

HOUSE OF ASSEMBLY

Tuesday, September 11, 1973

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

ASSENT TO BILLS

His Excellency the Governor's Deputy, by message, intimated the Governor's assent to the following Bills:

Aboriginal Lands Trust Act Amendment,
Consumer Credit Act Amendment,
Consumer Transactions Act Amendment,
Fair Prices Act Repeal,
Money-lenders Act Amendment,
Police Act Repeal,
Public Purposes Loan,
Unemployment Relief Council Act Repeal,
Weights and Measures Act Amendment.

SUPPLY BILL (No. 2)

His Excellency the Governor's Deputy, by message, recommended the House of Assembly to make provision by Bill for defraying the salaries and other expenses of the several departments and public services of the Government of South Australia during the year ending June 30, 1974.

PETITION: CASINO

Mr. SLATER presented a petition signed by 242 citizens who expressed concern at the probable harmful impact of a casino on the community at large and prayed that the House of Assembly would not permit a casino to be established in South Australia.

Petition received and read.

MINISTERIAL STATEMENT: ESCAPED PRISONERS

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

Leave granted.

The Hon. L. J. KING: My statement concerns the three prisoners who escaped from custody at the Wayville showgrounds, two of whom are still at large. The two prisoners who have not been recaptured, Farnsworth and MacDonald, were convicted of murder and commenced terms of imprisonment on October 6, 1967, and July 29, 1970, respectively. At that time, Farnsworth was 22 years of age and MacDonald was a juvenile aged 17 years, and neither had any previous convictions. As with all prisoners, they have been subject to periodic assessment by the Classification Committee of the Prisons Department. The committee consists of the Deputy Comptroller of Prisons (Mr. K. Skegg); the Superintendent of Yatala Labour Prison; the Chief Prison Officer; the two supervisors of industry; and a probation and parole officer. Experience over many years has shown the assessment of prisoners by the Classification Committee has worked well and has been of marked importance in the rehabilitation of prisoners.

Farnsworth has been reviewed by the Classification Committee on 12 occasions, the last being on May 17, 1973, and MacDonald has been reviewed on seven occasions, the most recent being August 24, 1973. The Classification Committee's reports on both prisoners, and psychological reports on both, have been most encouraging. As a result, both prisoners were transferred to C Division, the minimum security area of Yatala Labour Prison. Both prisoners have been out of the precincts of Yatala Labour Prison on a number of occasions with the puppet group prior to the episode at the Royal Adelaide Show. On these occasions when they are outside the prison, oppor-

tunities for escape are obviously greater than they would be if they remained inside the walls of the prison.

This group activity is acknowledged to be a creative rehabilitation measure, but it is obviously impossible to conduct the show inside the prison walls. It is therefore an essential part of the programme that the shows must be conducted in public venues. In hindsight, it is clear that, despite the apparently excellent response of these two prisoners to the treatment being received, they apparently decided to make this escape when an appropriate moment arose. In this sense, it must be admitted that a mistake was made in respect of these two prisoners, but this incident should not invalidate the selection processes followed by the department, in the terms of office of both this Government and some previous Governments.

The Government is most concerned about the escape of Farnsworth and MacDonald, and every effort is being made by the Prisons Department and the Police Department to locate them and return them to custody. If they are located outside South Australia, extradition processes will follow.

The puppet show at the showgrounds involved 15 prisoners, who were at all times supervised by two prison officers in civilian clothes. In all, on a roster basis, 10 prison officers were involved, and their reports indicate clearly that they had no cause to suspect any trouble. This was further borne out by the periodic unscheduled visits to the puppet show by senior officers of the Prisons Department.

The behaviour of the puppeteers was so exemplary that, when time permitted, they visited neighbouring exhibits, but plainclothes officers were in the area. As mentioned earlier, there was no reason, based on departmental knowledge of the prisoners involved, to suspect that any might have tried to escape. At 5.30 p.m. on the day of the escape, all prisoners were present for tea and were in the area ready to commence the first evening show at 7 p.m. At 6.50 p.m. three prisoners were discovered to be missing. A search was made of the immediate area to see whether these prisoners were assisting with the crowd, which had been done previously. They could not be located, and Yatala Labour Prison was immediately notified. Immediately, the Assistant Comptroller (Institutions) was informed and he went immediately to the showgrounds.

The Superintendent of Yatala Labour Prison came from his home to the prison and detailed the Deputy Superintendent and the duty Chief Prison Officer to proceed to the showgrounds to make inquiries. At the same time, the Police Department was informed. All relevant details of the prisoners were given to the police, and an immediate guard was placed on all exits from the showgrounds. Senior officers then remained on duty until 12.30 next morning, maintaining communications with the Police Department. Information given led to the early sighting of the third escapee and his eventual arrest. All other members of the puppet group were questioned at length, and the department is satisfied that none of these men suspected what was to happen, and indications are that the decision to abscond was made on the spur of the moment.

QUESTIONS**ABSENCE OF MINISTER OF WORKS**

The SPEAKER: I desire to inform honourable members that I have been told that, in the absence of the honourable Minister of Works, any questions that otherwise may have been directed to him may be directed to the honourable Minister of Education.

ESCAPED PRISONERS

Dr. EASTICK: Supplementary to the Ministerial statement that the Attorney-General has made to the House, can he say whether an opportunity existed for the prisoners to tour the showgrounds unescorted during times when they were not involved with the performances of the puppet show? The Attorney has stated that it was possible for prisoners from Yatala prison to visit stalls adjoining the puppet show, but no clear indication has been given to the House or to the public of South Australia about how wide was the opportunity to attend or look at adjoining stalls or whether it was possible for prisoners, when not required for the performance of the puppet show, to traverse the stalls in a very wide area away from the point at which they were performing. I consider it absolutely essential that, if the report given by the Attorney-General only partly covers the situation at the showgrounds during last week, this House and the public of South Australia have every right to know about the position. One would wish to know further whether the policies instituted by the *Government* in respect of attitudes to prisoner rehabilitation have played a major part, or any significant part, in the incidents that took place last Saturday.

The Hon. L. J. KING: The information that I have is that which I have given to the House, namely, that the members of this party (the puppeteers) visited neighbouring exhibits when plainclothes officers were in the area. I do not have in my possession more precise information about the exact area these prisoners visited to view neighbouring exhibits, but I will obtain that information from the Chief Secretary.

Regarding the point made by the Leader, that the policy pursued by the Government regarding the rehabilitation of prisoners may have played a part in the escape of these prisoners, I point out that it is the policy of the Government to do all in its power to equip prisoners in its institutions with the capacity adequately to take their place in the community when they are finally released and, indeed, there is no alternative to such a policy, because every prisoner who is sentenced for a fixed term of imprisonment must return to the community sooner or later. The question is whether he will return as a person more likely or less likely to commit crime when he comes out. In the case of the prisoner undergoing a life sentence or an indeterminate sentence during the Governors pleasure (as is the case with one of the escaped prisoners), the practice is that in almost all cases the prisoner will be returned to the community at some time, be it in the short term or in the long term. So, sooner or later the question has to be faced: will such a prisoner return a better person, more likely or less likely to commit a crime?

It is certainly the policy of this Government to try to equip prisoners to return to the community in a condition in which they are less likely to commit crime. I should have thought that that was also the policy of the previous Government and, indeed, the policy of previous Governments in this State. As I said earlier, this system of classification and transfer to minimum security has been a feature of the prison system in South Australia under successive Governments of both political complexions. Certainly, it is this Government's policy and we are most happy to take the responsibility for that, because there is no practical alternative to such a policy. So, if I am asked whether the policy of entrusting prisoners with some degree of responsibility as a means of their rehabilitation has contributed to an escape, I suppose the answer is "Yes". If all prisoners are kept

in maximum security all the time it will certainly minimize the chance of escape while they are in maximum security. However, this would certainly increase and, indeed, maximize the chance, when a prisoner does return to the community, of his committing the same crime or even a worse crime than that for which he was incarcerated in the first place.

The Government takes the view that it is important to do all that is practicable to rehabilitate prisoners, and that that necessarily involves the judicious use of minimum security, the judicious entrusting of responsibility to prisoners, and the use of the classification set up for that very purpose. It is interesting to note that no member of this House ever goes around saying that we should not provide opportunity for the rehabilitation of prisoners, yet as soon as that policy breaks down in the sense that a prisoner abuses the trust reposed in him, at least some members are all too ready to say that we should not have done it, that this prisoner should not have been placed in this situation. Let us be consistent. If we favour rehabilitative policies, let us be willing to tell the public that in some cases there will be a breakdown. It is a price that has to be paid for a system which produces the consequence that, when prisoners are released from institutions, they are less likely to commit crime than when they went in.

Mr. COUMBE: In view of the obvious disquiet of the public about the escaped prisoners, can the Attorney-General say what steps are being taken by the Government to ensure that this type of prison break does not recur? Can the Attorney-General assure the House, and more importantly the public, that the whole practice of the supervision of prisoners engaged in functions such as the puppeteers will be reviewed?

The Hon. L. J. KING: The matter of classification of prisoners, security measures and responsibilities with which they are entrusted undergoes continuous review and examination, and I do not doubt that those officers who have the responsibility of classifying prisoners for this purpose are learning from experience in dealing with the various types of prisoner. If the honourable member's question refers to a review of the system, I suppose that it is undergoing constant review, but the essential element in this system is that prisoners are classified and their classifications reviewed by experts in the field, and those experts determine the degree of responsibility that can be reposed safely in certain prisoners. On some occasions (remarkably few occasions), the trust is abused and there is a break-down of this kind, but that is certainly not sufficient reason for changing a system that has proved remarkably effective over the years, because when we consider the two prisoners who are at large we must consider them in relation to the hundreds of prisoners who, having had this sort of trust and responsibility reposed in them over the years, have not escaped. It is certainly true that the officers responsible for operating the system will consider this incident, together with the totality of their experience in this field, when making future decisions. I make clear that the Government has no intention of changing a well tried and valued system for the rehabilitation of prisoners simply because two prisoners have failed to live up to the trust reposed in them. Even if it were true (I am not an expert and I would not know if it were true) that a mistake was made in relation to these two prisoners in putting on them a responsibility with which they were not able to cope, and that these two prisoners should never have been included in the puppeteer group, it is no more a mistake than that

the officers responsible made a misjudgment in this case. It does not indicate any defect in the system itself. Although I know of nothing in the circumstances of this incident that would justify altering the system, I will refer the matter to the Chief Secretary to see whether he has any different view.

Mr. HALL: In view of the Attorney-General's evasive and defensive answers in this House—

The SPEAKER: Order! The honourable member must ask his question first.

Mr. HALL: My question concerns the escape of two convicted murderers who, at the last report, were still at large in the community. Will the Attorney-General have instructions issued that such prisoners are not allowed out into the community without being supervised throughout the entire time they are in the community? This afternoon, the Attorney-General has simply used evasive tactics to cover up the inadequacy of his explanation, and the words in that explanation on which this question is based are that "the prisoners at times visited neighbouring exhibits" and that "prison officers were in the area".

It is obvious from the Attorney's reply that these prisoners were without adequate individual supervision at some time. Indeed, the only inference that can be drawn is that they were unsupervised at some time, and that calls for an immediate high-level inquiry and for a report on a situation that allows this type of person to be unsupervised in the community. The Attorney has admitted as much by inference but has well covered his tracks by evasion. I ask a direct question of the Attorney, namely, whether, if he will not approve a committee of inquiry to examine the efficiency of the procedures outlined in his report, he will issue instructions that at no future time are such prisoners to be unsupervised.

The Hon. L. J. KING: I do not know which of the two questions the honourable member wishes me to answer, because I understand that Standing Orders permit me to answer only one question at a time.

Mr. Hall: Your evasion—

The SPEAKER: Order! The honourable Attorney-General.

The Hon. L. J. KING: The honourable member always becomes prickly and sensitive when I point out the inconsistencies in his statements. On this occasion he has asked me two things: first, whether I will authorize the appointment of a committee of inquiry to find out what should be done; and at the same time whether I will give instructions to see that certain prisoners are not to be allowed out unsupervised. Which question am I supposed to answer? I understand that the Chief Secretary, who is responsible for this department, does not intend to appoint a committee of inquiry. The facts are sufficiently well known, and I have indicated this afternoon that, in my view and in the Government's view, nothing in those facts is extraordinary: the puppet show is the sort of incident which has been occurring and which has received a great deal of publicity. Indeed, these puppet shows have received an enormous amount of publicity in the press, and not even one member of this House has ever come forward to say what a dreadful thing it is to allow these men out into the community in this way. It is only when someone absconds or escapes, and there is a little bit of public—

Mr. Hall: You're evading—

The SPEAKER: Order! I warn the honourable member for Goyder. The honourable Attorney-General.

The Hon. L. J. KING: It is only when an incident occurs and there is a little bit of cheap publicity to be

gained that we get this sort of attempt to capitalize on the situation, at a time (let me say) when responsible public men should be saying to the public, "Take this matter calmly." Much wider issues are involved than the escape of one prisoner or of two prisoners. Much more—

Mr. Gunn: Are we supposed—

The SPEAKER: Order!

The Hon. L. J. KING: There are much more important issues for the health of society and the protection of the community than anything that can happen in relation to any two prisoners. If this responsible attitude were taken by members of this House, the public would be much better off and those members would be demonstrating their sense of responsibility. If the question is whether instructions will be issued, as the honourable member puts it, to see that such prisoners are not allowed out under what he describes as unsupervised conditions (although that is not accurate, of course, for the reasons I have stated), I wonder what the honourable member means by "such prisoners". Some prisoners presumably are to be allowed out with these puppet shows, but who is to determine which prisoners?

Under this system, the prisoners who are to be allowed out are determined by a classification board consisting of experts in the field who, if I may suggest with all due deference to the member for Goyder, may well have better qualifications than he (or, for that matter, than I) for making decisions of this kind. The Government takes the view that decisions of this kind must be left with the officers who have the qualifications and experience to make those decisions. It will happen, of course, that they, like every human being who is called on to make decisions, will occasionally make mistakes, and there will also be occasions, even when no mistake has been made in the decision making, when nevertheless some prisoner will abuse the trust that is reposed in him. That, as I have said, is the price that must be paid for any effective system of rehabilitation.

Mr. MILLHOUSE: Will the Attorney-General explain why the three prisoners who escaped were not checked between 5.30 p.m. and, I think, 6.50 p.m., when the alarm as to their disappearance was raised? Having listened attentively to the Minister's prepared statement on this matter, I may say that I dissociate myself from any criticism of the methods of assessment that have been made in this House and in other places in the last 24 hours. In view of the report in yesterday's *News*, I wish to make that clear, and I accept by and large what the Minister has said about this. I point out that in his replies today the Minister has concentrated on the matter of assessment and the fact that, frankly, Mr. Gard and the officers concerned had to admit that in this case a mistake had been made in the assessment. I do not concentrate on that aspect of the matter: the aspect to which my question is directed concerns the lack of surveillance for apparently an hour and 20 minutes at the show.

That is an entirely different matter and one about which I believe the community is entitled to be disturbed, because it appears that for an hour and 20 minutes during dinner, and for some time after that, these men were not missed. From the Attorney's statement and the newspaper reports, we do not know what the prisoners were doing during the whole of that time: surely they could not have been eating their dinner for as long as that. I believe this is where the real weakness lies: they could have been gone and not missed for well over an hour in this period, when 15 prisoners were being watched by two prison officers. That ratio seems to be wrong: perhaps

that is the problem. So that the Attorney is clear about my question, I will remind him of the precise terms: will he explain how it was that the three prisoners who escaped were not checked between 5.30 p.m. and 6.50 p.m., when the alarm at their disappearance was raised?

The Hon. L. J. KING: It might have been better if the honourable member had asked whether, in fact, the prisoners were checked during that period, before asking how it was that they were not checked. As the statement indicates, all prisoners were present for dinner at 5.30 p.m., so clearly they were checked at that time. The statement then says that they were in the area, ready to commence the first evening show at 7 p.m., when at 6.50 p.m. three of the prisoners were discovered to be missing. There is nothing in the statement to indicate that no check was made for an hour and 20 minutes. The statement does not give information about the matter raised by the honourable member, and I have no independent information about it but, if I can, I will obtain from the Chief Secretary more precise information as to the last recollection that any officer has of having seen these three prisoners. It is true that the officers were present during the period; just how long the prisoners had gone before their disappearance was noted I cannot say from the information that I presently have. I will obtain that information from the Chief Secretary.

Dr. TONKIN: Can the Attorney-General say whether either of the two escapees had, during their term in prison, applied to the Parole Board for release, and, if either had applied, what was the most recent recommendation? Both these men are convicted murderers who are serving life sentences. They have progressed during their term of imprisonment to the minimum security stage, and the Attorney-General has said this afternoon that there is nothing to indicate that associates in the community helped them to escape. He has also said that indications are that the decision to abscond was made on the spur of the moment. If that were so, they were remarkably fortunate to have disappeared so efficiently. However, there is nothing to indicate that this was not a planned escape. Periodic involvement in community affairs is desirable, and I agree with the Attorney-General's remarks in this respect. However, if parole is not possible or an application has been rejected, so that the date of release is indefinite, the prospect of the final step of involvement in the community does not apply.

The Hon. L. J. KING: In general, I agree with the honourable member's comments, and I have no doubt that those matters are considered by the officers who make the decision, namely, the officers who comprise the Classification Committee. Undoubtedly, the committee must consider those things and did consider them before making the decision that was made. Whether the honourable member agrees with the decision, or whether he or I would have made the same decision, is not the point: the point is that qualified people have been put into this position. They must make the decisions and take the responsibility that goes with them. As to the factual part of the question, I cannot say, on the information that I have with me, whether an application has been made by either of these men for parole. However, I am reasonably certain that no parole date had been set for either prisoner. Indeed, the statement does not refer to review by the Parole Board, so I assume that there has not been any application for parole, but to put the matter beyond doubt I will check the facts and obtain the information for the honourable member.

Mr. CHAPMAN: Can the Attorney-General explain how these escapees could have been described as being

trustworthy, thereby obtaining this minimum security qualification or classification, immediately before their escape and then, immediately after their escape, the public of South Australia be told that they could be dangerous? The Attorney-General has told us clearly and at some length this afternoon about the classification that these men had been placed in, and the classification accordingly allowed them to go out amongst the public to perform as puppeteers at the show. The Attorney went to some length to explain the merits of the decision made about these men. I shall repeat the question, to make sure that it is not confused or that I have not doubled up in any way, as other members earlier have been criticized for doing. How can the Attorney explain that, immediately before the escape, these men were in one classification (that of being trustworthy) and, immediately after the escape, they could be dangerous?

The Hon. L. J. KING: I suppose one must try to be patient. I will explain the position as clearly and carefully as I can. As has been explained already, each man was assessed by the Classification Committee comprising officers qualified and experienced in assessing prisoners. The committee formed the opinion that they were suitable men to be included in a puppet group that could perform outside the walls of the prison, namely, at the Royal Show. It turned out that they escaped, contrary to the expectations of those who had classified them and recommended that they be treated in this way. I suppose the reply to the honourable member's question is that we have learnt something and that we know now what we did not know before, namely, that these men could not be trusted under these conditions. The men have not changed: it is simply that our information about them has increased, because by their conduct they have shown that the assessment was, to that extent, inaccurate. The honourable member has said that I have gone to some lengths in my statement to explain that the assessment and the decision made by the Classification Committee were correct, whereas the position is the contrary. The statement shows that, using hindsight (as the honourable member has done and as we all can do now), it is clear, despite the apparently excellent response of these prisoners to the treatment being received, that they decided to escape when an appropriate time came. In this sense, it must be admitted that a mistake was made in respect of these prisoners. I did not say that a mistake was not made. Indeed, I said that, using hindsight, it was possible to say that a mistake had been made. It is of no use saying that people were trustworthy at one moment and, immediately afterwards, became dangerous. No-one has said anything of the sort. All that has been said is that the best assessment was made by the best people to make it, using the best methods available. Now we have available the further information that these men were not worthy of the trust.

Mr. EVANS: Can the Attorney-General say whether headmasters of all schools situated in the near Adelaide Hills have been told that a possible sighting of the convicted murderers has occurred at Gores Road, Piccadilly? I know that it is late in the day, but news that the convicted persons may have been sighted on Gores Road became available after commencing time at schools this morning. In the Adelaide Hills many students walk long distances after leaving a school bus or other form of public transport, sometimes in small groups and sometimes alone. Some of the country is still bushland and I believe that there is still some risk, but, if headmasters were told, schoolchildren would be aware of the present situation. It could be done even at this late hour, and the remote chance of something going wrong could thus be eliminated. I ask

the Attorney-General whether that action has been taken or could be taken.

The Hon. L. J. KING: I am not aware whether that action has been taken, but I am aware that the search is in the hands of most experienced police officers who know the habits of the people, including children, in that locality, and who have great experience in handling these matters. I have not the slightest doubt that, if they considered that the safety of children in the area would be enhanced by giving the warning to which the honourable member has referred they would have given it. Having had experience in these matters, they are fully conscious of the need to protect the safety of the public in the area, and I am sure the honourable member can rest confident that the search is in the hands of very capable and experienced police officers who can be completely trusted to act as the occasion requires.

ONKAPARINGA ESTUARY

Mr. HOPGOOD: Will the Minister of Education, in the absence of the Minister of Works, ask his colleague to discuss with officers of the Engineering and Water Supply Department the possibility of that department's co-operating with the Noarlunga District Council and the police to institute an early warning system for high water in the Onkaparinga River estuary? Sunday before last saw a record high level of water in that estuary as a result of rains, a full Mount Bold reservoir, spring tides, and very high winds off the sea. Consequently, although sufficient sandbags were available from the Noarlunga District Council, sufficient warning was not given and some houses were flooded. It has been suggested to me by the Noarlunga council that co-operation between the three bodies will enable more adequate warning to be given to people, and it is considered that co-operation is necessary so that the police and the Engineering and Water Supply Department can concentrate on the warning aspect and so that the council can put more of its resources into sandbagging.

The Hon. HUGH HUDSON: [will ensure that the matter is investigated by the Director and Engineer-in-Chief.

PAYNEHAM SCHOOL

Mr. SLATER: Has the Minister of Education a reply to my recent question concerning the Payneham school?

The Hon. HUGH HUDSON: Consideration has been given to the consolidation of the Payneham school on the demonstration school site, and elementary sketch plans have been prepared. No further action has been taken because the demands on available finance preclude further consideration of the project for the time being. However, it is expected that eventual consolidation will take place.

ELIZABETH ARCADE

Mr. DUNCAN: Will the Premier obtain a report from the Housing Trust on the possibility of opening York Arcade, in Elizabeth Town Centre, at both ends to provide easier access to the town centre for the people of Elizabeth who approach the centre from the south? It was recently reported in the *Elizabeth-Salisbury News Review* that York Arcade had been seriously flooded as a result of a break in an Engineering and Water Supply Department water pipe. Following that, serious flooding occurred and damage was suffered by several of the traders in the Elizabeth Town Centre. I am informed that, had the arcade been open at both ends, this flooding would not have occurred, as the water could have escaped at the southern end of the arcade. In any case, many people have sought for some years to have the arcade opened at both ends to facilitate ingress to and egress from the town centre.

The Hon. D. A. DUNSTAN: I will obtain a report for the honourable member.

MURRAY RIVER LEVELS

Mr. WARDLE: In the temporary absence of the Minister of Works, I ask my question of the Minister of Education, who I am sure will know what is the position. Will the Minister say what are the expected levels of the Murray River in South Australia within the next two or three months? Also, will he say when it is expected that the highest level will occur and whether this level will create flooding?

The Hon. HUGH HUDSON: The position only about 10 days ago was that no flooding was expected in the Murray River but, as I cannot say whether or not that position has since changed, I will consult with the Minister of Works, and no doubt he will be able to make a statement on the matter tomorrow and give the honourable member details of expected peak flows in the river.

AGRICULTURAL MACHINERY

Mr. BLACKER: Has the Minister of Labour and Industry a reply to my recent question about agricultural machinery?

The Hon. D. H. McKEE: The Premier has supplied me with the following information:

Whilst at present there is no short-fall in primary steel production, the more labour-intensive finishing sections of the steel industry are experiencing difficulty in meeting the upsurge in demand, especially for such products as wire, strip, etc. This has been due largely to unsettled industrial conditions in the Eastern States and to difficulties in obtaining sufficient labour. Many sections of industry, including the agricultural machinery manufacturers, are experiencing difficulties in obtaining adequate supplies of steel. Unfortunately, because similar shortages exist overseas, manufacturers have had limited success in their efforts to supplement local supplies by importing.

Mr. GUNN: Has the Premier a reply to my recent question about farm machinery?

The Hon. D. A. DUNSTAN: The Economic Intelligence Unit of my department has reported that as a result of low incomes in the farm sector for some years prior to the strong recovery in wool prices, and recently wheat prices, sales of farm machinery, and as a result employment in the industry, fell to a low level during 1970 and 1971. Since then a strong growth in farm income has enabled the major South Australian manufacturers of farm machinery to raise their production and their employment. The current position is that all of the larger farm machinery manufacturers have very full order books and their chief problems are shortages of steel and of suitable labour. Inquiries by officers of my department have revealed that the farm machinery manufacturers consider that the measures introduced in the recent Commonwealth Budget withdrawing certain capital expenses previously allowed as deductions from taxable income and reducing the depreciation allowances claimable will have little effect in the short term on prospective sales. This should be the situation for the 1973-74 selling season, and buoyant sales conditions are likely to continue in 1974-75, partly because the manufacturers may not be able to meet demand adequately this year owing to supply problems, but also because of the probability that prices for most important rural products will remain good for most of the 1974-75 financial year.

In previous years farmers investing in plant and machinery have, in common with manufacturers, been able to take advantage of a 20 per cent extra depreciation allowance, that is, 120 per cent of the cost could be written off, 40 per cent in the first year and 20 per cent in each of four subsequent years. The 20 per cent excess

has been wiped out and it is understood that the period of depreciation has been lengthened to 10 years with each annual percentage reduced to 10 per cent. The other major factor affecting farm expenditures and liability for income tax is that the deductions under sections 75 and 76 of the Income Tax Act are to be abolished. These sections previously allowed a deduction, in the year in which it was made, for expenditure incurred by a primary producer on certain capital items, preparation of land, fences, dams, etc. These deductions are to be removed where the expenditure is incurred on or after August 22, 1973, unless made under a contract in existence before that date. There will be substituted for that deduction a right to claim ordinary depreciation on plant and structures. In respect of other items the claim will be spread over 10 years.

The local farm machinery makers report that they will not be seriously affected by the abolition of this land-clearing deduction. There may, however, be some secondary effect in that there could be less land cleared in future than would have occurred if the deduction had stayed in force, especially by people not full-time farmers. This may mean slightly lower sales of the machinery of the type mainly made in this State, that is, for tilling and harvesting, but they will not be affected as much as the bulldozer type. It is probably true that farmers will study the productivity factor of new machinery purchases even more carefully in future, but it is expected that pent-up demand for farm machinery for operations on land already cleared will continue strong for some time despite reduced depreciation allowances. This will enable a high level of employment to be maintained in the local farm machinery industry.

BLACKWOOD HIGH SCHOOL

Mr. EVANS: Has the Minister of Education a reply to my recent question about fire protection at Blackwood High School?

The Hon. HUGH HUDSON: Only two requests from Blackwood High School for additional fire-protection measures are outstanding, and both of these are recent submissions. Work on a steel escape stairway for the library is expected to be completed early in October. The second request was for knock-out panels in addition to the hopper window escape hatches which have already been provided in three timber classrooms. These panels are expected to be provided early in November.

HEALTH BENEFITS

Mr. DEAN BROWN: Will the Premier make representations to the Commonwealth Minister for Social Security (Mr. Hayden) to obtain a revision of the ruling in relation to the allowable increase in the benefits payable by health benefit funds? The Commonwealth Minister recently ruled that health benefit funds could increase their benefits by only 10 per cent and not by 15 per cent, which was the increase in fees granted to South Australian doctors by the State Government. Many people have asked that they receive real justice in relation to health care, believing that the standards that apply in relation to health funds should be the same as those that apply in relation to doctors. Therefore, I ask the Premier to make representations to Mr. Hayden on this matter.

The Hon. D. A. DUNSTAN: No, I will not, for there would be no point in my doing so. My representations on this matter were made in considerable detail before the Commonwealth Minister made his decision. I am sure that the Minister tried to help us in this matter;

we had conversations with him about it. The reason he could not move further in the matter was that it was made clear to him by the Medical Fees Inquiry Tribunal that it would consider that its inquiries were prejudiced by such a decision. Therefore, there is no possibility of getting a decision on this matter before the report of that inquiry is to hand. I point out that the ruling of the Commissioner for Prices and Consumer Affairs is merely an interim ruling; there will be a revision in the matters both of fee structure and of benefits once the report of the Medical Fees Inquiry Tribunal is to hand.

GLADSTONE HIGH SCHOOL

Mr. VENNING: When will the Minister of Education be able to say how the temporary and solid-construction buildings of the old Gladstone High School will be used in future? I have written to the Minister, enclosing a request for these buildings from both the pre-school kindergarten at Gladstone and the Girl Guides. In addition, the Minister has told me that Catholic schools are requesting some buildings. As pupils of Gladstone High School moved into new accommodation just before the May holidays, perhaps the Minister can now say how he intends soon to use the temporary and solid-construction buildings from the old school. I shall be pleased to receive that information.

The Hon. HUGH HUDSON: Only two or three weeks ago the last request for the old timber classrooms of the Gladstone High School reached my desk. Significant requests have been received from about five or six groups. As I have told the honourable member previously, as soon as a decision can be made after giving proper consideration to all the requests received it will be made and the people concerned, including the honourable member, will be informed. I will try to have this done as soon as practicable.

MODBURY SOUTH SCHOOL

Mrs. BYRNE: Has the Minister of Education a reply to the question I asked on August 30 about the naming of a special school to be built at Modbury South?

The Hon. HUGH HUDSON: As I forecast in my interim reply to the honourable member's question on August 30, it is intended to name the special school to be established at Modbury as Modbury South Special School.

BREAD

Mr. McANANEY: Has the Premier a reply to my recent question about bread prices?

The Hon. D. A. DUNSTAN: The Commissioner for Prices and Consumer Affairs reports:

(1) The cost factors which have made increases of 9c a 2 lb. (0.907 kg) loaf necessary over the last seven years are as follows:

	2 lb. loaf unit
Flour, including milling costs (wheat, wages, etc).....	2c
Labour (bakers, carters, office and mainten- ance).....	5c
Other ingredient costs and overheads.....	2c
Total.....	9c.....

(2) The cost of the wheat in the flour used to make a 2 lb. loaf of bread based on the present home consumption price of 184.6c a bushel, is about 5¼c.

DARTMOUTH DAM

Mr. ARNOLD: Will the Premier say whether he has received from the Prime Minister an assurance that the Commonwealth Government will abandon its proposal to

defer construction of Dartmouth dam and that the project will proceed as agreed? If the Premier has not received this assurance, has he received any reply from the Prime Minister?

The Hon. D. A. DUNSTAN: No; no assurance is required, because the Commonwealth Government cannot say that it will not provide the money for construction of Dartmouth dam. All that happened was that a letter was received proposing talks by the Governments concerned about the questions raised by the Coombs task force report on a possible deferment of the date of construction of Dartmouth dam. Not only were verbal replies given, which I am sure the honourable member has seen and heard, but a letter was written which was tabled in this House. I have had no further communication with the Prime Minister. My information from Commonwealth Cabinet is that, all States having refused even to discuss the matter, it is at an end because the agreement stands. There is no question of any other situation arising.

Dr. Eastick: With the full support of the States.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I appreciate that—

The SPEAKER: Order! Interjections are out of order.

REVALUATION

Mr. GUNN: Will the Minister of Fisheries ask the Commonwealth Government what plans it has to offset the effect on the fishing industry of the 5 per cent revaluation of the Australian dollar?

The Hon. HUGH HUDSON: I understand that, should assistance be required by an industry adversely affected by the revaluation of the dollar, assistance can be applied for. No doubt, in the case of any fishery, this would be done through the Department of Primary Industry. Certainly, if a fishery has suffered an adverse effect that cannot be tolerated within the fishery and if there is a case to put, I shall be most pleased to put that case on behalf of the fishery for consideration by the Commonwealth Minister for Primary Industry (Senator Wreidt). At this stage I am not aware of a fishery that is in difficulty as a consequence of the revaluation.

Mr. Gunn: What about Safcol?

The SPEAKER: Order! The honourable Minister of Fisheries.

The Hon. HUGH HUDSON: I think that the reply to the question is that, if there is a case to be put, it certainly can be put through the Fisheries Department to the Commonwealth Department of Primary Industry.

Mr. CUMBE: Has the Premier made an assessment of the effects on South Australia of the revaluation announced on the weekend by the Prime Minister? What are the likely effects? In the manufacturing section South Australia is heavily dependent on the automobile, pressed metal and consumer durable industries. Will this latest move by the Commonwealth Labor Government adversely affect these industries by making imports still cheaper and exports harder to sell? Will this move have a deleterious effect?

The Hon. D. A. DUNSTAN: The first report I received from the Government Economist on this matter suggested that no aspects of the revaluation would specifically and adversely affect South Australia rather than the other States. This follows the assessment of the effects of the last revaluation. Naturally enough in the time available until last evening there was not time for a full report to be made as could have happened after we had been

in touch with the specific industries, and it will take time to compile such a report. However, I will give the honourable member a more detailed reply later.

HOUSING LOANS

Dr. EASTICK: Can the Premier say whether the credit squeeze applied by the Commonwealth Government will result in higher interest rates charged on housing loans available from the State Bank and the Savings Bank of South Australia? One of the most disturbing features of the Commonwealth Government's credit squeeze is the likely effect on prospective house owners. Although great play has been made of the urgent need: for additional housing finance, the Commonwealth Government has nevertheless dealt a stunning blow to people trying to buy a house by increasing the interest charges that will apply to housing loans. The example given by the industry is that the national average in respect of a \$12,500 loan over 30 years will increase in the rate of repayment by \$16.12 a month or about \$4 a week. It has been suggested that, if people cannot afford to pay the extra \$4 a week, their mortgage repayment period can be extended by 15 years, but this increases the amount to be paid by about 50 per cent. This increase applies to loans offered by building societies, but members of the community are not clear whether this increase will also apply to loans from the State Bank and the Savings Bank of South Australia. If it does, we can expect a further decrease in the ability of a young couple to finance or build their own home, as well as a corresponding increase in demand on the Government to provide low-rental housing and other housing. It is on this aspect, especially concerning the increase in repayments of \$4 a week, that I ask the Premier to comment in replying to my question.

The Hon. D. A. DUNSTAN: Although I do not expect that the effects on State Bank and Savings Bank activities will be as the Leader has suggested, I am getting a full report on this matter and I will give him a detailed reply later this week.

TOTALIZATOR AGENCY BOARD

Mr. BECKER: Will the Attorney-General ask the Chief Secretary to explain how a dividend of \$182.50 was arrived at by the Totalizator Agency Board for the Adelaide daily double on September 8?

The SPEAKER: Order! I must rule that question out of order. It is not a matter pertaining to the authority of the Government, nor is it a matter over which any Minister has direct control. The honourable member for Frome.

Mr. BECKER: I rise on a point of order. I would assume, Mr. Speaker, that the Chief Secretary, as the Minister in charge, could obtain information from the Totalizator Agency Board, because this matter concerns the handling of public moneys.

The SPEAKER: Order! I cannot uphold the point of order. The honourable member asked how the dividend was determined and I rule that this is not a matter of Government concern, nor is it a matter under the direct jurisdiction of a Minister or of a Government department.

Later.

Mr. BECKER: Will the Attorney-General say whether the operations of the Totalizator Agency Board and matters relating to horse-racing are under the control and supervision of the Chief Secretary, as indicated by replies to questions I received in this House on October 10 and November 16, 1972?

The Hon. L. J. KING: I will refer the matter to the Chief Secretary.

KANGAROOS

Mr. ALLEN: Does the Minister of Environment and Conservation agree with the report in the *Sunday Mail* of September 2 last, that Mrs. Daynea Hill—

The SPEAKER: Order! The honourable member can ask a question on a certain matter, but he cannot seek the opinion of a Minister.

Mr. ALLEN: Can the Minister of Environment and Conservation say whether it is a fact that the report in the *Sunday Mail* of September 2 that Mrs. Hill wants kangaroos to be taken to the abattoir for slaughter is correct? The article states that Kangaroo Protection Week would be officially opened by the Conservation Minister (Mr. Broomhill). I have inquired regarding this report and it is the general opinion of people in the pastoral industry in this State that it would be impracticable to transport live kangaroos over long distances for slaughter. First, it would require hundreds of catching yards located over large areas where kangaroos are scattered and, secondly, it is recognized that kangaroos would destroy themselves through injury and suffocation if they were held in closed quarters over long periods.

The Hon. G. R. BROOMHILL: It is my opinion that the remarks of the honourable member regarding the article are accurate, and I agree with the remarks he has made.

UNION OFFICIALS

Mr. BLACKER: Following a report in today's *Advertiser* headed "South Australian unions get right to enter farms", can the Minister of Labour and Industry elaborate on the conditions associated with this right of entry to farms and grazing properties being granted to official union organizers? The situation has become exaggerated out of proportion, as I believe that access to any property can be achieved if a reasonable approach is made. The position now is that entry can be gained without as much as the common courtesy of asking permission to enter. I am concerned that, as union organizers are obliged to speak to union members outside working hours, this new ruling may allow the entry of a union organizer at any time of the day or night. Concern has been expressed that, if union organizers are allowed to have unrestricted access after daylight hours, dissension will soon arise.

The Hon. D. H. McKEE: I should have thought that the commission's decision to give right of entry to union officials on to farming properties was clearly outlined in the press. What was contained in the press is exactly what will take place: the commission's decision will give the union official the right of entry only to address employees and members of his union at official tea-breaks, lunch time, evening meals, and after evening meals when the men are not working. Union officials have not been able to enter many properties: although they have approached various employers in a reasonable manner, they have been refused entry. As a union organizer I have been refused entry, and I recall one instance in which I travelled 200 miles (321 km) west of Port Augusta to be told that I could not enter the property. I had no right of entry, so I had to return to Port Augusta where I continued my work, after having lost one and a half days. It is not reasonable for a union secretary, who has the right to investigate the complaints of his members, to travel so far only to be told by an irate property owner that he cannot enter the property. That is one reason why union officials have been given the right of entry. It is fair and reasonable

that they should have this right, and I am sure they will not abuse it but will use it reasonably.

Mr. ALLEN: Can the Minister say whether the right of entry to a property permits the official to make an inspection of shearers' quarters in the absence of the owner?

The Hon. D. H. McKEE: I did not hear the final part of the question. Was the honourable member referring to the shearing hut inspector going on to a property without authority?

Mr. Allen: I referred to an organizer making an inspection of shearers' quarters in the absence of the owner.

The Hon. D. H. McKEE: I have no knowledge of such action, but I will get a reply.

Mr. CHAPMAN: Will the Minister say to whom the organizer is required to report when entering a property where work associated with the shearing industry is being carried out? Also, upon introduction to the appropriate person, what—

The SPEAKER: Order! I have allowed a couple of questions on this matter, but I will have to rule further questions out of order on the basis that members are seeking an interpretation of the law or of the role of the Industrial Court, which is outside the jurisdiction of the Minister. It is a matter concerning an employers' organization and a trade union, and questions seeking a legal interpretation of an award are not permitted.

Mr. CHAPMAN: Mr. Speaker, I therefore seek permission to ask a question of another Minister.

Members interjecting:

Mr. CHAPMAN: If it was wrong, I apologize for being out of order.

The SPEAKER: At this stage, I have ruled the question out of order. The honourable member will have the right to ask a further question when he is called.

RATE REMISSIONS

Mr. MILLHOUSE: Can the Premier say whether the Government will consider altering the criteria used for the remission of rates so as to include those people receiving part social service pensions? I realize that this is a question to which the Minister of Works could have replied if he had been present, but, as it concerns a matter of policy, I direct it to the Premier rather than to the Minister of Education. A retired railwayman living in my district has told me that when he retired he received satisfactory superannuation, but that he now receives a part social service pension in addition to his superannuation. In a letter to me he states:

In my own case I would like to mention that, after retiring at the age of 65, I obtained further employment for nearly 11 years in order to be self-supporting, and in so doing placed myself just outside of the requirements for the many remissions available in rates, etc.

The letter continues:

It is considered that the disparity between persons on complete, and those on part pensions is, in many cases, too great.

I understand that to qualify for the remission it is necessary for the property owner to have a medical entitlement card, but people receiving part social services do not have that card and therefore do not qualify. The suggestion implicit in my question is that there should be some gradation because of the case of my constituent and that of many other persons who are in the same position. I therefore put the question to the Premier as one of policy to see whether or not he is willing to do anything about it.

The Hon. D. A. DUNSTAN: No, we cannot take this matter further. The policy clearly stated by the Government was that remissions would apply to pensioners who

were holders of medical entitlement cards. These basically are the people who are in the most difficult and indigent circumstances. In fact, people can get a small part-pension and have an income well above the level of the average breadwinner on wages in South Australia. It is impossible for us to fix some other form of gradation within the part-pension area. In fact, when the pension system changes over we will have discussions with the Commonwealth Government about some means of designation, after the removal of the means test, which would still allow us to ensure that the State benefits go to those people on pensions who are really in difficulties. The Government is certainly not able to take the pension remissions further than it has done.

COAST PROTECTION

Mr. MATHWIN: Has the Minister of Environment and Conservation a reply to my question of August 21 concerning coast protection along the foreshore at Somerton, where at present there is no protection?

The Hon. G. R. BROOMHILL: The honourable member has asked whether any foreshore protection works will be undertaken this financial year along the esplanade in front of Minda Home. Interim protection has been given to the foreshore in front of Minda Home by the dumping of some 5,000 cub. yds. (3 823 m³) of sand in order to "fatten" the existing embankment. However, the Coast Protection Board recognizes the particular erosion problems associated with heavy pedestrian traffic over sand and is considering the provision of pedestrian ways similar to those supplied in other parts of the metropolitan coast protection district. This and any other appropriate protection measures will be undertaken this financial year subject to the availability of funds.

Mr. MATHWIN: Can the Minister say whether it is expected that any beach protection work will be undertaken along the foreshore adjacent to that part of the Esplanade between Repton Road and Rossall Road, Somerton? When asking a question on August 21 last, I said that this part of the foreshore was the only unprotected area really adjacent to the roadway, and I referred to the vast erosion that has occurred in this area over the last 12 months. Is it expected that any protection work, such as installing rip-rap, will be carried out in this area?

The Hon. G. R. BROOMHILL: I will ask the coast protection engineer whether any such work is contemplated over the next 12 months.

Mr. CHAPMAN: Has the Minister a reply to the question I asked during the Loan Estimates debate about coast protection at Port Elliot and Kingscote?

The Hon. G. R. BROOMHILL: A request for an assessment of the cliff erosion problem at Horseshoe Bay (Port Elliot) has only recently been received by the Coast Protection Board. Nevertheless, an inspection of the area will be undertaken by the Executive Engineer this month, after which appropriate recommendations for the protection of the cliff face will be made. The erosion taking place on the cliff in front of the Kangaroo Island General Hospital, at Kingscote, has been inspected and a recommendation made that appropriate work be carried out this financial year. The project will be undertaken on the understanding that the District Council of Kingscote shares part of the cost, and the council has been advised of this decision. The above projects are two examples of the work being undertaken by the Coast Protection Board in country districts. Other restoration projects, and projects involving improvement or provision for facilities, will be undertaken in the Eyre, Yorke, and Kangaroo Island coast protection districts this financial year.

MEALS ON WHEELS

Mrs. BYRNE: Has the Attorney-General a reply from the Minister of Health to my question of August 16 concerning a Meals on Wheels scheme in conjunction with the Modbury Hospital?

The Hon. L. J. KING: My colleague states that the Director-General of Medical services has not received any request from Meals on Wheels Incorporated for the supply of meals to that organization. Meals could be supplied if requested.

LOWER MURRAY PARKS

Mr. WARDLE: Has the Premier a reply to my question of July 25 regarding Lower Murray parks?

The Hon. D. A. DUNSTAN: As I told the honourable member when he asked his question, the whole matter of waterfront reserves is being considered by the State Planning Authority and the Environment and Conservation Department. The Minister of Environment and Conservation has stated that the provision of regional recreation areas for the future population of Monarto is at present being studied by the State Planning Division of the Environment and Conservation Department. This report will be submitted to the Steering Committee for Monarto within the next two months and will contain proposals for the expansion of recreation and conservation areas along the Murray River.

FISHERMAN'S BAY

Mr. VENNING: Has the Minister of Environment and Conservation a reply to a question I raised in the Loan Estimates debate regarding Fisherman's Bay?

The Hon. G. R. BROOMHILL: I have discussed the honourable member's question with the Executive Engineer of the Coast Protection Board who inspected the Fisherman's Bay area in March, 1973, when recommendations were made for protection of the area. These recommendations are at present being considered by my department. In addition, recommendations by the Coast Protection Board for the provision of additional launching facilities for small craft and a caravan park are being dealt with by the departments concerned.

Mr. VENNING: Can the Minister say for how long he expects that his department will study the recommendations of the Executive Engineer of the Coast Protection Board before it takes action? It must be more than two years since the Port Broughton council requested the department to look into the situation along the northern coast. The hold-up that occurred earlier in relation to this matter was caused by the need to await the appointment of an engineer to the Coast Protection Board. In reply to my earlier question, the Minister said his department was examining the report. I point out that the engineer associated with this work inspected the area last March.

The Hon. G. R. BROOMHILL: The department will not delay action for any longer than is absolutely necessary. Several methods can be used to protect the beach in the area to which the honourable member has referred. Because of the cost involved in this work, it is only proper that various alternatives are fully considered before a decision is made.

KOONIBBA RESERVE

Mr. GUNN: Has the Minister of Community Welfare a reply to my recent question concerning a water supply for Koonibba Aboriginal Reserve?

The Hon. L. J. KING: The possibility of providing such a pipeline has been under consideration for several years. The present water supply depends on rainfall on

a five-acre (2 ha) bituminized catchment with a tank storage capacity of 200 000gall. (909 200 l). This means that at the starting of summer the maximum amount of water that can be available is 200 000gall. (909 200 l). When this supply is exhausted, water is carted from the Tod River main near Kalanbi tank at a rate of 4 000gall. (18 184 l) a day and cost of about \$12 for 1 000gall. (4 546 l). Water is strictly rationed at Koonibba and no water is available for gardening or other purposes. The introduction of more hot water services, flush toilets and other amenities will increase water consumption. It is now proposed to construct a 2in. (50 mm) pipeline from the Tod River trunk main near Kalanbi to the reserve, a distance of 221 miles (37 km). It is expected that the cost will be between \$50,000 and \$60,000. At the moment, negotiations are in hand for easements over three private properties. The scheme has the approval of the Engineering and Water Supply Department and will be carried out by contract through the Public Buildings Department. Subject to these arrangements being finalized in the near future and funds being available, it is hoped that a contract could be let and this project completed by the end of 1973.

DRUGS

Dr. TONKIN: Has the Premier a reply to my recent question in relation to expenditure on the drug education programme?

The Hon. D. A. DUNSTAN: The Minister of Health has reported that State health services have not suffered as a result of seconding three officers to work on the drug education programme. The medical officer concerned was transferred from school health work to the drug education programme, and was replaced by recruiting another medical officer to the School Health Service. The pharmacist is one of four employed in the department who have all in the past devoted substantial amounts of their time to drug education and control. The naming of one officer for this work has allowed the others to concentrate on other activities. Two additional part-time officers have been appointed in addition. The information officer was appointed in 1971 to co-ordinate and organize the health education work of the department, in which every professional officer in the department takes part. Having contributed to the setting up of health education programmes in other sections of the department (for example, for Aboriginal people), he has since specialized in the drug education programme.

WATER FOWL

Mr. ARNOLD: In view of the vast areas of temporary wet lands that exist in the North of the State, can the Minister of Environment and Conservation say whether a survey of the numbers of water fowl in these areas has been undertaken by officers of the National Parks and Wildlife Service? Within the last 10 days, I have had the opportunity of viewing these areas from the air, and I have been informed by people living in this part of the State that ducks are breeding in large proportions. As the present habitat is only temporary, will the Minister have a survey undertaken, if it has not already been undertaken, to ascertain whether the permanent wet lands of the State are capable of carrying the numbers of birds that exist, bearing in mind that vast numbers may die of starvation?

The Hon. G. R. BROOMHILL: I will discuss this question with officers of the National Parks and Wildlife Service. These officers are undertaking constant surveys of our wild life but, as I cannot say whether specific projects are associated with the heavy rains that have occurred this year, I will obtain the information sought.

DAVENPORT SCHOOLS

Mr. DEAN BROWN: Has the Minister of Education a reply to a question I recently asked about Marryatville, Burnside and Linden Park schools?

The Hon. HUGH HUDSON: Recently a large number of properties has been acquired adjoining the Dankel Avenue section of Marryatville Primary School with a view to the eventual re-establishment and consolidation of the school in this area. Negotiations are also taking place with the Kensington and Norwood council with a view to closing a street that separates the existing school from the newly acquired properties. It is proposed to provide a six-teacher open-space unit on this site, and to provide appropriate grassed playing fields to enable the total primary student population at Marryatville to be accommodated and catered for on the one area. It is not possible at this stage to give a firm date as to when a transfer may be made, although all necessary planning has been initiated.

Much has been done at Burnside Demonstration School in recent years, including the provision of a two-teacher and four-teacher open unit together with a magnificent activity centre. At present a recently acquired shop and residence are being examined with a view to providing a canteen and facilities for visiting teachers. Also, the Burnside council has agreed to close part of William Street to consolidate the schoolgrounds. The future development of the school has been the subject of considerable consultation between officers of the Education Department and the school council. However, retention of wooden buildings at Burnside as in many other schools is inevitable, at least for some time ahead.

A department officer has visited Linden Park Demonstration School to look into the accommodation problems. It is agreed that, while some redistribution of facilities may be desirable, the students at this school are very well housed. The Headmaster has suggested certain minor modifications relating to the art room and the staff room which will be carried out by the Public Buildings Department as soon as circumstances permit. Consultation has also taken place between architects of the Public Buildings Department, the Education Department and the school council with a view to developing a long-term plan for the complete upgrading of the school. However, it is understood by all those involved with this consultation that it is a long-term plan to be implemented when circumstances permit.

MARGARINE

Mr. McANANEY: Has the Attorney-General a reply from the Minister of Health to the question I asked on August 16 about margarine?

The Hon. L. I. KING: The Minister of Health states:

The Food and Drugs Advisory Committee has not, in relation to the standard for table margarine, considered any proposal that the total fat content of such margarine should be vegetable oils of Australian origin. The standard in the food and drugs regulations is the uniform one recommended by the National Health and Medical Research Council with variations to conform to the South Australian Margarine Act; the nature and source of the oils and fats is not specified. There is a prohibition in the food and drugs regulations regarding the promotion of cooking margarine as a spread or as a substitute for table margarine; policing of this regulation presents some problems in relation to interstate commerce.

The disparity which exists between the various States in their requirements under the respective Food and Drugs Acts and regulations relative to the labelling of margarine products will be discussed at the next conference of the Directors-General of Health from all States.

TEA TREE GULLY POLICE

Mrs. BYRNE: Has the Attorney-General a reply from the Chief Secretary to the question I asked when speaking in the Address in Reply debate on August 7 about police needs at Tea Tree Gully?

The Hon. L. J. KING: The Chief Secretary states that a survey undertaken by the Police Department has defined police needs for the future in Tea Tree Gully and adjacent districts, and planning of facilities is in hand. It is intended to develop the present Holden Hill police station into a major headquarters in association with the department administering the courts. Mobile patrols for the north-eastern suburbs will operate from Holden Hill, and a full range of police services, including Criminal Investigation Branch staff, will be available to the public. Land is available for this development. The need for a police facility at the Tea Tree Plaza site was also established by the survey, and negotiations are currently in hand to acquire a suitable location within the area to provide a police office. The range of police functions at this satellite office will be limited to those of an office nature only and will not cater for specialist activities. When this facility is available the present Tea Tree Gully police office will cease to operate as such.

BROWN COAL

Mr. COUMBE: Has the Premier a reply to my recent question about the future development of brown coal fuel deposits in the North of the State?

The Hon. D. A. DUNSTAN: The Director of Mines reports that Utah Development Company has discovered substantial deposits of steaming coal at Lake Phillipson, 40 miles (64 km) south-west of Coober Pedy. Investigations by the company are proceeding and only preliminary data are available at this time. Confirmation of early results awaits further analysis of coal from drilling and this is expected in the next several weeks. However, the first phase of drilling has indicated reserves of recoverable coal of at least 200 000 000 tons (203 200 000 t) to a depth of 250ft. (76.2 m). The coal measures have been indicated over some 100 square miles of the basin. Three coal seams are present, containing coal of somewhat better quality than those of Leigh Creek. The Mines Department has been advised of developments and is giving technical help in the form of borehole logging at the present time. A study of ground-water resources in the region is planned.

HOUSE RENTALS

Mr. EVANS: Has the Premier a reply to my recent question about the method used by the Housing Trust in fixing house rentals?

The Hon. D. A. DUNSTAN: The General Manager of the Housing Trust has reported that the trust does use, and has used for some years, a system of adjusting reduced rents according to income. However, as soon as a tenant can afford to pay the "normal" rent for his house, according to his date of occupation, no further changes are made in his rent if there is a change in his income. On the management side, the trust is aware that some people with high family incomes stay on in its houses. However, the trust makes the following comments:

- (1) If a family is paying the rent it agreed to pay and in other ways it is fulfilling its tenancy obligations, it is well nigh impossible and is probably undesirable to use coercion for that family to move. In fact, the trust does discuss the possibility of moving with many of its tenants and offers alternative suggestions according to circumstances.
- (2) If rents increase with income, it would equally be necessary for them to decrease with the income;

frequently families go through a period of relatively low income, then, while the children are working, have a relatively high family income which again drops when the children leave home. Frequent measuring of family income on a means test basis can be difficult.

GAUGE STANDARDIZATION

Dr. EASTICK: Can the Premier say whether it is expected that the Tarcoola to Alice Springs railway line will be constructed before the Adelaide to Crystal Brook line is constructed? On August 22, in the House of Representatives, the Commonwealth member for Grey (Mr. Wallis) asked the following question:

Can the Minister for Transport give the House any information on the result of the negotiations between the Commonwealth and the State of South Australia for the construction of the standard gauge rail link from Crystal Brook to Adelaide and also the proposed new standard gauge line from Tarcoola to Alice Springs?

In reply, the Commonwealth Minister for Transport (Mr. Charles Jones) said:

There have been discussions . . . about the new line from Tarcoola to Alice Springs and complete agreement has been reached on it . . . Mr. Virgo gave me an assurance that he would pass on to Mr. Dunstan our agreement and recommend that he write to the Prime Minister accepting the terms that were agreed to. I understand the Premier of South Australia has written to the Prime Minister . . . I hope that there will be early agreement so that the construction of the Tarcoola-Alice Springs line can commence. No finality has yet been reached about the other line, from Crystal Brook to Adelaide, but there have been discussions on it.

Obviously, one line is ready to proceed, and the Commonwealth Minister's statement that there have been discussions regarding the other line but that no finality has yet been reached suggests that there will be no opportunity for that project to proceed before the one on which finality has been reached. On this basis, I ask the Premier which of the two projects is likely to proceed first.

The Hon. D. A. DUNSTAN: Agreement has been reached on the Tarcoola to Alice Springs project by the State Government and the Commonwealth Government, and this matter has been reported to the House. Two minor matters are still outstanding regarding the standard gauge line from Crystal Brook to Adelaide and we hope that both will be resolved soon. They are not major matters of principle and we are still to receive a report from the consultants. On all present indications, it is expected that work on the Crystal Brook to Adelaide standard gauge line will precede that on the Tarcoola to Alice Springs project.

WARNING POSTERS

Dr. TONKIN: Will the Minister of Education arrange for the distribution of posters and other material to schools and kindergartens, warning children of the possible dangers of talking to, or going with, strangers? Recently, when the member for Davenport and I inspected the facilities at Red Cross House, in the Junior Red Cross Division we saw on the wall posters dealing graphically with how to handle several problems. I do not know whether these posters are being used in schools but, if they are not, they should be so used. If a report that a man was seen taking a struggling small girl out of the gates of the Adelaide Oval on that tragic afternoon is correct, I suggest that the elder girl with her probably did not know what to do in those circumstances, and anything that educated children on the best course to follow in such circumstances would be desirable.

The Hon. HUGH HUDSON: I will examine the honourable member's suggestion and consider whether we should follow it up.

ADOPTIONS

Mr. ARNOLD: Has the Attorney-General a reply from the Chief Secretary to my question regarding the issue of birth certificates for adopted children?

The Hon. L. J. KING: The adoption of children regulations prescribe a special form (form No. 26) in which certified extracts of birth registrations of adopted children shall be issued. Although there is no apparent indication on this form that a person has been adopted, the special form has become known to some organizations and individuals. In view of this, it is proposed to further amend the regulations to provide that all certified extracts of birth registrations for adopted persons shall be issued in the same form as is used by the Principal Registrar for other persons.

JUDGES' SALARIES

Mr. MILLHOUSE: Will the Attorney-General say whether the Government intends to introduce legislation to increase the salaries of Their Honours the judges and, if it does, when the legislation will be introduced? A few weeks ago several senior judicial officers received salary increases, and I understand that amongst them was the Master of the Supreme Court (and, I imagine, the Deputy Masters also). I certainly do not reflect for a moment on those increases, but I understand that now the Master of the Supreme Court receives a higher salary than the Local Court judge, and I am sure the Attorney-General will agree that that position is out of line with the margin of seniority between the two persons. This has prompted me to ask the question, hoping that the reply will be "Yes" and that action will be taken speedily.

The Hon. L. J. KING: The honourable member will appreciate, of course, that the Master and the Deputy Masters of the Supreme Court are public servants and, consequently, their salaries move with the general movement in Public Service salaries. Judicial salaries move independently of Public Service adjustments and, since I, at any rate, have been Attorney-General, I have tried to keep those salaries in a certain relationship with the salaries enjoyed by judges in New South Wales and Victoria. Therefore, for short periods we get this anomalous position in which public servants who have had their adjustments receive salaries that bear an incorrect relationship to the salaries of the judges at that time. I took the opportunity while attending the recent Constitution Convention in Sydney to discuss the matter with the Attorneys-General for New South Wales and Victoria, and the question of adjusting judicial salaries is at present under active consideration.

DIABETIC CANNED FOODS

Mr. ALLEN: Has the Premier a reply to the question I asked on August 2 regarding the price of diabetic canned foods?

The Hon. D. A. DUNSTAN: The Commissioner for Prices and Consumer Affairs has reported that diabetic canned foods are not subject to price control. However, the Commissioner has made inquiries that reveal that, while prices of some lines, such as certain brands of preserved fruit, are identical for normal and diabetic types, in other instances prices of diabetic foods exceed those of normal canned foods. Factors involved include:

- (a) Because of the relatively low volume of diabetic food manufactured, production and distribution costs are proportionately higher;
- (b) Different ingredient costs can affect end prices in some instances;
- (c) Most diabetic foods are produced in other States or overseas, and this factor precludes investiga-

tion of manufacturers' costs by the Commissioner;

- (d) It is understood that some companies produce diabetic foods more as a service to diabetics than for profit-making purposes.

The Commissioner is satisfied that retailers' margins are not excessive.

PERSONAL EXPLANATION: SENATE ELECTION

Mr. HALL: I seek leave to make a personal explanation. Leave granted.

Mr. HALL: I inform the House that I will be standing as a candidate for the Liberal Movement at the next Senate election. The one aspect of that decision which I regret is that I will be leaving the House of Assembly to enter that contest. I will therefore take the necessary action to resign the seat of Goyder a few weeks before the Senate election, according to the requirements of the Commonwealth Electoral Act. In the meantime, I will continue to represent the District of Goyder, and fulfil my responsibilities to it. My decision has been made necessary because of my Party's rapid growth—

Members interjecting:

The SPEAKER: Order! I cannot accept that as a personal explanation.

AUDITOR-GENERAL'S REPORT

The SPEAKER laid on the table the Auditor-General's Report for the financial year ended June 30, 1973.

Ordered that report be printed.

NORTH ESPLANADE

Mr. BECKER: Has the Minister of Environment and Conservation a reply to the question I asked during the Loan Estimates debate about foreshore protection at North Esplanade, near the West Beach Recreation Reserve?

The Hon. G. R. BROOMHILL: Certain work will be carried out this financial year, the most significant project being the construction of some 600ft. (182.9 m) of rip-rap walling at an estimated cost of \$70,000. The wall will commence at the northern end of the Glenelg Sewage Treatment Works and run in a northerly direction from that point. The removal of building material and other rubbish will greatly improve the appearance of the area around the Holdfast Bay Yacht Club. Furthermore—

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

The SPEAKER: Call on the business of the day.

LAND SALES

Mr. MATHWIN (on notice):

1. What allotments or parcels of land have been sold by the Highways Commissioner in the 12 months to June 30, 1973?
2. Where are each of these allotments, or parcels of land?
3. When were they purchased by the Commissioner?
4. What was the purchase price of these allotments, or parcels of land?
5. When were they sold?
6. What was the sale price of each?
7. Has the Commissioner been directed, in future, not to sell land at a profit in excess of 7 per cent a year?
8. Have similar directions been given to other Government departments?

The Hon. G. T. VIRGO: In regard to questions 1 to 6, I seek leave to have a statistical table inserted in *Hansard* without my reading it.

Leave granted.

DETAILS OF LAND				
Description	Purchase Price \$	Purchase Date	Sale Date	Sale Price \$
1. 12 allotments, Cudmore Terrace, Lucknow Street, Aldridge Terrace, Marleston . . .	38,400	May, 1966	February, 1973	91,200
2. Lot 65, Cudmore Terrace, Marleston . . .	3,650	October, 1967	February, 1973	7,500
3. Lot 62 Cudmore Terrace, Marleston . . .	5,780	January, 1965	February, 1973	7,950
4. Lot 16, Barnes Avenue, Marleston . . .	7,700	January, 1965	February, 1973	7,750
5. Part lot 225, Lucas Street, Richmond . . .	3,000	November, 1966	February, 1973	6,875
6. Lot 204 part lots 209, 203, Redin Street, Richmond . . .	6,594	May, 1966	February, 1973	8,500
7. Lot 189, Weaver Avenue, Richmond . . .	3,690	March, 1967	February, 1973	6,800
8. Lot 190, West Street, Torrensville . . .	3,470	September, 1966	February, 1973	7,800
9. Lot 472, Wilpenna Avenue, Parkholme . .	3,100	January, 1967	February, 1973	8,150
10. Part section 185, Nunyah Avenue, Parkholme . . .	2,800	May, 1966	February, 1973	9,500
11. Lot 25, corner Galbraith Avenue and Nickels Avenue, Parkholme . . .	3,300	May, 1964	February, 1973	8,625
12. Lot 224, Hill Street, Plympton Park . . .	3,731	January, 1967	February, 1973	10,100
13. Lot 137, South Road, Hindmarsh . . .	12,000	February, 1969	March, 1973	6,650*
14. Part lots 1, 2 Lindsay Street, Plympton . .	3,620	September, 1965	March, 1973	6,900
15. Part lot 164, Paget Street, Plympton . . .	4,900	June, 1967	March, 1973	8,650
16. Lot 36, Barnes Avenue, Marleston . . .	3,550	May, 1966	March, 1973	6,900
17. Lot 6, Park Terrace, Plympton . . .	3,200	November, 1966	March, 1973	7,750
18. Lot 229, The Parade, Oaklands . . .	3,600	February, 1965	March, 1973	7,850
19. Lot 227, The Parade, Oaklands . . .	3,600	October, 1964	March, 1973	8,500
20. Part section 355, Main North Road, Blair Athol . . .	21,120	March, 1969	March, 1973	24,250
21. Lot P and Q Finnis Street, Marion . . .	7,200	July, 1965	May, 1973	14,400
22. Lot 23, Christina Street, Marion . . .	3,400	January, 1966	May, 1973	7,500
23. Part lots 39, 41 Anzac Highway, Plympton	11,850	April, 1967	May, 1973	45,000
24. Part lot 109, corner of Military Road and Bower Road, Semaphore South . . .	20,000	November, 1961	May, 1973	5,750*
25. Part lot 1, corner of Hart Street and Military Road, Semaphore . . .	20,200	January, 1968	May, 1973	3,675*
26. Part lot 10/11, Rankine Road, Torrensville . . .	4,700	November, 1965	May, 1973	6,600
27. Part lots 104, 105 Grange Road, Findon	12,700	June, 1971	May, 1973	15,300
28. Part section 443, Frederick Road, Seaton	76,000	February, 1966	May, 1973	150,100
29. Lot 4, North Terrace, Mount Gambier . .	6,900	December, 1969	May, 1973	3,250*
30. Lot 1, North Terrace, Mount Gambier . .	10,325	December, 1969	May, 1973	4,150*
31. Lot 9, North Terrace, Mount Gambier . .	6,300	November, 1969	May, 1973	3,600*
32. Part lot 61, North Terrace, Mount Gambier . . .	13,740	August, 1971	May, 1973	13,759
33. Part section 43, Norman Terrace, Everard Park . . .	4,600	March, 1966	February, 1973	10,000
34. Part section 1583, Milne Road, Modbury	25,000	March, 1972	December, 1972	10,706*
35. Lot 2, Pildappa Avenue, Parkholme . . .	2,950	September, 1963	August, 1972	5,000
36. Depot site, Town of Kimba . . .	500	June, 1961	September, 1972	15,800‡
37. Lot 291, Portrush Road, Trinity Gardens	12,000	September, 1971	August, 1972	10,500*
38. Hayward Avenue, Torrensville . . .	12,200	June, 1964	November, 1972	63,500
39. Bridge Road, Para Vista . . .	17,850	June, 1967	November, 1972	15,500*
40. Byrne Street, Mount Gambier . . .	10,020	August, 1966	January, 1973	13,250
41. Part section 1564, 1582, 1583, hundred of Yatala, Modbury . . .	353,018	July, 1967	December, 1972	216,000*
42. Part lots 1, 2, section 261, hundred of Adelaide, Norwood . . .	5,800	August, 1969	January, 1973	7,000
43. Part lots 109, 110, section 152, hundred of Adelaide, Novar Gardens . . .	63,200	October, 1965	January, 1973	132,500
44. Part lots 32, 33, 29, 30, section 2180 hundred of Yatala, Waterloo Corner . . .	16,500	May, 1966	March, 1973	4,850*
45. Part lot 11, Glenside Road, Stirling . . .	21,000	April, 1966	April, 1973	17,750*
46. Lot 1, Torrens Road, section 376, West Croydon . . .	17,000	March, 1969	June, 1973	4,500*
47. Lot 20, North Terrace West, Mount Gambier . . .	10,910	January, 1971	June, 1973	2,500*
48. Part section 368 corner North Terrace West, and Powell Street, Mount Gambier	17,000	December, 1970	June, 1973	3,850*
49. Part lot 18, corner Magill and Glynburn Roads, St. Morris . . .	30,000	February, 1972	June, 1973	13,500*
50. Part lot 1, Gorge Road, Newton . . .	9,900	February, 1972	June, 1973	6,500*
51. Part section 110, hundred of Adelaide, Plympton Park . . .	46,000	June, 1970	June, 1973	7,000*
52. Part section 43, Norman Terrace, Everard Park . . .	38,800	February, 1967	June, 1973	60,000
53. Part section 305, Payneham Road, Glynde	11,000	March, 1972	March, 1973	5,632*
54. Section 1586, hundred of Yatala, Modbury	50,000	May, 1971	November, 1972	15,919†

* In these cases where the sale price is shown as less than the purchase price, the reason is that only the residual land is sold after portion of the land has been used for roadworks, widening, realignment or corner cut-offs.

‡ This land was purchased in 1961 and two houses were erected for construction staff. The land, when sold, therefore included two houses.

† This was an exchange with R.D.C. Limited of 13 acres 3 roods 18 perches (about 5.2 ha) for 8 acres 2 roods 3 perches (about 3.2 ha) required for road purposes. The equity of exchange (payable to the department) was \$15,919.

Regarding questions 7 and 8, the policy of the Government (as announced by the Premier on May 16, 1973) to restrict the resale price of land to a sum equal to the purchase price plus an additional annual 7 per cent of that price, plus rates and taxes, is subject to legislation currently before Parliament and will apply to land purchased as from May 16, 1973. Subject to the passage of the Bill, these conditions will apply to all Government departments.

FIRE PREVENTION

Dr. EASTICK (on notice):

1. What was the total sum expended on fire-fighting equipment for parks and reserves under the control of the South Australian Government:

(a) last financial year;

(b) for the last three financial years?

2. What was the total sum spent on fire prevention, apart from 1 above, in the parks and reserves, for example, fire breaks, access tracks, controlled burning and similar:

(a) last financial year;

(b) for the last three financial years?

3. What was the total sum spent on fire protection, including fire-fighting equipment, in each individual park and reserve in the last three financial years?

4. What sum is proposed to be spent on fire prevention and equipment for the same areas for use in the coming fire season?

5. Has due regard been given to the extreme dangers likely to be involved this year having regard to the extraordinarily lush growth of vegetation?

The Hon. G. R. BROOMHILL: The information requested is very difficult to extract from the financial records of the Environment and Conservation Department and the various organizations which existed prior to the passage of the National Parks and Wildlife Act, 1972. At least another two weeks will be required in order to research this problem and obtain the information, and the Leader of the Opposition is invited to place his Question on Notice again at that time.

RURAL STUDIES CERTIFICATE

Dr. EASTICK (on notice):

1. Will the course in Beef Husbandry 1 currently being undertaken at Urrbrae Agricultural High School and sponsored by the Norwood Further Education Centre represent a unit towards the Certificate in Rural Studies currently being offered by the Mount Gambier Further Education Centre or any other centre which offers the same certificate?

2. If the course is not to count as a unit towards the certificate, why did officers of the Further Education Department hand out leaflets explaining all facets of the Certificate in Rural Studies to the students who presented themselves on the first night of the Urrbrae Beef Husbandry I course?

3. Which other further education centres are participating or are expected to participate in the Certificate in Rural Studies?

The Hon. HUGH HUDSON: The replies are as follows:

1. Yes.

2. Leaflets were quite properly handed out.

3. The only full certificate course is at the South-East College of Further Education, Mount Gambier. There have been a number of requests for the introduction of the course, notably from Eyre Peninsula, Yorke Peninsula, Riverland and Adelaide itself. While the course is prov-

ing itself in the Mount Gambier area, it has been considered that no further full courses should be introduced, but where appropriate, and where finances permit, individual subjects which may be eventually used towards a Certificate in Rural Studies can be introduced. At present, for example, there is farm business management studies at Gawler Further Education Centre, meat inspection at O'Halloran Hill Technical College, Northern (Peterborough) Further Education Centre, and Port Pirie Technical College. It is almost certain that subjects from the course will be introduced by the Eyre Peninsula (Port Lincoln) Further Education Centre and the Riverland (Renmark) Further Education Centre from the beginning of 1974. The woolclassing course at Marleston Technical College also exempts a student from the woolclassing section of the Certificate in Rural Studies, and a number of welding courses carried out at technical colleges can be used for exemption if a student wishes to do so. Similarly, the beef husbandry I course at the Norwood Further Education Centre has been introduced intentionally as a unit towards the Certificate in Rural Studies.

MURRAY NEW TOWN (LAND ACQUISITION) ACT AMENDMENT BILL

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Murray New Town (Land Acquisition) Act, 1972. Read a first time.

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

That this Bill be now read a second time.

The amendments proposed by this Bill, which amends the Murray New Town (Land Acquisition) Act, 1972, are intended (a) to recognize the change of the description of the development proposed in the vicinity of Murray Bridge from Murray New Town to the city of Monarto; and (b) to set out the functions of the Monarto Development Commission, which will be responsible for the development of the city, in relation to the acquisition of land.

In considering the Bill in detail clauses 1 and 2 are formal. Clause 3 amends the long title to the principal Act to recognize the establishment of the Monarto Development Commission. Clause 4 amends the definition section by inserting the definitions of "the Commission" and "the Committee", the need for which is, I suggest, obvious. Clause 5 amends section 4 of the principal Act which provides for the acquisition of land within and without the designated site by the commission instead of by the State Planning Authority. Members will recall that it was always intended that the power to acquire land for the purposes of the development conferred on the authority was a temporary measure only. I would emphasize that no additional powers of acquisition have been conferred by the amendments provided for by this clause. It is merely that the acquiring authority has been changed. An appropriate transitional provision has been inserted by proposed new subsection (3).

Clause 6 repeals section 5 of the principal Act and replaces it with two new sections. The first of these is proposed new section 5 which vests in the commission the power to refuse approval to a plan of subdivision or resubdivision in relation to the land that lies within the designated site where in its opinion the approval of the plan would be prejudicial to the establishment of the city of Monarto. This power was previously exercised by the Director of Planning. However, by the introductory words in proposed subsection (1) this power may only be exercised

by the commission when, pursuant to the Monarto Development Commission Act, it assumes the powers of a "municipal council" under the "applied Acts" referred to in Part III of that Act. Until that time the provisions of proposed new section 5a will have effect. Proposed new section 5a provides for certain transitional provisions to deal with control of land subdivision within the designated site until the commission assumes control over subdivision of land. Throughout this transitional period the Director of Planning will continue to exercise these powers. This section also provides that the Director will continue to have power to control subdivision of land in the adjoining area as defined in the principal Act where, in his opinion, that subdivision would be prejudicial to the establishment of the city of Monarto. Finally, the exercise of powers under both of these proposed new sections are subject to appeal under the Planning and Development Act.

Clause 7 repeals section 6 of the principal Act and enacts two new sections in its place. Proposed new section 6 substantially re-enacts old section 6 but substitutes the "Commission" for the "State Planning Authority". By this provision the commission is given overall power to control land use within the designated site, that is, the area that will ultimately encompass the city of Monarto. In addition, a penalty for changing land use or altering structures without the consent of the commission has been provided for. The penalty provided for this offence is the same as that provided for a similar offence under the Planning and Development Act. Proposed subsection (6) provides for an appeal to the Planning Appeal Board against a decision of the commission under this section.

Proposed new section 6a, in effect, continues in operation the powers of the State Planning Authority previously conferred by the former section 6 in relation to the adjoining area as defined. The purposes of this control is to ensure that fringe development prejudicial to the establishment of the city of Monarto does not take place. In addition, in this proposed new section an additional power has been conferred on the State Planning Authority. Briefly this is a power to refuse consent to a change of use of land in the adjoining area where in the opinion of the authority the proposed change will prejudice the retention or provision of amenities for the enjoyment of the future population of the city of Monarto. An appropriate appeal is provided in respect of decisions of the State Planning Authority under this section.

Clause 8 amends section 7 of the principal Act and is substantially consequential on the amendments already proposed. Clause 9 inserts four new sections in the principal Act which I will deal with *seriatim*. Proposed new section 7a gives the Minister power to close roads not required for the purposes of the city of Monarto without reference to the Roads (Opening and Closing) Act. I suggest a power of this nature is quite appropriate when a major redevelopment is being undertaken and, in fact, there is ample precedent for the conferring of a power of this nature in such circumstances. Proposed new section 7b provides that when the commission acquires, say, a Crown lease, the fee simple of the land will also by force of this Act be vested in the commission. Proposed new section 7c vests land acquired by the State Planning Authority for the purposes of this Act in the commission. Proposed new section 7d provides for the appropriate action to be taken by the Registrar-General to give effect to the vesting provided for by the preceding provisions.

Clause 10 amends section 9 of the principal Act by making certain consequential amendments to that section. Clause 11 strikes out paragraphs (a), (b) and (c) of sub-

section (1) of section 10 of the principal Act and re-enacts those paragraphs and also provides for rights of entry within the designated site to the commission and persons authorized by these bodies. Clause 12 enacts new sections 10a, 10b and 10c all of which are of a comparatively formal nature. Clause 13 enacts a new section 11a which confers a regulation-making power on the Governor.

Mr. WARDLE secured the adjournment of the debate.

MONARTO DEVELOPMENT COMMISSION BILL

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to establish a Commission for the Development of the City of Monarto in the State and for other purposes. Read a first time.

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

That this Bill be now read a second time.

Members will recall that, following the passage of the Murray New Town (Land Acquisition) Act, 1972, and its subsequent amendment, the Government, through the State Planning Authority, was authorized to acquire not more than 16 000 hectares (40 000 acres) of land for the purposes of establishing a new town. Subsequently it was decided to call this new town the city of Monarto. Members will, again, be aware of the reasons for establishing this new city in the area nominated as the designated site under the Murray New Town (Land Acquisition) Act, and it is sufficient here to say that the site selected is, from all points of view, quite the best one. This Bill, then, creates the body that will be responsible for the development of the new city of Monarto, a development that we hope will be the first of others in this State.

Apart from Canberra there have been no cities in Australia that have been planned from the ground up, as it were, and it is hoped that the commission created by this Bill will bring to its task a freshness of approach that will be as exciting for the proposed residents of the new city as it will be for the people of the State generally. The site is well chosen. The proposed new city is near enough to Adelaide to draw on its industrial base; it is on a main transport corridor to the Eastern States; it is well situated in relation to its water supply; and the undulating ground on which it will be established should make for a pleasant environment.

It will be separated from Adelaide by the Mount Lofty Range which, of itself, provides a natural rural buffer, and should ensure that the two urban areas develop separately. In aid of this, the Government will use its planning powers to ensure that, as far as possible, ribbon development does not occur along the South-Eastern Freeway and its adjacent towns and villages, and that the unique part that the Mount Lofty Range plays in the present environment of Adelaide will be preserved. The Monarto Development Commission has imposed on it a great task, and the aim of this measure is to provide it with the powers necessary to fulfil its obligations and duties. However, responsibility for its activities must lie somewhere, and it is appropriate that a responsible Minister will be provided for in the Bill. The selected Minister must answer to this Parliament.

Before I engage on an examination of the individual clauses of this measure, I mention that this Bill is the second of a series of three measures connected with the establishment of the new city. The first, the Murray New Town (Land Acquisition) Act, provided for the acquisition of land for the city; this Bill provides for an authority to develop the city; and there will be a third measure that will provide for the types of land holding that will be permitted within the city. This third measure will be placed before members in due course.

In considering the Bill in some detail, clauses 1 to 3 are formal. Clause 4 provides the definitions necessary for the purposes of the Act. Clause 5 establishes the Monarto Development Commission. The commission will consist of three Commissioners of whom one shall be appointed to be Chairman of the commission. The commission will be a body corporate and have the usual powers of such a body. Clause 6 provides that a Commissioner may be appointed for a term of not more than six years, but is eligible for re-appointment. Clause 7 provides for the remuneration and allowances of Commissioners.

At this stage it might be appropriate to mention that, by reason of the most significant financial assistance expected to be provided by the Commonwealth Government, it is likely that one of the Commissioners will represent the interests of that Government. Clause 8 is a usual clause and provides for the vacation of office by a Commissioner. Clause 9 provides for the appointment of Acting Commissioners. Clause 10 is a formal clause. Clause 11 provides for the conduct of business by the commission, and again is quite usual: two Commissioners will constitute a quorum at meetings of the commission. Clause 12 ensures that no act or proceeding of the commission will be invalid on the grounds of any vacancy in the office of a Commissioner or any defect in his appointment, and again is a usual clause for a Bill of this nature.

Clause 13 sets out in broad terms the functions of the commission, and subclause (3) gives the commission power to carry out its functions. Here I would emphasize that the commission will be enjoined to encourage public participation in all its activities to the greatest extent possible. Cities, after all, are really agglomerations of people, and the more that the people are involved in planning their physical and social environment the more likely they are to be satisfied with it. Clause 14 provides that the commission will be subject to the general control and direction of the Minister to whom the administration of this Act is committed and, as I have said before, that Minister is responsible to this Parliament.

Clause 15 gives point to my remarks in relation to clause 13 by providing that the commission may appoint committees to investigate and advise the commission on any aspect of its functions. It is expected that extensive use will be made of these committees, which will provide a close link between the commission and the people for whom it is responsible. Clause 16 provides a power of delegation, and specifically provides for the commission to delegate its powers to bodies of persons, that is, committees as well as to individual persons. Clause 17 permits the commission to employ persons for the carrying out of its functions. It is not thought that it will be necessary for the commission to have an excessively large staff. It is, however, assumed that the staff employed by the commission will be skilful and technically competent in their respective disciplines, for it is on the staff, as much as on anybody, that the success or failure of the enterprise will depend. Certainly the principal executive officer of the project, who has been provisionally designed General Manager, will have a most important and crucial role in the project.

Clause 18 suggests a reason why a large staff should not be necessary, since, under this clause, the commission will be empowered to make arrangements with Government departments and statutory authorities for the use of at least some technical and professional officers as may be necessary for the development of the city. Clause 19 ensures

that this Parliament will be informed of the activities of the commission by means of annual reports. Clause 20 enjoins the commission to keep proper accounts, and ensures that they will be audited. Clause 21 gives the commission power to borrow on the security of its assets and, most importantly, gives the Treasurer power to guarantee the repayment of moneys borrowed by the commission. This should enable the commission to have access to loan funds at reasonable rates of interest.

Clause 22 indicates the areas in which the commission may be expected to obtain money, and an important area is pointed up in paragraph (d) of subclause (1) of this clause. There are indications that significant Commonwealth financial assistance will be available. Clause 23 provides that the commission will maintain a budget in order that expenditure will be properly controlled. Part III of the measure, which comprises clauses 24 to 28, is intended to arm the commission with the necessary planning powers to enable it to ensure that the development of this city proceeds in a systematic and orderly manner. In fact, it will have the same planning powers as a local government council. It will also have the powers of a local government council under the Building Act.

Clause 28 is of particular importance. As I said earlier, we are still in the early stages of planning cities from the ground up, and it is possible that past legislative solutions to problems in the planning and building area may not be the best ones and may even inhibit the planning and carrying out of the scheme in the manner that we would all wish. Against this possibility, clause 28 is intended to build some flexibility into the planning area by providing that the provisions of the applied Acts, in so far as they relate to the new city, may be modified by proclamation. To ensure that this Parliament is fully and formally informed of the use of this power of modification, proposed subclause (3) of clause 28 provides for the tabling in this House of any modifying proclamations.

Part IV sets out the actions that will be followed by the commission along the road to full local government. It is clear that full elective local government in the area is not possible until there is sufficient population resident therein to enable local government to be established on a firm base. Accordingly, until a population of this size is established the commission itself will, after the day appointed for the purposes of Part IV of the Bill, exercise the powers of local government in the area.

Clause 32 covers certain transitional matters during this period, the designated site being originally part of the District Council of Mobilong. Clause 33 enables existing local government authorities to be asked to carry out tasks that would otherwise fall on the commission in its local government capacity. Clause 34 represents the final step along the road to full local government, and provides that at any time after the population reaches 60 000 people, full elective local government may be established for the area. The figure of 60 000 has been selected as being a figure at which it should be possible for local government to operate without too much difficulty. Any figure under this would cause difficulty because of the comparatively large annual accretions of population that are expected in relation to Monarto.

Clause 35 is intended to cover the transition to full local government, and clause 36 is intended to aid in the resolution of disputes that may arise. Clause 37 is a formal provision. Clause 38 provides that the works of the commission will not be public works so as to require examination by the Public Works Standing Committee. It is suggested that this is a reasonable provision, since the works of the commission will have to be considered in the totality

of the budget of the commission already averted to, and an appropriate degree of preliminary scrutiny is already provided for in this Act.

Clause 39 is a most important provision, and is proposed only after the most careful consideration by the Government: I draw members' special attention to it. It is a considerable dispensing power and again is intended to ensure that the approach of the commission to its great task is not inhibited by what in ordinary circumstances may be regarded as technically legal difficulties. Again Parliament will be forthwith informed of the use of this dispensing power. Clause 40 is a formal clause. Clause 41 confers on the Governor a usual regulation-making power.

Dr. EASTICK secured the adjournment of the debate.

APPROPRIATION BILL (No. 2)

Adjourned debate on second reading.

(Continued from August 30. Page 633.)

Dr. EASTICK (Leader of the Opposition): South Australia is facing financial chaos and confusion. The people of South Australia, more than people in the other States of the Commonwealth, will feel personal hardship and financial difficulties in the months ahead as the direct result of State and Commonwealth Australian Labor Party financial policies that are out of step with each other. During recent months I thought, certainly from pronouncements made by the Premier and his Ministers, that the State Labor Government and the Commonwealth Labor Government were working hand in glove in their financial policies for the benefit of the people of this State. However, the State Government has had a head start on their Commonwealth colleagues in inflicting their socialistic policy on the community and by extracting additional taxation charges from a suffering public to pay for the schemes. The Commonwealth Government has done remarkably well in such a short time by overtaking the State Government in its financial rape of the nation and I am sure that most South Australians will now agree that, bad as things were with just a State Labor Government, the situation can be described as desperate when we have the combination of Commonwealth and State Labor Governments.

We see clearly in the Budget document now before us just how out of step the State Government is with its Commonwealth counterpart when we look at the most recent actions taken in Canberra, actions not even contemplated last week when the Prime Minister was making overtures to the State Premiers in an endeavour to get them to place more and more power in his hands. The State Budget is an example of the Government's callousness and complete disregard for the public. We see it as a Budget depending entirely for its success on an expected failure of the Commonwealth Government to come to grips with inflation. The Treasurer has prepared a programme which is to be financed almost entirely by the inflationary trend that has become evident in our community. In fact the Treasurer, by announcing increased water rates, by being party to a massive increase in the cost of electricity and by increasing hospital fees and harbor fees has increased indirect taxation, and this will have a disastrous effect on the purchasing power of the South Australian people.

Instead of taking responsible action as State Treasurer to try to curb the spiralling inflation in this State, today we see the Treasurer sitting back and using this inflation to finance his Government's programme for the coming year. I refer particularly to pay-roll tax, which the Treasurer said in his original announcement would increase the income of the State by \$10,000,000. Yet,

in the document presented to this House last Thursday week it is stated that the sum to be raised will be over \$14,000,000. In other words, there is a miscalculation by \$4,000,000: in other words, a 40 per cent miscalculation made between leaving the Premiers' Conference in June and the time of bringing down this document. I believe this is dangerous budgetary planning, because its success hinges on the failure of the Commonwealth Government to come to grips with the problem of inflation.

If the Treasurer says that the methods introduced by the Commonwealth Government in the last 48 hours are basically aimed at decreasing the inflationary spiral, that they will prevent a continuation of inflation, and that they will improve the position of the community, the Treasurer's Budget will obviously fail because, unless there is a continuation of the spiralling effect he has spelt out, there will be an under-production of revenue from his taxing measures and other service charges. We now have a Commonwealth Labor Government and a State Labor Government out of step with each other. This situation can only lead to chaos in this State; it has already led, and it will continue to lead, to the utter confusion of people in industry, in commerce, and in primary production and, in fact, to chaos for each and every person in our community.

The premise of the explanation by the Treasurer of the Budget is perhaps a sound piece of thinking on his part because so far neither the Prime Minister nor the Commonwealth Treasurer has given any indication of a real understanding of the problem or how to solve it. Several actions have been taken by the Commonwealth Government, the most recent being the credit squeeze announced last Sunday evening, the effects of which are starting to be felt throughout Australia. Earlier today I sought from the Treasurer an indication of the effect the increased interest rates would have on people who were about to build a house with a loan from the State Bank or the Savings Bank. The Treasurer indicated that he expected some effect and said he had called for a report but that as yet he had no clear indication of the result. I will quote from a statement made in yesterday's *News* in relation to the effects the increased interest rates will have on housing. The article states:

Home buyers will be slugged an extra \$16 a month if loan interest rates rise 2 per cent under the Government's latest economic measures. And if they cannot afford the higher charge, building society loan terms will be boosted by 15 years. Both existing and new loans are likely to be hit. This was said in Sydney today by Mr. R. W. Clohessy, a Western Australian Government housing commissioner and Managing Director of the A.C.T.U. Building Society in Western Australia.

This was a statement made not by someone whom members opposite would place in the capitalist class or by someone who is a member of a building society that has no ties with or recognition of the Labor organization: it is made by a Western Australian Government housing commissioner and Managing Director of the A.C.T.U. Building Society in Western Australia.

Mr. Coumbe: Would he be a friend of Bob Hawke?

Dr. EASTICK: Bob Hawke would have had to be a signatory to the document. The report continues:

"I'm certain housing loan rates will rise by 2 per cent", he said. "It will mean a hell of a kick in the pants for people struggling to buy their own home." The higher interest would mean a national average increase of \$16.12 a month in housing loan repayments. The figure was based on a national—

not State—

average loan of \$12,500 over a 30-year term. "But if people can't afford the extra cost the only alternative is to

lengthen the mortgage term by 15 years to enable repayment," Mr. Clohessy said. "It means they could be paying half as much again for their home." Mr. Clohessy's figures were confirmed by comparisons given by Mr. Barry Carlton, executive officer of the New South Wales Permanent Building Societies Association. Monthly repayments of a \$10,000 loan at 8 per cent over 25 years were now about \$78. "But if the interest goes up 2 per cent to 10 these repayments will rise about \$14," he said. In New South Wales, the average housing loan was currently \$14,000 over 25 years. Mr. Carlton said interest rate increases were generally applied to existing as well as new loans.

I emphasize that increases in interest rates are normally applied to existing as well as to new loans. In these announcements, as well as in the effect of the 5 per cent revaluation announced by the Commonwealth Treasurer on Sunday evening, where is there any cheer for Australians, especially South Australians? When the 25 per cent tariff reduction was originally announced, the South Australian Treasurer said that it would have a disastrous effect on the South Australian manufacturing industries, especially the motor vehicle and electrical goods industries, and the Treasurer has not denied saying that or claimed that further consideration of the matter by his officers has caused him to alter his opinion. The 5 per cent revaluation and the effect of allowing oversea imports on to the Australian market, including the sale of imported motor vehicles in direct competition with Australian-produced vehicles, will increase the chaos and confusion to which I have referred. Where in Australia, more than in South Australia, is there a problem resulting from an interference with a major industrial undertaking within a State?

The tragedy of the whole situation is that, although I believe the Commonwealth Treasurer and the Prime Minister privately acknowledge that there is only one real way to tackle the problem of inflation, they refuse to acknowledge it publicly and are trying a series of other measures in the hope that one of them may work, or that together they may eventually have some effect. The Commonwealth may stumble on to a means of benefiting the community at large, but no clear programme has been outlined to improve the present situation. I believe that the Prime Minister, and certainly the Commonwealth Treasurer, today privately acknowledge that the only way to beat inflation is to implement a joint policy on prices and income. This measure was outlined by my Commonwealth colleague the Hon. Mr. Snedden some weeks ago and, although criticized by some, it is one that he has consistently promoted together with his colleagues, including two State Premiers and one Deputy Premier and Treasurer.

The attitude expressed by the Hon. Mr. Snedden and endorsed by leaders of his Party in every State is as true today as it was when it was first expressed following a summit meeting in Sydney on July 18. Not a word was said against it at the Constitution Convention in Sydney last week by any member of the Australian Government (the Commonwealth Australian Parliament as I would refer to it and as it is referred to in the Commonwealth Constitution).

Even Mr. Hawke has been reported as suggesting that, once we get the matter of prices and a few other matters sorted out, we can have another look at the incomes policy. What a ridiculous situation it is to consider prices apart from incomes; obviously, the two must be considered together. The Commonwealth Treasurer has already revealed that the decisions to revalue the dollar by 5 per cent and lift interest rates on Government securities are among a series of measures the Government will take against inflation. In a report in this morning's *Advertiser*

headed "Decisions First in Inflation Fight", Mr. Crean was quoted as saying:

This is the beginning. We will take such measures as we can at the right and proper time.

That is somewhat different from what he said yesterday morning when interviewed on the radio programme *A.M.* When questioned about the possibility of an incomes-prices freeze, he was even more specific about the future measures to be taken, saying:

These measures can only come later, as other things come first.

He gave that answer on a nation-wide hook-up on *A.M.* He says that other things will come first. In the meantime, people throughout Australia will have to bear the impositions made on them. For this reason (and for other reasons that I will refer to shortly), I believe that the Commonwealth Government acknowledges the need for a joint incomes-prices policy, that the Treasurer is aware of this situation, and that he has left the way open for such a policy to assist Government expenditure.

As I have said previously, in introducing the Loan Estimates the Treasurer has made several statements that revolve around the word "may". He is not as definite as he has been on other occasions. On this occasion, he has talked about what may happen, and a similar situation exists in relation to this Bill, because a round sum of \$10,000,000 is set aside in the Budget against the contingency of wage and salary increases, the Treasurer saying that this sum may be necessary—not that it will be necessary. Last year, when \$7,000,000 was provided for this purpose, the Treasurer said, "This is available for expected increases in wages and salaries." However, this year, a round sum of \$10,000,000 may be required for wage and salary increases. Immediately the Treasurer goes on to say that \$2,500,000 of the \$10,000,000 is already committed as a result of changes in the salary structure for senior public servants and certain officers in the clerical section.

I think it is also important for us to note that the sum allocated for this purpose has been increased from \$7,000,000 last year to \$10,000,000 this year, a clear indication given by the Treasurer of the rapid inflationary trend with regard to wages and salaries. Apparently it is thought that this increase of almost 42 per cent is necessary. However, again the Treasurer adds the rider that it may not be necessary to use this money; it is provided in case wages and salaries begin to gallop. The serious problem that confronts South Australians is that the Commonwealth Government appears willing to bring the country to its knees before finally accepting the responsibility of implementing an incomes-prices policy. The statement of the Commonwealth Treasurer yesterday that this will come but that other things must come first clearly indicates what will happen. Therefore, we have the problem of trying to assess what portion of the total estimates provided by the Government in the various areas is based on the premise of a continuing inflationary trend. This makes it impossible to analyse precisely the figures before us.

Our position has not been helped by the Government's holding back until this afternoon the Auditor-General's Report, the earlier release of which would have made it possible for members to check out areas of administration referred to by the Auditor-General. We would then have been able to see what the Auditor-General had to say about matters that needed to be considered by Parliament or Ministers in relation to excessive expenditure, or in relation to actions taken that were not in keeping with legislation. Only now, when we have to speak in this debate, do we have this document before us.

At present we are seeing the Commonwealth Government's attempts to sidestep an incomes-prices policy by introducing a series of alternative measures which will not solve the problem but which will almost certainly lead to a serious worsening of the financial position of all Australians. To see this, we need only look at the likely effect of that Government's decision to revalue the dollar by 5 per cent and increase interest rates on Government securities. I have already said what effect this is likely to have on the housing industry, and I have pointed out what can be expected in the motor car industry. This can also be applied to the electrical goods industry. These industries, which are the major base of the South Australian community, will be adversely affected by the Commonwealth Government's decision announced on Sunday. Taking account of this, as well as the tariff reduction of 25 per cent, we can see the difficulties that confront people in this State.

I see further difficulties associated with these recent announcements from Canberra. Obviously the receipts of the State will be affected if the community is unable to trade as it has traded in the past, because people are unable to obtain loans to undertake various enterprises. As of yesterday it was impossible to obtain a loan in Adelaide, or indeed anywhere in Australia. I accept that relatively unusual circumstances applied, since this major announcement had been made only 12 hours to 18 hours previously. However, nothing that has happened since has permitted lending organizations to go about their normal daily undertakings or to provide funds for people seeking them for purposes such as a business venture or housing. Every day that people are denied funds there will be a reduction in the services undertaken by Government departments and, therefore, a reduction in the income of those departments.

As a result of the actions already taken (certainly as a flow-on from adverse actions by the Commonwealth Government), the income to the States will be reduced, reducing the amount of money available to the State Treasury, and the deficit will be increased. In addition, the funds that Government departments and semi-government instrumentalities obtain will be affected by the most recent decision to increase interest rates. At the same time as we have a decrease in income to the Treasury, we will have an increase in the interest payments on loans that the State has already entered into. One statement in the Treasurer's Budget speech that intrigues me is as follows:

Of course, a bald statement about financial provisions does not tell the story about what is happening in physical terms, but it gives an indication.

Certainly, bald statements do not give the whole picture. Often they provide only half the facts, leading to a painting of only half the picture. In these circumstances, the massive increases in expenditure in education and in other departments that the Treasurer has spoken about are not necessarily followed by a greater return of physical effort, nor do they necessarily indicate a greater return of service provisions.

We must be careful not to get too involved in matters that are associated with capital works, as against revenue matters such as we are dealing with now. However, during the Loan Estimates debate the massive increases in Education Department and housing expenditure were referred to, and, when that expenditure is related to the present inflation of 18 per cent in the building industry, we see that the allocation of an additional 25 per cent or 30 per cent to an area does not necessarily mean that there will be the same percentage increase in the facilities available.

Most of the funds in the Budget are provided as payment for the services of persons employed, and in the past

12 months there have been marked increases in salaries. Future increases can be expected and, unless the Commonwealth Government and the State Governments take action, the vast increases in expenditure will not return a much greater use of manpower (or womanpower) than has been provided previously. We are marking time, yet the Treasurer is hiding behind his facade that the overall provisions for the State will be markedly better.

In the latter part of the 1972-73 financial year, a major reorganization of programmes was reported on by the Treasurer when he introduced the Supplementary Estimates late in June, 1973. On that occasion he said that, by coming face to face with reality about the increasing deficit position and by acting to reduce that deficit, it had been possible to recover \$3,000,000 of the State's normal expenditure. That was done by re-programming and ensuring that action taken would result in our getting real value for money. I repeat the statement I made then that we would want to be certain that the people of the State would obtain real value for money spent by the Government on programmes, manpower, and resources.

As the Treasurer could recover \$3,000,000 in the latter part of the 1972-73 financial year by looking closely at the Government's programme, I should like the Treasurer to tell us that the same vigorous campaign would be undertaken this financial year. The Treasurer also told us on the occasion last year to which I have referred that the deficit position of the State had been reduced markedly because of an over-production of funds in two areas.

There was an expectation of an additional \$2,000,000 from the sale of water, particularly excess water, and the Treasurer attributed that to the long dry summer. The Budget this year shows that the Engineering and Water Supply Department has had another windfall because, in the conversion from the imperial system of measurement used previously to the metric system, people will pay an additional 5.5c for every 1 000 gallons (4 546 l) of water used. That is not a large sum, but it is nonetheless an added burden on the community, particularly on those people who use large quantities, whether for industry, agriculture, or for the privilege of being able to turn a tap on and have around the house a garden that provides beauty and pleasure.

Furthermore, in 1972-73 an additional \$5,000,000 above expectation had been received from stamp duties, particularly on land transfers. It is interesting to note that, although the Treasurer has stated several times that the Government intends to reduce markedly the cost of land, he has seen fit to increase the amount of money received from stamp duties, and much of this money will be from the transfer of land. The actual income for 1972-73 was \$26,568,192, against the estimate at the beginning of the 1972-73 financial year of \$21,000,000. Therefore, there is an over-production of about \$5,000,000, which brings the expected increase in revenue for this financial year to over \$31,000,000. About \$5,000,000 extra is to be obtained from stamp duty, basically in respect of land transfers, and this at a time when the Treasurer has indicated his desire to cut back prices! These two facts cannot be reconciled. Further, this is an indication of the duplicity exhibited by the Treasurer in the provision of the Budget documents to the House and in the statements he is making throughout the country.

I refer to the additional funds which are to be made available to South Australia and which come outside the area of direct taxation in respect of either taxes or services. The sum of \$4,900,000 was made available as the completion grant for 1971-72, but this figure must be

considered alongside the \$7,500,000 received as the completion grant in 1970-71. In other words, there has been a marked reduction in the size of the completion grant. Indeed, this was foreseen in statements made earlier in this House, when it was pointed out that the Grants Commission was, by virtue of investigation, able to gauge more clearly the nature of the grants likely to apply to South Australia. The result of these earlier investigations was that the Commonwealth Government could make grants available to the State more closely resembling the total due to them. In 1972-73, the forward grant of \$13,500,000 suggests that the final amount to be paid to South Australia as the completion grant for 1972-73 (a figure which will not be made known until 1974-75) will be less than the \$4,900,000 that has been made available as the completion grant for the year 1971-72.

Regarding the forward grant, it is interesting to note that the figure applying to the financial year 1973-74 is only \$15,000,000. There has been an increase of only \$1,500,000 this year, and I expect that this is getting closer to the final figure available to us.

This appears to have no real regard to the deteriorating value of money. In 1973-74, we are to receive in advance only \$15,000,000, whereas we received \$13,500,000 in 1972-73, and that \$1,500,000 does nothing to take up the loss to this State caused by the deterioration in the value of the dollar, especially in the period since December 2 last. In April and May, 1972, the then Commonwealth Government, recognizing that the annual rate of inflation of 7.2 per cent was more than it could accept, undertook to reduce the rate to a more realistic figure. That Government brought back the rate of inflation to about 4 per cent by December, 1972. What is the rate of inflation today? Less than 12 months later it is running at more than 13 per cent, reflecting a marked reduction in the funds available to us. I relate this to the minimal \$1,500,000 additional funds made available to us for 1973-74.

I now refer to the Treasurer's attitude as expressed in the document before us. We are aware that the State has accepted an increase of 1 per cent in pay-roll tax (a measure bringing an additional \$14,000,000 to South Australia this year). However, there have been marked increases in wages and salaries, and a considerable increase in pay-roll tax is available to the State as a direct result of those increases. I referred to a \$2,500,000 increase in the salaries of certain classes of public servants and the subsequent increases in pay-roll tax. Further, there is the natural flow-on we can expect from the almost daily announcement of increases in respect of State and Commonwealth awards, also leading to increased pay-roll tax receipts. I suggest it is in this area where the Treasurer is trading for additional over-production of funds to reduce the deficit of \$11,250,000 to which he has referred.

Mr. Mathwin: That is in his bag of tricks.

Dr. EASTICK: True, and it also ties up rather strangely with the statement that we are not to do anything further in increasing taxation or service charges in this State beyond those increases already announced until we find out what effect these charges will have on the general buoyancy of agricultural commodities, as well as the effect of increased wages on pay-roll tax and the increases in stamp duties. It is surprising that, at a time when we have a major deficit estimated because of the increase in the cost of maintaining services, we are not taking steps to achieve a more balanced Budget.

Could this state of affairs be associated with a forthcoming Senate election? Could it be that efforts are being made to hoodwink the public into thinking that a Labor Administration is one that can be trusted by supporting its candidates in such an election? I leave the thought with members, but I am sure that you, Mr. Deputy Speaker, would agree that the parallel is close and that we would both agree that it was part of the ploy.

We are also interested to know whether the funds being made available from the Commonwealth Government will have more and more ties associated with them. It is becoming commonplace to read in announcements by Commonwealth Ministers concerned with transport, education, or any other aspect that funds may be made available subject to their being used in a specific way. Obviously, the States are not to be allowed to decide how they will organize their priorities in housing, services to the public, or education. This overall tying of grants by a direction from far places is obviously one of the major centralist actions coming from the present Commonwealth Labor Government.

The Treasurer posed the question, "What are the Government's aims and to what extent are they constrained by financial limitations?" I suggest they are being constrained by the let-downs and broken promises of his Commonwealth colleagues. I point out that this has occurred in a situation where funds would be beneficial to the State in relation to the building of Dartmouth dam; in a situation spelled out in the task force report, in which it was suggested that several financial actions should be taken against the best interests of this State, particularly concerning the transport of brown coal from Leigh Creek; and in various other areas in which it was suggested that action should be taken to the advantage of the Commonwealth Government and the obvious disadvantage of the State. We heard many times before last year's Commonwealth election that, with a Commonwealth Labor Government, the South Australian Labor Government would benefit tremendously and, because of its close affiliation and affinity—

Mr. Coumbe: Buddy, buddy!

Dr. EASTICK: Of course: this State would receive advantages that had been denied the South Australian Labor Administration by a Commonwealth Liberal-Country Party coalition. Against that situation and those claims, the following announcement made by the Treasurer when explaining the Loan Estimates for 1973-74 is most revealing:

It is appropriate to mention that, while our housing increase was not as great as in some other States and our works increase was greater than in some other States, our share of aggregate funds was very close to the share we have had in recent years.

I repeat: "our share of aggregate funds was very close to the share we have had in recent years". Obviously, the situation will always be that the South Australian proportion of the total will be commensurate with the proportion that has been allocated to it, on average, in the past. The various programmes of the Commonwealth Government may infuse additional funds into one State more than into another State as priorities demand, but there will be no larger grant by the Commonwealth Government to any one State because it has a Labor-orientated State Government. The comments made by the Treasurer and his colleagues were completely farcical: they knew that they were, but unfortunately they duped some people in the community. However, those who were duped by the idle promises that had been made almost daily will not be duped when they go to the polls next time. It is

interesting to note some of the comments attributed to the South Australian Treasurer when the Commonwealth Treasurer introduced his Budget. In the *News* an article headed "Two Blows to South Australia—Dunstan" states:

The Premier, Mr. Dunstan, today attacked the Commonwealth Government's decision to increase motor spirit and brandy prices.

Mr. Coumbe: Never!

Dr. EASTICK: The Treasurer had to attack the Commonwealth Government, because it was destroying the chance for this State to advance. Whilst I acknowledge that an increase in the price of motor spirit will affect the whole Commonwealth, we must admit that the effect on the wine-grape growing industry (particularly on grapes that are turned into brandy) was of major significance to this State. The Treasurer also said that 90 per cent of brandy made in Australia came from South Australian grapes. In the *Advertiser* of about the same date an article states:

The Premier and South Australian Treasurer (Mr. Dunstan) said South Australia would gain directly from extra grants announced in the Budget. These grants would help hold down land costs, expand welfare and recreation programmes, and help with the establishment of the new city of Monarto. Mr. Dunstan said his Government would receive \$1,200,000 of the \$33,000,000 announced for growth centres.

To receive \$1,200,000 after claiming \$14,600,000 is hardly a good showing. Obviously, there will have to be a marked change in financial distribution by the Commonwealth Government if we are to get our schemes off the ground. The *Advertiser* article continues:

However, Mr. Dunstan warned there were two areas of concern for South Australia in the Budget—the additional excise on brandy and the added levy on petrol.

I have already referred to those matters. In the *Australian* of August 23, 1973, similar statements are attributed to the Treasurer in hitting out at petrol and brandy duty rises. He could have hit out at other areas of cost which will affect every man, woman and child in the community. The Treasurer could have cited increases in the costs of public services and facilities which will flow from the increases in tax on private companies—not a direct tax on the man in the street but an indirect tax which will affect him through the increased cost of providing the services and supplying commodities produced by private enterprise.

Mr. Langley: Where are all the big boys now?

Dr. EASTICK: Obviously, the honourable member and his Party have no concern for the average worker in a situation where the costs of water, electricity and stamp duty have risen—three major areas influencing the day-to-day transactions of everyone in the community and having a marked effect on the cost of living. Although the Government talks of trimming the tall poppies to make provision for the man in the street, the Robin Hood theory has been put into reverse on many occasions in recent months. In my opinion, the Treasurer was playing with words when he said:

Naturally, I do not claim that increases of a certain order in Budget appropriations have led to an increase of the same order in real terms.

He seeks to rationalize this by saying there remain very large increases for real improvements, larger increases than have been approved in any previous period, and considerably larger than would be required simply to keep pace with population growth. Earlier, I was able to explode that aspect when I stated the real value of money.

Mr. Keneally: Would you do it again? I must have missed it.

Dr. EASTICK: No; the honourable member was probably talking out of turn in the wrong place and not listening. If he had listened he would have agreed that massive increases in expenditure do not necessarily provide marked increases in the proportion of man-hours available for services to the community. At the Constitution Convention held in Sydney last week, most unfortunately (and I say this with all sincerity) political argument was introduced into the discussions and debates. Perhaps this might have been expected in view of the Commonwealth by-election to be held on September 22, but the Prime Minister made a series of statements, as well as arranging one or two unofficial dinner parties, in which he tried to dangle in front of the State Treasurers a very juicy monetary carrot.

The position is by no means clear. The opportunity of several Treasurers to accept certain suggestions made was limited by the advice available to them from their legal and (more particularly) financial officers. We have been told that another Premiers' Conference will be held shortly to consider further measures raised at the convention and the situation in which the Prime Minister is trying to have the States transfer price control to the Commonwealth on the understanding that he will make available to them certain powers relating to sales tax.

Superficially, this bears a close resemblance to the receipts duty legislation ruled by the High Court as being not permissible under the Australian Constitution. While it may sound an interesting ploy for the States to have access to sales tax, or to a proportion of it, as a trade for a price-fixing undertaking by the Commonwealth, the States will need to be certain that they are not selling out their own advantages by accepting an offer which subsequently proves to be a damp squib because it will not be sustained before the High Court.

Mr. Coumbe: Are you suggesting it is horse trading?

Dr. EASTICK: It is horse trading at its worst, and more is the pity that it has been introduced in a critical period when people are considering their attitude to a by-election, and when they may be fooled into believing that real advantages exist when in fact no advantages exist. It is most unfortunate that the people of Australia should be given to understand that there are advantages in this offer before there is any clear understanding that that is so. This was a red herring drawn across the trail to disguise the reason for holding the Australian Constitution Convention. Fortunately, this matter will have no eventual effect upon any advantages accruing to the Commonwealth from the deliberations of the convention last week and in the future, but it could have been left out of the discussions.

The Treasurer has spoken of special grants recommended by the Commonwealth at the time of the last Premiers' Conference as being relatively conservative advances, the suggestion being that the Ministers (more particularly our Treasurer) were not able to accept them as being a reasonable distribution of additional funds. In a final paragraph, the Treasurer refers to the relative standards between New South Wales, Victoria and South Australia (a claimant State) as being important because, unless South Australia undertakes measures which can be clearly seen to be parallel with the taxing measures taken by the two major States of New South Wales and Victoria, the grants available to this State may be reduced.

It does not take great insight to realize that in this connection the Treasurer is adverting to the announcement he has made that South Australia should have a casino. He has said that the income to the South Australian Treasury from various gambling sources should increase to a level

relative to the income received from this source by the major States, so that this can be considered in connection with the special grants we receive. If the Treasurer sells out the State to this extent to get the last cent he can from the Grants Commission, I suggest that it shows that he has grossly misinterpreted the attitude of the people of the State. To argue that we must have a casino so that the spin-off from that source will establish relativity with the income derived from similar gambling activities in, say, New South Wales and Victoria is only one step away from arguing that we should have poker machines as well.

Mr. Langley: Tasmania and Victoria haven't got poker machines.

Dr. EASTICK: I have not said that we will have poker machines at first.

Mr. Langley: You said it wouldn't be long.

Dr. EASTICK: On several occasions the Treasurer has assured me that it is not intended to allow poker machines to be introduced here. However, the same Treasurer assured me, when I first became a member, that we would have the Chowilla dam and not the Dartmouth dam. The same Treasurer also told me that the State Government Insurance Commission would not enter into the life assurance field, yet he now says that during this session it is intended to introduce legislation to provide for the State office to enter that field. Therefore, how am I to take his statement that we will not have poker machines? What will be the position in future? Although I accept the statement that it is not intended to introduce poker machines now, if the argument is followed that this State's gambling income must approximate relatively the gambling income of the major States, I foresee a promotion of this type in the future. I say clearly that the Opposition believes South Australia can do without a casino and poker machines, and I hope that that will always be the position.

I deplore the fact that the Electricity Trust has been turned into a scapegoat for the Government, which first took 3 per cent of the trust's profits (this resulted in a tariff increase of 7 per cent) and has recently imposed an increase of 2 per cent (with other factors, this has meant a tariff increase of 11.1 per cent). This is another case where the money being syphoned off from the trust by the Government has increased the inflationary trend in the State. In this area, too, the income to the State is counter-balanced by the inflationary trend. I deplore this action, which affects a most efficiently managed instrumentality and which I believe has been taken against the advice and the principles of those responsible for running the trust.

On behalf of Opposition members, I compliment the new Under Treasurer (Mr. Carey) on preparing his first Budget. I understand what a load has been placed on his shoulders by the fact that the Commonwealth Government has told the State that it will provide certain funds and has then not provided them, has reduced them or has attached to them some special conditions. I am firmly convinced that Mr. Carey and his officers have been victims not only of Commonwealth direction but also of unnecessary policies which have been unmindful of real community needs and which have been forced on them by the Treasurer and his Cabinet. Having regard to the changing emphasis, to promises not being kept, and to the uncertainty whether direction and policy are coming from Canberra or from our own Ministers, I believe that Mr. Carey and his colleagues have come through these difficult circumstances well. I support the second reading.

Mr. COUMBE (Torrens): I have no doubt that this Budget is plainly and unashamedly inflationary and represents a blatant failure by the Government to accept its

responsibility. Even the Treasurer has admitted that the extra items of taxation that have been included add to the cost-push inflationary effect in South Australia. The inflationary effect of the Budget will flow through to the whole community. I, too, pay a tribute to the new Under Treasurer (Mr. Ted Carey), whom I have known for some years from my experience as a Minister and as a fellow member with him of the Industries Development Committee, for the good job he has done in difficult circumstances in preparing his first Budget. I direct my criticism not at Mr. Carey and his Treasury colleagues but at the Government.

Curiously, part of what the Treasurer said in his second reading explanation is already out of date, even before we have started to talk about the Bill, because of the wage increases that have occurred and also because of the new bond rate, which is yet to be announced, following the revaluation of the dollar announced by the Commonwealth Government over the weekend. As was the case with the Loan Estimates, the figures in this Budget are incomplete. The Treasurer said that the figures were based on the Commonwealth Government's estimate that the average wage and salary rates would increase by 12 per cent during 1973-74. Surely that indicates the inflationary trend we are experiencing. The Treasurer went on to say that, as a result of this, he had allowed \$10,000,000 for increased wages and salaries. I can only suppose that this \$10,000,000 is an intelligent guess, because how else could the Treasurer have arrived at such a rounded-off sum?

I have had some difficulty in researching the Budget papers, because of the changes from last year in certain lines and departments, as well as in Ministers. Added to this is the problem of the education provision, because of the Commonwealth Government's taking over responsibility for tertiary education as from the beginning of 1974. We are being asked once again, as a responsible Parliament, to approve important financial documents. Any fiscal measure is important, and I believe that the Budget of the State is the most important of all fiscal documents, but this Budget relies on events yet to happen.

Foremost in these are the operations, considerations and decisions of the Grants Commission. The grants received from the commission last year were substantial; there is no doubt about that. Last year, when speaking in the Budget debate, I forecast that the deficit anticipated by the Treasurer could be far less than the sum he stated. That, of course, is just what has happened: the deficit as at June 30, 1973, was much less than the anticipated deficit. I believe this is largely the result of the Grants Commission grants that have been made available. The same position could obtain this year, although we do not know, except that inflation might erode this to some extent. Once again, we are debating a set of documents, the end result of which we are not sure. The Treasurer has obviously made an educated guess in this regard.

If one looks at the balance sheet (if I may use that term) of the State, as presented on the first page of the Estimates of Revenue, one sees an anticipated grant yet to be received, and the sum shown there is based on that grant yet to be received. That is the estimated surplus in respect of the financial year to June 30, 1973. When we get this grant there will be a surplus of \$2,865,430, whereas the actual revenue deficit on current operations for the same period was \$3,910,567. So, in my view, because of these unknown factors, the Government is taking a definite and dangerous gamble, especially when the effects of inflation are taken into consideration, as they must be.

The Treasurer is gambling on receiving generous grants from the Grants Commission, just as he has received in past years. I must confess, however, that the Government is in a fortunate position in some respects in relation to the Grants Commission and the grants it will make. I have mentioned what happened last year, and the same could happen this year. Of course, this fortunate position is not the case (in fact, it is the reverse) as regards the Commonwealth general purposes grants that have been received; that is, reimbursements and grants for which the Treasurer criticized the Commonwealth Government and which he said was \$20,000,000 short of what he had asked for. The Government is fortunate with the Grants Commission grants, but very unfortunate in the deal it got from its erstwhile friends in Canberra. In considering the Budget, many of the inflationary effects are not yet known, but they are getting worse day by day. We must also consider the effect of the 5 per cent revaluation (or up valuation, as some people term it) announced at the weekend. I am afraid that many little people will get hurt, and these are the people with whom I am mainly concerned.

The Leader of the Opposition canvassed these matters fully and raised, for instance, the important aspect of house loans and mortgage payments, the rates on which will be increased. What about young people who will be trying to build their own houses in the next few months? They will find it more difficult to meet their commitments. What about those people who have just built a house and are paying off mortgages, or those who some years ago built or bought a house on mortgage? People who have budgeted for so many years on what they can afford in mortgage payments will suddenly find that their mortgage repayments have jumped to glory. This flows through the whole philosophy of Labor thinking: a person does not own his own house; everyone should rent. These rates will affect existing house mortgages, whether they are new or old houses. The bond rates will rise. The Minister of Labour and Industry is a financial wizard, and I am sure he will be able to confirm my assumption that State rates on repayment of loans for Government works will also have to rise.

The Hon. D. H. McKee: The Government will have to pay more.

Mr. COUMBE: Yes. I knew that the Minister was erudite in this regard: it will cost the State more, and it will cost every man, woman and child in the State more for every school, hospital and other Government building that is erected during the 53-year repayment period of the Financial Agreement. This is what is happening as a result of the Commonwealth Government.

The Hon. D. H. McKee: It never occurred when the Liberal Government was in office, did it?

Mr. COUMBE: Last year, what did that Government do? It reduced rates, including income tax, and raised the exemption for the small man so that more people did not have to pay income tax. That is the difference in our philosophies. Furthermore, that same Liberal Government removed itself from certain fields of taxation for the benefit of the States. At present, we are in the position not of full employment but of over-employment; there is no doubt about that. I was pleased to read the employment figures announced today and the comments of the Minister of Labour and Industry in this regard. However, I also recall vividly that, before the 1972 Commonwealth election, Mr. Whitlam, then Leader of the Opposition, and Mr. Clyde Cameron were saying that by this time this year unemployment in Australia would increase to 200 000. Do members opposite not

remember that? The action taken in the 1972 Commonwealth Budget has brought about much of the recovery that has now been made.

The Hon. D. H. McKee: The people fixed that Government up!

Mr. COUMBE: The Minister may try to talk himself out of this, but the facts cannot be denied. Another result is that overdraft interest rates will increase, and that will affect many people in this Chamber.

The Hon. D. H. McKee: Even you.

Mr. COUMBE: Yes, very much so. The action that has been taken could well put a brake on industrial development and create unemployment. The Minister of Labour and Industry, more than all other Ministers, should take note that, because of the increase in overdraft rates, there will be much hesitancy by industries about expanding. In addition, unfortunately, the investment allowance has been removed by the Commonwealth Government and this also will cause industries to hesitate about expanding and developing, when I know that the Minister and I would like them to expand and develop.

The Minister will not disagree with me when I say that South Australia is likely to be hit harder than any other State by this impost, because our manufacturing industries rely heavily on the automobile, pressed metals, and consumer durable industries. We in South Australia have a large concentration of this type of industry, and we will be affected much more than any other State, because imports will be cheaper and export markets will be difficult to achieve. If imported goods are cheaper, what will be the effect on our factory production?

This impost, when compounded with the tariff cuts of 25 per cent introduced earlier, raises serious doubts in a community about having confidence for the coming year. How exact are these Revenue Estimates when we consider the factors that I have just mentioned? I repeat that the Treasurer is at present gambling financially with the future of all South Australians. Last year receipts from many items, especially land transactions, exceeded the estimates that had been made a year earlier. Will that position recur this year? Has the Treasurer calculated as closely as possible, or is he gambling again, especially in view of his proposed land legislation?

What about my rural friends, the men on the land, for whom some of our members are able spokesmen? What about rural prices and production, especially since the removal of certain subsidies, the tariff cuts of 25 per cent, and the revaluation on two occasions, resulting in cheaper imports and direct competition with what these people produce? Surely these matters will affect the record deficit that has been forecast already and the Revenue Estimates that we are considering. The matters that we are considering today must create doubts.

Let us look closely at the items in the Budget. First, I refer to the method of announcing the Budget, because the press reacted to the Budget speech (and I do not blame the press for that reaction) by saying that no new taxation increases were announced in it. One only has to look at the newspapers of the day after the Budget was introduced to see that. What really happened was that the Treasurer had announced all his imposts and increases before introducing the Budget.

Mr. Venning: A very cunning move!

Mr. COUMBE: It was a shrewd move. The imposts were solid and were announced at the end of June, when the Treasurer came back from his disastrous meeting with Mr. Whitlam at the Premiers' Conference. The facade is that this is a mild Budget, with no increases, and the

people of South Australia could be lulled into believing that they had a benign Government. However, what are the realities of the case? Our citizens are beginning to wake up and find out the facts. The increased taxation charges will yield no less than \$18,400,000 in a full year. Growth taxes are included in these charges, so this figure will increase progressively as we go along.

I wonder whether every member opposite has read the Revenue Estimates, but the total Revenue Account receipts are expected to increase in 1973-74 by \$90,700,000, or by about 17 per cent. That is the amount of additional money that will be taken from the citizens of South Australia in one year, yet we have been told that there are no increases in the Budget! We all know that these charges have been forced on us largely as a direct result of the actions of the Commonwealth Labor Government, as we have said several times by short-changing the States in their just allocations, especially allocations that should have been made to South Australia.

I consider that this is part of the long-term plan of the Commonwealth Labor Government to make the States more and more financially dependent on the central Government, leading up to centralism, as against federalism; in other words, the concentration of all power possible in Canberra. We know that this is Labor policy, and the Prime Minister is clear on this aspect. Recently he stated:

I favour a unitary Government.

He wants one Government in Canberra and one House of Parliament (only a Lower Chamber), and he is trying to achieve that as quickly as he can, so we can relate that long-term planning to this Budget. The Leader has mentioned several items and I mention, first, water rates, because I remember that, when I was Minister of Works, I was criticized for having the temerity to increase water rates in South Australia. Members of the present Government, who were then in Opposition, roundly criticized me and the Government of which I was a member for increasing water rates. However, what has the present Government done now?

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

Mr. CUMBE: In the process of conversion to metrication and the rounding off of these charges to a convenient figure, the prices of both rebate and excess water are increased from 40c for each 1 000gall. (4 546 l) to 45.5c for each 1 000gall. This is the greatest single increase I can recall, but I emphasize that this is on both rebate and excess water consumption. At the same time as it increased the price of water, the Government carried out a revaluation of properties, as we all know—upwards, of course. These two factors together will bring in a further \$2,000,000 in a full year. And, because of the revaluation of properties that has been carried out and the effect that it will have on the amount of rebate water allowable, many householders will find that they are being charged for a greater amount of excess water, which again will attract the new rate of 45.5c for each 1 000gall.

Pay-roll tax has been increased from 3½ per cent to 4½ per cent. This is truly a growth tax of the type to delight the heart of any Treasurer, because any Treasurer likes to have a growth tax. A full year's tax at present wage rates is estimated to bring in \$11,500,000; but that is the estimate at present rates. As we go through the year, undoubtedly wage rates and salaries will increase, so the amount of pay-roll tax will increase. I have heard nothing about the exemption rate being increased, and there is no mention by the Treasurer about it.

Every wage or salary increase will swell the amount that the State's coffers will receive. It is, of course, unfortunately a sectional tax. On principle, I do not favour sectional taxes. However, this tax was levied by successive Commonwealth Governments for years, and it is now in the hands of the State Governments. I recall that when this was being discussed earlier (I was speaking on the Bill to increase pay-roll tax from 3½ per cent to 4½ per cent) the member for Adelaide interjected with a comment to the effect that this was being levied upon those who could afford it. That was a typical comment from the member for Adelaide. How wrong he was! I suggest that this shows his abysmal knowledge of economics and the facts of life, because he should know that this tax, together with the solid increase that has been announced in taxation on private companies from 37½ per cent to 45 per cent this year, and 47 per cent in the year to come, will add directly to the cost of production throughout the State and to the cost of items purchased by the consumer, and so it will further add to the inflationary spiral.

Hospital fees are to be increased once again, this time by \$4 a day. This will attract \$1,800,000 in a full year. Then Marine and Harbors Department charges are up. Pilotage, tonnage and conservancy dues have been increased by a solid 50 per cent, and wharfage charges by 25 per cent. These will yield \$1,500,000 in a full year. Members will realize that both inward and outward freight costs are hereby directly affected, and again this must flow through to the community.

The dramatic impost which directly affects everyone in the community is the increased levy on the Electricity Trust of South Australia. The increase is from 3 per cent to 5 per cent on sales of electricity, yielding an extra \$1,600,000 in a full year. This is a growth tax also, because the sales of electricity are increasing each year, so this amount is likely to increase. The effect of the levy was the announcement by the trust that tariffs would be increased by 11.1 per cent—no small item. Every householder in this State, apart from commercial and industrial users, local councils and instrumentalities, will be affected. This is probably the most glaring and blatant example of a direct inflationary move that will directly affect most of our citizens in their cost of living.

When speaking on this matter previously, I said that the previous levy had caused the Electricity Trust to incur a loss. This is reported in the current Auditor-General's Report. In the last financial year, the statutory contribution under the old 3 per cent was \$2,200,000. That left a nominal balance for use in this major undertaking, according to the balance sheet, of a mere \$409,000. This year there will be only three-quarters of the year affected at the extra 2 per cent rate, but with the extra cost of generating electricity this small amount of \$409,000 will be gobbled up straight away.

When this levy was introduced it caused the Electricity Trust, a most efficient organization, to have its first loss since 1948. When the balance sheet is prepared for the year ending June 30, 1974, it will not surprise me to see that the trust has once again made a loss. The items to which I have referred are the five new tax measures which have been introduced by this Budget and which will have a very marked inflationary effect on the people of this State, yet these taxes are included in a Budget which was described as a Budget with no tax increases. That is the irony of the whole thing. Why were these charges necessary? That is the question that is being asked by many people today in this State who will, after all, have to foot

the bill. They are entitled to know the answer, which is simple: let me spell it out.

Last year, following the February Premiers' Conference and the June meeting, even the Treasurer had to acknowledge the extra moneys which were made available, and he was gratified that Mr. Snedden, the then Commonwealth Treasurer, had made such unexpected amounts available to South Australia. Further, Mr. Snedden announced that the Premiers should meet in about February of this year to review the financial position with a view to making further adjustments.

What happened is of course now history. The Labor Government took office late last year and, when the Premier of this State, prior to the State election, requested a meeting of Premiers for February, as had been promised by Mr. Snedden, the former Commonwealth Treasurer in the Liberal Government, to review our finances, as was done last year, he was told, in effect, "Go home, sonny boy, and wait until I am ready in June." That is the answer he got from his buddy Gough Whitlam. We know that is what really happened, and that was from a Labor Prime Minister to a Labor Treasurer who, after all, had received a pretty good deal last year from the then Commonwealth Treasurer, a Liberal. This is the rebuff that the Labor Prime Minister handed out to all Premiers. So, in June the Treasurer met the Prime Minister and, as we all know now, after confidently expecting a pretty generous hand out from his friend he returned home to Adelaide muttering some very unkind things about his former friend, because we in South Australia (and the Treasurer admitted this) did not receive what we needed and expected—to the tune of \$20,000,000. So, the taxes to which I have referred were imposed. The Treasurer himself had to admit regretfully that he was disappointed that the taxes would have an inflationary effect.

About three or four weeks ago I asked the Treasurer whether he would seek a further Premiers' Conference later this year to secure more funds, and he replied that he could see little point in seeking such a conference and that the next regular conference would not be in February, 1974; we would have to wait until June, 1974. Honourable members can check that reply in *Hansard*. What a reversal of form by the Treasurer's friends in Canberra, compared to the excellent treatment he had received from the former Commonwealth Government. So, greater taxes will be imposed in South Australia because the Commonwealth Labor Government did not give us the amount which we sought and which was considered necessary by the Treasurer to maintain the services to which the people of this State are entitled. Taken in context with the Prime Minister's election statement that he himself would not increase taxation, we can now see his ploy: he is keeping his own election promise and he has forced the States to increase their taxes. In so doing, he has furthered his centralist views by making the States, particularly South Australia, increasingly dependent financially on the centralist Commonwealth Labor Government.

Mr. Venning: That is part of the big plan.

Mr. COUMBE: Yes. I turn now to the effects of the increases in State taxation. As at June, 1970, about a month after the Labor Government assumed office here, the amount of State taxation was \$56,400,000 but by June, 1974, the figure will reach the truly staggering level of \$137,700,000.

Mr. Becker: A 144 per cent increase.

Mr. COUMBE: That is the figure I have here. That tremendous increase has occurred during the few years of Labor Government in this State. That is the price

that we in South Australia are paying for having a Labor Government in power. In fact, in this year alone the increase in taxation regarding one item alone is \$22,200,000. At June 30, 1970, soon after the Labor Government came to power, the incidence of State taxation was just over \$50 a head, but last year it had increased to \$95 a head and, on the basis of the present impost, I estimate that it will increase to \$115 a head. That is the price we are paying for having a Labor Government here in South Australia. The same point applies in connection with the line "Public Works and Services". In the year ended June 30, 1970, the estimated revenue in connection with public works and services was \$143,400,000 but by June, 1974, the figure is expected to increase to \$248,015,000. I am referring to the Engineering and Water Supply Department and other public utilities. So, in that line we will see a doubling of taxation. I wish to refer to that part of the Auditor-General's Report dealing with the amounts paid in connection with acquisition of land for "freeways", the word used in the report; I stress that the Auditor-General does not use the term "high-speed corridors".

Dr. Tonkin: The Auditor-General is always explicit.

Mr. COUMBE: Explicit and impartial. The total amount spent in this connection increased dramatically; in 1971-72 it was \$2,780,000, but in 1972-73 it was \$4,210,000. The expenditure of \$4,210,000 on the acquisition of land for freeways was \$1,430,000 greater than the amount for the previous year. If that does not involve the Metropolitan Adelaide Transportation Study, I will go "he". The Auditor-General's Report states:

The amount shown against central north-south freeway included an amount of \$1,500,000 paid for land (approximately 12 acres (4.86 ha)) and buildings situate at Mile End.

I stress that that is part of the original M.A.T.S. plan. I hope someone will do some explaining. I warmly welcome the increased spending in the Education Department, especially since the State Government is keeping its undertaking that, when the Commonwealth Government takes over responsibility for tertiary education from January 1 next, it will not only meet its obligations but increase them. Page 61 of the Auditor-General's Report states that the cost of educating a primary school student in the year ended June 30, 1971, was \$222, but in the year ended June 30, 1972, it was \$274. The cost of educating a secondary school student in the year ended June 30, 1971, was \$417, but in the year ended June 30, 1972, it was \$507. The report states:

These figures, which are supplied by the department, include payments for administration but exclude debt charges on Loan funds.

So, the figures have nothing to do with buildings; they refer to the cost of educating students. It is interesting to see the figure of \$507 related to the amount made available to independent schools by both the State and the Commonwealth. Such comparison illustrates the worth of the independent system in our State and in our nation, and shows how much the Government really can save the State education system by promoting and assisting independent schools of various types in this State. We have before us tonight a Budget that is definitely inflationary in all respects and which, unfortunately, will have a direct effect on cost-push inflation for many years to come. There is no doubt about this, and I cannot emphasize it too strongly.

Mr. Langley: Oh!

Mr. COUMBE: I am simply quoting the Treasurer, and these are the words he used. I think he would know more than the member for Unley. Further, the Budget (and

no-one can argue about this) imposes severe taxes on our long-suffering citizens. When I spoke of increases in water costs a few moments ago, I was reminded that the former member for Stuart, when in Opposition, had the guts to complain in this House about the increases imposed by me, as Minister of Works, on the Napperby and Nelshaby citizens. I invite the present member for Stuart to criticize his own Government for putting on a much more severe slug than ever I did. This is an inflationary Budget, and it will be a very severe impost on everyone in South Australia.

Mr. MILLHOUSE (Mitcham): I was away when this Budget was introduced, and the only thing I heard about it in Queensland was that it did not impose any new taxes.

Mr. Gunn: That was a deliberate untruth.

Mr. Langley: How is your suntan?

Mr. MILLHOUSE: I did quite well with the suntan.

Mr. Langley: Was there an L.M. conference up there?

Mr. MILLHOUSE: We have not quite got to Queensland yet, but it will not be long. Whether or not it was a deliberate untruth I do not know, but five new taxes had been announced before the Budget was introduced. Since I came home, I have read the document and I can see why it has cut so little ice. I would not have spoken to the first line in this debate (I would have followed the pattern, apparently, of the Government Party in not putting up speakers in this debate) if it were not for one thing: last week we had in Sydney the Constitution Convention. This is the first day of sitting since then and, so far as I am aware, the convention has not been mentioned.

Mr. Evans: It has. The Leader mentioned it.

Mr. MILLHOUSE: Well, it flowed past me; I will put it that way. I believe something should be said about the convention, and I presume to do it in this debate because the central theme (although there were others) of the convention was the question of Commonwealth-State financial relationships. In this Budget, according to the explanation by the Treasurer, of a total revenue of \$611,636,000, the sum of \$222,490,000 will come directly from the Commonwealth; that is, according to my arithmetic, which is never very good, 36.4 per cent of the total income of the State coming from the Commonwealth. I made a speech on this theme as long ago at 1960, when I pointed out that, unless the States gained some financial independence of the Commonwealth, the federal system of government was finished. I have looked at the Budget figures for 1960 and I find that the proportion then was almost precisely the same as it is today; perhaps a few points of a per cent less came from the Commonwealth, but slightly more than 36 per cent of our income in that financial year also was budgeted from the Commonwealth. To that extent the situation has not changed; it is just as bad today as it was then.

The central theme of the convention last week was the financial relationship between the States and the Commonwealth, and that is why I raise the matter in this debate. It may be, in any case, the only opportunity I have to speak generally on this topic, which I consider quite important. On the personal side I found myself somewhat lonely. Apart from Senator Gair, who was the only Democratic Labor Party Parliamentarian present, and a few members of the Tasmanian Upper House who claim to be (and I accept their claim) Independents, I was the only delegate who was not a member of either the Australian Labor Party, the Country Party, or the Liberal Party of Australia. So I was a loner, and that perhaps gave me a better opportunity to assess what was going on and the

strength of the personalities involved than I otherwise would have had; at least I was not beholden to anyone and I tried not to become beholden to anyone.

There is no doubt in my mind that the dominating figure at the convention was the Prime Minister (Mr. Whitlam). This is not surprising; he had the dominant official position. However, he also exerted quite a powerful personality, and I did not think that the papers treated him fairly in saying that he was being entirely domineering and arrogant. He did not give me that impression at the convention. Certainly, he followed clearly the line he has always followed, the line of centralism. I was going to say he made no secret of it, but I think he did try to dissemble a little, but his philosophy was perfectly obvious. Senator Murphy was the other Labor man who made most impression on me. He was, as always, florid and showy in his speech and, without there being much real content in what he said, it was impossible ever to attach a precise meaning to what Senator Murphy said.

Mr. McAnaney: He is a lawyer, isn't he?

Mr. MILLHOUSE: I tried to pin him down on a number of occasions, but without success.

Mr. McAnaney: He is a lawyer, isn't he?

Mr. MILLHOUSE: The member for Heysen, like a cracked gramophone record, repeats, "He is a lawyer". That should dispose him to rather more clarity of thought than the opposite. On the non-Labor side in my view the outstanding personality, without any shadow of doubt whatever, was the Premier of Victoria (Mr. Hamer)—outstanding because he was a reasonable man in his approach and an unassuming man in his manner. I thought he had more influence on delegates than had any other non-Labor delegate present.

Mr. Venning: What about the Western Australians?

Mr. MILLHOUSE: I think I would put Sir Charles Court next after Mr. Hamer as having made most impression on me. That is enough on the personal side: far more important was the political philosophy that informed the delegates. As I said what I am saying now at the convention, I make no apology for saying it in this Chamber. It was absolute nonsense for people to ask others to put aside Party politics; we could not do that. We are all politicians: we all go to such meetings with our own particular philosophy. Although I did not do an actual sum, half of the representatives at least were Labor men by conviction, pledged to Labor objectives, and the philosophy of the Labor Party is Socialist and centralist.

Mr. Simmons: What about republican?

Mr. MILLHOUSE: It may be republican, but for my purposes this evening I content myself by saying that it is Socialist and centralist. I think that, on the whole, the rest of us were not Socialist or centralist, but we were as divided in our political outlook as we were in our political organization; we were all over the place.

The Hon. D. H. McKee: That is right.

Mr. MILLHOUSE: There is no point in hiding it. I am not talking particularly about the South Australian situation; there are more Parties in the other States than there are here. The point I am making is that the Labor members were batting as a team, irrespective of the State they came from or whether they came from the Commonwealth. As the rest of us were going our own ways, I believe we were therefore ineffective against the Labor team. Let us take the situation of South Australia's delegation of 12 members at the convention. Except to have our photograph taken, we did not ever meet as a whole. On one occasion I left the room that had been

allocated to us because it was perfectly obvious that the Labor members wanted to have a caucus on their own.

Mr. Simmons: Did you have a caucus on your own?

Mr. MILLHOUSE: Yes, in my own room. Whether or not the Labor members ever got together with the L.C.L. members I do not know. I doubt it, but in the nature of things I would not know anyway. I do know that the Labor members clearly worked together. The impression I got was that neither the Prime Minister nor any member of his Party who was at that convention was willing to give an inch on the central theme of the financial relationships between the States and the Commonwealth. In their view, all the power should be flowing one way, and that was towards the centre. The Prime Minister asked straight-out for reference of the power to control prices and incomes. He asked for that, I think, on the first day, and he kept on asking for it. He emphasized the importance of the Commonwealth Parliament and Government being able to exert a measure of control over the Australian economy. I agree that it is a national economy and a national task. All I asked him, as others asked him in the debates, was what he was willing to give to the States in return to redress the balance.

I, and others, said that the States should be willing to give quite a lot to get some measure of financial independence. I asked the Prime Minister what he was willing to give, but he did not answer that question. Obviously, the Commonwealth Government does not want to give anything to the States in return for the powers for which it asks by way of reference or which it will seek by way of referendum. Almost all the agenda items suggested the transfer of powers to the centre on such matters as defamation, family law, and other matters which have been traditionally, and I think properly, within the province of the States. I am willing to consider any transfer one way or the other; the significance to which I point is that the suggestions were all in one direction.

Mr. Simmons: What about referring Commonwealth powers to the States?

Mr. MILLHOUSE: The honourable member, who was one of my fellow delegates, sat next to me during the convention and I was glad to have his company. He asks about the referral of power by the Commonwealth to the States, but that concession is so minute as to mean, in my view, nothing. What is suggested is that the power which State Parliaments now have to refer matters to the Commonwealth Parliament should be duplicated the other way so that the Commonwealth Parliament may refer powers to the States. It is fine to give the Commonwealth Parliament that power but, if any member here thinks that the present majority in the House of Representatives is likely to transfer to the States any significant power, he is sadly mistaken. The only powers the Commonwealth will transfer will be transferred for the sake of convenience to get over the recent decision to the effect that State law does not run in Commonwealth places, and so on. Of course it will be no more than that, and it need not even be that. If in years to come there is a Government of a different complexion in Canberra this referral could conceivably mean something, but at present I believe that the concession is so small as to be meaningless, and we do not even know the terms in which the concession will be couched.

Mr. Simmons: Retail sales tax.

Mr. MILLHOUSE: All right.

Mr. Simmons: You said the Commonwealth offered nothing.

Mr. MILLHOUSE: We have not got that tax yet.

Mr. Simmons: It was offered.

Mr. MILLHOUSE: I wonder whether it was offered. On analysing the speeches, I doubt whether it was even a straight-out offer of the power to impose a sales tax. I am not a centralist. I hope I am not a one-eyed States-righter, although I fear that some people at the convention thought I must be. I believe that there should be a redress in the balance of the Constitution in the light of 70 years of national history and in the light of our hopes for the future of this country.

I hope I have an open mind on this, but I am certainly opposed to out-and-out centralism for two reasons: first, as a matter of naked political interest, if we have one national Parliament exercising all powers in Australia and if we assume it will be elected on democratic lines, obviously the preponderance of members in that Parliament will come from Melbourne and Sydney—from the south-east corner of Australia. In the nature of all democratic institutions that preponderance of membership from that part of Australia will have the preponderance of political influence. That must happen because that is where the political power in the country will be. As that membership will naturally get the preponderance of political favours, that will mean a very bleak outlook for South Australia, Tasmania, Western Australia, and even Queensland. If for no other reason at all, South Australians should oppose the centralist form of Government, because we will be left high and dry in favour of the thickly populated south-eastern corner of the continent.

Mr. Keneally: You're going well enough to be elected Leader on this.

Mr. MILLHOUSE: I hope that the member for Stuart will continue to listen to me and think that I am doing just as well on my next point. One matter that would have pleased you, Mr. Speaker, but which rather threw me was that it was a very well-behaved gathering, and only a few interjections were made. Perhaps we had not all found our feet. I do not know. The Speaker had hardly anything to do. The second point I make, and the second reason why I am against a central form of Government for Australia (and I suppose that it will not appeal to the member for Stuart as strongly as my first point did), is that his Party is a Socialist Party; there is no question about that. Socialism involves Government control, which requires Parliamentary power. Obviously, if the central Government can be given power to control the economy and everything else, it will be easy to bring full-blown Socialism to Australia. The Labor Party need only control the Parliament as it does now to be in a position to make Australia into a completely Socialist country.

Mr. Gunn: That is what the Labor Party wants.

Mr. MILLHOUSE: It wants to do it. I disagree with it, because I think it would be bad, and I will use the Constitution and anything else I can to see that it does not happen. That is the second reason why I am against it. What is the future likely to be? Was there any outcome from this Constitution Convention? I think we spent the whole week (and I think that the member for Peake would agree with me) in the shadow of the comment made by the Governor-General when opening the convention. He said that one outcome of the convention could be that it was a monumental flop, and I think that that comment was something that was with us for the whole week. I think it very likely that it will turn out to have been a monumental flop, but I am not quite as pessimistic about that as I was on the first day, certainly when the resolution was moved that we should not sit at night so that we could go to all the parties that had been arranged for us. That resolution was seconded by the Hon. Mr. DeGaris, and I opposed it.

Mr. Venning: On principle.

Mr. MILLHOUSE: It made it easier. I was rather inclined to think that the aim of the exercise was to keep us there, to give us a junket for the week, and ensure that we did do not any work in the debates themselves. The form of the resolutions being debated was that we should merely take note of the various items on the agenda. There is, I believe, a slim hope that, through the setting up of the four committees, some work can be done, and that the convention will be called together again and will have some specific proposals to debate. Because of the divergence between the Labor members on one side and the rest of us on the other side of political philosophy, whether we will be able to get anywhere when we debate those specific proposals, I do not know. I certainly do not share the starry-eyed optimism of some of the delegates who even started to discuss how section 92 of the Constitution could be amended. I am reminded of the last day of the convention when, as I was having lunch, at the next table to me were some men who did not know or care who I was. They were discussing the convention and I heard one of them say, "They can think twice if they think I am going to vote for any more power in Canberra." I believe that will be, as it has always been, the outlook of most people in Australia, and there will not be many constitutional changes unless we are entirely agreed on them. I have one reservation about the committees themselves, namely, their size. They are apparently to be so composed as to allow the Government and Opposition members in every Parliament to be represented on every committee.

Mr. Keneally: Did you make any of them? If you didn't, they are not too bad.

Mr. MILLHOUSE : We will have to wait and see. The committees will be very big. The Commonwealth Attorney-General, in his frank way, said that, in his view, they would work only if most of the people stayed away from them, when we made the point that a committee of 17 was somewhat large. I think that Senator Murphy is probably right, because 17 is too large to get any work done.

Mr. Simmons: You agreed with him on the Bill of Rights, too.

Mr. MILLHOUSE: Yes, I showed my enlightenment in supporting Senator Murphy on the question of the Bill of Rights, and I have since made the suggestion, which was on the tip of my tongue at the convention, but modesty forbade me from mentioning it—

Mr. Harrison: That's something new.

Mr. MILLHOUSE: —that he could use my Bill as the model for the Commonwealth Bill of Rights. For the enlightenment of Liberal and Country League members here, the only speech the Hon. Mr. DeGaris made was in opposition to a Bill of Rights, because he said that it would bring in the hated one vote one value principle, which we could not accept in Australia. That was the only contribution the Hon. Mr. DeGaris made, apart from seconding the motion that we did not sit at night during the convention.

Mr. Gunn: What about the contribution of the member for Peake?

Mr. MILLHOUSE: He can speak for himself, if his Party allows him to do so. I do not propose to say any more about the convention.

Mr. Evans: You don't like the central octopus?

Mr. MILLHOUSE: I hope that its tentacles can be cut off before they entangle us all, and the member for Fisher must agree with me on that. But central to all

this is the question of the financial relationships between the various Governments of this country. If we are to continue to be dependent on the Federal Government (the Australian Government, as Mr. Whitlam prefers to call it, but it was pointed out by an Independent from Tasmania that "Australian" is not mentioned anywhere in the Constitution), then we have had it as a State Parliament with even a semblance of independence. If the Commonwealth Government is to do as the Prime Minister says it will do, that is, use section 96 of the Constitution—

Dr. Tonkin: I think that's contrary to the Constitution.

Mr. MILLHOUSE: —which gives power to make grants for specific purposes conditionally, and uses that power ruthlessly to oblige the States to take certain courses of action both legislative and otherwise, and unless that action is taken the money is cut off, then we can say goodbye to a federal system of Government in Australia and we will be left with the worst of all worlds. We shall be left with the shell of the Constitution and the federal system without any substance in it. The State Parliaments and Governments will merely be a waste of time. They will remain and, presumably, the members will be paid, but the predominance of power will be in Canberra and the States will have merely a damned nuisance value to the central Government. That would be the worst possible so-called solution to our problems.

I only hope that, in some way, faint though the hope is, the federal system will be made to work by the processes that we started last week in Canberra and that, perhaps in a modified form, the States will survive and continue to play a meaningful part in this country. I do not intend to speak on anything else in this debate. I shall raise several matters in the debate on the lines but, in supporting the second reading, I content myself with what I have said about the Constitution Convention last week.

Dr. TONKIN (Bragg): After reading the Treasurer's Financial Statement, I agree entirely with the member for Mitcham: this is a most unnoteworthy document. One gets the impression of blandness and lack of apparent controversy. One can read the lines and see that there are certain issues that need (indeed, demand) analysis, but generally speaking it is a soft sell. It is a run-of-the-mill document and, of course, that is exactly as the Treasurer intended it to appear.

When one reads between the lines, as previous speakers have done, one sees that there is cause for alarm and disturbance. The Leader has said that this Budget depends for its viability largely on the inability of the Commonwealth Government to control inflation in this country, and I do not think that there is much doubt about that. The inefficient and inept efforts by the present Commonwealth Government in this field are well known to us all, although members opposite do not accept that. It is, in fact, the Commonwealth Government or, under the terms of the Act, the Parliament of the Commonwealth, for the Attorney-General's benefit, and doubtless he is aware of this—

The Hon. L. J. King: It is the Parliament of the Commonwealth of Australia.

Dr. TONKIN: Exactly, and the term "Australian Government" does not come into it anywhere.

The Hon. L. J. King: Nor does "Commonwealth Government" or "Commonwealth Parliament". You can have either the whole mouthful, or none of it.

Dr. TONKIN: I am sure that the Attorney would like me to go on debating this issue for the whole of my time this evening, but I do not intend to do that. During an earlier debate in this House on a motion for

adjournment, members opposite were extremely vocal about the present Commonwealth Government's handling of the inflationary situation and were critical that we should be critical. However, I have not heard that said by members opposite this afternoon or this evening. I take it that none of them will speak in the debate. I suppose it is good of some of them to be in the House to support the debate, but certainly they are not making any complaint about a credit squeeze or unemployment now.

I have no doubt that the present Commonwealth Government is using inflation as a lever to achieve its aim, namely, to have a Socialist republic for Australia. The preceding remarks have made this clear. Our Budget in South Australia depends on inflation for its viability. Obviously, it is not spelt out that way, but on page 5 of his Financial Statement, the Treasurer states:

Corresponding to the increased wage levels and higher prices on the payments side of the Budget, there is a natural increase in the revenue yields from State taxes and charges. Further, there is a natural increase in those yields as a result of the growth of population. The normal growth in the volume and value of business, then, generates increased revenues which are available to meet a part of the increased costs to the State Budget.

That sounds reasonable but it means merely that, as long as we continue with the present rate of inflation and population growth, we will be all right. I admit that the Treasurer put in the term "growth of population" and I accept population growth as a possible reason, but I cannot accept the other point. If what we have experienced so far is normal growth of business, heaven help us if we ever have an abnormal growth! Population growth is fair enough, but it is not the only answer. The Leader has said that this Budget is evidence that the Commonwealth and State Australian Labor Party Governments are out of step. He said that the State Government was not doing as well as it expected with the Commonwealth A.L.P. Government, and certainly, on the surface, this seems to be the case. The Treasurer came back from the Premiers' Conference upset about not getting the money that he wanted. In his Financial Statement, he states:

It follows that, in concert with other State Governments, we have fought strongly for an improved share of the rapidly increasing revenues from income tax, which has been under the control of the Australian Government since 1942.

I suppose one would expect him to come back feeling upset about not getting the money he wanted. He must create some sort of good impression, but I consider that the Commonwealth A.L.P. Government and the State A.L.P. Government are much in step. Once again, let us look at the Treasurer's statement. Who was the first person to offer to give away the State's power in relation to price control in response to the Prime Minister's request to the State to do this? On cue, our Treasurer said that South Australia would be pleased to give those powers to the Commonwealth Government. I am surprised that the Prime Minister could even finish the sentence before the Treasurer of this State spoke.

I think the Treasurer of this State has no business making remarks like that without first consulting the Parliament and people of this State. He has every reason to consult Parliament and the people. That is what Parliamentary government is all about, but obviously the member for Stuart does not realize that. I consider that this Commonwealth Government and the State A.L.P. Governments have a common aim and that common aim results from no contradictions on any actions that have been

taken. It is a conspiracy (that is not too strong a word), because the members of both Governments are committed totally to a central Australia Government, a Socialist republic for Australia. I thought it rather interesting to find this statement on page 7 of the Treasurer's Financial Statement:

We propose to refrain from introducing any more tax measures at this stage, to keep a careful watch on Budget trends, and to take such action as seems appropriate from time to time.

Mr. Mathwin: That's a beauty!

Dr. TONKIN: That is very good. It leaves the field wide open. One can make up his mind that he will do something one day and not do it the next. I suppose that the Government could expect to be forgiven for not having a definite policy on its financial affairs, but that is not a sensible view, although it may appear to be so on the surface. Appropriate action probably will be the acceptance of special grants. Special grants, it has been pointed out before, will be made on conditions, with strings attached, and with those strings attached we shall find there is more and more State dependence on Commonwealth Government funds, more and more potential for blackmail, and more and more whittling away of the State's responsibilities, thus reducing this State Government and this State Parliament to the status of agent for the Commonwealth Government and eventually, with so-called rationalization, doing away with State powers. I am glad that the member for Stuart is honest enough to admit that this is the long-term plan. "Conspiracy" is not too strong a word to use.

Mr. Keneally: I think I will have to make a personal explanation if you think you can get that in *Hansard*.

Dr. TONKIN: I have every confidence in the ability of the *Hansard* reporters. I am sure it is there. In the Treasurer's Financial Statement, there is no indication of the serious implications that some of the features of this Budget will have on the future of South Australia. Indeed, in places the whole statement reveals a delightful vagueness about the whole deal.

Mr. Mathwin: Like that play in which he will take part at the zoo?

Dr. TONKIN: No. That relates to individual animals in a specific way. Let us consider the passage on page 1:

The Budget forecast for 1972-73 was for a deficit of \$7,518,000, including a provision of \$7,000,000 for future wage and salary awards. Half way through the year it appeared that the deficit would be considerably in excess of that forecast but, because of some very big and unexpected increases in revenues and some economies on the expenditure side of the Budget, the final result showed a great improvement.

Goodness me! When did these "unexpected increases" become unexpected? Why were they unexpected, where did they occur and where did the economies occur? We know where the increases occurred. The Motor Vehicles Department was \$1,220,000 up in actual receipts; stamp duties were up by \$8,600,000 and pay-roll tax was \$11,540,000 up. I cannot for the life of me see how these can be "unexpected increases". They surely should have been predictable, if some sort of financial policy was being applied. The economies are rather harder to find: one can go carefully through the Financial Statement and it is hard to find where these economies exist. There is one which was obvious—Carrick Hill Estate, where a saving of \$194,000 was effected; so that was an economy. The fact that it was non-recurring from last year did not come into it; that was not emphasized. The Lands Department managed to save \$207,000, and Transport and Local Government (Miscellaneous) managed to save \$193,000. When they are all put together, one observes that there is no

saving at all. If we look at the right-hand column "Decreases" in the summary, we see they are all blank, so there has not been any significant economy in the administration of this State's revenues.

The Treasurer's statement lifts itself to a high plane but only in one or two sentences on page 4. I draw attention to the paragraph headed "The Government's aims and objectives". I will not read all the sickening preamble to this, but it states:

. . . this Government's primary aim is to improve the quality of life for all South Australians and, at the same time—

mark this —

to ensure that each person has the greatest possible opportunity as an individual to determine how he or she will seek that improvement and what life style he or she will pursue.

Reading that statement made me totally indignant. It is an example of gross hypocrisy. It is Liberal philosophy, pure and simple, and to think it was spouted by the Treasurer of an Australian Government who could not care less about individuals in our community made me nauseated.

Mr. Coumbe: It is not a bit of puffing, is it?

Dr. TONKIN: I do not know whether or not it is a bit of puffing. Liberal philosophy is a philosophy of extreme merit, which extends back to ancient Greek times. It has come down through the Christian era and has existed for centuries. The concept of freedom of the individual, respect for the dignity of the individual, respect for the opinions of minority groups, respect for the rights of the individual to "determine how he or she will seek that improvement (in quality of life) and what life style he or she will pursue" is all Liberal philosophy. Liberal philosophy has always believed in the rights of the individual to live in the maximum possible freedom, provided he respects and does not impinge upon the freedom of other people. In other words, he should not seek for himself more freedom than he is prepared to give other people. That is true Liberalism.

The Treasurer has the effrontery and the gall to put a statement based on Liberal philosophy into a document which is part of an overall scheme to control individuals, to make them subservient to a central Government. Laws are, or should be, designed by Parliaments to provide the maximum possible freedom for each individual while protecting the freedoms of all. I resent most strongly the inclusion of this statement of Liberal philosophy in the Treasurer's statement which, after all, is an important document. It may be a tribute (perhaps it is) to Liberal principles. We are told that imitation is the sincerest form of flattery. It may be that the Treasurer is an admirer of Liberal principles. If so, I wish he would show it a little more often. Obviously, he desires to adopt those principles in his speech, but nowhere else. I regard it as arrant impertinence and unashamed hypocrisy to include that statement in this document.

There can, of course, be no doubt of the hypocrisy of the Treasurer and the Government in this matter. They have paid lip-service in this document to a principle of which they appear to approve and obviously envy, but their records leave us in no doubt: they are certainly no Liberals or followers of Liberal philosophy. Already, the Commonwealth Government, with the help of the State Government, is destroying freedom of choice in health, education and housing, either directly, or indirectly by financial pressure. They are, sadly, unashamed Socialists.

I have several comments to make on details of the Treasurer's Financial Statement. On page 5 we read:

Of course, a bald statement about financial provisions does not tell the story about what is happening in physical terms, but it gives an indication.

Later, we see:

More information is available in other ways, for instance, in annual reports—
and this is a laugh—

in answer to questions in Parliament, and in Ministerial announcements.

Mr. Mathwin: We got the Auditor-General's Report today.

Dr. TONKIN: Yes. I believe that is a masterpiece. It is the best annual report we ever get. Annual reports are good, but I doubt whether asking questions in Parliament gets us any worthwhile information. I speak now of the question I asked recently about the waiting time for elective operations at public hospitals; this is directly related to the Budget, because there is provision in it to pay surgeons for their sessional work and to pay nurses and staff at those hospitals. It is important to know exactly how efficiently our public hospitals are run. I believe that the waiting time for elective operations has increased considerably; in fact, it has more than doubled. I want to know why the information is being held back. There should have been no difficulty in providing a reply to the question. I suspect that the information is being held back because, if the waiting time for elective operations is increasing, it does not say very much for the population's chances if ever the Commonwealth Government implements its nationalized health proposals.

Mr. Keneally: That is inevitable.

Dr. TONKIN: I agree that it is totally inevitable, if we are unfortunate enough to have those proposals introduced, that people will have to wait for more than a year for surgery at our public hospitals; in fact, the wait may be longer than a year. Although it is easy to criticize the questions that are asked in Parliament, we must remember that the quality of the replies leaves much to be desired. It is not just the quality of the questions: it is the quality of the replies from Ministers.

Mr. Becker: We had an example today.

Dr. TONKIN: Yes; it was a classic example. The following portion of the Treasurer's second reading explanation reveals a curious outlook:

A new assessment of part of the State is expected to yield an extra \$750,000 in land tax, but this will be substantially offset by the cost of the 50 per cent remission for pensioners.

I cannot understand why, when the Government is imposing taxes, it calls it a cost if it grants exemptions to some people. There should be a net estimate. The fact that the Government gives a concession to pensioners does not mean that that concession is costing the Government money; the concession is denying the Government money that it might otherwise have received, but it is not a question of cost.

Mr. Keneally: Aren't you playing with words?

Dr. TONKIN: The expert player with words, the Treasurer, is the one who is doing the job and he has done it very well. I will not talk about education, because other members on this side will have much to say about it. I welcome the announcement that the Hospitals Fund will finally serve the purpose for which it was originally established. When lotteries and the Totalizator Agency Board were introduced into this State under the Walsh Government, a Hospitals Fund was set up. The proceeds from lotteries and the T.A.B. were to go to the Hospitals Fund, and great play was made then that all the money that would be made from those sources would go to that fund, from which would come money that would otherwise not be available for hospitals. Here was a play on words again.

All members of the community thought that the money would be in addition to general revenue payments to hospitals, but the next Budget made the position perfectly clear. All the Government had to do was to put up just enough general revenue which, with the amount from the Hospitals Fund, added up to the amount that it would have spent anyway from Consolidated Revenue. This process has continued since then to a greater or lesser extent. For the first time, we see this year the following statement by the Treasurer:

On the other hand, there will be no direct contributions to the Revenue Budget from the Hospitals Fund, which will be needed fully in future for the benefit of subsidized hospitals.

I am more than grateful that the promise is finally being honoured. The term "community health programmes" is delightfully vague, and I am waiting with interest to see what will happen. The community health programmes may or may not be a good idea. The possible establishment of a community health centre at Elizabeth near the Lyell McEwin Hospital could well be a white elephant. Is the purpose of such a centre to employ doctors for after-hours visits? If it is, are the doctors to be paid on a fee-for-service basis? If they are and if that is the only reason for introducing a community health centre at Elizabeth (which appears to be the case from a recent press statement), where will the doctors be obtained to staff the centre and to do the after-hours services? It is the shortage of doctors at Elizabeth that makes it so difficult for them to provide after-hours services. Once again, I suspect that one or two potential white elephants may appear soon. The community health centre is one possible white elephant, and the community welfare centres could be others. The Treasurer's second reading explanation states:

The recent Budget of the Australian Government includes provisions towards these programmes and for services in mental health, alcoholism and drug dependency. The details have not been worked out yet, but it appears that South Australia may get about \$900,000 in 1973-74 for recurrent purposes.

I sincerely trust that those funds will be handled better than were the funds made available to the State Public Health Department from the Commonwealth Government some time ago, about which I asked a question on August 7, as follows:

1. How many additional officers were appointed to the Public Health Department as a result of the Commonwealth Government's grant for a drug education programme last year?

2. How many existing officers of the department were seconded to that programme and were paid from the Commonwealth grant funds for that service?

3. What was the saving to the State revenue which resulted?

The money was specifically for promoting health education in this State; the State was not told how to spend it, but that was the purpose for which it was given. The reply was as follows:

1. One additional officer was appointed last year.

2. Three existing officers were seconded to the programme, and they were paid from Commonwealth funds for that service.

3. The saving to the State revenue was \$29,266.

That sounded very much as though the books were being fiddled, and I asked whether the Treasurer could say whether State health services had suffered as a result of the seconding of three officers from the Public Health Department, as outlined, at the expense of the special Commonwealth grants for drug education. I said then it appeared that one of two situations arose: one was that the effective value of the Commonwealth special grants was actually reduced by \$29,266 because the State used that amount

to pay the salaries of officers already employed by it; the other was that the effective numerical strength of the Public Health Department in South Australia was reduced by three officers during that period. The answer came back today: State health services have not suffered in the slightest as a result of seconding three officers to work on the drug education programme. This leads us only to the conclusion that the State Government has fiddled \$29,266 out of a Commonwealth fund which should have been spent where it was meant to be spent, in direct drug education. If there is another answer, I shall be pleased to have it, because I am sure it will reassure many people.

I am pleased to see that recognition is being given to the increased costs of fostering incurred by foster parents, but I cannot let the occasion pass without mentioning the extreme difficulties under which foster parents work. I firmly believe in the principle of fostering children and I believe the home and family environment is by far the best they can have if they are not sufficiently fortunate to have their own families. However, extreme difficulties are involved and it becomes necessary at times to remove children from families who have fostered them for a number of years and who have formed extremely deep emotional ties with the children. The Community Welfare Department, although its officers do their very best, is so seriously understaffed that it is unable to give expert guidance and help to foster parents in this potentially explosive emotional situation, and a great deal more work must be done on this subject.

Not only must we think of the welfare of the children being fostered but we must consider the emotional well-being of those who are fostering. No-one will admit more readily than I that this is an extremely difficult problem. Somewhere an answer must be found and I was disappointed indeed when, earlier this session, the Minister said he did not intend to institute any inquiry into how this situation could be improved. However, these are matters of detail and I return to the broad issue. I repeat that there is a conspiracy afoot, deliberately using inflation, allowing it to build up to crisis proportions so that, in desperation, the States and the people of the States will be persuaded to hand over their responsibilities to the Commonwealth Government, and with those responsibilities they will hand over the future of the States as independent bodies. The people of Australia cannot afford to allow the Socialists to remain in office for any longer than is absolutely necessary. I only hope the tremendous harm they are doing to the people of Australia by their callous and calculating conniving will not be completely irreparable.

Mr. McANANEY (Heysen): I join with other speakers in congratulating the Auditor-General (Mr. Byrne) on getting out his report so early and setting it out in detail so that we can understand the true position. I also congratulate the Under Treasurer (Mr. Carey) and his staff on their efforts in preparing the Budget and other accounts in the usual efficient manner. I turn now to some problems in my own area, and I shall refer, first, to the outer metropolitan plan and its effect on Mount Barker. To me, the plan drawn up by the authorities appears to be neither commonsense planning nor good planning. I think the Director of Planning (Mr. Hart) has said that Mount Barker should remain a pleasant country town and that when tourists in the area leave the freeway they should see what a delightful country town it is. The town must be allowed to develop naturally, and it should not be cut by an expressway, limiting access and preventing normal expansion.

Right in the middle of the town it is proposed to widen the road by 50ft. (15.24 m) and to take down some fine gum trees. Part of the old rest home, a landmark, will have to go. To me this is bad planning and I hope these projects will not be carried out. A large open-space area has been created in Mount Barker. It will be limited by the expressway, but the open space area is far too great. Who is to pay for all this area? We are told that as much as 40 per cent of one area must be open space, but with a normal allocation it would be 12½ per cent. The Government should immediately provide the money to acquire this area. Another area to be classified open space has at least \$500,000 or more worth of houses on it at the moment, all hidden behind tall trees and not visible from the town. Why make such an area an open space? Near the freeway is a road along which a few houses have been built, and it has been said that this area, too, should be an open space. However, there are no trees, and if trees are planted around the houses, which are not then seen from the freeway, what harm are the houses doing?

A commonsense approach is required and I hope the complaints coming from people in Mount Barker will cause the authorities to reconsider the position and adjust the plan accordingly. A by-pass road around the open-space area would not restrict access and would not disturb the life of this fine town. About 16 months ago the Housing Trust started the construction of 21 houses, but no-one is yet living in them. Some engineering problems have been encountered and, although three years ago the Government said Mount Barker could have a common effluent drain, some other authority now says it must have deep drainage. Such blundering should not happen in Government departments. I spent 1½ hours ringing the Housing Trust and trying to sort out the situation and I was told one house could be occupied if it was painted, but I have been passing these houses for months and seen few tradesmen working on them. A tremendous amount of money is lying idle. At the end of June the Housing Trust had funds of about \$13,000,000 as compared with about \$4,000,000 in the previous June.

People are heartbroken because of this situation. They were told earlier that these 21 houses would be ready for occupation by last April or May. Some of these people are paying high rent, and this is eating into the deposit that they must have to buy one of these houses. Some who have arranged finance to purchase one of the houses have been told that if they do not use it soon they will not be able to have it. The Treasurer talks about the quality of life in South Australia, but this has deteriorated. I know that the Government can be congratulated for many things that it has done, but the sort of breakdown in competency to which I have referred must be corrected and some improvement brought about.

I now refer to my hardy annual. More and more park lands are being created in the Hills area, with much land being taken by the Engineering and Water Supply Department. The area is becoming a playground for tourists and people from Adelaide. Surely this land must be rated or the equivalent of rates paid to councils in the areas so that they can provide the necessary roads and other facilities for the travelling public. The Minister of Agriculture has neglected his obligation to see that noxious weeds, particularly on the western slopes of the Adelaide Hills, are cleaned out. Last year, the Government spent large sums of money, with some result; to spray African daisy in Cleland Park. Spraying should have commenced again or should commence soon to try to finish that job. However, this will be a complete waste of money because,

in the Burnside and Mitcham council areas on the western slopes of the Hills, African daisy is 4ft. (1.2 m) to 5ft. (1.5 m) high, and this will seed half the Hills again. We should not have this type of situation. Talk of Socialism, with the Government taking over more and more areas, frightens me, because we will have more of the type of incident to which I have referred, with money being wasted because of a lack of planning. The member for Mitcham (is he still the member for Mitcham; he may not be for long)—

Mr. Mathwin: The Leader of the Liberal Movement.

The Hon. Hugh Hudson: The double Deputy.

Mr. McANANEY: —claimed that the Commonwealth Government provided only one-third of the money spent in the South Australian Budget. That is not strictly accurate, because the Budget contains revenue from the Railways Department, the Engineering and Water Supply Department, and all public undertakings. Surely these areas are entirely the concern of South Australia. This year, through special grants, the Commonwealth Government is providing \$248,000,000 in taxation reimbursements, etc., for education, whereas the State is providing for this purpose \$137,000,000, so that the Commonwealth is supplying over 60 per cent of the total sum that will be spent in South Australia on education this year. True, the Labor Government has provided more schools, but when we see where the money has come from we can see that it has had an easy ride. In 1968-69, the first year of office of the previous Liberal Government, the increase in the sum provided by the Commonwealth Government was \$12,000,000, and the following year it was \$12,000,000 again. Then, in the first year of the Labor Government, the Gorton Government, which was so much abused by the present Treasurer, increased the sum provided by \$36,000,000. The next year the sum was only \$11,000,000, but the provision of pay-roll tax, boosted the total increase to well over \$35,000,000. The following year the increase was \$33,000,000 and this year, with the Commonwealth Labor Government, the increase is \$38,000,000. Therefore, the Commonwealth Government has really come to the party since this Government has been in power. Although we give credit to the Government for its energy in seeing that schools have been built, most of the finance has come from the Commonwealth Government.

Much has been said about increased taxation, but I disagree with some of the comments of earlier speakers. I do not regard water rates as taxation; they are a charge for a service provided. The States have fallen down in not charging enough for the services they provide. Some of the costs of wage increases and other charges that must be met by a manufacturing company can be covered by increased efficiency in production. Services provided by the Government can be made more efficient, as was the case when the railways switched from coal to oil, but if the cost of providing a service increases the price must go up. The States have fallen down on their obligation. Why should the taxpayers of Australia have to pay for services that are being run inefficiently? The Auditor-General's Report refers to the Glanville to Semaphore railway line. This line should have been closed, but Government members on the Public Works Committee would not allow this. Many inefficient lines could be closed without reducing the services provided to the people. Surely these services must be made to pay. If another form of transport or service can be provided more cheaply and with less energy and manpower, surely it is in the interests of the community to provide that.

Mr. Olson: Many residents in Semaphore don't want the railway line closed.

Mr. McANANEY: I went to a public meeting in Semaphore at which a vocal group wanted the line left open, but an equal number did not want the line. In that case, there was a reasonable alternative available that would have saved the Government \$40,000; that example involves only a small sum. A few people in the Strathalbyn area want the Strathalbyn line left open. One of the most vocal members of this group took around a petition on the matter. When someone asked him why he was doing this, as he did not use the railways himself, he said, "I like to see the train go past each morning; it looks beaut." That is the type of selfish interest that some people take in these matters; they do not want anything taken away.

Mr. Olson: What will happen if the service is upgraded?

Mr. McANANEY: Many railway lines need much money spent on them. The line to Melbourne probably needs to be duplicated, and the main arterial lines need money spent on them. With regard to metropolitan lines, instead of having slow trains to Adelaide we should have fast trains, and then people would use them. They certainly will not use a service that is in the shape the present service is in, as the figures indicate.

Mr. Olson: Not now, with 17 carriages on it.

Mr. McANANEY: For the honourable member's benefit, I think that the Auditor-General has said that every suburban traveller costs the Government 47c and every country passenger costs \$16 this year. The Railways Department loses \$1,500,000 on operating the Overland service. It would be cheaper to send people in a free charter flight and they would get there more quickly. There must be competition, and the charge should be commensurate with what the service costs. Let people decide what service they wish to use. If they do not want to use a service, whether a private or Government service, one of the services should be closed down. The combined losses total \$55,000,000, although admittedly included in this are hospitals, etc., about which I will have more to say later when discussing Commonwealth-State relations. If \$4,000,000 was lost last year by the Engineering and Water Supply Department, the Government should collect \$4,000,000 from the people who use the department's services. Many people provide their own service. I am building a new house at Langhorne Creek, and it will cost me \$1,000 to install a bore on the property. The Government will not subsidize me.

Mr. Olson: The Government must provide services to the people, but it does not necessarily have to profit from them.

Mr. McANANEY: That is the height of Socialist stupidity. How could anyone make such a remark that it is a service to the people? Who will pay for the service to the people? If the people who use it do not provide the money, who should pay for the service: the taxpayers of Australia? Why expect them to pay for something in which they have no interest? The honourable member has a Socialist theory, and his attitude is ridiculous.

Mr. Keneally: Get back to the \$1,000 for the bore.

Mr. Gunn: We'll be interested to hear from you.

Mr. McANANEY: Perhaps I should ask the member for Semaphore whether he or the Government will pay me the \$1,000. Will the member for Semaphore bring this matter up in Caucus next week? This is where the State Governments are falling down in their obligations and they run to the Commonwealth Government for assistance. Let us see what the Commonwealth Government has done regarding Commonwealth-State relations? The best report

I have ever seen put to the Commonwealth Government by any State was when Steele Hall, who has disappointed me since—

The SPEAKER: Order! The honourable member must refer to Mr. Hall as the member for Goyder.

Mr. McANANEY: Yes, and Leader of the Liberal Movement *pro tem*.

The Hon. L. J. King: And Senator-elect.

Mr. McANANEY: Yes. Let us see what the Commonwealth Government has done regarding the States over the last seven years. When this good case was put up by the then Premier (the then member for Gouger), we began to get more money from the Commonwealth. That was the turning point. Unless the Constitution Convention was badly misrepresented in the press, it was the most shocking conference that I have ever read about. I only wish I had been there to see its proceedings, because it might not have been as bad as it sounded from here. In the last seven years the Commonwealth Government has collected \$50,710,000,000 and has outlaid \$32,429,000,000, leaving a surplus of \$18,281,000,000. It gave grants to the States of \$12,878,000,000, leaving a surplus of \$5,403,000,000. I understand that, in the strict interpretation of the original Constitution, all Commonwealth Government surpluses had to be returned to the States. What happened? What did the Commonwealth Government do with that money? It lent a net amount to the States of \$4,265,000,000, which is less than the excess it had raised in taxation. It could have lent this money interest free or made straight-out grants to the States to build schools, hospitals, etc., and that would have taken up part of the sum I mentioned before, \$18,000,000 out of \$54,000,000 being spent on hospitals. If the Commonwealth Government had made grants with this money, as it should have done, this liability of the States for interest and capital repayments would not have been going on, and South Australia and the other States would be in a much sounder state.

During this period the Commonwealth Government lent to Commonwealth authorities, as well as using some of the money for its own capital expenditure, \$3,761,000,000, most of which money went to the Snowy Mountains Authority, to the Postmaster-General and to the war service homes scheme, etc. This money will be repaid and interest will be received on it. It did well out of it. During this period the Commonwealth Government had a total deficit of \$2,622,000,000, so the States have a good claim for a greater share. This is where Commonwealth-State relations should be clarified by deciding how this surplus money that has been collected by the Commonwealth Government in taxation should be allocated. Further to what I said about too many lawyers being at the Constitution Convention last week, accountants or Treasury officers should have been present to assess and emphasize these facts, and the convention might have gone beyond the political argument of centralism or full control of the States.

Regarding the control of prices and incomes, I have stated a sufficient number of times in the House my views on price control: one needs price control only when restrictive trade practices operate or when the Government, through its central banking system or its own budgeting principles, allows an accumulation of too much purchasing power in the community, so that it extends beyond the capacity to produce the goods. At present, most of the excess money has been caused by capital inflow into Australia and, over the last two years, through the greatly increased prices of exports, thereby creating

a large favourable trade balance. Too much money is coming in and the cost of living has increased, largely because of the price of our exports. There has been talk about introducing price control on meat, but in the past 10 years the price of meat has not increased very much compared to the increase in wages. About two or three years ago the price paid to the primary producer for meat was far below what he was receiving in 1963. The present shortage of lambs has arisen because primary producers cannot produce at the price offered. Some people may have made excessive profits as a result of the more favourable price now offering, but two-thirds of what they have made will go back to the Government in tax.

Every country has experienced inflation, and a country is harmed when it cannot compete on world markets and then has an unfavourable trade balance. I commend the Commonwealth Government on its action in reducing tariffs by 25 per cent. Possibly, if the favourable trade balance continues, Australia now has a golden opportunity to become more competitive on the world market. Perhaps the tariffs should be reduced further. Because we are producing far too many commodities, we cannot raise our living standards. We could import many of these commodities at a cheaper price than it costs to produce them here. If we concentrated on doing what we were most efficient at doing and got into large-scale production, reducing costs, we would become competitive with the South-East Asian market, for example, and our country would go ahead. By reducing tariffs, we will keep the cost structure down and some big companies will not make as much profit as they have been making.

Further, there will not be so much pressure on the arbitration tribunals to increase wages. I am not against increasing wages in all cases, but in some circumstances the increase results in people being able to buy fewer goods. I would be pleased if the Commonwealth Government reduced tariffs as the occasion arose. Action has been taken regarding the dairying industry, and similar action should be taken regarding secondary industry. During the Address in Reply debate I said that an economy was balanced if the demand for goods equalled the capacity to produce. The Chief Economist of W. D. Scott and Company, business consultants, said at a lecture that I attended a fortnight ago that, under present conditions, we had some shortages now and, by next March or April, these shortages would be increased beyond belief. The shortages will be so serious that blackmarketing will take place, with no price control authority able to deal with it.

Mr. Gunn: There's too much expenditure in the Commonwealth field by the Commonwealth Government.

The Hon. L. J. King: What would you cut out—education?

Mr. McANANEY: During the past 30 years the rest of the world has had an over-supply of goods but the 14 major countries are now booming and prosperous, experiencing shortages themselves, so we will not be able to avoid them. The Commonwealth Government in 1971-72 and the years before then must be congratulated on the way it conducted the affairs of Australia. In 1966-67 unemployment was only 1.17 per cent. It increased to 1.32 per cent, then dropped to 1.22 per cent, and dropped again to .96 per cent, which was about as low a figure of unemployment as could be achieved. There will always be some unemployable persons and, unfortunately, the number is increasing, but that should not happen in a progressive country.

Before the Commonwealth Budget was introduced in 1971, unemployment had increased to 1.2 per cent. The Government budgeted for a deficit of \$187,000,000 and borrowed \$720,000,000 from the people of Australia, taking that amount out of circulation. When the banking system provides some of these Government securities, money is not taken out of circulation, but it is taken out when the private sector provides the money. In that year the Commonwealth Government increased its savings, with its deposits in the Reserve Bank, by \$567,000,000, and that is where that Government went wrong. The money could have been given to the States to build more houses and schools. If that had been done, the building industry would not have got into the rut that it was in, with people leaving and the industry being in the doldrums. Statistics show that many people left the building industry during that period. In the next year, the Commonwealth Government budgeted for a deficit and the figure at June last stood at \$774,000,000. The Government raised loans of \$739,000,000, giving a boost to the economy, but it still put \$175,000,000 into increased cash balances.

I criticize the present Commonwealth Government for some of the things that it is doing. I think that by reducing tariffs it is doing the right thing, but to budget for a deficit of \$687,000,000 when the pendulum has swung around to full employment (or over-full employment in many areas) is almost as bad as doing what the previous Government had done in building up cash balances. This is where people will tend to accept price control. If we create the right conditions and keep new money in circulation so that the demand for goods is always more or less the same, we do not have the pressure for higher costs because of shortages and people being able to charge more for their goods when competition is reduced, so that prices will rise.

What with a bad policy pursued by the Government and with additional taxation measures, we are running into a situation where people will cry out for price control. This reminds me of a television show I saw the other night where some lady said she had weighed 30 stone (190 kg) and had reduced to 13 stone (82 kg) by dieting and doing the right thing. Advocating price control and income control at the moment would be equivalent to that lady saying, "Gee! I'm too big. Give me the tightest corset you have; I will put it on and will be a little smaller". It would be as useless as doing that. But, if she adopts the right policy and theory, she will get her weight down and enjoy life much more.

Education is one of the greatest things of this century, but education may well fail because there are partly-educated people who think, "I know everything; I must control everything". The more controls there are, the more inefficient we become and the more injustices there are.

That is a difficulty we shall have with education; but somehow we shall get out of it. As people become more educated, they will realize how little they know and will get down to a more commonsense approach to things.

There is one form of Socialism that advocates Government ownership—"Where the State owns things, we can do things better". If the Government wants to do something, let it set up its own industry. It is not going too well with its insurance office, which made a loss of \$800,000 last year. Therefore, it will go out of business unless the benevolent taxpayer comes along or the Government runs to the Commonwealth Government to get some more money. The other form of Socialism is that we give to one according to his needs. That breaks down because, in the case of those people with the greatest need, the more we give them the worse the situation becomes.

As an example, there are the poor Aborigines. The hand-out to them is the worst thing for them; instead, they should be trained. Expecting someone who has worked hard to give something to an able-bodied person capable of work, as suggested by the member for Semaphore, is an insidious form of Socialism that will destroy the national character. More and more people will be unemployable. Even now, there are more people who will not work and are becoming unemployable because they can exist on what is given them. No-one believes more than I do in assisting those who have a real need. I sympathize with people whose marriages are breaking up, but to say that one group of working people should pay for another group of people able to work is all wrong.

Recently, we have dealt with consumer protection legislation, which is working very well. I have a relative in the motor trade who never made so much profit before the introduction of guarantees for used cars. He is able to impose a bigger margin and he says, "This is the best thing that ever happened to me; I am making more money than ever before", and that is the general trend. Although I do not always agree with the views of Max Harris; I agree that we want protection from the consumer who shoplifts, who has no respect for a person who owns something. Possibly, we could get a reduction of 5 per cent on everything we bought in a shop if we took a strong stand on shoplifting and called it robbery, which it is.

The tendency in this Parliament over the last year or two has been to protect consumers. This is good to a certain extent, but let us look after the person who has to deal with the consumer and see that he does not get a raw deal. We must face up to worker participation. We shall have before us a Bill that will provide that working people should become directors of a firm. I do not go along with this form of worker participation. Ultimately, it will come to that, but the worker in the factory must be given some sense of participation. It must be made clear that the job is not too monotonous. I blew up balloons at the show the other day for about an hour and realized how monotonous a job can be. We must face up to giving the workers a sense of participation in their work. A worker should participate directly in the product of a factory. We may get around it by reducing company tax and saying that a share of profits should come to the workers in the form of shares, and let them gradually work up an interest. That is merely a suggestion; many similar suggestions could be made. If we believe in the freedom of the individual, surely the worker in the factory would be willing to put in a little extra to come in and be a part of the industry.

Mr. ARNOLD (Chaffey): We should first look at the Financial Statement and the comments made by the Treasurer. Under the heading "The Government's aims and objectives" the Treasurer states:

It would be clear that this Government's primary aim is to improve the quality of life for all South Australians and, at the same time, to ensure that each person has the greatest possible opportunity as an individual to determine how he or she will seek that improvement and what life style he or she will pursue.

I emphasize these words "quality of life". Surely one of the greatest points about quality of life is family home ownership, and the complete lack of co-operation between the Commonwealth Government and the State Government in financial matters is making this situation difficult. In today's *News*, the editorial states:

Home buyer hit hardest. The Government had to do something about inflation. It decided on a credit squeeze.

Now, ironically, the people hardest hit will be those who helped put Labor in office. Mortgages will be more expensive, bank loans and hire purchase interest rates higher, and the economy generally is in for a shakeup.

Young middle-class families, during the coming months, stand to lose more than any other section of the community. In housing alone, almost everyone with a mortgage faces either higher payments or mortgage extensions. This is a further setback to young people trying to save for a house—those people the Government was so concerned about helping in its pre-election speeches.

It is hard for them to reconcile the offer of tax deductions on mortgage interest on the one hand, and then an increase in interest rates on the other.

Surely this is not in keeping with what the Treasurer said in his Financial Statement. I fail to see how he can regard items such as that and its effect on the young section of the community as adding to the quality of life. The Treasurer is predicting a deficit of \$11,254,000, the highest planned deficit we have ever seen. The Treasurer claims that there are no additional charges in the Budget, but he can make that claim only because, prior to introducing the Budget, he increased harbor dues, hospital fees, pay-roll tax, water rates, and the Electricity Trust levy. These charges will be borne by the people of this State.

Mr. Langley: Do you believe that the people will change their votes at the next election?

Mr. ARNOLD: I have no doubt that many of them will.

Mr. Langley: How many seats will you win at the next election?

Mr. ARNOLD: Quite a few. The lack of co-operation between the State and the Commonwealth Government is becoming apparent, particularly in some sections of primary industry. We only have to look at the situation of the canning fruit industry resulting from devaluation overseas and revaluation in Australia. The following is an extract from a press release by the Chairman of the Riverland Fruit Products Co-operative Limited, Mr. Andary:

The company's accumulated financial deficit reflected in the accounts for the year ended 30th September, 1972, has continued to increase with the enforced unprofitable disposal of the abnormally high carry-over stock representing 86 per cent of the 1972 production. It is anticipated that improved sales realizations from the 1973 production will be more relative to costs and arrest the alarming financial decline.

It would be fair comment to state that without substantial financial compensation from the Federal Government for losses incurred in disposal of the 1972 year's production, it would take many years of normal profitability, of which we have no guarantee, to expunge the deficit.

The Canning Fruitgrowers Association has called a meeting for Friday night in the Rivoli Theatre at Berri. The meeting will be similar to a meeting called a few months ago in relation to wine excise. On that occasion the present Commonwealth Government was represented by the member for Riverina, Mr. Grassby, and Mr. Foster from South Australia. Mr. Grassby had much to say then. I certainly had no time for the wine excise, and as a grower I felt the effects of it. Today the canning fruit industry is in a similar position, brought about by devaluation overseas and revaluation in Australia by the present Commonwealth Government. About four to six weeks ago I asked the Minister of Agriculture what progress had been made in negotiations to have money provided by the Commonwealth Government to assist in connection with the 1971-72 canning fruit crop; further, I wanted to know what progress had been made in negotiations for converting the loan to a grant. The reply was that a decision on the matter had once again been deferred until the end of this year.

This has brought about the need for the public meeting in Berri next Friday night to try to determine just what

the Commonwealth Government intends to do. The growers have reached the stage where they cannot carry on financially unless the Commonwealth Government carries out its undertaking to the growers that export industries severely affected by revaluation will be adequately compensated; as yet, this has not come about. The Commonwealth Minister for Primary Industry (Senator Wreidt) has been invited to attend the meeting, but he has declined. The Prime Minister has been invited to attend, and I am not sure whether he has accepted the invitation.

Mr. Keneally: I believe he is sending Geoff O'Halloran Giles!

Mr. ARNOLD: It will be interesting to see who the Commonwealth Government representative will be. The present Commonwealth Government Party was eager to send representatives to the meeting on wine excise, but it does not seem quite so eager to attend the equally important meeting next Friday night. The Commonwealth Opposition has also been invited to send a representative, and the same applies to the State Government and the State Opposition. It will be interesting to see who the State Government representatives will be. I am certain that the Opposition will be represented, but I am not so certain whether the Government will be represented. An article, headed "Two Blows to South Australia—Dunstan", in the *News* of August 22 states:

The Premier, Mr. Dunstan, today attacked the Federal Government's decision to increase motor spirit and brandy prices.

How hypocritical can one get, after the performance that the Treasurer put on for two years in relation to wine excise? I fully agree with his performance, but now his Commonwealth colleagues have done exactly the same thing.

Mr. Coumbe: But more viciously.

Mr. ARNOLD: Yes, far more viciously. It was a tax of 50c a gallon (4.55 l) on wine.

The Hon. L. J. King: Are you criticizing the Treasurer for attacking the Commonwealth Government?

Mr. ARNOLD: No.

The Hon. L. J. King: It sounded as though you were.

Mr. ARNOLD: If the Attorney-General would listen for a while we could get on with the matter. The article continues:

He described the petrol move as "directly inflationary and quite undesirable. I disapprove of this move", he said. "I think it would have been better to pick up additional revenue in direct tax increases." The Premier said this would have provided some protection for lower income earners. The increase in fuel costs would mean considerably higher costs to the Government. Costs of running public transport would increase, but Mr. Dunstan made no predictions about possible fare or freight rises.

"I am distressed and dismayed at the increased duty on brandy", the Premier said. "This is another impost on the wine industry." The Premier said 90 per cent of brandy made in Australia came from South Australian grapes. "I will be making submissions to the Commonwealth immediately", he said.

Since that time (and this is what I refer to as hypocritical) we have heard no more. When will the Premier get on television and start attacking the Commonwealth Government?

Mr. Coumbe: You must be joking.

Mr. ARNOLD: That is what I am waiting for. The Premier never missed an opportunity to attack the wine excise, and rightly so. I fully agree with that, but since that small statement that appeared in the *News* about three weeks ago I have not heard another comment. I shall be extremely interested to see what representation is provided by the Commonwealth and State Governments for the

meeting at Berri on Friday night. Turning now to the effects on the citrus industry, I shall quote from the *Australian Citrus News* an article by the Secretary of the Australian Citrus Growers' Federation (Mr. H. W. King) headed "Sales tax exemptions axed". The article states:

Despite fully documented reasons given by the Australian Citrus Growers' Federation for the Government to allow exemptions from sales tax on specific beverages containing Australian fruit juices to remain, our representations, so far as aerated waters are concerned, fell on deaf ears.

The beginning was the setting up of the "task force" under Dr. H. C. Coombs which reviewed, amongst other matters, our useful sales tax exemptions. The end was announced in the Budget on August 21 when the concession on the 5 per cent juice content for aerated waters was withdrawn.

Cordials and juices are still exempt. Pure juice drinks (non-aerated and non-alcoholic) were not included in the Budget, nor were cordials, both of which, to avoid sales tax, are required to contain at least 25 per cent of pure Australian fruit juice. The axe has only fallen on the aerated and carbonated waters which offered the greatest attraction to the Treasurer. The withdrawal will strike a heavy blow at all fruitgrowers who have built up a useful outlet for their fruit.

There is no doubt that the exemption from sales tax has induced manufacturers of aerated waters to use Australian fruit juices in their products to the extent of 5 per cent by volume. It is reliably estimated that over 90 per cent of aerated waters manufactured in Australia contain at least 5 per cent of Australian fruit juices (foreign juices would not qualify). In terms of volume these figures are astounding. Production of aerated waters for the year ended June 30, 1973, in round figures was (in .000 gallons):

Canned.....	59 000
Bottled.....	138 000
In bulk.....	1 300

Total 198 300

Of this quantity of nearly 200 000 000 gallons, 95 per cent contained at least 5 per cent of fruit juice, the equivalent of 190 000 000 gallons of the aerated waters containing 9 500 000 gallons of fruit juice.

Nine and a half million gallons of fruit juice is now at risk. This is the equivalent of 95 000 tons of Australian fruit (approximately 19 000 tons of citrus fruits and 76 000 tons of apples, pears and other fruits). It may be asked: how much of this fruit will now be required by the aerated waters industries in future? How much of this good juice will be replaced by synthetics? With the sudden withdrawal of the sales tax exemption, can processors who have manufactured stocks for this trade now place them with buyers who may disappear overnight due to legislators' failure to appreciate or care about the effect of their action on producers, manufacturers or consumers? A total of 95 000 tons of fruit is the equivalent of nearly 4 500 000 bushels of fruit (of which 900 000 bushels could be citrus) all to be placed on overloaded Australian markets.

Who will pay the tax? This is interesting.

Mr. Keneally: Keep reading.

Mr. ARNOLD: It is factual, too. What about the consumer? The article continues:

Who Will Pay the Tax?

And how about the consumers? Most of the buyers of non-alcoholic beverages, except soda water and tonic water, are children, teenagers and family groups. Last year they consumed about 2 500 000 000 cans and bottles of aerated waters, each of which will now cost them an extra 3c to 4c for each bottle or can. The \$25,000,000 the Government hopes to raise by sales tax will be mainly from these children and family units. This tax will not only provide a further strain on already tight family budgets, but also add an unnecessary burden to the cost of living.

The alarming feature of all this is that once again we have an industry that was just starting to get on its feet, and once more it has been knocked flat. In the short time it has been in office the Commonwealth Government has quite successfully had a drastic effect on the citrus industry and on the brandy industry.

Mr. Langley: What happened under the previous Commonwealth Government?

Mr. ARNOLD: I think that the present Commonwealth Government has done more in nine or 10 months to damage the fruit industry than the previous Government did in 22 or 23 years. Not only is there this effect on the brandy and citrus industries brought about by the Commonwealth Government but, through its levy on the Electricity Trust, the State Government has forced an increase in the tariff of about 10 per cent. Because of the increases to which I have referred, the fruit industries are already in trouble, yet these growers will now have to face a 10 per cent increase in electricity tariffs not only with regard to their household power requirements, in the same way as everyone else will face the increase, but also with regard to the large quantity of power that they use to operate their sprinklers.

Mr. Langley: Isn't it a separate tariff?

Mr. ARNOLD: It is a flat 10 per cent increase, no matter what the tariff. Many of these growers use more than \$1,000-worth of power to push the water through their sprinklers. As I have said, they are already in trouble because of the effect of the brandy excise and the removal of the sales tax exemption. Considering the attitude adopted by the Commonwealth Labor Government, I do not know what the future holds for the fruit industries, and they are the industries in which I am particularly interested. The 5 per cent revaluation of the dollar that was announced two or three days ago will have an effect on all export industries. The stage is being reached with regard to the industries to which I have referred where, unless the Commonwealth Government comes to the party and recognizes its responsibility, there will be no chance for many of the growers in the industry to keep going.

I have referred before to social service payments, and I refer to the matter again because of the problems that arose in the fruit growing industry during the immediate past harvest. During that time much fruit was lost simply because labour was not available to harvest it, the strange part being that at that time there was much unemployment in the State. However, because of the magnitude of social service payments available people were not willing to accept this good, genuine work: they preferred to receive social service payments. I have no objection to these payments in genuine cases, when they are probably not nearly sufficient. However, in the last year or so too many people have been happy to live on the work and efforts of other people and not worry about the problems of keeping industries going. The sooner the State Government uses its influence on the Commonwealth Government in this field the better it will be for all concerned. I support the second reading.

Mr. CHAPMAN (Alexandra): I wish to comment briefly on the Government's 1973-74 Budget, which is the first major financial statement of proposed State expenditure that I have had the opportunity of perusing. In this country, where the level of inflation is at an all-time high and where prices have ceased to spiral and are now shooting straight up and above the consumer's reach, we find that in its Budget our Government, having ignored what I believe is the real issue, has failed miserably to act responsibly in the area of expenditure where I claim action could have been taken to curb undesirable and unnecessary expenditure. In areas of greatest need it has pruned and almost eliminated funds.

I will now refer to these comments briefly, but in some detail. Let me refer to the Minister of Transport, who is responsible for the Highways Department. We are all aware that grants to local government have been drastically

pruned for the next 12 months. In the Budget there does not appear to be any effort by that Minister to reduce the administration staff, for example, or the work force of that department, and there is certainly no evidence of any reduction in salaries and wages. In fact, with regard to expenditure for that and other Government departments, the Treasurer has allowed a cool \$10,000,000 to cover the forecast additional payments to his vast work force. Local government bodies in the field have been instructed to cut spending of Government grants and to increase their own rates in some cases, so long as they do not cut anyone out of a job. How weak can you get? To me this is one example of a Minister and his Government using their position to keep on side with the wage-earner at the expense of the enterprising employer, the producers in the field and, more important, the nation's interests as a whole. This message is projected throughout the Budget.

What is wrong with sacking a few of the staff and tightening the reins? Too much emphasis and fear is placed on the unemployment issue. If the employees are not effective, stand them down. Let them go hungry for a while.

Members interjecting:

Mr. CHAPMAN: I mean this. The only way to get the message through to some people is through their stomach. There are far too many wasting their time in many of our Public Service utilities, and it is about time the respective Ministers brought down the axe on some of these people. I agree that all the loafers are not in the Public Service, but what a classic opportunity for this Government to set an example when it is preparing its finance Budget for the ensuing year. In every field of free enterprise industry if a man fails to work he fails to receive a return. This Government seems content to allow a steady deterioration in output by the individual. This Budget makes one wonder whether the Government is working on the theory that, if it weakens the community further and far enough, it will then be easier to manipulate.

Mr. Langley: What about your Party? You would put people out of work and make them starve.

Mr. CHAPMAN: I am disappointed that our Government has not seen fit to grapple with the problem on this basis and demand more results from every individual throughout its vast work force. It should take away its attractive unemployment fund from those who are able to work but who are unwilling to work. Those unemployed as a result of sickness or injury are outside this category, and I do not reflect on these people or on tryers. The responsibility lies clearly with the Ministerial heads of departments. I believe that bringing down an all-time record deficit Budget is only flowing along with the tide of inflation, thereby encouraging the go slow, seek-more-pay-for-less-work attitude throughout the community.

The Motor Vehicles Department, for example, needs a blast. As far as I am concerned, the responsibility to do this is clearly that of the Minister of Transport, and I blame him for not looking into the delays in that department or, if he has looked into the matter, why some members of the public are caused such delays in small items such as seeking registration certificates and returns. If the Minister is interested, I will provide him with a real example in this regard. Molly-coddling loafers in the community is disastrous, and this is the greatest single reason why we are facing the financial mess we are in today. Wage fixing be damned! We hear about wage fixing and price fixing but, as far as I am concerned, wage reduction

is the answer here, because it is the only language that some people understand. The Commonwealth and State Governments alike must have the guts and initiative to introduce this:

Mr. Duncan: I suppose you would send the kids back into the mines, too.

Mr. CHAPMAN: I believe that pay for results is the answer and, if one does not get results, stand them down. Wherever possible, to substantiate this theory, we should be introducing contract or subcontract work in lieu of the ever-increasing wages system. There is no better way of getting the message over. We have heard much about certain issues in this debate, but I shall not go into details now, as I understand from my colleagues that we will have the opportunity at the appropriate time to deal with specific lines. I should like to go a little further on the subject of setting up a financial Budget generally. I repeat that the all-important factor here is surely to avoid, in both the short term and long term, deterioration and unnecessary expense to the State and to the nation as a whole, to foster progress and production and, wherever possible, to get the highest and best value for the dollar.

The Commonwealth Government a few weeks ago introduced a *saave*, glossy give-and-take Budget, and the State Government has echoed exactly what the Commonwealth Government handed down in its Budget. Both Governments have side-stepped what should have been the most significant objective of all: to encourage initiative by the individual. Instead, it has destroyed and driven another nail into those who have the will to work. It has failed to encourage a greater return to those who want to lay into their job. It has failed to stamp out and exercise a heavy hand on those who are not facing up to their responsibilities and duties. It has failed to deplore laziness in the community or to encourage a greater output in primary and secondary industries. Instead, it has forever backed the tactics of the unions to go slow.

Mr. Gunn: I'm sure that the member for Spence agrees entirely with you.

The DEPUTY SPEAKER: Order! The honourable member for Alexandra.

Mr. CHAPMAN: I suggest that it might be handy if some Government members were to read my speech, because only a few of them are present and able to hear it. The Budget is a catch-cry document instead of a positive and responsible schedule of expenditure: it spells clearly to the people that the Government is not capable of handling such volumes of finance.

Mr. BECKER (Hanson): When I look at the Financial Statement that has been presented to the State, and after listening to the debate this evening, I think it is moments like these we need Minties! I place on record my appreciation of the untiring efforts of the new Under Treasurer (Mr. Carey) and his staff in preparing the documents, because it would not have been an easy task, when one considers the inflationary trends and the economic situation of Australia as a nation. Looking at it from a State point of view, I realize that there would have been many hours of serious consideration in many fields, and I think that Mr. Carey and his staff have demonstrated that they have been able to curb the Government in certain areas. Of course, one thing over which Mr. Carey has no control is the amount of money the Government wants to spend and the size of the deficit, with which I will deal later. In dealing with the financial documents, I also pay a tribute to the Auditor-General (Mr. Des Byrne) and his staff. I understand that the Auditor-General's Report was being proof read last Friday

afternoon. I also pay a tribute to the staff of the Government Printing Office for having the report ready for us today. I would have appreciated having it available before the show recess. That was not possible, but it was not the Auditor-General's fault.

Mr. Gunn: It's the Government's fault.

Mr. BECKER: No, the Government had nothing to do with it. The report is prepared by the Auditor-General, who can audit Government departments only when the figures are available. Any Minister who held up his department's figures or his balance sheet from auditing would be promptly mentioned in the report.

The Hon. G. R. Broomhill: Does the report mention T.A.B.?

Mr. BECKER: Yes, and I will deal with that later. The Budget is a record one: the Government can rightly claim that it is, because it shows record expenditure and receipts, and anticipates a record deficit. The receipts are expected to be \$611,636,000, compared to actual receipts of \$520,866,000 for the financial year ended June 30 last. This means that the Government intends to increase the income by about \$90,700,000, or about 17.3 per cent. The Government intends to spend \$622,890,000, compared to actual expenditure for the financial year ended June 30, 1973, of \$524,777,000, an increased expenditure of \$98,113,000, or about 18.7 per cent.

However, when we look at the increase in receipts and expenditure and consider that inflation is running at about 13 per cent, we see that the Treasurer really has not contributed in any way to the present inflationary trend. Of course, we must consider the position as at the time the document was presented, and doubtless the Commonwealth Government's decision of the past 24 hours has affected the whole document seriously. I still consider that a supplementary Budget will be introduced, probably in about February or March next year. I think the Government would be wise to have a formal review of the State finances every half year. I also consider that the Australian Government will introduce a supplementary Budget in about February or March next year, so I will not be surprised if we have another opportunity to debate Budget matters before the financial year ends.

It is interesting to note that the record proposed deficit of \$11,254,000 is 42 per cent higher than the proposed deficit last financial year of \$7,518,000, or a 233 per cent increase over the actual deficit for the year ended June 30, 1973, of \$3,911,000. I think the Government should be willing to accept the criticism that, since it has been in office, it has accumulated deficits totalling \$4,956,008. If we add the proposed Budget deficit this year, the present Government could commit on the Revenue Account deficits totalling \$16,210,008. That is not a record to be proud of under present economic conditions.

Much has been said in the debate about the effects of the Australian Government's recent announcements that it will curb, in a minor way, the present inflationary trend. I do not think the Government will achieve that. I think the whole thing comes back to the situation we had in 1961, when banks were forced to place restrictions on lending policy and to call up advances. Being employed in a bank at that time, I was most hostile with the Liberal Government when we had to carry out its policy, turning customers away and taking abuse from people who wanted financial help.

Any Government, regardless of whether it is a Liberal Government or a Labor Government, by taking such action will put many people to the wall. It will put many young people into grave financial difficulties. I have seen

that happen and I would not like to see it happen again. If we have an inflationary spiral, let us cut down on the main spending. We can cut down on Loan spending in this State slowly over three or four years, rather than putting the brakes on suddenly overnight or even over 12 months.

I repeat that I still consider that we will have a supplementary Budget. I hope the Treasury officials will be able to convince the Treasurer, and I hope the Treasurer considers my suggestion. The Budget has been presented in a cunning way, because it leaves little area for us to debate in relation to the increased taxes that have been announced already. Some Bills have already been introduced relating to these surcharges.

Whatever happens, the man in the street, the average working man, will suffer. Whatever action is taken will never hit the 5 per cent at the top of our social structure, if we want to call it that. The rich will get richer, and they are getting richer under the present administration in this State and under the Australian Government. The man in the middle is feeling the pinch, but the little man, the one who has always battled, is slipping down slowly. Whilst the present Budget tries to do something about social welfare payments to help that person, it still has not gone far enough, so the battler will go out backwards first and drag the average working man down with him. The Auditor-General's Report contains certain comments and, in some areas, pulls few punches. It must be disappointing to the Auditor-General, and it ought to be of concern to the Parliament, that he has again had to report as follows:

All audits have been completed with the exception of that of the South Australian Egg Board which, for the second successive year, has not forwarded its accounts in sufficient time to enable the certified accounts to be included in this report.

The South Australian Egg Board's report may not necessarily turn this House on, but, when one considers the price of eggs and the cost of living, one realizes that it is about time this board took a good look at itself and did something about submitting its accounts earlier and at the same time tried to make its products available to the housewife more cheaply. The board should be willing to stand criticism of its current television programme that eggs cost about 50c a pound (.45 kg). The board does not say that a dozen eggs weighs 1½ lb. (.67 kg). It also does not tell us that 4½c is levy to the grower and that the housewife pays 3c a dozen for the carton and packaging.

Of course, these surcharges are incorporated in the wholesale price, so when we come to the retail price, we are also paying on that. I hope that the Auditor-General, by highlighting the position in his introduction to his Report, will stir the appropriate Minister to take action against the South Australian Egg Board so that the board will submit its accounts on time. At the same time, we may be able to have something done to reduce the price of eggs to a fair and reasonable amount. The other comment I should like to make on the Auditor-General's opening remarks is that he states:

Last year I remarked that accounting systems and procedures should be continually reviewed to assess their effectiveness in achieving defined objectives and providing information essential to management. I would now suggest that such a review should specifically include those areas in which the basic control of finance should be exercised. I am not satisfied that in all departments the principles of real budgeting are appreciated or practised. The introduction of realistic budgeting in all areas in which expense is incurred is essential, coupled with the acceptance of financial responsibility at the appropriate levels.

Later, he states:

In view of the continuing growth in the amount of funds controlled and administered by the Government, a high level of efficiency is necessary in the utilization of financial resources. This can be achieved by use of appropriate modern accounting techniques designed to assist management in making decisions affecting public moneys.

In my opinion, the Treasurer should heed that statement, and so should his Ministers, because the Auditor-General is advising Parliament, and particularly the Government, that certain departments are not accepting sufficient responsibility in the practice of budgeting. If that is happening, it is no wonder we shall have huge deficits or be asked to approve deficits in the volume that we have in the past, or we may find that we come nowhere near the estimated result. However, there is the specific message there for the Government, and I hope that due heed will be taken of that warning. Reference was made by the member for Alexandra to the personnel of the Public Service, which increased by 8½ per cent in the last financial year, from 64 600 persons to 70 300 persons.

The Hon. G. R. Broomhill: You are associating yourself with the previous honourable member's statements?

Mr. BECKER: No, I am not associating myself with his statements; he has a different philosophy from mine. Mine is based on the banking industry and his is in a different field.

Mr. Coumbe: At least, we can state our minds on this side of the House.

Mr. BECKER: I got the point he was making and it is interesting to note that in the last financial year there was a reasonable increase in the State Public Service. Statements have been made that the Public Service throughout the whole of Australia has increased by about 18 000 in the last six months.

I now turn to where the Hospitals Fund is mentioned in the Auditor-General's Report. We find that in the last financial year the contributions to the Hospitals Fund from the Totalizator Agency Board amounted to \$2,386,426 from off-course duty; receipts from unclaimed dividends amounted to \$131,997 and transfer of fractions amounted to \$419,497. We have an inquiry being held into the racing industry and there is no doubt that no matter what that inquiry brings out there is a need for greater Government assistance to horse racing in particular, but trotting and greyhound racing should benefit, too. The most important fact which I do not think has come out but which will come out is that the Hospitals Fund is receiving contributions from the Totalizator Agency Board. I wonder how we can estimate how much that board will contribute in this financial year in the light of the recent announcement that the fourtrela paid a dividend of \$17,000 and then afterwards it was discovered that a mistake had been made and two dividends, each of \$8,500, should have been paid. When that sort of thing happens, one wonders just how many errors creep into T.A.B. calculations. We should not be accused of being cynical when we consider that last Saturday on the daily double conducted by the T.A.B. the first leg was won by a 20 to one chance and paid \$11.45 for a 50c investment on the totalizator. The second leg was won by a 200 to one chance and paid \$126.90 for a 50c investment. However, the daily double combination of those two horses paid \$180.50. Had a punter taken a bet of 50c on the 20 to one winner all-up the 200 to one winner, his bet would have yielded more than \$2,000.

Mr. Harrison: Someone would have to be in the know.

Mr. BECKER: I should like to know (this does not add up) how that result came about. Let us hope that in the next few days we shall be able to find out from the

appropriate Minister how much money was invested and how many winning tickets there were, and we may be able to assess that situation. I hope there is a logical answer.

A few startling facts are emerging from the operations of the Totalizator Agency Board. We cannot delve into its financial operations this year because the balance sheet is not yet available; it will not be out for a few more weeks. A question was asked in another place by the Leader of our Party there about the bad debts on telephone accounts. It has been revealed that about \$8,000 has been accumulated by the board on all debts on telephone accounts. I was under the impression, as was everyone else, that if a person had a telephone account with the T.A.B. he could not bet unless he had funds in his account. So it is difficult to know how this \$8,000 has been allowed to accumulate and how those debts are considered bad debts. The most amazing thing is that I understand another \$4,000 has been accumulated since that figure was announced, and this \$4,000 may not be recovered. If that is so, it means that 24 000 50c investments could be written off by the T.A.B. Therefore, another big question is: what is happening? There is also the question whether or not my information is correct but I have reason to believe it is not far out. I am worried about the situation and, for the sake of the future of the Hospitals Fund and the racing industry, I should like that matter clarified.

The Hon. G. R. Broomhill: Did you have one of those doubles on that Saturday?

Mr. BECKER: No. It is like football: if I bet on my favourite football team, it loses. That is why I am not having a bet until after the Bays have won the grand final! Looking further into the Auditor-General's Report, I am concerned at the statement under "Education Department" in relation to bond liability. The report states:

Amounts due by ex-teachers and students under breached agreements amounted to \$1,784,475 in respect of 1 033 bonds at June, 1973. This was an increase of \$270,657 over the previous year, involving nine less bonds. During the past 18 months the department has employed the services of a firm specializing in account collections for certain cases where bond debtors have refused or neglected to meet their commitments.

One of my constituents was forced, because of ill-health, to resign from the Education Department and take a job in another State at a lower salary; she was asked to pay her bond at the rate of \$78 a month. In the light of her case, I can understand the problems that must face the 1 033 ex-teachers and students who have breached agreements. I think the time has arrived when the sums involved should be written off and the bonding scheme should be abandoned. The scheme may have operated satisfactorily years ago, but today one cannot hold people to that sort of arrangement. I am surprised that the South Australian Institute of Teachers has allowed the scheme to continue for as long as it has. I would not object to any move by the Government to abandon the scheme; it would involve \$1,784,475 but, in the context of a deficit of \$11,254,000, what is another \$1,000,000 or \$2,000,000? And let us remember that we are talking in terms of expenditure of \$622,890,000.

In the last financial year \$6,525,708 was voted under the heading "Premier and Minister of Development and Mines", but the actual expenditure was \$7,026,324, an increase of \$500,616. For the coming financial year \$9,623,243 has been voted, an increase of 35 per cent. Some of the reasons for the increase are that \$789,900 has been allocated to the performing arts, \$450,000 to the Adelaide Festival Centre Trust, and \$466,275 to the State Film Corporation. Within the various Government departments there are provisions for films to be made by the

film corporation. So, the Government will be able to assist the corporation to become well established. The Premier's Department will spend \$40,000 on the production of films by the corporation, and the Tourist Bureau will spend \$117,000 on the production of films.

Mr. Evans: They said that they did not have the facilities.

Mr. BECKER: They must have the facilities. The sum of \$3,500 is provided for the international fireball championships to be held at Glenelg in March next year. I appreciate the co-operation received from Mr. Amadio, of the Premier's Department, when we raised this matter with him. I arranged a meeting between him and the officers of the Glenelg Sailing Club, and Mr. Amadio bent over backwards to help the fireball club. The event will be very significant for Glenelg, and we still hope that Prince Philip will be able to open an international event whilst he is here. The sum of \$1,100 has been allocated to the Glenelg Centre Redevelopment Committee. This matter has been discussed for some time, and in the future (probably at election time!) we will have a report from the committee suggesting the redevelopment of Moseley Square and the Glenelg town hall. If ever there was a civic hall in urgent need of attention, it is the Glenelg town hall, which is a disgrace. The hall is so large that it would be beyond the council's resources to renovate it completely. The redevelopment of the town hall, the police station and the post office should be a co-operative project between the Commonwealth Government, the State Government and the council. A new multi-storey complex could be developed in the area. A decision along those lines should be made in the next few months, rather than just prior to the next State election.

I am pleased to see that \$19,850 has been allocated to assist the South Australian Sea Rescue Squadron to purchase radio and sophisticated radar equipment. Over the years the squadron has undertaken a mammoth task, in conjunction with the coastguard, in protecting our coastline and searching for craft that have been lost in the gulf. I believe that the money will be well spent and greatly appreciated by the squadron. The Committee of Inquiry into the Racing Industry has already spent \$15,043, and another \$34,000 is allocated in the Budget. It is surprising that the inquiry will cost so much, particularly since the Government has provided \$20,000 to assist racing in the next financial year. I hope that a larger contribution can be made by the Totalizator Agency Board and that South Australian racing will benefit by about \$250,000. One can always be critical of the huge deficits incurred by the South Australian Railways; \$30,000,000 is being provided this financial year. A book will be launched tomorrow by Councillor Jennings, provided the Highways Department does not grab him in the meantime. I wish to refer to a former Railways Commissioner, Mr. W. A. Webb.

Mr. Venning: He built the dead-end Adelaide railway station.

Mr. BECKER: He built that beautiful building; whether it is in the right position is another matter. He put the Railways Department on the way to the financial position it is in today. We now have to prop up the railways to the tune of \$30,000,000, rather than see them fall to the centralized policy that we are having thrust upon us. Perhaps at some time we should allow private enterprise to consider the feasibility of acquiring part of our railway system. I still believe that a co-ordinated road-rail transport system, if operated by private enterprise, could save the South Australian taxpayers a fair proportion of the \$30,000,000 that we now have to meet out of revenue. Private enterprise should be given an opportunity to acquire part of our railways system rather than selling it

to the Commonwealth, where we would find that we would be up for more than \$30,000,000 in future.

It is pleasing to note the allocation of \$10,000 to the Family Life Movement of Australia. This organization deserves considerably more for the work it is doing and for the programme and responsibility it will carry in the future. With changes in society and with changing attitudes, the role of this organization and of the Family Planning Association is most important, and any contributions in these areas are well worth while. I was disappointed to see that the allocation to the National Fitness Council was \$82,000. This organization needs a large injection of funds, and although I realize some money will be forthcoming from the Commonwealth I still think something should be done to give the National Fitness Council the financial means to foster physical fitness and recreation and sport generally in South Australia. I was disappointed, too, that the Surf Lifesaving Association of Australia did not receive an increased allocation. The Minister could have made a better case there, but I realize it is not possible to spend money in all directions. However, if any organization is worthy of an increased grant, probably increased by two or three times, it is this association.

Little has been provided for road safety. Certain money is made available from the Highways Department for road safety programmes but we are still faced in South Australia with an extremely high road toll. I refer to an article in the *Sunday Mail* of September 9, written by Tom Loftus. He said:

Ninety-two people will die and another 3,000 will be injured on South Australian roads from now to the end of the year. This is the chilling fact to emerge from an analysis of road accident statistics since 1966. But nobody seems to care! Government Ministers make pronouncements, road safety organizations, give warnings and urgings, relatives grieve ... yet the holocaust goes on.

No-one seems to be able to do anything to reduce the road toll. The most effective campaign was at Easter, when marked police vehicles were on the roads in force. Finance should be made available for more advertising. The Road Safety Council is another organization that should come in under a large campaign, but it should be backed up by all available resources from the Police Department, with marked vehicles on the road. It is no good just having unmarked vehicles and radar traps. It is better to come out in the open and warn the motorist. A concentrated attack should be made from now until the end of the year in an effort to reduce the road toll, no matter what the cost. We cannot measure life in dollars and cents. The Government has done very little and its record is not good in this area.

A friend of mine approached me last night and told me that whenever he goes out he has to tell his wife where he is going, whenever he wants to go anywhere he must make arrangements, and if he wants to go on holidays he must book accommodation. He must pay tax on his earnings, and he is regulated and controlled by the Government. He said he would love to be a prisoner in a South Australian prison because he would have no worries, he would be fed and clothed, he could go to the Royal Show once a year if he wanted to be a puppet prisoner, and he could shoot off whenever he wanted to. Unfortunately, this is the cynical attitude of some people in the community. It is a pity that the escape of those three prisoners had to happen and that the record built up over the past few years should have been marred. There is no doubt we must do everything possible to reform these people, and the puppet theatre from the Yatala prison has given enjoyment to hundreds of thousands of children. I know how disappointed the children are to think these three men

escaped from the show. I hope the puppet theatre will be allowed to continue.

One suggestion put to me was that the Government should consider mixed prisons, and perhaps such institutions would stop prisoners from escaping; there may be some other incentive to stay. I do not know whether the Minister has looked at this or studied reports from overseas countries where I understand this practice has been tried out. I do not know how the average normal person, if locked up, would get on for the other things in life. It is a problem that should be looked at quite seriously. It is interesting to note the comment in the Auditor-General's Report that in the year 1970-71 the average daily number of prisoners in South Australia was 904 and the cost was \$2,573 for each prisoner. In 1971-72 the number of prisoners was 922 and the cost \$3,157 a head, an increase of \$584 on the previous year. In 1972-73 we had 867 prisoners in South Australia costing \$3,960 a head, an increase of \$803. When we consider the money our taxpayers are providing for prisons, we would expect that mistakes would be made rarely from now on. We would expect that most careful consideration and assessment would be given to these prisoners. Unfortunately, a mistake can be extremely costly if life is lost, and I hope that will not happen.

My colleague the member for Heysen drew attention to the performance in the first full financial year of operation of the State Government Insurance Office, resulting in a deficit of \$848,000. The Government was warned about that and one can only hope the office will not continue to build up such huge trading deficits. The old hardy annual in the Auditor-General's Report is the alarming amount of goods and equipment stolen from our schools. In the area covering thefts of Government property from the Education Department we find that, for the financial year 1972-73, equipment to the total value of \$20,824 was stolen from our schools.

Mr. Mathwin: Did they steal any teachers?

Mr. BECKER: I have not heard of any being missing in action. Goods to the value of \$2,092 were recovered. In the financial year ended June 30, 1969, thefts of equipment from our schools amounted to \$4,327. For the financial year ended June 30, 1970, the sum was \$4,861; in 1971, it was \$7,088; and in 1972, it was \$22,883. Therefore, little if anything is being done by the Minister to try to protect the equipment in our schools, the bulk of which has probably been provided by parents and friends, with subsidies from the Education Department.

One other item involving the Education Department relates to a sum of \$754.23 under "Shortage and thefts of cash, irregularities and thefts of Government property". This refers to four salary cheques drawn by the department in favour of teachers on various dates that were fraudulently negotiated by a person or persons unknown. From my experience in the bank, I can say that, if someone cashes a cheque through fraudulent conversion, the drawer of the cheque can claim on the bank that negotiated the cheque. I hope that the Minister of Education, who is supposed to be an Economics graduate, will stir up his officers to make that claim on the bank concerned. As bank officers, it was drummed into us that if we put the bank's stamp on the cheque we were liable for that money. I cannot understand why the department should stand the loss of \$754. Although I do not like the huge deficits proposed in the Budget, I must support the Bill.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

Mr. GUNN (Eyre): I am amazed at the lack of interest in this debate by Government members. Obviously, they

are willing to be puppets and "yes" men for the Government. At one stage only three Labor Party members were in the House when the member for Heysen was making his excellent speech dealing with the financial problems of the State.

The DEPUTY SPEAKER: Order! I ask the honourable member to confine his remarks to the Bill and not to speak about honourable members on the other side of the House.

Mr. GUNN: That was just an observation. In view of the fact that they are paid by the taxpayers of the State, I did think they would—

The DEPUTY SPEAKER: Order! I ask the honourable member to confine his remarks to the Bill.

Mr. GUNN: I will not continue along that line, although I consider it is relevant to the affairs of the people of the State. On November 13, 1972, in Blacktown Civic Centre, the present Prime Minister delivered his policy speech. He said (and I think this is relevant):

We come to Government with malice towards no-one. That was a statement that I hope he made in all sincerity. Unfortunately, at that time many people accepted it in that vein. At the beginning of his policy speech—

The DEPUTY SPEAKER: Order! How relevant is that to the State Budget? I should like the honourable member to link up his remarks forthwith to the State Budget.

Mr. GUNN: This is very relevant because the Treasurer of this State was denied the finance he sought from the Commonwealth Government to provide services to the people of the State. As a member representing constituents affected by the decisions of this Government and the Commonwealth Government, I consider that I am totally in order in discussing matters affecting taxation proposals.

The DEPUTY SPEAKER: Order! The honourable member has not referred to the State Budget at all. If he wants to enlarge on his comments relating to the Commonwealth, I ask him to develop them in relation to the State Budget.

Mr. GUNN: I am happy to link up my remarks; it will not be difficult. In his second reading explanation, the Treasurer said that the estimated deficit for South Australia would be about \$11,000,000. The remarks of the Prime Minister in his policy speech had a direct bearing on the Treasurer's statement. The Prime Minister said:

Do you believe that Australia can afford another three years like the last 20 months? Are you prepared to maintain at the head of your affairs a coalition which has lurched into crisis after crisis, embarrassment piled on embarrassment week after week? Will you accept another three years of waiting for next week's crisis, next week's blunder? Will you again entrust—

and this point is very interesting—

the nation's economy to the men who deliberately, but needlessly, created Australia's worst unemployment for 10 years? Or to the same men who have presided over the worst inflation for 20 years?

That is one of the pertinent points. When one talks about crises one has only to refer briefly to the occasion when the Commonwealth Government first decided to revalue the Australian dollar. Dr. Cairns sent telegrams to the Prime Minister, and other Ministers made statements.

Dr. Tonkin: Wasn't that to the Chinese?

Mr. GUNN: I intended to make other comments about Dr. Cairns, but perhaps I should not do so at this stage. By making the statement that I have just read and by then being head of a Government that has allowed inflation to run at 13 per cent, the Prime Minister has forfeited his right to his office and should resign forthwith, allowing the country to be run by people who have the respect of

Australians and who will succeed at every election and by-election held in the months that follow.

Mr. Langley: Ha, ha!

Mr. GUNN: It is all right for the member for Unley to laugh: he will be one of the first victims of the policy of the Commonwealth Government.

Mr. Langley: You've said that for years and my majority has got bigger and bigger.

Mr. GUNN: It will be interesting to see what happens the next time the honourable member goes to the people.

Mr. Langley: I'll be happy to have a wager.

Mr. GUNN: As a member who represents a district consisting of a large primary industry sector and including people engaged in fishing and opal mining and people involved in the highly technical field at Woomera, I want to add my strong objection to the actions proposed by the Treasurer.

Mr. Duncan: What about the Aborigines?

Mr. GUNN: I shall be coming to them in a few moments. I do not need the advice of the member for Elizabeth about how to represent my constituents. The difference between members on this side and the member for Elizabeth is that we call all people South Australians and Australians. We do not single out one section; we do not discriminate, as the honourable member does. He deliberately wants to single out the Aborigines for special treatment. I think he is advocating some form of apartheid. That is the policy of his Commonwealth colleagues in organizing some type of referendum.

Mr. Keneally: Wallis is doing very well.

Mr. GUNN: The other day, I happened to be at the Kimba show and the honourable gentleman to whom the member for Stuart has referred did not enjoy himself very much. I am dealing with the attitude of the present Socialist Government towards the rural community. Before the Commonwealth election, many statements were made by prominent spokesmen on the Government side, particularly on matters affecting country and rural people, and it is interesting to quote some of them. I think it is worth while to quote Mr. Grassby, for a start, because we are all aware that he went around the country and promised the farmers and others engaged in agriculture and horticulture \$500,000,000 at 3 per cent interest.

Mr. Keneally: Can that be substantiated?

Mr. GUNN: It can be substantiated because it is in Commonwealth *Hansard*, and Mr. Grassby, to my knowledge, has not denied it. He is smarting under the bad effects his statement has had in his district and has done a little quick footwork, but he has not flatly denied that he made that statement.

The SPEAKER: Order! The honourable member must link his remarks to the Budget.

Mr. GUNN: Certainly, Sir. I have every intention of doing that. Mr. Grassby said that the Labor Party had "drawn on the experiences of the U.S.S.R. and other countries to prepare for a programme for Socialist agriculture for Australia, based on national planning to ensure that the exploitation of both producers and consumers now in vogue was brought to an end".

Mr. Slater: What are you quoting from?

Mr. GUNN: These are authentic statements I am quoting. At the Labor Party conference in Launceston in 1971, Mr. Hayden said that we did not have a primary industry programme that gave us a progressive and integrated approach; what we had was a loose patchwork of totally unrelated propositions. I entirely agree with what he said because, after studying the Commonwealth Budget and the effects it will have on the people in my district, in the Flinders District and in the Rocky River District—

Mr. Langley: What about Goyder?

Mr. GUNN: The member for Goyder is not present. As on most occasions when the House is sitting, he is following the line of the Labor Party and rarely appears in the House except when he thinks there is the possibility of receiving publicity. I was dealing with the Commonwealth Government's attacks on primary industry and was making one or two remarks about the effects of this inflationary Budget, which was definitely designed to belt country people and to destroy the initiative and enterprise of people in the rural industry who play such an important part in supplying goods for the export market, thus assisting every person in Australia. Instead of encouraging people to supply products that are easy to sell at present, the Commonwealth Government is trying deliberately to obstruct primary producers from producing. There can be no other conclusion.

Mr. Keneally: Producing what?

Mr. GUNN: Wheat, wool, beef and other primary products.

The SPEAKER: Order! The honourable member must link his remarks to the Budget.

Mr. GUNN: I am doing that. I was about to say that the South Australian Government has been fortunate over the years to have had the assistance of rural producers to provide such a large amount of freight for the South Australian Railways, and this matter affects the Budget. I intend to join with the member for Heysen and make one or two remarks on that subject. One would think that, if the Commonwealth Treasurer was sincere when he introduced the Budget, he would not have retarded production but would have taken steps to encourage it. Those of us who take an interest in agriculture are aware of the critical shortage of wheat and other coarse grains in the world today. Only recently the United Nations issued a statement that pointed out the problems the world will face as a result of a grain shortage if every country does not take every step to produce as much wheat and other coarse grains as it can. By taking away the taxation concessions from rural industry that were given by a progressive Liberal and Country League Government, the Commonwealth Government has deliberately impeded production.

Mr. Olson: Who was responsible for imposing wheat quotas in the first place?

Mr. GUNN: The member for Semaphore knows nothing about the wheat industry. He should talk to the member for Rocky River, and he might learn something. It was not the Commonwealth or the State Government that imposed wheat quotas: they were requested by the Australian Wheatgrowers Federation.

The Hon. Hugh Hudson: You wouldn't call that stopping wheatgrowers from producing, would you?

Mr. GUNN: If the Minister is so concerned about the wheat industry, I suggest that he take part in the debate and give us the opportunity of hearing about the programme he has in mind. I consider that his line of thinking would be similar to that of Mr. Grassby: the Minister would want to inflict on Australian wheatgrowers a Socialist form of agriculture.

The Hon. Hugh Hudson: Wouldn't you regard wheat quotas as a form of Socialist administration?

Mr. GUNN: I am not discussing wheat quotas.

The SPEAKER: Order! The honourable member must link his remarks to the Budget.

Mr. GUNN: Certainly, Sir. When I was so rudely interrupted I was canvassing the area of wheat production, which is important to the people of the State and to the Budget, because it provides considerable freight revenue to the Railways Department.

The Hon. Hugh Hudson: Do you think there will be a record production this year?

Mr. GUNN: I certainly do.

The Hon. Hugh Hudson: You must give credit to the Commonwealth Government for a record production, because you'd blame it if there wasn't a record.

The SPEAKER: Order! I presume that the member for Eyre is addressing the Chair.

Mr. GUNN: I was trying to abide by your ruling, Mr. Speaker, and not reply to interjections. I wish to make only a few passing remarks about the wheat industry, because I am endeavouring to link my remarks to the Budget. The effects the Commonwealth Budget has had on wheatgrowers will not only destroy their incentives and impede production but will effect this State's agricultural machinery manufacturers. I was amazed this afternoon by the reply I received from the Treasurer regarding the effects the Budget will have on them. We all know the serious position of these machinery people in the past two or three years. They have just started to pick up, because farmers only recently have been able to purchase more machinery. With prospects brighter than they have been in the past, the farmers have placed orders for machinery. As a result of the action of the Commonwealth Government, just when the backlog of orders has been filled, many firms that have recently been engaging staff will have to retrench people, because not only will there be a shortage of steel, but rural people will not be able to purchase machinery.

It was interesting to note that the Treasurer tried to compare this Budget to the last one presented by the Liberal and Country League Government before it went out of office. He was most unfair in doing that, because he did not tell the House or the people that the present South Australian Government received far better treatment in the last 3½ or four years from the Commonwealth Liberal and Country Party Government than the previous L.C.L. Government in South Australia had received. In 1969, the last year in office of the L.C.L. Government in South Australia, we received total grants from the Commonwealth Government of about \$128,000,000, whereas in the first year of office of the Labor Socialist Government South Australia received \$164,000,000. It is no wonder that the Labor Government could build more schools.

I applaud the Government for building more schools and hospitals and providing other essential services, but I deplore the deliberately misleading and untruthful remarks that people like the Treasurer and the Minister of Education are inclined to make in this House. Those remarks are deliberately designed to bring discredit on the former L.C.L. Government and members on this side of the House. I am confident that the people of Australia will be pleased to return a Liberal Government to office in Australia at the next election.

I refer now to the recent decision about the rights of unionists to enter farming properties. The only information I have is the newspaper report. Because a person like Mr. Dunford is involved, a wellknown "Democrat" who acted in such an irresponsible way to put a curfew on the people of Kangaroo Island, I am concerned about what type of instruction he will give his organizers. Mr. Dunford is State Secretary of the Australian Workers Union, and his comments on the decision are interesting. The report states:

He said union organizers would be given a card of authority from the union . . .

I wonder what sort of authority it will be and whether they will have permission to barge on to properties. Will

they tell the owners or managers when they are coming? Will they demand full access or invade the private quarters of the managers or owners?

Mr. Keneally: What's this got to do with the Budget?

Mr. GUNN: I think it is a relevant matter that the Minister of Labour and Industry should be considering closely. He should be willing to protect the rights of everyone. However, we on this side are all aware of the Labor Party's attitude. We only have to read the speeches made, particularly by the member for Adelaide, who is on record in this House and in the press as advocating that every person employed should be a member of a union.

Mr. Keneally: What's wrong with that?

Mr. GUNN: I am pleased that other people are willing to declare themselves on the issue. There are two reasons why this is done. One is so that the members of the unions can provide funds for the A.L.P. and the other is so that the unions can control people and tell them what to do. The people will not be able to please themselves, and it will be a case of, "Do as I say, or else."

Mr. Coumbe: It's compulsion.

Mr. GUNN: It is compulsion, and I thank the member for Torrens. I am concerned about how people will be treated. If a person is not at home when an organizer arrives, will the organizer inspect the property? I am concerned that the people of South Australia who operate rural properties will be subjected to blackmail and standover tactics such as the people of Kangaroo Island have been subjected to in such an irresponsible way. I hope that some members opposite will stir themselves and tell the House what is intended by this decision.

Mr. Venning: We haven't been told yet.

Mr. GUNN: The Minister of Labour and Industry would not have any idea of what is taking place. His record as a Minister is second to none. Another matter in the Commonwealth Budget that concerns me is the removal of the income tax deductions for people who improve properties by providing water schemes, clearing land, and in other ways. In my district the shortage of water is critical and I am concerned that the Commonwealth Government would take such an irresponsible decision as not to allow people income tax deductions when they are carrying out programmes to conserve water.

One is amazed that the Treasurer would be so naive about conditions in the driest State in the driest country. He said that these proposals were aimed at the Pitt Street farmers. However, they will have little effect on those people and will affect many people who for many years have been struggling to develop properties and are now just getting the reward for their hard work. They have improved properties to make things better for themselves, but they will be penalized. Many areas have not got reticulated water schemes; in many instances people cart their water, but they are being denied income tax deductions which would enable them to provide dams, etc. If the present Commonwealth Treasurer had been Treasurer 12 months ago, the people of Kimba would not have got any financial assistance for the Kimba main.

Mr. Keneally: Laurie Wallis would have fixed that up.

Mr. GLINN: Laurie Wallis is typical of the Socialists in Canberra; he is a typical yes-man to the Commonwealth Cabinet. It is an observation I have made since he has been the Commonwealth member for Grey. I believe the South Australian Treasurer and Government have failed miserably in the preparation of this Budget document. They have done nothing to curb inflation or to encourage people to produce more. It is a wellknown fact that one of the best ways to fight inflation is to increase productivity

and encourage people to work and produce more goods, not to continue a hand-out policy or try to build a society on social welfare relief and encourage people to do as little as possible for as much as they can get.

Mr. Keneally: Do you agree with the member for Alexandra?

Mr. GUNN: I am making this speech and I need no assistance from the member for Stuart. The member for Alexandra was quite entitled to his opinions. If he wishes to air them in this place, that is his right and I do not wish in any way to stop him from doing that. After the exhibition of the Attorney-General during Question Time this afternoon, he should be hanging his head in shame. I was endeavouring to make one or two comments about the failure of this Government to tackle the greatest problem facing us—the rate of inflation, which is running at about 13 per cent. One of the best ways to tackle it is to increase productivity. Our per capita output is low when we compare it with some of the rates of productivity in other parts of the world. We are far behind the United States of America, Sweden, France, Canada, Japan, Switzerland, and Germany, and Italy and the United Kingdom are the only ones behind us when we compare figures. This is a well-documented brochure that I have here, and I recommend it for members opposite to study at their leisure.

In reference to the Treasurer's statement, we were amazed to read in the press on the day following the Budget the headline "No increase in State taxation in the South Australian Budget". Only one day after the Budget was presented electricity charges in this State were increased by about 11 per cent, and, if that is not a direct slug on our taxpayers, I do not know what is. The Treasurer, typically, deliberately avoided stating that fact in this document. The five major increases in taxation in this State which will have a significant effect on the people will increase inflation and do nothing to encourage increased production.

I now turn to another matter that is causing me, and I believe the people of Australia, much concern—the attitude of the Prime Minister at the recent convention held in Sydney to discuss the Constitution. The week before last the Attorney-General, in one of his eloquent speeches in this House, went to great lengths to assure members here, replying to interjections I made, that he and his colleagues in the Labor Party would go to Canberra with open minds and realistically discuss the matter. The Prime Minister completely cut the ground from under the Attorney-General because it appears to me that he was completely determined to impose upon the delegates, and upon the Australian people, his ideas. We know that he is an avowed centralist and so is the Federal President of the Australian Labor Party, Mr. Hawke. We know where the Prime Minister stands in relation to the federal system of government. I believe that the Australian people, if given the opportunity to decide, will never accept centralism for this country.

Mr. Evans: They will kill the centralist octopus.

Mr. GLINN: Yes. I draw attention to the dangers in the centralist policies if centralist theory is put into effect and to what the effect will be on the Australian people. It will destroy the rights of the individual to have adequate representation or to be able to contact his local representatives. It is interesting to see what other people have said on this matter, and one statement that readily comes to mind is that of Karl Marx in 1848, when he said:

Democracies will seek to establish a federal system of Government. You (the Communists) must fight against

this because only by complete concentration of power in a unitary system can you hope to achieve control of Germany. That is what that gentleman said. We can compare that with what the Deputy Leader of the Opposition, the Hon. Phillip Lynch, said when he gave the seventh Alfred Deakin lecture:

Liberalism believes that governmental power should be diffused, not concentrated.

That is a point with which I entirely agree; I am proud that my Party, both in this State and in the Commonwealth sphere, has always adopted it and put it into effect. I believe in the complete decentralization of power. This is in contrast to the Prime Minister, who said, "I prefer a unitary type of government", in answer to an interjection in the House of Representatives when one of his colleagues was answering a question. It is obvious, when we study recent and not so recent statements of the Prime Minister, that he is hell-bent on having a completely centralized Australian Government. When we study the principles and platform of the Australian Labor Party, it is obvious that that Party intends to have not only complete centralized control but also a one-Party system.

Mr. Hopgood: Where do you get that from?

Mr. GUNN: If the honourable member reads the principles and platform of the Australian Labor Party, he will see that the aim is to abolish all Upper Houses. I have read comments by the honourable member's colleagues in Western Australia to the effect that they wish to get rid of State Governors.

Mr. Hopgood: But you said a one-Party system.

Mr. GUNN: Yes, and I stand by that statement.

The Hon. Hugh Hudson: Rubbish! You are just making it up.

The SPEAKER: Order! I hope the member for Eyre is addressing the Chair.

Mr. GUNN: I have made the comment that, if we follow through completely the policies of the A.L.P., we shall end up by having only a one-Party State. Experience in other parts of the world shows that the Labor Party's policies lead to a one-Party State. I am completely disappointed that the Government has again failed to grapple

with one of the greatest financial problems of this State, involving the South Australian Railways. The railways play a significant part in the development of the State when they provide an essential service, but I do not believe that we can tolerate the railways being such a drain on the Budget. The Auditor-General's Report for the year ended June 30, 1973, at page 185, states:

The continued and significant increase in losses on the South Australian Railways is most disturbing, and some action is essential to reduce or at least hold these losses. The Minister of Transport has done little or nothing about this problem in the last 31 years. He set up a committee of inquiry, but the only recommendation that he has attempted to put into operation has not been well received; it will have little or no effect in improving the finances of the South Australian Railways, but it will certainly cause much inconvenience to all concerned. I believe that the Government should be courageous enough to close some existing passenger services. I do not believe that the South Australian taxpayers should be forced to continue subsidizing country rail services that are running at an average loss of \$16.02 a passenger journey, nor do I believe that the taxpayers should have to continue subsidizing suburban rail services that are running at an average loss of 47c a passenger journey. If services are required to country areas, buses should be provided. If private contractors are not willing to operate the buses, the railways should provide the bus services; that arrangement would be cheaper and more efficient. I hope the Government will be courageous enough to tackle the problem and bring about economies and rationalization to rectify the situation. I hope the Government does not use the committee's report as a means of forcing the rural community to use the railways so that there will be a slight increase in revenue; the Government's decision will have a serious effect on the primary producers of this State, particularly people living a long way from the metropolitan area, including those in my district. I grudgingly support the Budget.

Mr. EVANS secured the adjournment of the debate.

ADJOURNMENT

At 11.45 p.m. the House adjourned until Wednesday, September 12, at 2 p.m.