a majority of the people in South Australia should decide which Government they should have, irrespective of where they live—and that is something that the Liberal and Country League has not done so far.

I pass from the vexed question of amendments to the Commonwealth Constitution. I realize that this will be long and hard and, as long as the L.C.L. is to raise the cry of centralized planning and of the big States bashing up the little States, we shall not get very far; the member for Mitcham will remain disappointed in this way. I extend a friendly comment on behalf of my Party: we are prepared to update this anachronism in time if the L.C.L. is prepared to go along with us. The influence of the Commonwealth Government on the employment figures of the States is one of the most important things a State Government has to look at. Ever since the Menzies Government was elected in 1949 on the contradictory cry that it would, on the one hand, remove controls, which was an inflationary device, and, on the other hand, put value back into the pound, which was a

deflationary device, we have had an erratic stop-go type of policy, which has had an effect on the employment figures in the various States. The horror Budget of 1951 introduced deflation. We went through another deflationary period in the late 1950's, and the credit squeeze in 1960-61. Again, in the middle of the 1960's, there has been another period of recession. This has been common to all States. I shall quote some employment statistics to support what I say. For example, the persons registered for employment with the Commonwealth Employment Service in June, 1958, were up to 67,144 throughout the Commonwealth. Twelve months previously the figure had been 52,225—a considerable increase and one which could be directly sheeted home to Commonwealth methods of finance. The same sort of movement on a per capita basis was seen in the States in the same period in comparison, when the persons registered for employment increased from 3,363 (this is in South Australia) to 5,082. A similar story is repeated in the other States.

Coming forward to the period covered by the so-called Menzies credit squeeze, we find that from June, 1960, when there were 47,213 people registered for unemployment benefit throughout Australia, there was an increase in the next 12 months to 111,684. In the same period in South Australia the figure rose from 4,547 to 9,035. There was a similar sort of story in the other States. These figures (I will go on to talk about the third set of figures in a moment) illustrate the power of Commonwealth financing, the power of Commonwealth stop-go policies in the various States, and it ill behoves State politicians to try to make capital out of the employment situation, which is something over which they have little control. When the Commonwealth Government decides to loosen the purse strings, employment improves in all States; when the Commonwealth tightens up, on the other hand, the reverse applies and we get considerable unemployment. The movement is very much the same from one State to another.

We in South Australia have a particular problem, which is that we, more than any other State, are peculiarly vulnerable to these ill winds from Canberra. I was glad that the member for Alexandra referred to this: he referred to the distance we are from our markets and the fact that we are so dependent on the Eastern States markets. I remind him, as I am thanking him for his prompting in this matter, of some of the figures: 71 per

cent of our industries are concentrated in motor cars and home appliances; 85 per cent of the products of these industries are sold on markets outside South Australia. I point out further that these are the products that people stop buying first when finances are stringent. We must diversify our industries. We suffer from a legacy of lopsided industrial development. From a state of stagnation in 1933, South Australia has gradually been able to industrialize, but it has suffered from all sorts of problems in the industrialization process, and the great problem we have had regarding industrialization has been to attract to this State a sufficiently diversified range of industries. The result of this is that, when we look at the figures for the period 1966-67, we find a sort of development similar to the others that I have mentioned. From June, 1965, until June, 1967, the number of persons registered for unemployment benefits in Australia increased from 42,145 to 68,491.

Mr. Coumbe: That's the Labor Government's term.

Mr. HOPGOOD: That is under a Commonwealth Liberal Government, I remind the honourable member. This is what was happening over the whole of Australia and the pattern is much the same for all the States. In South Australia the increase was from 3,533 to 8,484, and there is a similar sort of movement in most of the other States. It is not quite as great in those States, for the reasons I have given: we are so peculiarly vulnerable to these movements in consumer demand which are the result of Commonwealth stringency or which otherwise originate in Canberra. This is the answer to the sort of sloganeering that says, "When my Party took office, this State lay broken." Explications are made on the basis of that type of sloganeering. Sir, that will not do.

I suggest that we have to sell to the investor not (although we have done this in the past) that we have a low-wage State, but rather that we have a skilled, well organized, and relatively peaceful work force. These factors can be documented and sold to the investor, and this Government is trying to do that sort of thing at present. The member for Heyden referred to what he called the slow population growth in South Australia under the previous Labor Government. I remind the honourable member that, after the recent election, there was in the *News* a double centre spread showing members of the present Cabinet and, whatever one may say about this Government, that

shows that it is not slow in setting an example in this respect. After looking around the back benches on this side, I think the same thing could be said, although I must admit that my own contribution is modest at this stage.

The lack of migration during that period can be sheeted home to the matters I have mentioned, namely, the state of the economy at that time, which, in turn, was a direct result of financial stringency consequent on actions in Canberra. To be fair, and so as not to blame the Commonwealth Government completely in this matter, I mention that the primary producers in the Eastern States experienced a couple of extremely adverse seasons, and primary producers, as much as anyone else, purchase our goods. The Leader of the Opposition has said that his Party will adopt a watching brief in respect of this Budget, and I hope that this means that his Party will be willing to assist the Government to give effect to the necessary revenue measures to meet our commitments.

The member for Heysen said we should run the State instrumentalities on businesslike lines. I only assume from this, since I take it that he is not criticizing our Government servants, that he considers that we should increase our charges. However, he has also said that he opposes increasing taxation charges. Is the honourable member in favour of increasing charges, or is he not? I would refer just as one example to the railways. The railways benefit all the people in this State, so why should those who use them not receive some sort of subsidy from the State at large? Honourable gentlemen opposite will be well aware of the way various subsidy systems operate and would not be hostile to many of them.

At the 1968 election the then (and present) Leader of the Opposition criticized the then Labor Government, first, for increasing taxes and, secondly, for not spending enough. There was also the implication that we should balance the Budget. We have heard this sort of illogical talk from various speakers opposite, and the Party opposite is still saying it. Confusion was at its height at the 1970 election when we got this statement from the Leader:

For two years my Government has been able to balance its Budget. That is why we have been able to spend so much on—

and then there was a list. Now this just does not follow. One wonders exactly what the then Premier was trying to get over to his television audience. I am not trying to suggest in any way that he was trying to mislead people, nor

would I suggest that the honourable gentleman is ignorant of the science of economics. After all, he has been elevated to his present position by his supporters on that side, and they would surely be able to judge a person on his merits. So I can only assume that the honourable gentleman was employing a euphemism, a polite way of saying, "We jacked up the taxes."

If this is what the then Premier meant, one would have thought that perhaps that is what he should have said, and one wonders why it should be that members opposite hurl accusations against us for our attempts to increase revenue or why it is the policy of the Liberal Party in general to decrease taxation. This is a policy which no Government has ever been able to put into practice, and I cannot see it happening in the foreseeable future. I am sure, given the sort of demands that the electorate makes on Governments in these days, that it is in no way desirable, and therefore one wonders why it is there. We in the Labor Party frankly do not like the sort of regressive taxes which are largely the lot of the States nowadays. However, I applaud the decision to raise more revenue from succession duties.

Mr. Gunn: You do?

Mr. HOPGOOD: Yes, I certainly do. I support this form of taxation, which is a form of taxation that can be adjusted as between the various economic levels, and this is not the sort of thing one can do with many of these other forms of regressive taxation. I should like to see a larger expenditure in many directions from this Government. However, there are limitations on us, and I have a healthy respect for those limitations in ways I have already outlined. Therefore, for those reasons I support the first line.

Mr. CARNIE (Flinders): As this is the first Budget to be presented since I became a member of this Parliament, I naturally studied it with great interest. After doing so, I can only describe it as a Budget of inaction. In my innocence I had always believed that the purpose of the Budget was to present to the Parliament and to the people a detailed estimate of income and expenditure for the ensuing year. If that is the tradition, it would seem that there has been a departure from tradition in this case, for what do we find in this document? Certainly not a full picture of what the Government has in mind. We see that taxation has gone up by only 10 per cent, compared with 13.4 per cent last year, and at first sight many people may have been relieved to find that the new charges generally have been less than may have been

expected. However, the Treasurer has shown great tactical skill in warning of future tax increases, and the relief that people felt must have been tempered by his statement that the Government was considering other measures.

If we want and demand an ever-increasing standard of services (and we have every right to expect this) it is axiomatic that taxes must also increase; no-one is arguing this point. But surely the Government could indicate how much it hopes to get from these hidden taxes that are yet to come. So far as taxes are concerned, this appears to be an interim Budget. There is an indefiniteness about this Budget, and I hope that this is not the normal way of presenting it. However, I know that this is not the normal way. I read the Budget presented last year by my predecessor in Flinders (Hon. Sir Glen Pearson), who was one of the best Treasurers that this State has had. After reading the present Budget I am more than ever convinced of this: the Budget presented by Sir Glen Pearson told us what we wanted to know, because he gave a clear picture of expected income and expenditure. I must say at the outset that I do not like deficits, and I believe that as far as possible Budgets should balance. I know that at times deficits are unavoidable, but the Liberal and Country League policy has always been as far as possible to balance the books. Last year a small deficit was budgeted for by Sir Glen Pearson, but by good management the year finished with almost a \$3,000,000 surplus. It is interesting to note, when considering last year's Budget debate, that the then member for Glenelg, the present Minister of Education, by interjection (as we have come to expect from him) forecast a \$10,000,000 deficit.

Mr. Coumbe: How much?

Mr. CARNIE: It was \$10,000,000, but this has been proved to be another of his inaccurate statements. In contrast to last year's Budget we have here a Budget deficit of almost \$5,000,000 despite a grant of \$5,000,000 from the Commonwealth Government. In his statement the Treasurer said that it was expected and hoped that further grants from the Commonwealth Government would go far to reduce this deficit. This seems to be the method that is commonly adopted by the Minister of Education—to announce a programme of works and then say that it can be done only if money is given us by the Commonwealth Government. In this way the State Labor Government can lay the blame for not carrying out the works on the Commonwealth Government. As a new

member this seems to me to be an unusual way of going about things and is far from ethical.

The first two pages of the Treasurer's Financial Statement deal with attacks on the Commonwealth Government. This seems to be traditional, and I must admit that it has been done by Treasurers of both political Parties, but, although the attack has been more vitriolic than usual this year, I believe that it is not warranted. We have seen an increase in funds from the Commonwealth of \$16,300,000, not including the \$5,000,000 advance to which I have already referred. When considering the Estimates of Revenue we see an increase in anticipated receipts of about 9.9 per cent, and we find an increase of 12.3 per cent in the Estimates of Expenditure. In money terms that is about \$41,000,000. This constitutes a significant difference and accounts for the large deficit of almost \$10,000,000, which is reduced to under \$5,000,000 by the Commonwealth grants.

In 1965, during the first year of the previous Labor Government, we saw a run-down of State finances of \$9,250,000 in one year. Is this Budget an indication that we shall see a repeat of this irresponsible fiscal policy? I sincerely hope not.

In his policy speech before the last election the Treasurer said that the L.C.L. Government had refused to spend all the money available, preferring to budget for an effective surplus of Loan moneys when education spending was desperately needed. He said that the Labor Party pledged to spend all available moneys in this area. In fact, the then Treasurer (Sir Glen Pearson) was attacked strongly by the present Government members (then in Opposition) on this point.

Now the Budget has been presented and what do we find? We find that the Treasurer has said that it is expected that there will be available about \$4,150,000 of Loan Fund balances, not at present committed for current works expenditure, toward covering any temporary deficit. With present costs, wage rates, and other Budget commitments that \$4,150,000 may go fairly close toward financing the prospective deficit. In other words, he is doing exactly what he attacked the last Government for doing. It seems to be a complete turn-about in policy.

In explaining the Budget, the Treasurer said that provision for the Education Department was almost 15 per cent above the actual expenditure of last year: it was actually 14.7 per

cent. This may be so, but let us reduce this to money terms rather than percentage, and it shows a cash increase of \$9,600,000. Of this amount \$6,900,000 is for wage increases. I am not quarrelling with wage increases because they are inevitable and necessary, but this reduces the actual increase to \$2,700,000, just over 4 per cent—a significant drop from 14.7 per cent. The Treasurer said that the actual increase after allowing for the wage increases was \$6,200,000. I know that figures can be worked in different ways, but I have tried various ways and cannot arrive at that figure. Assuming that I have made a mistake (although I do not admit that) the increase is still well under 15 per cent.

I was disappointed in several aspects of this Budget. The last election was fought on the basis of water for the State. The present Government gained power by promising that it would be easy to renegotiate the Dartmouth agreement within a few months. It is now 3½ months since the Government took office, and we have been told that the agreement is no nearer renegotiation. Naturally, as we have come to expect, the Government is blaming everyone but itself. After all, it was this Government that forced the issue; it was this Government that said it would be able to go to the conference table. Why does it not do what it promised to do? It is now fairly obvious that the Government does not expect anything to happen, at least this year, as there is nothing in the Budget to indicate that any expenditure will be made to commence work this year. The same thing applies to the Metropolitan Adelaide Transportation Study and the connection of Adelaide to the Australian standard gauge railway system.

Other items that have caused me concern are the hidden taxes; the first of these is succession duties. We knew that this was coming: the present Government has never made any secret of the fact that it intends to increase succession duties. And now we have a firm indication of this intention and some indication of the amount—\$150,000 over the last month or two of this financial year. Therefore, the proposed amendments could bring in an extra \$1,800,000 a year—an increase of over 20 per cent. Who will pay this increased amount?

The Treasurer has said that our yield from succession duties is much lower than the yield in the larger States. I once saw figures showing that this State had a revenue of only so

much a head from succession duties compared with so much a head in New South Wales and Victoria. The figures were meant to imply that our rates were lower than those of other States. Figures such as these do not mean a thing until the relative values of property in the States are taken into account; when they are taken into account we find that the relative values of land in this State are much lower than those in New South Wales. For example, a wheat and wool farm in South Australia has an average value of \$65,000, whereas a similar type of property in New South Wales has an average value of \$105,000. Does the Government intend to increase the rate to give a comparable return per capita? This must mean a higher percentage rate.

The Treasurer has said that relief will be given in respect of houses passing to spouses and in respect of rural properties passing to the immediate family. Who then is going to pay this increase of \$1,800,000? The Government does not seem to realize that this State has no large estates in the sense that New South Wales and Victoria have large estates. I am still afraid that the farmer will be the one hit with these new succession duties, as he has always been. I assure the Government that I will examine the succession duties Bill very closely when it is introduced.

Another way the man on the land will be hit by this Budget is through the proposed increase in harbour fees. The Marine and Harbours Department is one department that shows a healthy profit—I think it was over \$3,000,000 last year. Why on earth does the Government find it necessary to increase these charges? They can only have the effect of increasing freight charges, and this must place another burden on the already overburdened farmer.

The Treasurer has promised relief from land tax on rural properties and this is a welcome move, but even this statement must be treated with reserve. As in the case of other taxes, we are not told the exact amount but the indications are that the reduction will be about 30 per cent, which is applicable in the next financial year and not in this year. It is interesting to compare this with what would have been done if the Hall Government had been returned: there would have been an immediate reduction of 50 per cent, followed by a gradual reduction to over 80 per cent.

Mr. Curren: That is on rural properties.

Mr. CARNIE: Yes. I hope the Government will not be too disappointed if the

farmer is not as grateful as it was hoped he would be. It is pleasing in this Budget to see an increase in Hospitals Department expenditure of about 22½ per cent; an increase of 20 per cent in hospital subsidies; and an increase in respect of the Police Department of 14 per cent. I hope that the latter increase does not prove to be a mixed blessing and that the police will not have their powers reduced, as seems likely. As I shall want to say more when we are debating the lines, I merely point out at this stage that seldom has a Budget hidden so much while at the same time explaining so fully the reasons for introducing heavier taxes. I support the first line.

Dr. EASTICK (Light): A week or two ago there was some conjecture on this side concerning the reason for the Treasurer's departing to places north of Australia, but the reason became apparent when last Thursday week the Treasurer introduced the Budget: he was travelling north to find a Chinaman capable of sorting out the Chinese puzzle he had left with us. There are many examples in the Budget to suggest that the Treasurer had his tongue in his cheek when explaining the document. The Treasurer, on the one hand, had much to say about the way in which the Commonwealth Government had treated the State, and yet, on the other hand, he congratulated the Commonwealth Government on the sum it had provided and indicated that moneys would be provided to make up deficiencies. If this is not a complete about-face, I do not know what is. The Treasurer said, when explaining the Budget:

Having regard to the number of children requiring schooling at Government schools, to the population requiring hospital services, and to other genuine requirements for social services, it can be shown that latterly the South Australian Government has been spending many millions of dollars less than was genuinely necessary to give South Australian citizens the standards of service equivalent to those enjoyed by the larger Eastern States.

I suggest that the Treasurer could well have stayed in Australia instead of going overseas and had a look at the situation existing in the Eastern States. Only last Friday, when I was in Melbourne, I saw in the evening paper (the *Herald*) a statement emanating from the Victorian Government which indicated how badly off that State was in regard to moneys necessary to provide better housing facilities and to improve educational standards to the desired level. But, no matter which State we go into, we find the emphasis on an area of education or housing that has been determined

by the Government of that State. Whilst they have upgraded some areas of education, housing and other services to the community, they have nothing to crow about in respect of that which is available in South Australia in other areas where we, as people of the State or as a Government, whether from this side of the Chamber or from the other side, have a different emphasis from that in the other States.

The Treasurer also in his Financial Statement referred to land tax and, at page 6, said that there would be a 30 per cent reduction in the 1970-71 revaluations, and legislation during the coming year to reduce by a considerable proportion land tax rates as applied to the new valuations on rural properties. But what does this really mean? Even the 30 per cent reduction suggested will be small comfort to those people who, because they live fairly close to built-up areas or areas in which urban development is taking place, will find themselves expected to pay a revaluation rate that is somewhere between 200 per cent and 400 per cent of what it was in the previous quinquennial assessment.

There is already evidence available from local government sources where subdivisions have taken place or adjustments have been made as a result of two properties going on to the one title being reassessed for the purpose of local government valuations (where local government in this case uses the quinquennial assessment figures) at considerably greater valuation. We have here a minor advantage that there will be a 30 per cent reduction. This is an advantage if there has been little or no increase. The second part of the statement indicates that the land tax rates as applied to the new valuations on rural properties will be reduced "by a considerable proportion". That does not mean very much unless we know what that proportion is. Quite apart from the field in which I have indicated there is considerable increase, even if there is no increase or even if the 30 per cent reduction effects very little increase, what is a reduction "by a considerable proportion"?

Further, if we go to the succession duties, we find on page 5 of the Financial Statement the following comments:

Our yield of succession duties is, for a variety of reasons, much lower than the yield of estate duties in the larger States.

What does this mean? Farther on in the document, the Treasurer indicates that there is to be an increase in succession duties to make

up the leeway that currently puts us in the position of having lower succession duties than the other States have. But what amount will this increase be? This document tells us nothing, other than where the expenditure will be; it gives us no indication of the impositions that will be made on the community at large to make up the leeway.

Comment has been made about the situation regarding harbours and an increase of from \$300,000 to \$400,000 for this year has been mentioned, this not being the full amount that can be expected in a full year. We are told that the details are yet to be worked out, with the expectation of receiving the additional funds that I have mentioned. Again, the document tells us nothing.

The situation is similar to that in which we found ourselves with the pronouncements by the Minister of Education that he was going to spend on educational benefits \$3,000,000, which he did not have. He is now saying that he will spend \$250,000, which will be spread according to the findings of the committee that is considering this matter, yet the Budget indicates that it is not intended to make a full payment of \$250,000 in this year. There will be a payment of only part of this sum of money. We have again the situation of the Minister of Education seeking to get kudos for something that at this time he has no intention of implementing.

Mention has been made of the fact that the yield from various taxes on gambling is low in this State. This comment appears on page 5 of the document, yet on page 11 the Treasurer states:

In the absence of any increase in the volume of betting with bookmakers it would therefore be reasonable to expect that receipts this year would fall by some \$37,000. However, in view of the very large increase in bookmakers' turnover which occurred last year, it would, I think, be unduly pessimistic to assume no additional revenue at all, and while I do not expect last year's growth to be repeated, it seems reasonable to look for an increase of about 2 per cent. The revenue yielded by the anticipated higher turnover would be \$505,000 and this is the sum I have estimated.

On the one hand, the Treasurer claims that the sum of money obtained from this source is less than is obtained in other States and that this will have to be considered, yet we have the situation that, notwithstanding the comment that the Treasurer must look to an increase in revenue from this source, he states that he will not increase the gambling taxes. Does he really know what he will do?

Are we to believe the first statement, or do we have to go to the second statement?

There is a rather curious comment in the section headed "Public undertakings" on page 12, particularly in relation to the Engineering and Water Supply Department, where it indicates that part of the increased revenue will be from a reduction in outstanding accounts. I wonder why this particular statement is made. To the best of my knowledge, from checking previous Budget documents, no such comment has been made previously. Are we to have a sudden rash of prosecutions to bring about this reduction of outstanding accounts? If it has not been necessary for previous Treasurers and it has not been necessary for the Auditor-General in the statements that he has made over the years (one of which was produced before us this afternoon) to highlight the need to increase greatly the amount to be obtained from outstanding accounts, what specifically does this present comment from the Treasurer mean?

Whilst I know that I can discuss the question of hospitals when we come to the lines, I would just like to highlight the situation in relation to the maintenance fee for the Adelaide Children's Hospital. In pin-pointing this particular hospital, I am not suggesting that it is the only one involved. The figures are available for others, but as this is the one that appears on the top of the list it is the one that I have used. If we relate this back to the discussion that took place in 1967 when the Hospitals Fund was created as a result of the setting up of State lotteries and also from the money to be made available from the operations of the Totalizator Agency Board and subsequently from the additional fund that was made available from stamp tax on insurances, we find that the promotion was that this amount of money would reduce the burden of the hospitals on the community because more money would be available for distribution to the hospitals. In actual fact, since 1966-67, when this fund first came into being, the amount of money made available to the Adelaide Children's Hospital for maintenance from Consolidated Revenue has remained at the figure of \$1,885,000. The figure has been exactly the same each year. One is not denying that the increase has been made available from the Hospitals Fund. However, where is the truth in the promotion by the Government of the day, which is the present Government, that the hospitals would benefit from a greater amount of money? True, from the figures presented to us in this Budget \$500,000, or an increase of 19.6 per cent over last year, is

to be made available from the Hospitals Fund to this one organization.

Although there is an increase of 19.6 per cent in this year, when one takes into account the fact that there have been wage and salary increases the hospital in effect gets no more than it has received in the past. My question will be directed to the Treasurer when we reach this line. However, I have mentioned it now so that some consideration can be given to it.

On page 49 of the publication *Commonwealth Payments to or for the States, 1970-71*, under the heading "Dartmouth dam", there is a comment that indicates that a sum of money had been made available for the building of the Dartmouth dam. It is old knowledge that two States and the Commonwealth had already ratified the agreement. The thing that is so damning about this is the last paragraph under this heading, as follows:

On the assumption that the necessary legislation would be enacted by all four Governments, it was estimated that \$60,000 would be paid to each of the three States during 1969-70. However, as construction of the dam cannot proceed these payments were not made. As the South Australian Parliament has not ratified the decision to con-

struct the dam no provision has been made for payment to the States during 1970-71. Certainly, no money has been made available or shown anywhere in the document before us or the one we had earlier, the Loan Estimates, for this project.

On page 19 of the Financial Statement provision is made for land acquisition with the wording, "along possible freeway routes". I wonder from the comments of the Treasurer and the Minister of Roads and Transport what their ideas are on this subject, and why they have bothered to confuse the issue by making money available for land acquisition when, as they have stated (or failed to state), they do not intend to proceed with the project. I support the first line.

Progress reported; Committee to sit again.

SUPREME COURT ACT AMENDMENT BILL (SALARIES)

Returned from the Legislative Council without amendment.

ADJOURNMENT

At 11.14 p.m. the House adjourned until Wednesday, September 16, at 2 p.m.