

HOUSE OF ASSEMBLY

Thursday, August 29, 1974

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

PETITION: SODOMY

Mr. CHAPMAN presented a petition signed by 23 residents of South Australia, objecting to the introduction of legislation to legalize sodomy between consenting adults until such time as Parliament had a clear mandate from the people by way of a referendum (to be held at the next periodic South Australian election) to pass such legislation.

Petition received.

PETITION: SPEED LIMIT

Mr. RUSSACK presented a petition signed by 25 residents of South Australia, stating that because of conversion to metrics the speed limit of 30 kilometres an hour past school omnibuses and schools was too high and presented an increased threat to the safety of schoolchildren, and praying that the House of Assembly would support legislation to amend the Road Traffic Act to reduce the speed limit to 25 km/h.

Petition received.

PETITIONS: COUNCIL BOUNDARIES

Mr. BOUNDY presented a petition signed by 194 residents of the Warooka district, stating that they were dissatisfied with the first report of the Royal Commission into Local Government Areas, and praying that the House of Assembly would oppose the recommendations of the Royal Commission as they affected the District Council of Warooka.

Mr. BLACKER presented a petition signed by 446 residents of the district of Tumby Bay, stating that they were dissatisfied with the first report of the Royal Commission into Local Government Areas, and praying that the House of Assembly would reject any legislation that would be introduced to implement any recommendations of the Commission concerning the District Council of Tumby Bay.

Mr. BLACKER presented a petition signed by 470 residents of the Flinders District, stating that they were dissatisfied with the first report of the Royal Commission into Local Government Areas, and praying that the House of Assembly would not bring about any change or alteration of boundaries to the District Council of Lincoln and that the city of Port Lincoln be preserved as a city area and not incorporated into a rural area.

Petitions received.

QUESTIONS

The SPEAKER: I direct that the following written answers to questions be distributed and printed in *Hansard*.

DOMICILIARY CARE

In reply to Mrs. BYRNE (August 8).

The Hon. L. J. KING: The general aim of domiciliary care service schemes is to give support to aged and handicapped persons in their homes, to prevent as long as possible their entry or re-entry into hospital or a nursing home, and to permit earlier discharge from hospital by the provision of services and treatment in the home. In many cases, support is given to relatives to enable them to care for patients who would otherwise require hospitalization or nursing-home care. The existing community services are used as far as possible, and additional services pro-

vided are funded by the Australian and State Governments. The administration of each service is the responsibility of an executive management committee, comprising both community and Government representatives, which controls finance and general organization, and recommends policy and possible future development. The Medical Director and co-ordinator who administer the service are responsible to this committee.

Services provided under the scheme include nursing, physiotherapy, occupational therapy, home help and house-keeping assistance, social work, chiropody, meals, linen services, and loan of appliances. Operational schemes are located at Mt. Gambier, Murray Bridge, Port Lincoln, Whyalla, Loxton, Port Pirie, Wallaroo, Elizabeth (Para), Daw Park (Southern), Woodville (Western), and Northfield (Eastern). The Eastern Domiciliary Care Service, based at the Northfield wards of Royal Adelaide Hospital, serves the area bounded by the Adelaide Hills, Glen Osmond Road, Greenhill Road, West Terrace, the northern train line through Prospect, Kilburn, and Dry Creek, and the Little Para River. The service commenced operating on February 18, 1974, and has to date received 424 referrals and completed 400 assessments. Most referrals are received from general practitioners, the Royal District Nursing Society, Meals on Wheels, and the staff social workers.

Where a patient referred emanates from a community source, either the patient's general practitioner is advised, and informed of the outcome of the assessment, or a general practitioner from the area concerned is invited to provide the necessary medical continuity. Referred patients are first assessed by a social worker and rehabilitation doctor to see whether and how assistance can be given. The case may then be referred to any other member of the paramedical team for confirmation in the particular circumstances. After assessment and acceptance, a plan for providing aids or services is made. The range includes: self-help aids and nursing equipment; mobile workshop for minor household modifications; tuition in techniques by therapists; social worker counselling (on-going support by Community Welfare Department social workers); enlistment of district nurse, Meals on Wheels, and voluntary groups; linen service for incontinent patients; hired home helpers; paramedical aides in complex cases or for follow up; hired sitters for respite and socialization; limited emergency accommodation; and chiropody.

At this point in time the eastern service does not act:

- (i) as a placement service;
- (ii) as a convalescent service at short notice; or
- (iii) to provide neighbourhood support for the frail or socially dependent. (This is seen as a function of emerging local community services.)

Nominal charges are made for the services provided, and vary according to patients' ability to pay. Financial assessments are provided by the social worker concerned. Future development of the Eastern Domiciliary Care Service includes the establishment of a day hospital to cater for 60 persons each day. These will be people who, because of their disabilities or inability to use conventional transport, are unable to socialize elsewhere in the community, or who need maintenance therapy.

GREYHOUND RACING

In reply to Mr. WRIGHT (August 20).

In reply to Mr. BECKER (August 22).

The Hon. L. J. KING: Inquiries into the circumstances surrounding the swabbing of the greyhound Ibis Lady are being conducted. I cannot say at this stage when these inquiries will be completed.

RAILWAY FINANCES

In reply to Mr. McANANEY (August 13).

The Hon. G. T. VIRGO: The increase in railway revenue for 1973-74 over the previous year is \$4 495 417, and 19.5 per cent of this increase is attributed to increased charges. The deficit in running expenses compared to the previous year increased by \$4 017 132.

ROADS AND BRIDGES

In reply to Dr. EASTICK (August 15).

The Hon. G. T. VIRGO: I refer to the question asked by the Leader during the debate on the Public Purposes Loan Bill regarding \$1 000 000 to be spent on roads and bridges. As intimated at the time, the \$1 000 000 for use by the Highways Department has been set aside as an emergency fund. It is expected that these funds will not be required unless delays occur in receiving road grant money from the Australian Government and increased revenue from State motor taxation sources.

DRAINAGE

In reply to Mr. BECKER (August 15).

The Hon. G. T. VIRGO: I refer to the question asked by the honourable member during the debate on the Public Purposes Loan Bill with regard to works remaining to be done in the Patawalonga Basin. The works remaining to be done are as follows:

1. Final trimming of some sections of earth bank.
2. Earthworks to reshape the bank and to match new road works on Adelphi Terrace between King Street bridge and Brooklyn Avenue.
3. Minor road works in Military Road at the junction of Anderson Avenue.
4. Excavation to widen and deepen the basin in the area adjacent to the Brownhill to Keswick Creek outlet at Tapley Hill Road, downstream to the Sturt River channel entry.

The only drain remaining to be constructed by the scheme is drain No. 1, which joins the Sturt River at Coorilla Avenue, Novar Gardens, and, as I said on August 15, a contract has been let for this work. I am arranging for a plan showing drain No. 1 in relation to the whole south-western suburbs drainage scheme to be supplied to the honourable member.

In reply to Mr. BECKER (August 15).

The Hon. G. T. VIRGO: I refer to the question asked by the honourable member during debate on the Public Purposes Loan Bill with regard to subsidizing drainage works in respect of councils in the Hanson subdivision. The Henley and Grange Council has applied for and received approval for a 50 per cent Government subsidy towards the cost of main drainage works to be constructed this financial year at Grange, at an estimated cost of \$95 600. The city of West Torrens has informed the Highways Department that it may apply for a subsidy in 1974-75 at an estimated cost of \$100 000 for main drainage, but the city of Glenelg has made no request for financial assistance during this period. I am arranging for a statement to be supplied to the honourable member setting out the conditions under which drainage works qualify for a 50 per cent Government subsidy.

UNLEY TRAFFIC

In reply to Mr. LANGLEY (August 15).

The Hon. G. T. VIRGO: Full implementation of traffic management proposals in the Unley area has not been possible to date on account of shortage of funds. The implementation of the complete scheme is dependent on the availability of funds, and the project cost is beyond the

resources of the Highways Department and that of the city of Unley. An approach has been made to the Australian Government for assistance by way of a special grant, but this has not been favourably received. The Australian Government, however, is expected to make funds available this present financial year for low-cost traffic engineering improvements at locations that have proven accident records. Verbal advice has been received from officers of the Australian Department of Transport that such funds may be available for this project.

Although details of this scheme are still being formulated by the Australian Department of Transport, there is some hope that projects such as the Unley pilot study may be funded from it. The Highways Department is formulating a works programme for this scheme for the approval of the Australian Government, and the Unley pilot study has been included on the list. If the funds are forthcoming, it is expected that a major part of the works will be completed this financial year.

UNION DISPUTE

Dr. EASTICK: In the absence of the Minister of Labour and Industry, will the Premier have investigated the vicious and spiteful attempt by the State Secretary of the Transport Workers Union (Mr. Nyland) to strangle and put out of business a Salisbury cartage contractor, one of whose drivers was involved in a minor verbal skirmish with a T.W.U. official during the recent State-wide stoppage by that union? Does he condemn such standover tactics? What attitude will he adopt with regard to the tort action that is about to be taken by that contractor to avoid being wiped out financially? Will he give an unqualified assurance that the Government will not, in any circumstances, involve itself in the payment of union court costs in this last resort action by the contractor? Mr. Speaker, I seek your indulgence to enable me, because of the detail involved in this matter, to give a slightly more extensive explanation than would normally apply.

During the recent State-wide strike by the T.W.U. several incidents occurred that resulted in that union placing black bans on four South Australian firms. They were two passenger bus lines that continued operations during the dispute; a Thebarton hotel, whose manager broke a picket line of T.W.U. members to collect carbon dioxide cylinders from Torrensville premises so that his hotel operations would not be disrupted; and a Salisbury cartage contractor (H. & A. Davies). The Salisbury firm was banned because, during the T.W.U. dispute, one of its drivers engaged in a verbal clash with a T.W.U. organizer at a city construction site. The bans were invoked at a mass meeting of the T.W.U. on Wednesday, August 7.

Following a series of conferences, three of the bans were subsequently lifted (on Friday, August 9), but the ban remained on the Salisbury cartage contractor. This ban, initially imposed over an entirely frivolous heat-of-the-moment verbal clash between a truck driver employed by the company and a union official, is still in force in spite of a concerted and sincere attempt by the company to make amends with the union. At the request of Mr. Nyland, through an organizer, the company sent a written apology to the State Secretary. It further agreed to sign up all of its employees, and in fact, provided a cheque for the subscriptions and this was also forwarded to Mr. Nyland. These were the only conditions imposed by Mr. Nyland. I believe the Minister would accept this as a completely conciliatory attitude by Messrs. Davies.

However, apparently Mr. Nyland took the attitude that, while the knife was in, he would give it a twist before pulling it out.

The SPEAKER: Order! Remarks such as that are not necessary in an explanation, nor can they be accepted as part of an explanation. The honourable Leader of the Opposition.

Dr. EASTICK: In a deliberately provocative action, Messrs. Davies's letter was returned, and endorsed on the letter in Mr. Nyland's own handwriting was a further question that he required to be considered. It demanded an assurance that, in future, all persons wishing to be employed by that employer would be forced to join the union before they were engaged. Messrs. Davies believes that the union and its State Secretary have been completely intransigent in their approach to the dispute, because they imposed further conditions after the original condition had been met.

In the meantime, union organizers are moving around the State warning other firms about having anything to do with Messrs. Davies's firm. In fact, he has not been permitted to obtain petrol during the past 36 hours or to undertake his trade with P.G.H. Industries Limited. In an attempt to avoid financial ruin, Messrs. Davies now finds it necessary to take this matter to the court to be decided. This, then, is the background of the question, which I briefly repeat for the Premier: will he look further into this matter and condemn the actions taken by the T.W.U. State Secretary? Will he also say what part he will take in the court action about to be taken, and will he give an unqualified assurance that the Government will not involve itself in the payment of union court costs, as it did on a previous occasion?

The Hon. D. A. DUNSTAN: As I am unaware of the circumstances of this dispute, I shall have the matter investigated and give the Leader a reply when I have considered all the factors after they have been reported to me.

GROCERY PRICES

Mr. WELLS: Will the Attorney-General ask the Commissioner for Prices and Consumer Affairs to investigate what I consider to be a racket of price manipulation being carried on by certain supermarkets in South Australia? I have been approached by many of my constituents who have complained about the fluctuations in prices at certain supermarkets within and without my area, and I will draw two glaring examples to the attention of the Attorney-General and the House. The first complaint relates to Coles New World Supermarket at Clovercrest, where a family in my district shops each Saturday morning. One Saturday they purchased a packet of detergent powder. I know that I am not allowed to display the packets in the House, so I will not do so. However, on the first occasion concerning this complaint the family paid 49c for the detergent; on the following Saturday they purchased an identical packet and were charged 65c (an increase of 16c in a week), and on the following Saturday (August 24) they again purchased a packet of this soap powder and were charged 53c, making it obvious that price fluctuations are at the whim of the store and that price manipulation is practised.

The second complaint, a more glaring example, concerns a constituent of mine who went to a Target discount shopping centre and bought a tin of Sal Vital, which her doctor had advised her to drink. She paid 56c for a 400 gram tin and, having consumed the contents, she went back to the store a fortnight later and bought a similar tin for \$1.10.

Mr. Rodda: New stock, obviously!

Mr. WELLS: It was almost a 100 per cent price increase. Under the price ticket showing \$1.10 she found another ticket showing 56c. It is therefore obvious that the second tin she bought was on the shelf when she bought her first tin. Many other complaints have been brought to my notice by people complaining continually about irrational increases in price. I am firmly convinced that in some supermarkets there is a racket in price manipulation. I therefore ask the Attorney-General to investigate the matter with a view to eradicating it and thus protecting the budgets of the house-wives of this State.

The Hon. L. J. KING: I will have the matter investigated.

MOTOR VEHICLE INDUSTRY

Mr. COUMBE: Is the Premier aware of the flood of foreign-made cars currently being imported into Australia generally, into South Australia in particular? The information I seek from the Premier relates to a completely different threat to the car manufacturing industry from that which was investigated by the Industries Assistance Commission and discussed by this House on Tuesday. Since the Commonwealth Government reduced import tariff quotas there has been a dramatic upsurge in the number of imported cars coming into Australia. This further threatens the jobs of South Australian workmen engaged in both the motor vehicle and the pressed metal industries in this State. I therefore ask the Premier whether he views this matter with concern and whether he will make representations to his Commonwealth colleagues in an effort to reduce to reasonable proportions the volume of imported cars coming into Australia in order to safeguard the jobs of South Australian workers?

The Hon. D. A. DUNSTAN: I am aware of a marked increase over the last three months of the importation of consumer durables of various kinds, not only motor vehicles but also home appliances. In fact some of the increases range from about 117 per cent to almost 240 per cent. These were the figures I presented to the Premiers' Conference as indicators that, in fact, the control of demand in the Australian economy had gone more than far enough and that, with the importations we could see, together with the figures we had on increased output from Australian factories, without some stimulation of demand there would be no way in which the Australian economy could absorb the goods now flowing into the country. Being already aware of the situation, I have already taken it up with the Commonwealth Ministry, and I will continue to press it.

Mr. DEAN BROWN: Can the Premier say what action the Government will take in co-operation with his colleagues in Canberra to ensure that the present economic ills of Australia (I refer specifically to inflation, a shortage of liquid finance and increasing unemployment) are remedied as quickly as possible so that the depressed state of the motor vehicle industry in South Australia does not worsen or even continue? Figures published yesterday indicate that during June credit was supplied for the purchase of only 28 000 motor vehicles, compared to 38 000 in May. That clearly indicates the extent to which the demand for motor vehicles is falling. Further, the share of the market held by South Australian manufacturers is falling: in June the demand for Holdens dropped to 18.3 per cent and for Valiants to 8.5 per cent. The member for Torrens has already referred to imported cars so I cannot mention them. The forecast being

made by most people is that the South Australian motor vehicle industry faces a bleak period, if not a complete depression. The reasons for this are outlined in today's *Financial Review*: the state of the economy, inflation, unemployment and the lack of liquid finance. The Premier has shown great concern for the long-term prospects of the South Australian motor vehicle industry and I fully support the comments he made on Tuesday. As I understand that the State Budget is to be introduced soon, I wonder what action the Premier will take to remedy these economic ills.

The Hon. D. A. DUNSTAN: If the honourable member looks at the State Constitution and the Commonwealth Constitution he will be aware—

Mr. Dean Brown: That's what you always say.

The Hon. D. A. DUNSTAN: If the honourable member does not do his homework by looking at the conditions of the Commonwealth-State Financial Agreements in respect of uniform tax and the like, and so does not know how government in this country works, he is not doing his duty by this Parliament or the people he represents.

Mr. Venning: He does his work.

The Hon. D. A. DUNSTAN: He does not do it. The honourable member has asked me what the State Budget can do about this state of affairs in the motor vehicle industry. We can, by our actions, affect only about 15 per cent of the Australian market.

Mr. Dean Brown: Read the question in *Hansard*.

The SPEAKER: Order! I warn the honourable member for Davenport.

Mr. Jennings: You ought to crown him.

The SPEAKER: Order! The honourable member for Ross Smith.

The Hon. D. A. DUNSTAN: At the Premiers' Conference it was I who put the specific proposals on behalf of the Premiers to the Commonwealth Government. I have outlined to this House the specific proposals agreed on by the Premiers, except only the Premier of Queensland from whom we could get no clear understanding at all as to what he was willing to do or whether he was willing to go along. The Government intends to proceed with the proposals which we put to the Commonwealth Government, and to which they have acceded, for control of the inflationary situation. Legislation will be introduced this session to give effect to the proposals which I outline.

The attitude of the South Australian Government towards the car industry was made clear on Tuesday this week. Regarding specific proposals as to how the original terms of reference of the Industries Assistance Commission can be accomplished without the dire results to the industry that its recommendations will achieve, the State Government will shortly make recommendations to the Commonwealth Government. Those recommendations will be outlined to this House, as they will be outlined to the Commonwealth Government, as soon as they have been checked thoroughly with, and acceded to by, the industry itself.

Mr. Dean Brown: What about the short term?

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: If the honourable member has a specific proposal as to how this Government might ensure for General Motors-Holden's and Chrysler Australia Limited a larger share of the market, I shall be glad if he would tell the House. This Government happens to have given the biggest orders to the local industry in the history of the State, and the industry has been very thankful for the orders from the State Government. Apart from that,

what can this Government do to get a larger share of the market for G.M.H. and Chrysler, when the market is elsewhere in Australia?

Mr. Dean Brown: Support a Commonwealth Liberal Government.

The SPEAKER: Order! In accordance with Standing Order 169, I warn the honourable member for Davenport for the second time.

The Hon. D. A. DUNSTAN: I can only say that my submissions on behalf of this State, supported by the motor vehicle industry in South Australia, to Commonwealth Liberal Governments were regularly refused, and I had the support of the industry in this State in roundly condemning Commonwealth Liberal Governments in office because of their complete disregard of the interests of the motor vehicle industry in South Australia.

Mr. MILLHOUSE: Has the Premier had any reaction from the Commonwealth Government to the Ministerial statement he made last Tuesday regarding the Industries Assistance Commission's recommendations on the future of the motor vehicle industry? I remind you, Mr. Speaker, that last Tuesday the Premier made a strong statement in the House.

The Hon. Hugh Hudson: A very good one, I thought, but you haven't sought permission to explain your question.

The SPEAKER: Has the honourable member sought leave of the House?

Mr. MILLHOUSE: If I have not, I apologize to you, Sir. It is remarkable what attention I attract in this place.

Mr. Venning: And outside.

Mr. MILLHOUSE: Yes. On Tuesday, the Premier made a strong statement on the recommendations of the Industries Assistance Commission regarding the motor vehicle industry and pointed out that, if they were accepted, it would spell disaster for that industry. As about 48 hours has now passed, plenty of time (in view of the publicity and prominence the statement received) has elapsed, and one would expect that the Premier would have had some reaction from the Commonwealth Government. The Premier has said that he has made representations to successive Liberal Governments regarding their treatment of the motor vehicle industry. I point out, however, that the industry did better under Liberal Governments than it is doing now. In view of the reply the Premier was pleased to give the member for Davenport, I ask whether he has had any reaction to his statement from the Commonwealth Government and, if he has, what was the reaction.

The Hon. D. A. DUNSTAN: I have not had from the Australian Ministers a reply to the statement I made in the House last Tuesday, although my officers have been constantly in touch with officers of the Prime Minister's Department, as those officers were involved with the officers of the State Government in investigations made into the effects of the commission's report. As to the comparison the honourable member has drawn between the reactions of Liberal Governments and those of the Labor Government now in Canberra—

Mr. Millhouse: A comparison as to the treatment meted out to the industry.

The Hon. D. A. DUNSTAN: —the honourable member has suggested that I should refer to this matter specifically, as I have referred to the way the industry was treated previously. He said that it was only reasonable to expect that, within 48 hours, I should receive a reply from the Australian Government.

Mr. Millhouse: But surely—

The SPEAKER: Order! I warn the honourable member for Mitcham. The honourable Premier.

The Hon. D. A. DUNSTAN: I can only say that on no occasion did I get a reaction within 48 hours from a Commonwealth Liberal Government no matter what I said and, what is more, it was normally a matter of months before I received a reply, if I received one at all.

FISHERIES

Mr. GROTH: Will the Minister of Fisheries say whether the Government intends to establish a fisheries research station in South Australia and, if it does, will he say whether it will consider establishing this research station at St. Kilda? I ask this question for two reasons: first, I believe that if a research station is to be established it ought to be established in the northern districts, and St. Kilda would be an ideal port for this purpose, especially from a tourist point of view; secondly, the following article appears in the *News* of August 16:

The lesson from the increased number of fish along the metropolitan coast since netting was banned a few months ago could spur the Government into establishing a fisheries research station near Adelaide. Leading amateur and commercial fishermen claim the Government-owned Marine-land could be an ideal site for the station. They say it could serve a dual role of entertaining the public and ensuring stocks of local fish for the future.

The Hon. G. R. BROOMHILL: I agree with the suggestion that there is an urgent need to establish a fisheries research station in the metropolitan area. However, I think the general activities of fisheries research will depend on the necessity to find new accommodation for the Fisheries Department. If the department were established near the coast, it would be likely that the fisheries research station would be incorporated in the new accommodation. However, there are various reasons why ports in certain other parts of the State ought to be considered in connection with this matter, and I assure the honourable member that, when the decisions are being made, St. Kilda will be considered.

Mr. BLACKER: Will the Minister of Fisheries say what action he is taking to expedite the appointment of a Director of Fisheries, whether the criteria regarding applications for this position have been altered, and, if they have, to what extent they have been altered? Earlier this year applications were called for the position of Director of Fisheries, and it was reported, I think in this House, that no suitable applications were received. Consequently, applications were again called, offering a salary that had been increased to \$18 000. As the appointment of a Director of Fisheries has not been announced, I ask the Minister what he and his department intend to do about this matter?

The Hon. G. R. BROOMHILL: What the honourable member says is broadly correct: applications were called three times for the position of Director, and on each occasion the salary offered was increased in an attempt to attract suitable applicants.

Mr. Gunn: Are you going to shunt the Acting Director sideways?

The SPEAKER: Order!

The Hon. G. R. BROOMHILL: On the last occasion, provision was made to advertise this position not only Australia-wide—

Mr. Gunn: Are you going—

The SPEAKER: Order! In accordance with Standing Order 169, I warn the honourable member for Eyre for the first time, and he knows the consequences of a second warning. The honourable Minister.

The Hon. G. R. BROOMHILL: On the third occasion we advertised overseas in an attempt to obtain a suitable applicant. The Public Service Board has indicated that it could not make a recommendation to the Government from the applications received from other States and from overseas. Cabinet is now considering the next step to be taken in this regard.

SHEARING INSTRUCTION

Mr. RODDA: My question is to the Minister of Education, and I am sorry that I must ask him a question as soon as he has arrived in the Chamber.

Mr. Langley: Have a look at your—

The SPEAKER: Order! I warn the honourable member for Unley.

Mr. RODDA: Can the Minister of Education say whether, through the Further Education Department, a grant can be made for shearing schools? A request for assistance has been made by the Mundulla Agricultural Bureau (I understand it has contacted the Minister), which commenced conducting a shearing school on August 26. Not even one of the students attending this school has ever had a hand piece in his hands before. The school will break new ground in the shearing industry, and there is a shortage of shearers in the industry at present. The major expense of the school is the payment of the fees of the two instructors who, as shed hands, receive a considerable sum. Can the Minister assist this school?

The Hon. HUGH HUDSON: I have just sent out a reply about this matter, although I do not have full details with me. I could not help with regard to the request made. I have suggested to the Mundulla bureau that it contact the Agriculture Department, as I believe a method exists whereby assistance may be granted in that way. I point out that further education classes are conducted under the initiative and supervision of the Further Education Department, but this has not been done in the case referred to by the honourable member. I will see that the honourable member is supplied as soon as possible with details of the reply I have sent out.

DENTAL DEPARTMENT

Mr. BOUNDY: Will the Attorney-General ask the Minister of Health whether he will agree to the treatment, in country areas, of indigent dental patients by private dental practitioners in cases where the patients are hospitalized and do not have reasonable access to facilities at the Royal Adelaide Hospital Dental Department? If he will agree, when will a scheme of this type be brought into operation? I wish to read the following short letter dealing with such a matter that was received by my local dentist from the Royal Adelaide Hospital, over the signature of the Administrator:

Thank you for your letter of June 13, 1974, in which you commented upon the possibility of decentralizing dental services for indigent persons in the community by the use of dentists in private practice. This is a matter which has had considerable discussion recently and the introduction of such a scheme would be welcomed by this hospital as a means of relieving the pressure placed on its Dental Department in the provision of dental services for indigent persons. The board of management of this hospital has indicated its support for such a scheme on more than one occasion, but it will be a matter for decision by the State Government as to whether such a scheme can be introduced.

I can give two examples of relevant cases in country areas. First, I refer to the case of a legless man who has been hospitalized in my locality and who needs dentures. Even had he been able to get near the top of the list for dentures, several trips by ambulance to the city

would have been involved for the required service to be provided by the Royal Adelaide Hospital Dental Department. All of this would have been at the expense of the taxpayers, yet a satisfactory result could have been obtained locally. Secondly, I refer to the case of a patient who has required continued and frequent hospital treatment for a bronchial disorder when he could have been cured permanently by having several infected teeth removed. I am concerned about the whole matter of dental care for indigent persons, particularly with regard to the use of private practitioners to help in this work. I ask this question, hoping that such a service can be provided to relieve the distress suffered by such indigent patients.

The Hon. L. J. KING: I will refer the question to my colleague.

NORTHERN RAILWAY LINES

Mr. VENNING: Can the Minister of Transport say what is likely to be the future of northern railway lines in this State? Some time ago, there was talk of standardizing the line between Adelaide and Port Pirie. What is likely to be the future of the lines between Gladstone and Wilmington, between Peterborough and Quorn, and between Wallaroo and Brinkworth, and between Brinkworth and Gladstone? At one stage it was said that the Commonwealth Government might take over these lines; it was also said that the State Government might standardize them.

The Hon. G. T. VIRGO: The reference to the northern lines of the State is fairly wide. Although the honourable member has referred to four specific lines, I am still not sure whether those are the only lines to which he is referring.

Mr. Venning: Yes.

The Hon. G. T. VIRGO: If they are the only lines to which he is referring, I shall be pleased to give him a reply about them in due course. As the honourable member knows, we have already reached agreement with the Australian Government in relation to standardization and, naturally, this will have some bearing on the matter. The second point is that the transfer to the Commonwealth of the non-urban section has reached a stage where, until we receive the information we seek, we cannot make a positive decision. Whilst that decision may have some effect on the question the honourable member has asked, I will certainly study the three specific lines to which he has referred, rather than the whole of the northern section (which he perhaps implied in his question) and give him a reply in relation to those three lines.

FLINDERS UNIVERSITY

Mr. GOLDSWORTHY: I address my question to the member for Bragg. Is he aware of the circumstances that led to the calling in of police to the Flinders University campus in the small hours of this morning and, if he is, will he give the details to the House?

The SPEAKER: Is the member for Bragg a representative of Parliament on the Flinders University Council?

Dr. Tonkin: Yes, Sir.

Mr. GOLDSWORTHY: This matter is of considerable importance to the people of South Australia, and I have directed two questions to the Minister of Education on this matter and he has directed me to the member for Bragg on both occasions. So, I refrain from directing my question to the Minister today. As the member for Bragg is a representative of this House on the Council of the Flinders University, and because of the Minister's reluctance to

involve himself in this matter or even to answer questions in the House, I direct my question to the honourable member.

Dr. TONKIN: I am well aware of the circumstances surrounding the whole issue at Flinders University. I believe that the Minister of Education has acted entirely properly in not taking direct action. I believe that the council should be an autonomous body, as constituted under the Act: that is exactly how the Minister has acted in respecting that autonomy. I believe that the council has acted with great patience during this entire episode. I think I may speak on behalf of the other council representatives: at all times the council has acted to avoid violence. Initially, when the issue appeared to be one of a dispute between history students and staff over whether examinations should be held or assessments made, the council acted to try to find out what was the issue and whether that was, in fact, the main issue.

We have tried at all costs to avoid calling in the police on to the campus. We have done everything possible to avoid violence on the campus. We believed that a reasonable discussion could lead to a reasonable solution of the problem, but it has now become apparent that a small group of people (and I emphasize "small") believes that no negotiation is possible or, rather, that their definition of "negotiation" means total surrender of the campus as a whole and of the council to its demands. That is what the group means by "negotiation". These people, it appears, have been out to provoke violence from the outset. For what reason they have wanted the police to be called on to the campus I do not know. The takeover of the registry yesterday by representatives of the staff was, I understand, a totally spontaneous action.

A group of people, comprising staff and other members of the university, gathered outside the registry to demonstrate to the students within that the university campus as a whole did not approve of their activities in holding up university administration. During the course of this gathering various members of staff tried to enter the building and were indeed successful in entering it. This action resulted in the eviction of the students who were occupying the registry. The police were only called on to the campus later as the result of a direct threat to the safety of those members of staff who were in the registry in the small hours of this morning, when they were attacked by a group of people, including students.

The Hon. Hugh Hudson: Not just students.

Dr. TONKIN: Not only students, as the Minister so cogently states, but the group of people threatened actual bodily harm and violence to those members of staff legitimately in the registry. Because of the threat of violence and danger to those people, the police were called on to the campus. It seems that this small group of students, and possibly other people, acted in the small hours of this morning to achieve two objectives: first, to bring about a confrontation with possible violence and, secondly, to create circumstances in which the police had to be called on to the campus to maintain the peace. I greatly regret that an issue such as this, which may possibly be genuine and have some proper foundation in deciding whether the history examination or the assessment is the better course to follow, should have been taken advantage of by a small group of students and, I believe, encouraged by some members of the staff. I am sorry to say that, but I understand that some members of the Philosophy Department have been in and out of the occupied building. I am very distressed, and greatly regret that this small group of students should have taken advantage

of this situation, as I believe they would have taken advantage of any other situation that happened to arise, to further their own ends, which are to disrupt the normal university campus and to destroy, as far as possible, normal university activities. For what reasons I can only guess: I have no idea of their real reasons.

Mr. KENEALLY: Can the member for Mitchell, in his capacity as a member of the Flinders University Council, say whether the member for Bragg was speaking for him when replying to the member for Kavel with respect to the recent activities at Flinders University? The member for Bragg said that he was speaking for other Parliamentary members of the University Council. Was he speaking for the honourable member?

Mr. PAYNE: No.

HILLS SEWERAGE

Mr. EVANS: Can the Premier say what action he is taking to meet the request of 378 Hawthorndene residents whose signatures appeared on a petition I recently handed to him? The petition contained a request from these people of Hawthorndene to have sewerage facilities provided, and it asked when they could expect these facilities to be provided. Today, I have received a letter from the Minister of Works which indicates that the sum to be spent on the Blackwood sewerage scheme has been reduced by 20 per cent for this year, even though there has been an inflationary trend of at least 16 per cent to 18 per cent. Effectively, the amount of work to be undertaken in the Blackwood sewerage scheme will now be reduced by between 40 per cent and 45 per cent. At the same time I have received another letter from the Minister of Works giving details of the areas that do not have sewerage, and there is no doubt that the Mitcham Hills area is the worst affected in the metropolitan area in relation to the lack of sewerage. All other areas have a guarantee that sewerage will be connected by 1980, but the Mitcham Hills area has been given no definite date, except that stage 1 is to be completed by the end of 1975. However, the remainder of the area has been left in the dark about further details.

The Hon. D. A. DUNSTAN: Immediately I received the petition I forwarded it to the appropriate Minister and asked him to examine it, to decide what should be done, and to inform Cabinet of his decision. That is the proper process of government, and I followed it. I cannot promise the honourable member that, given the present configuration of Loan funds (the Loan Estimates have been dealt with by the House), we can in the immediate future markedly alter priorities that this House has already voted on and established. I remind the honourable member that the situation in relation to his district is not new: it obtained under Liberal Governments. This is an extremely difficult area to sewer, as the honourable member knows, but we have done our best within the configurations of Loan money available to us, and those matters have already been debated in the House. I have taken this matter up with my colleague and, when I receive a reply from him, I will tell the honourable member.

FLASH FLOODING

Mr. RUSSACK: Can the Premier say whether the Government will accept responsibility for damage to private property as a result of flash flooding caused by the accumulation of debris among the undergrowth in natural creeks and waterways? During the winter months there have been several unusually heavy downpours in the Mid-North of the State, particularly in the Watervale, Kybunga, and Blyth areas, with considerable damage being caused to private houses and many hectares of rural land being

rendered useless. It is considered that much of this damage has been caused by debris and undergrowth accumulating in the natural creeks and waterways for some time, and unusually heavy downpours this year have created the problem.

The Hon. D. A. DUNSTAN: No, the Government does not accept responsibility. I point out to the honourable member that, when disasters from natural causes of this kind occur, property owners are required, if they wish to protect themselves, to insure in the normal way. If a primary producer faced a situation that would come within the provisions of the Primary Producers Emergency Assistance Act, it would be open to the honourable member's constituents to apply within the terms of that Act. As to the normal law, however, the State Government does not accept responsibility for natural disasters in this respect, any more than it does in respect of any other such occurrence.

TOURISM

Mr. ARNOLD: Can the Minister of Tourism say whether he will, in future, provide emergency promotion for tourist regions that suffer from adverse conditions over which they have no control? The Minister may recall the following article appearing in the *Advertiser* of August 21, under the heading "Tourism Growing":

Last year had been one of growth for the South Australian tourist industry, the Minister of Tourism (Mr. Broomhill) said yesterday. He told Mr. Evans (Liberal, Fisher) in a written reply in the Assembly that tourist operators and regional tourist associations had reported a record year.

I refer to a letter I have received from the Secretary of the Riverland Tourist Association, which states:

It appears that Riverland had one of the worst years on record. Hotels and motels were all down on previous years, houseboat bookings were far below last year and caravan parks also suffered. Incidents occurred as follows:

Commencing August, 1973, with the petrol strike; November, 1973, flood river; December, 1973, encephalitis scare; Easter, 1974, encephalitis scare; and August, 1974, flood river.

Some relief was evident when the Victorian Government spent a considerable amount promoting areas also affected in a similar way to our region. We did receive some flow on from their promotions.

Had emergency promotion been provided for the Riverland during this period, we might have convinced the travelling public that the Murray River in flood is a tourist attraction in itself and a sight worth seeing. People referred to encephalitis, but we could classify that as a scare. Had adequate publicity been given to the realities of the situation, the downturn in the tourist industry in that region over the 12 months might not have been so severe.

The Hon. G. R. BROOMHILL: The honourable member will probably recall that there was a fear last year that the tourist potential of the River areas would be reduced because of the encephalitis scare. At the time, both the Minister of Health and I attempted to show the community that the disease was by no means as serious as it had been reported throughout Australia to be. Unfortunately, our assurances did not seem to have much impact on tourists. I must admit that many people did not visit the River areas, because of the encephalitis scare. In addition to the statements made by the Minister of Health and me, the Tourist Bureau increased markedly its activities in promoting tourism in the River areas. We can expect some visitors to stay away from the River districts this year, because of the encephalitis scare last year, even if there are no further reports of encephalitis outbreaks in the areas concerned. As it is expected that less than the normal number of tourists will visit the area, we

intend at the local tourist level to increase our promotion of the River districts to try to offset this factor. However, I will get a report from the Director of the Tourist Bureau outlining in detail what was done last year and what is contemplated during the coming tourist season.

CONSUMER PROTECTION

Mr. GUNN: Will the Attorney-General consider amending that provision in the consumer credit legislation passed last session which requires people when obtaining a guarantee from a bank to have that guarantee witnessed by a legal practitioner? I have been approached by several bank officers who have experienced problems in relation to this requirement. As there is not one legal practitioner resident in my district, in many cases my constituents have to travel great distances, perhaps to Port Lincoln or Adelaide, to obtain the signature of a legal practitioner and, in doing so, they have to pay not only the legal practitioner's fee but also considerable travelling expenses.

The Hon. L. J. KING: I appreciate the problem that confronts people living in remote areas; it is a difficult problem and one that I have looked at, but I will look at it again. Many people nowadays travel for business reasons: that is not unusual. However, we must bear in mind that this measure is in the legislation to protect the borrower on an occasion that is probably as important as any other occasion in his life so far as business considerations are concerned. The requirement that a person obtain advice before entering into a guarantee, which may well put at stake all his assets (his farm, his house, and everything he owns), is a wise and prudent provision that was designed to protect the person who will act as guarantor. Requests to guarantee a transaction often come from members of the family, and it is in those circumstances that the guarantor is particularly vulnerable. I include the person to whom a request is made by a friend, or someone with whom there are family ties or moral obligations. It is this sort of transaction that is particularly prone to disturbing a person's business judgment as to whether the guarantee should be entered into or not. It is all too common that, at the behest perhaps of a bank manager who has to cover his account, the member of the family who needs the guarantee is full of optimism about the business project into which he is about to enter. In such circumstances a person can sign a document that later results in his losing everything. That has been the experience, and that is why the provision has been put into the Act. It seems to me that the honourable member's constituents need and are entitled to this protection just as much as in the case of residents in the metropolitan area.

Mr. Millhouse: Aren't you trying—

The SPEAKER: Order!

The Hon. L. J. KING: I would be loath to do anything that would deprive people of this important protection simply because they live in remote areas but, on the other hand, I understand the inconvenience that is involved and will therefore look into the matter. However, I should like the honourable member to understand that the provision exists for the protection of his constituents, and I would be reluctant to deprive them of that protection.

KANGAROO ISLAND

Mr. CHAPMAN: Can the Minister of Environment and Conservation say what were the facts leading to a senior officer of the State Planning Authority making a statement about Kangaroo Island environmental protection regulations? The Chairman of the State Planning

Authority (Mr. S. B. Hart) is reported as saying in the Stop Press of the *News* of August 22, under the heading "Protesters Win", that the State Planning Authority would scrap the proposed environmental protection regulations for Kangaroo Island because of residents' protests. I understand that Mr. Hart was not available for further comment the following day (August 23) and that, as far as can be determined, information on this matter has not been released publicly.

The Hon. G. R. BROOMHILL: The honourable member is aware that there have been considerable negotiations with councils on Kangaroo Island ever since the planning regulations were first publicly released some time ago. Generally, there has been disagreement between the authority and the council concerned, the authority saying, I think fairly, that because of the importance of Kangaroo Island as a tourist centre it should have special zoning provisions. The council has generally accepted that, nevertheless objecting to the form of the regulations, because it believes that the day-to-day matters associated with running council areas and the smaller developments that take place on the island should be within its control. The difficulty in trying to find an answer is that the Planning and Development Act provides that interim development control must be exercised by the State Planning Authority or that it can be delegated to a council. There is no provision that permits some of the powers of interim development control to be operated by the State Planning Authority and some by a council. Therefore, to try to solve this problem we have informed councils that we shall seek to amend the Planning and Development Act during this session to enable some powers to be delegated to councils. I believe that the council concerned better appreciates the problem now and more readily accepts the authority's views.

Mr. Chapman: You are talking about the original regulations, not the interim development controls?

The Hon. G. R. BROOMHILL: Yes.

At 3.10 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

APPROPRIATION BILL (No. 2)

His Excellency the Governor, by message, recommended the House of Assembly to make appropriation of such amounts of the general revenue of the State as were required for all purposes set forth in the Estimates of Expenditure for the financial year 1974-75 and the Appropriation Bill (No. 2), 1974.

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act for the appropriation of revenue of the State for the financial year ending June 30, 1975, and for other purposes. Read a first time.

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

That this Bill be now read a second time.

In doing so I present the Government's Revenue Budget proposals for 1974-75 which forecast aggregate receipts of \$762 645 000, aggregate payments of \$774 645 000 and, accordingly, an estimated deficit of \$12 000 000.

Mr. Becker: Can't you balance the Budget?

The Hon. D. A. DUNSTAN: Since the honourable member has asked a question at this stage, let me give him a little information right now so that he will be happier.

Mr. Millhouse: That is not your object at all. We don't want to make him happy; we want to make him unhappy.

The Hon. D. A. DUNSTAN: If the honourable member is unhappy by having a balanced Budget, he is going to be unhappy, because a balanced Budget we are going to have. At the beginning of this year the State would have had an accumulated cash deficit of \$500 000 only, and that is a better position than we have been in for a considerable time. In addition, we have been notified of a completion grant for 1972-73 of \$8 500 000, which puts us in the position at the beginning of the year of having, in effect, a cash surplus of about \$8 000 000.

Mr. McAnaney: Good old Gorton and the Grants Commission! You can't deny that.

The Hon. D. A. DUNSTAN: I do not deny it at all. He did not read his brief, and that is why we managed to take him for a ride. The result is that, with an estimated cash deficit of \$12 000 000, there is \$8 000 000 to be set off against that and the honourable member, having voted for the Loan Estimates in this House, knows that we have on hand \$4 300 000 of Loan money so—

Dr. Eastick: That is only \$4 000 000, from \$14 500 000 held in 1970.

The Hon. D. A. DUNSTAN: Certainly, there has been a run-down of Loan funds, but I point out—

Mr. Coumbe: That is about \$10 000 000 in three years.

The Hon. D. A. DUNSTAN: That is very much less than has applied on previous occasions. I can only say that, if the honourable member wants me to budget more conservatively than this, he give that kind of advice to his colleagues in Victoria and New South Wales, because this Budget is very much more conservative than are theirs, and this State is in a much happier position than are those States. The forecast of payments comprises an estimate of \$744 645 000 at wage and salary rates effective at June 30, 1974, and a round sum provision of \$30 000 000 for the possible cost of new salary and wage rate approvals which may become effective during the course of the year. Two major awards have already become effective since June 30 last, one in respect of nursing staff and the other in respect of clerical grades. The award for nurses is adding significantly to the cost of Government and non-government hospitals and institutions. This will lead inevitably to large increases in grants and subsidies as well as to increases in direct salary and wage costs within the Budget. The estimated cost of the nurses' and clerical awards and the cost of several smaller awards already in force will absorb more than half the round sum provision of \$30 000 000. The necessary detailed appropriations for these and future awards will be arranged under a special provision which is incorporated in the main Appropriation Bill each year. The forecast of receipts comprises an estimate of \$756 645 000 for those items for which the rates have been determined or are calculable and a round sum of \$6 000 000 to be raised in ways yet to be determined. I shall return to this point in a moment.

Consolidated Revenue Account: As to the longer-term movements and trends in the Consolidated Revenue Account, I reported to the House 12 months ago that the accumulated deficit at June 30, 1973, was \$2 035 000. However, we were aware that the Grants Commission had recommended a completion grant of \$4 900 000 in respect of the 1971-72 year and that this would be paid in full shortly. Therefore, the 1973-74 Revenue Budget was planned in the knowledge that the accumulated result in cash terms was effectively a small surplus of \$2 865 000.

The Budget forecast for 1973-74 was for a deficit of \$11 254 000, after making a special round sum provision of \$10 000 000 for future wage and salary awards. During the first half of the year the end of month results indicated a possible worsening in the financial situation and, even as late as April, it seemed that the forecast deficit could be exceeded. However, the trends in both receipts and payments showed marked improvement late in the year and, in the event, the deficit was held to a manageable \$3 401 000. An attachment to the printed Financial Statement gives details of the major movements and trends last year.

The recorded deficit of \$2 035 000 at June 30, 1973, the subsequent receipt of a completion grant of \$4 900 000, and the eventual holding of the 1973-74 deficit to only \$3 401 000, taken together, have resulted in the accumulated deficit on Consolidated Revenue Account at June 30, 1974, being recorded as only \$536 000. This year, again, we are in the situation of expecting a completion grant to be received shortly, following a recommendation of the Grants Commission. In the early discussions while drawing up the framework of the 1974-75 Revenue Budget, we had worked on the assumption that the completion grant in respect of 1972-73 would be about \$5 000 000 and the advance grant for 1974-75 about \$17 800 000, giving an estimated total of cash to be received during the year of some \$22 800 000. Recent advice from the Prime Minister discloses that the total of cash to be received this year will be a little greater at \$23 500 000, but the break-up between the two years will be different. The completion grant, as recommended, will be \$8 500 000, and the advance grant only \$15 000 000. While this advice leaves us with a prospect for 1974-75, itself, more adverse than in our earlier planning, we are now able to set the year's prospect against the background of a very useful effective surplus of almost \$8 000 000. As to the future implications of the lower than expected advance grant, I intend to comment further in a moment.

Of course, we believe that a completion grant in respect of 1973-74 will become payable on the recommendation of the commission after it has examined the State's accounts, but the amount will not be known until early in 1975-76. If our forecasts for this current Budget turn out to be reasonably accurate, the Consolidated Revenue Account will be in deficit to the extent of some \$4 000 000 at June 30, 1975, and we will have the prospect of receiving shortly thereafter a completion grant in respect of 1973-74.

Loan Account: Three weeks ago I introduced the Public Purposes Loan Bill and the Loan Estimates for 1974-75. The documents showed that at June 30, 1974, the accumulated balance of Loan funds held was about \$4 500 000. The proposals for our capital programme envisage the use of all new borrowings and all recoveries expected to become available during the year and the drawing on this balance only to the extent of about \$200 000. That is really not a very great run-down on Loan funds. It is the Government's intention to hold the remainder of about \$4 300 000 as a reserve against possible revenue deficits or to supplement the 1975-76 Loan programme, if the overall circumstances of Revenue Account make that practicable. Our objective will be to achieve the most effective use of the funds in a properly balanced combination of capital works and recurrent services.

Longer-term programmes: I believe that Governments are now finding it harder than ever before to make reliable forecasts of what the future may bring and to plan the

use of funds in ways which will yield the most effective results in real terms for the community. Difficult though the task may be, I consider that it has better prospects of success if Governments are able to set up longer-term aims and objectives and, at the same time, retain sufficient flexibility in their financial affairs to be able to meet short-term problems without disruption to those longer-term objectives. Ideally, for a State Government, this would mean holding an adequate reserve of funds to meet those unexpected short-term problems which must occur from time to time. In a continuing situation of limited funds and of growing demands from the community for more and better services, it is difficult to do this, but the record shows that up to now the South Australian Government has been able to achieve a great measure of stability in its financial affairs and normally to hold a modest reserve of funds to avoid dislocation.

I believe that in a situation such as I describe, of longer-term objectives and short-term flexibility, the place of annual Budgets is somewhat less important than it has been in the past. Many of us will remember the days when virtually every announcement of a financial measure was made in the annual Budget speech and probably all of us would be aware of the criticism which has been made in more recent years of the inflexibility of such a procedure. In over-simplified terms the criticism has been in two parts. The first has been that for reasons of economic management a Government may need to vary its policies in respect of revenue raising and/or expenditure much more frequently than once a year. The second has been that for departments a system of annual allocations of funds does not encourage a smooth progression and an effective planning of programmes, either capital or recurrent.

As to economic management, this, of course, is a responsibility primarily of the Australian Government, but there may be times when a State Government considers that it should take some action appropriate to the economic climate in its own area. For example, in September, 1972, this Government decided that the level of unemployment was sufficiently serious to justify a special provision of \$2 000 000 to finance special employment-producing works, despite the fact that the Budget presented shortly before had made no allowance for such measures. In the normal course a State Government would be more likely to take special action during the course of a year because of a changing situation having a marked adverse effect on its financial position than for broader economic reasons. Clearly, a serious deterioration in the financial results of business undertakings owing to increasing cost levels would be justification for a review of the charges of such undertakings.

As to the criticism that annual allocations of funds may inhibit effective planning and the smooth progression of works and services, I believe the problems may have been overstated, and the view held in some quarters that unused appropriations are lost forever is a mistaken one. If the Government has a clear idea of its longer-term objectives and if the lines of communication between it and the Treasury and between the Treasury and departments are effective, it is practicable to fit annual appropriation procedures into the framework of longer-term programmes. However, I point out to honourable members that the Government has initiated a programme of longer-term budgeting, and that programme was significantly advanced in May, this year, when several forward decisions were taken by Cabinet at the only time they could be taken. Indeed, that was the reason why I had to interrupt my

journey overseas in order to be here at the time this decision had to be taken because, within the framework of that longer-term planning, decisions had to be made about this year that then had to be presented to the Commonwealth Government at the Premiers' Conference.

While I see a decline in the emphasis on annual Budgets, I believe that it is an integral part of our Parliamentary system for Parliament to be informed of financial progress at defined intervals and to have a full opportunity to question and debate the Government's proposals for future defined periods. So I believe that a system of annual Budgets in financial years supported by reports from the Auditor-General relating to the results of those same financial years has a recognized place and must continue. However, I suggest that we must not permit such an annual system to dictate the rate of progress or to help bring about a situation of stop-go in that progress. We should be careful always to look at each year's Budget, not in isolation, but as a step in a continuing financial process, a financial process which, itself, is only the end result of a physical process of providing the community with essential works and services for which it, the community, must pay in one form or another.

Guidelines for Loan Budgets: What I have been saying may best be illustrated by a brief comment on the procedures which Cabinet follows in determining programmes for capital works. The House has just considered the Loan Estimates for 1974-75 and the comments I made in the accompanying statement. Those documents were based on information put forward by departments and collated by the Treasury for Cabinet consideration. However, I believe the most important submission which is considered by Cabinet each year to be the Loan guidelines document. In that document, prepared each December or thereabouts, the Treasury brings together an assessment of the capital funds likely to be available to the Government and the probable capital requirements of departments and authorities for at least three full years beyond the current financial year. In the consideration of that document, Cabinet has regard to the relative priorities of its longer-term policies, to the estimated capacity of the construction departments actually to carry out work, to the unusual impact of major proposals such as development at Redcliff, to the possibility that capital funds may need to be held in future years to finance revenue deficits, and to any other relevant factors.

As a result of these procedures, which were first brought into effect three years ago, the Government is able to determine a broad framework for future planning and to give departments and authorities guidelines for three years ahead to assist their detailed planning, the design of works and the commitment of major works to contract. Within such a framework, departments are not subjected to the uncertainties that must arise in a process limited strictly to annual appropriations. The annual Loan Estimates are very much only a step in an ongoing process. I should add that, in respect of Loan programmes, the States do not raise funds from their own resources but rely on an allocation of new borrowings and capital grants as determined by the Australian Loan Council, having regard to the level of support promised by the Australian Government. It is practicable to make reasonable estimates of the rate at which Loan Council programmes are likely to grow, and the main problem for a State Cabinet is to find rational ways of distributing inadequate funds between the competing areas of need.

Forecasting the Revenue Budget: Encouraged by the more effective planning that has become possible as a result of determining guidelines for Loan programmes, the Government has now moved ahead with the early stages of procedures that aim to improve the forecasting of trends within the Revenue Budget and to give departments an earlier and more reliable indication than has been possible in the past of the prospective rate of future expansion. For several reasons, this is a more difficult exercise than drawing up a framework for Loan programmes. In particular, it is much more difficult to assess the prospective pool of funds likely to be available in future because the States have not only an assurance of grants from the Australian Government at levels that derive from a formula but also a large pool of funds from areas under their own control. These are areas in which there may be marked changes in receipts through changes in economic conditions, and areas in which the States themselves may influence the flow of funds by changing the rates of taxes and charges. Accordingly, consideration by Cabinet of possible future allocations for recurrent purposes must go beyond the problem of a distribution of available funds between competing needs. It must encompass an assessment of what the community may reasonably be asked to contribute in those revenue areas under the control of the State, if the extent and standard of services sought by the community are to be financed without incurring excessive deficits.

What is more, it is a question of assessing the impact on the community of possible changes in State taxes and charges, and working out the social implications, apart from the financial implications. The question may well be asked, then, whether it is worth pursuing a procedure of forward budgeting on Revenue Account, given the difficulties in it. The answer, I think, is in two parts. The first is that, no matter how many uncertainties there are, we cannot lose and should gain if we try continually to improve our procedures of forecasting and then of control, once allocations have been set. The second is that the new exercise, even in its early stages, has given departments an earlier indication that in previous years of the problems they are likely to face in the year ahead and it has given Cabinet a clearer picture than previously of the alternative courses of action open to it following the annual Premiers' Conference and the determination by the Australian Government of the level of general purpose grants. It follows that Parliament also can be given a clearer view of the Government's objectives.

Forecasting for 1974-75: In May last, Cabinet considered a detailed preview of the possible Revenue Budget situation and, as a result, when I attended the Premiers' Conference held early in June, I had a reasonable picture of the additional funds that would be necessary to finance a balanced programme of social and other services in 1974-75 in accordance with the Government's policies and priorities. Members may recall that immediately after the Premiers' Conference I announced that the Australian Government was not willing to give general purpose grants beyond those payable under the formula and that new or increased charges to bring in an additional \$20 000 000 in 1974-75 would be necessary. A firm announcement was made about increases in pay-roll tax, the price of water, liquor tax and hospital fees, and new levies in respect of gas sales and the profits of the Savings Bank. These are expected to bring in about \$12 000 000 this year. Final consideration of other measures was deferred pending conferences about a possible consumer or franchise tax and possible specific purpose grants

by the Australian Government, which would relieve the State's Revenue Budget. I then forwarded a special submission to the Prime Minister on the matter of additional specific purpose grants towards committed expenditures in areas of high priority in the Australian Government's programmes. A little over a fortnight ago, a further Premiers' Conference was held, primarily to discuss ways in which the States could co-operate with the Australian Government in countering inflationary pressures. At that conference there was a great deal of discussion about the budgetary problems of the States, and the Prime Minister has promised to give further consideration to this matter during the Australian Government's Budget preparation. I am confident that one way or another, either as part of a general allocation to all States or by way of additional specific purpose grants as requested in my special submission, South Australia will secure an additional \$5 000 000 to \$6 000 000. That would probably enable us to avoid new measures such as a consumption or retail sales tax. In the financial papers I have included the receipt of \$6 000 000 as an unspecified addition to the total of known or firmly estimated details.

I have mentioned an unspecified addition of \$6 000 000 of revenues to the total of the details. Members will see from Parliamentary Paper 7 that the details have been shown in the normal way. Members will also see on page 3 of P.P. 7 the normal summary and the insertion therein of a line showing the expected receipt of \$6 000 000 from grants and/or taxes and charges not yet determined. In fact, I have made a strong submission to the Prime Minister for a grant of at least \$10 000 000 towards those unavoidable costs in social services which accord directly with the aims and policies of the Australian Government. The receipt of an additional \$10 000 000 in grants rather than the \$6 000 000 shown as a special addition would leave us with a prospective deficit of \$8 000 000 rather than the \$12 000 000 I have referred to.

Mr. Coumbe: When do you hope for this?

The Hon. D. A. DUNSTAN: I hope shortly. The Prime Minister pointed out to the Premiers' Conference that the Budget discussions currently being held in Canberra would take into account the submissions of the States, and specifically that the Commonwealth Government would look at the submissions made by Tasmania and South Australia in accordance with announcements made that they would make submissions in the Australian Government's areas of priority for tied grants for this year. My reason for showing the special unspecified addition as only \$6 000 000 is that this is my rough estimate of the maximum amount we could reasonably expect to raise this year from a new levy, such as a consumption or franchise tax, in the unlikely event of the Australian Government's declining to approve further support.

Dr. Eastick: It has broken promises in the past.

The Hon. D. A. DUNSTAN: I do not believe it will do so on this occasion. If it were to do so, I would have to recommend to the House the imposition of consumer tax, but I hope to avoid doing so. Needless to say I shall continue to press strongly for an additional grant in 1974-75, with appropriate arrangements for it to be increased in 1975-76.

Following that recent conference, a further Budget review showed that we would need to go ahead with increases in some stamp duties to bring in about \$3 000 000 this year. Accordingly, I made a firm announcement to this effect. This confirmed the preliminary indication given in June. Under the customs of several years ago, all of these measures would have been announced at the

time of the Budget presentation, but under our present procedures we are better able to make earlier decisions and I see advantages in announcing as many decisions as possible right at the beginning of the year. As I said a moment ago, there are good reasons for maintaining flexibility in our approach and for introducing other measures during the course of the year, if that seems appropriate.

The problems of increasing cost levels: One of the difficulties in the way of reliable forecasting and budgeting at the moment is the rapid escalation in wages and salaries and in the cost of goods and services. A major question is how much should be provided by way of a round sum allowance for those wage awards which are not known at the beginning of the year but which may become effective during the year. As to this, I think the best course of action is to try to make the two sides of the Budget (that is to say, receipts and payments) consistent with each other. Our regular practice now is to adopt a rate of increase in average wages as advised by the Australian Treasury for purposes of the formula on which the financial assistance grant is calculated. The rate used in these papers for 1974-75 is 20 per cent. We adopt that rate also for purposes of estimating receipts from pay-roll tax and for assessing the reasonable provision for new wage awards. The additional cost to the Revenue Budget in 1974-75 in direct salaries and wages of departments and in subsidies or grants to hospitals and other bodies will be about \$75 000 000, if the estimate of a 20 per cent increase in wage rates is reasonably accurate. The carry-over effects for a full year of increases in wage rates during 1973-74, which are now incorporated in the details of departmental appropriations and grants, are estimated at about \$45 000 000, so it seems reasonable to provide a further round sum of \$30 000 000 for awards that may occur in 1974-75. The fact that new wage awards given in the first two months of the year have absorbed more than half the provision of \$30 000 000 raises doubts as to its adequacy. However, we have proceeded on the basis requested by the Commonwealth Treasurer. I point out that, under the formula, we receive about an 80 per cent return to us from wage and salary increases and from increased grants from the Commonwealth. In addition, at the present rate of pay-roll tax in South Australia, provided that the rate of increase in the Government area does not exceed the rate of increase in the community generally, we cover most of the rest.

Dr. Eastick: How long do you have to wait for it?

The Hon. D. A. DUNSTAN: It comes in over the year, as the Leader knows. On that score, we are not in any short-term difficulties about financing, as we have extremely buoyant accounts. Our working accounts being considerable, we are not in difficulty about short-term financing.

If the increase in wage rates in South Australia, and particularly in Government wage rates, is in line with the all-Australian rate of increase and the eventual increase proves to be greater than the 20 per cent now assumed, we could expect to cover the further costs of wage awards only to the extent of about 80 per cent as a result of corresponding increases in the financial assistance grant and in pay-roll tax. Each 1 per cent increase in wage rates would cost the Revenue Budget about \$3 750 000 in 1974-75, and the corresponding increase in formula grant and pay-roll tax combined would be about \$3 000 000. Of course, wage rates do not move quite consistently as between States and as between Government and private enterprise. The rates for Government

employees have tended to increase more rapidly in recent years than for employees generally, and that faces us with some real difficulties.

The effect of Australian Government programmes: The Australian Government has initiated a number of new programmes that involve specific purpose grants to the States to improve social services, to protect and improve the environment, and to upgrade public services in urban areas. These grants, which are for both capital and recurrent purposes, are making a valuable and widespread contribution towards the improvement of our quality of life but, in their initial stages, they are raising some problems for State Governments in their budgeting and forward planning.

In the South Australian context the problems are in two parts. The lesser problem is that there are a number of different requirements for base amounts or matching shares to be provided out of State funds and we find it difficult, with our limited pool of general purpose moneys, to provide those base or matching amounts and, at the same time, to maintain a proper balance with those other essential activities that do not attract specific support. A larger problem is that our aim of improving longer-term planning and budgeting is affected adversely because so many of the special programmes have been started on a basis of one-year allocations without assurance of further support at defined levels. I have made a special submission to the Prime Minister seeking an early conference of officers to work out longer-term plans and appropriate sharing arrangements for all of these special programmes. The Prime Minister has agreed that this is a necessary step in achieving the effective use of resources.

The Grants Commission: I mentioned a moment ago that the commission had recommended an advance grant of only \$15 000 000 for 1974-75, whereas in our early Budget preparation we had assumed a grant of about \$17 800 000, that is to say, a special grant increasing as financial assistance grants and most other elements within Budgets have been increasing. It seems that the commission may have been influenced by the deteriorating Budget situation in New South Wales and may have concluded that the average deficit of the two States taken as standard, that is New South Wales and Victoria, is likely to be significantly worse than in the years up to 1972-73. Because of the commission's procedures of taking those two States as the standard to which the claimant States may aspire with the assistance of special grants, we have what may seem the rather strange situation of South Australia's eventual Budget result depending more on economic and other factors in New South Wales and Victoria than in South Australia itself. This is another uncertainty we must keep in mind constantly in our longer-term planning.

Summary of major financial factors: I repeat that our present planning aims to see a situation at June 30, 1975, in which the Consolidated Revenue Account will be in deficit to the extent of no more than \$4 000 000 and in which we will have the prospect of receiving within a short time a completion grant on account of 1973-74. Further, at June 30, 1975, we should have in hand a little more than \$4 000 000 standing to the credit of Loan Account and available to finance revenue deficits, if required. Our planning looks forward into 1975-76 and, as we see it now, the carry-forward effect of revenue measures brought into force this year will enable us to meet the expenditure commitments that will arise from modest expansion undertaken this year.

The commitments to be entered into on Loan Account will be kept under continual review, and the aggregate commitment to be carried forward into 1975-76 will be kept within the bounds of practical financing. If matters affecting Revenue Account should go seriously awry for reasons beyond our control, the Government would be willing, reluctantly, to postpone entering into contracts for capital works in a rational and considered manner so that serious cash problems would be avoided. In summary, I would say that the present Government has expanded social and other services significantly, has coped successfully in more recent times with inflationary pressures, and has maintained a responsible control of finances overall. We are in a better position than many other States. Despite a number of uncertainties, we intend to improve our forward budgeting still further, to maintain flexibility and to ensure continued financial stability. I ask that the remainder of the financial statement be inserted in *Hansard* without my reading it.

Leave granted.

RECEIPTS

It is expected that Revenue Account receipts will amount to \$762 645 000 in 1974-75 and will be divided into categories as follows:

	\$
Taxation	208 921 000
Public undertakings	154 340 000
Recoveries of debt services	47 253 000
Other departmental fees and recoveries	74 643 000
Territorial	3 385 000
Commonwealth grants	268 103 000
Grants and/or taxes and charges not yet determined	6 000 000
	<u>\$762 645 000</u>

Taxation: The greater part of the expected increase in receipts from motor vehicle registration and drivers' licence fees is explained by the recent proposals to raise the level of the fees in order to finance the State's share of the cost of the new roads arrangements proposed by the Australian Government. The expected increase is \$7 133 000 but, as members will be aware, road finance has no net impact on the Revenue Budget, and any extra funds raised from these charges will be transferred to the Highways Fund for expenditure on the construction and maintenance of the roads network. Revenue from stamp duties is expected to increase from \$41 914 000 to \$49 700 000. Announcements of higher tax rates in this area were delayed until the last possible minute in the hope that alternative sources of finance could be found but, as the Budget review progressed, it became apparent that some increases were unavoidable if important services were not to be postponed. Accordingly, it was decided that rates on cheques, general and life insurance licences, third-party policies, conveyances and new registrations and transfers of motor vehicles would be raised. Stamp duty on cheques will increase from 6c to 8c. Insurance companies, which at present pay stamp duty for an annual licence at the rate of 5 per cent of net premiums from general business and 1 per cent of net premiums from life business, will be required to pay 6 per cent and 1½ per cent respectively for their 1975 licences. The surcharge of \$2 on motor vehicle third-party insurance policies will be raised to \$3. Duty on new and transferred motor registrations is currently paid on the following general scale:

Vehicle value	Charge
Up to \$1 000	1 per cent
\$1 001 to \$2 000	\$10 plus 2 per cent on excess
\$2 001 and above	\$30 plus 2½ per cent on excess

The first two steps will be retained, but the rate of progression above a value of \$2 000 will move upwards to a new maximum rate of 4 per cent. Conveyances are also subject to duty on a progressive scale:

Value of transaction	Charge
Up to \$12 000	1½ per cent
\$12 001 to \$30 000	\$150 plus 2½ per cent on excess
\$30 001 to \$100 000	\$600 plus 2½ per cent on excess
\$100 001 and above	\$2 525 plus 3 per cent on excess

A more progressive scale is to be introduced, with a higher maximum rate for conveyances of higher values. In the preparation of the new scale, special regard will be paid to the effect on the purchaser of a modest family home. In 1974-75, these measures are expected to raise about \$3 000 000 and in a full year \$5 000 000. Of the increase of about \$3 000 000, some \$300 000 from the higher surcharge on third-party policies will be credited to the Hospitals Fund, while the remainder of the increases from higher rates will be credited directly to Revenue Account. An increase in receipts is expected to come also from natural growth in the tax base. There are indications that something of a plateau has been reached in the volume and value of land transactions, and the Government believes that the worst excesses of the speculative land boom that occurred in certain of the Eastern States have been avoided. Estimates have therefore been prepared on the basis of a much slower rate of increase than has been experienced in the last two years in the belief that activity will neither increase as rapidly as it has been nor decline as it has in parts of the Eastern States.

One of the main reasons for the very large jump in the pay-roll tax figure from \$54 276 000 to an estimated \$94 000 000 is, of course, the change in procedure whereby Government departments are now required to pay the tax. The total credit on this account is estimated at about \$18 000 000. The corresponding debit will be borne mainly by Revenue Account but partly by Loan and other accounts as well. The reasons for the change were given in the second reading explanation of the Pay-roll Tax Act Amendment Bill, 1973. However, there are other influences operating as well. Following the failure of the States to secure adequate increases in their financial assistance grants for the coming year, all States have agreed to increase the rate of pay-roll tax from 4½ per cent to 5 per cent with effect from September 1. For 1974-75, this will mean additional revenue of about \$6 000 000 and in a full year about \$7 800 000. Receipts from pay-roll tax are also influenced, of course, by wage and salary levels and the growth in the work force. In preparing the pay-roll tax estimate, the Government has been guided by the expected increase in average wages of 20 per cent that has been suggested by the Australian Treasury for projections of the financial assistance grant.

Receipts from liquor licences are expected to increase from \$4 176 000 to \$4 900 000. Part of the increase will come from growth in the value of turnover and part will result from the decision by the Government to raise the rate of tax from 6 per cent to 7 per cent. The latter, expected to yield about \$300 000 this year and about \$750 000 in a full year, was announced in June. The Budget has been prepared on the basis of the old betting tax arrangements. Those members who are familiar with the report of the Committee of Inquiry into the Racing Industry will be aware that certain recommendations were made for changes in the form and content of Government taxation and, if new legislation is passed, it may well be

that there will be some variation between lines in the amounts received. It is not intended at this stage to attempt to make allowance for these possible changes.

Public undertakings: Some slight carry-over effect of increased charges imposed by the Marine and Harbors Department in July last year will affect revenues in 1974-75, but the greater part of the increase from \$10 037 000 to \$11 100 000 is expected to be accounted for by greater volumes of cargo handled. Advice from the grain authorities is to the effect that quantities of grain to be shipped this year will be well up on last year, while some allowance has also been made for growth in other areas and for an increase in bulk-loading charges. Receipts of the Railways Department are expected to increase by \$3 612 000. Much of the increase will result from the carry-over effect of higher freight rates and fares introduced last year, but it is also expected that the quantity of minerals carried will improve, particularly the quantity of Broken Hill ores. Industrial trouble had a significant effect on receipts from this source last year and they fell well short of estimate.

In accordance with normal practice, properties have been revalued and will be receiving new assessment notices this year. The higher valuations will result in higher bills for water and sewerage rates and will account for part of the increase of \$4 811 000 expected in the earnings of the Engineering and Water Supply Department. There has also been an increase in the price of water from 10c for 1 000 litres to 11c for 1 000 litres and allowance has been made for the normal extension of services which occurs each year. As a partial offset to these factors, water and sewerage rates in some country areas have been reduced and higher sewerage rates previously imposed in some outer suburbs brought back to the standard metropolitan rate. The Government is at present investigating problems which have arisen from sharply increased valuations in some areas. I refer in another section of this statement to the continued profitable operation of the Woods and Forests Department. Because of the department's achievement in absorbing cost increases and maintaining its profitability, the Revenue Account will benefit by an extra \$580 000 over and above the contribution made by this authority last year.

Sales of electricity by the Electricity Trust of South Australia were subject to a levy of 5 per cent instead of 3 per cent for three-quarters of 1973-74. This year the trust will pay at the higher rate for the full year and the effect of this, together with growth in the value of sales of electricity, is estimated to yield an additional \$1 245 000. A levy on gas sales by the South Australian Gas Company and the Mt. Gambier Gas Company in return for a franchise to sell gas by retail will be introduced as soon as legislation has been prepared. This will bring these two undertakings into line with the Electricity Trust and is expected to yield about \$700 000 this year. This levy was announced in June, of course. It is common practice for the Australian and State Governments to require their trading and savings banks to contribute a proportion of profits to Revenue Account as a form of substitute for income tax. The State Bank of South Australia has contributed 45 per cent of its profits for several years now, but to date no charge has been imposed on the Savings Bank of South Australia. The Government is extremely reluctant to introduce measures of this nature, but is conscious of the need to raise funds from all available avenues if standards of service are to be maintained. Accordingly, both banks in future

will be required to contribute 50 per cent of their profits to revenue. This statement merely confirms my earlier announcement.

Recoveries of debt services: Recoveries of interest and sinking fund are expected to reach \$47 253 000, which would be \$5 429 000 above actual receipts last year. Almost half of this increase is accounted for by interest on short-term deposits placed with banks. The dominating factor is the much higher interest rate structure, which it has been assumed will operate for all of 1974-75.

Other departmental receipts: The decline in receipts from other departmental fees and recoveries from \$84 655 000 to \$74 643 000 is entirely the result of a new accounting procedure, the reason for which I shall explain a little later. It is sufficient here to say that funds received on behalf of tertiary institutions will in future be passed through a trust account. A few small amounts are still outstanding under previous arrangements, however, and provision has been made for their recovery to Revenue Account. There will be a very large increase in the volume of funds becoming available under various Australian Government schemes to improve the standard of State education systems. Provision has been made for the continuation of certain previous arrangements, such as the adult migrant and child migrant education programmes, but the major increase will occur in the area of schools commission funds, which are estimated to increase from \$2 800 000 to \$11 700 000. While the South Australian Government would prefer sums of this magnitude to be made available in the form of general purpose rather than specific purpose grants, so that a substantial degree of flexibility would be retained by the State Governments, it would be idle to deny that real improvements are being made possible by the provision of these funds. There will also be an increase in the reimbursement to the State of the revenue lost as a result of fees for technical courses being abolished on the initiative of the Australian Government, and for the first time grants will be made available on the recommendations of the Kangan Committee on Technical and Further Education. Finally, the Australian Pre-Schools Committee has been approached for grants of about \$3 100 000 towards the costs of independent pre-schools in South Australia, and this sum, together with an amount to be made available by the State, will be used to develop further our pre-school system. As from September 1, 1974, and in accordance with the earlier announcement, hospital fees will be raised as follows:

Type of accommodation	Present fee	New fee
	\$	\$
Standard	20	27
Intermediate	25	35
Private	30	45

This increase, together with an expected rise in the number of patient bed-days, accounts for the much greater revenue expected from patients' fees in 1974-75. Contributions by the Australian Government towards the community health programme were handled through a trust account last year so that only expenditure from State funds appeared in the Budget. It has been decided to credit contributions from the Australian Government to Revenue Account this year in order to ensure that the full details of this shared programme appear in that account. Recoups to the Public Health Department for health services are expected to increase from \$1 239 000 to \$1 800 000 in 1974-75, principally as a result of the further expansion of the school dental programme, which attracts support from the Australian Government. There are also certain recoveries still outstanding from last year.

Hospitals Fund: Payments to subsidized hospitals from the fund last year totalled \$6 750 000. This year it is expected that \$8 700 000 will be available for distribution, the extra funds coming from duty on substantially increased turnover with the Totalizator Agency Board and the Lotteries Commission, and from the proposed increase from \$2 to \$3 in the surcharge on third-party insurance policies.

Grants: South Australia's financial assistance grant has been estimated at \$244 100 000 this year on the basis of a population increase in 1974 estimated by the Commonwealth Statistician, and an increase in average wages of 20 per cent tentatively estimated by the Australian Treasury. The estimated increase in average wages is necessarily somewhat conjectural, but, if there is a significant variation from this figure, the resulting variation in the grant will be more than offset by a corresponding movement in salary and wage payments. This is the first full year in which tertiary education has been a financial responsibility of the Australian Government, and an amount equivalent to the relief which this affords the Revenue Budget has been deducted from the grant.

PAYMENTS

In 1974-75 payments from the Revenue Account are expected to total \$774 645 000, of which \$30 000 000 is a broad assessment of the cost of future wage and salary awards and \$744 645 000 is the estimated cost of the Government's proposals at known wage and salary levels. Within the latter figure are provisions of about \$15 000 000 for pay-roll tax payable by departments as a result of the decision to return to the procedures which applied prior to the State assuming responsibility for this tax in 1971. The Appropriation Bill seeks to provide authority for the expenditure of \$643 453 000, and the balance of \$131 192 000 is authorized by other legislation.

Special Acts: Last year the Government paid \$6 891 000 in pensions to retired former employees. In the years prior to that, payments had moved as follows:

	\$
1969-70	3 938 000
1970-71	4 485 000
1971-72	5 324 000
1972-73	6 110 000

Had there been no change in superannuation arrangements, it is likely that the Government's liability in 1974-75 would have been less than \$8 000 000. However, as members are well aware, legislation has been passed to provide for an entirely new scheme, a scheme which removes the disadvantages of the old arrangements in times of rapid wage and salary increases and, at the same time, seeks to do justice to all classes of contributor. Two particular provisions of that legislation, the provision for optional retirement at age 60 years and the provision for the Government to bear the full burden of cost of living supplements, are expected to require considerable additional outlays in 1974-75, and a provision of \$10 000 000 has been included in the Budget. It must be emphasized that this figure is, at best, an educated guess about likely payments this year because of the lack of knowledge of the number of likely retirements amongst those over 60 years of age who may decide to take advantage of the new arrangements. It is also of interest to note the run of figures for payments of interest on the public debt, as follows:

	\$
1969-70	58 117 000
1970-71	62 636 000
1971-72	70 120 000
1972-73	74 479 000
1973-74	79 584 000

This year the provision is \$89 500 000. There is scarcely any need to explain the reason for this large increase, as there can be very few members of the community who are not aware of movements in interest rates over the past 12 months. These movements have their effects on State Governments, as they do on all other borrowers, both individual and corporate, and it is a sobering exercise to reflect on the likely financial situation of this State if we were still required to pay interest on all new capital funds made available by the Australian Government and if we received no grant towards interest costs on past borrowings.

Social Services—Education Department: The allocation to the Education Department has been increased by \$37 066 000, of which about \$12 350 000 is for the carry-over effect of awards and \$7 181 000 for pay-roll tax. With the availability of schools commission funds for a full financial year, a steady growth in most educational areas is expected. The Budget provides for continued emphasis on the provision of additional ancillary staff in primary, secondary, and area schools, together with further increases in the provision of teachers so that the pupil-teacher ratio can be reduced. Further consequences of schools commission funding will become apparent in the strong development of various specialist areas of activity. Particularly is this the case in the development of special education and the very rapid growth of work in the remedial reading area. There will be considerably increased expenditure to provide necessary equipment in the fields of physical education and music. The growth of in-service education, which has been greatly stimulated by funds from the schools commission, will receive a further substantial boost in the current financial year. In this area, full co-operation with independent schools is being developed. The Budget provides for a \$5 increase in book allowances for first, second, and third year students in both Government and non-government schools. This provision is greater than the normal average increase of \$2 a secondary student that has applied in recent years. It is concentrated in the first, second, and third year of secondary education because of the very clear evidence that the gap between actual costs of books and the allowances paid is greatest at this level.

Planning and research: A feature of the 1974-75 Budget is the provision of \$250 000 for the first full year of the South Australian Council for Educational Planning and Research. These funds will permit the appointment of the basic staff required by the council, and should enable a significant beginning to be made on the work of the council in long-term planning and in the development of research.

Pre-school education: An amount of \$5 128 000 has been provided for the South Australian Committee on Pre-school Education. About \$3 100 000 of this is expected from the Australian Government, as mentioned earlier, and the balance will be made available by the State Government. Legislation will be introduced to establish the committee as an independent body charged with the responsibility of co-ordinating the activities of the Education Department and the Kindergarten Union in the area of pre-school education and making submissions on their behalf to the Australian Pre-Schools Commission. By virtue of its exclusive power to make submissions to the Australian Government and its authority to distribute funds made available by the State, it will have effective control over the future development of pre-school education in South Australia.

Independent schools: A provision of \$2 460 000 has been made for the continuation of assistance to independent schools. Per capita grants to all schools will continue

at their existing levels in 1975, and sums of \$1 339 000 for primary schools and \$1 427 000 for secondary schools will be distributed on the basis of recommendations by the Cook committee. At the request of several independent schools, it has been agreed that payment will be made semi-annually instead of once a term, in order to overcome cash flow difficulties that the schools sometimes experience over the long vacation. Such a procedure should also simplify administration both for the schools and for the Education Department. The effect of this change on the provision for 1974-75 is to reduce it somewhat as the Government will now be required to make payments for one term at the 1974 level and half a year at the 1975 level, instead of for one term at the 1974 level and two terms at the 1975 level. From 1975-76, of course, grants for a full year will once again become payable. The allocations to the Cook committee for 1975 are the equivalent of \$62 a head for primary pupils and \$90 a head for secondary pupils, both of which represent considerable increases over the amounts of \$48 a head and \$55 a head made available in 1974. To these amounts must be added the flat per capita grants of \$10 for primary pupils and \$20 for secondary pupils and the value of free books for primary pupils and book allowances for secondary pupils to get some idea of the full worth of the major forms of Government assistance to independent schools.

Tertiary institutions: Members will notice the very big reduction in the appropriation under Minister of Education, Miscellaneous. This year is the first full financial year for which the Australian Government has had financial responsibility for all tertiary education. I consider that the inclusion of equal entries on both sides of the Revenue Account for amounts received on behalf of tertiary institutions and paid to them would give a false impression of the degree of financial control exercised by the State and would interfere with the State's essential appropriation procedures in years when supplementary assistance was given to these institutions by the Australian Government. Grants for tertiary education purposes will therefore be handled through a trust account in the future. In presenting the Loan Estimates, I referred to the presentation of a document to inform Parliament of all grants expected to be received from the Australian Government. I think this could best be done when all the estimates are revealed in the Australian Government's Budget papers next month. Two provisions still remain. An amount of \$520 000 has been included as a grant to the South Australian Institute of Technology, and \$205 000 has been included as a grant to the Roseworthy Agricultural College of Advanced Education. Not all the courses conducted at these institutions have been accepted by the Australian Government as being of full tertiary standard, and the financial responsibility for providing those classed as subtertiary remains with the State Government.

Hospitals Department: In 1973-74 total payments aggregated \$69 981 000. Principal developments were the initiation of the community health programme with the assistance of the Australian Government, the first stages of the Flinders Medical Centre, the reorganization of the Northfield wards, the commissioning of 86 additional beds at Modbury Hospital and 24 at Queen Elizabeth Hospital, and further expansion of the domiciliary care and mental health services. For 1974-75 the appropriation is \$90 345 000, an increase of \$20 364 000. The carry-over effect of the nurses' and other awards is particularly heavy at about \$9 040 000, but provision has also been made for further development of the Flinders Medical Centre,

extra staff at the Whyalla Hospital, and continuation of the community health programme and the community mental health programme.

Public Health Department: Expenditure by the Public Health Department is expected to increase by \$1 155 000 to \$4 297 000. Of this amount, \$155 000 is for pay-roll tax and \$333 000 for the carry-over effect of awards. In the field of public health the greatest progress is being made in dental health where South Australia, having been earlier in the field, is in a better position than other States to take advantage of the national policy to expand school dental services to cover all children up to 15 years of age. The intake of dental therapy students has risen from 16 to 48, and a new teaching clinic is under construction at Somerton Park to meet the first stage in the expansion of training and to provide dental care for 6 000 schoolchildren in the south-western suburbs.

Other medical and health: Details of proposed grants to non-government hospitals and institutions are set out in an appendix to the Estimates of Expenditure, together with figures for last year. The total provision is \$24 775 000, of which \$16 075 000 will come from Revenue Account and \$8 700 000 from the Hospitals Fund. A part of the general allowance of \$30 000 000 for wage and salary increases has been pre-empted already by cost increases in these institutions and, if events follow their normal pattern, it is almost certain that by the end of the year a further part of the allowance will be required in this area.

Police Department: There has been a substantial reorganization within the department in the last couple of years, and in 1973-74 this was accompanied by an increase in the active strength of the force. Part of this reorganization involved the recruitment of additional women police and their assignment to a wider range of police duties. For 1974-75, the department's allocation is \$26 061 000, an increase of \$5 088 000. Of this amount, about \$2 290 000 is required to meet the carry-over effect of wage and salary awards and \$1 063 000 for pay-roll tax. The intention is to continue with planned increases in the active strength of the force and with the organizational changes, both of which have the aim of maximizing time spent in actual crime prevention and detection. In addition, the motor vehicle fleet will be increased to enable suitably marked vehicles to be allocated to country police districts as part of the road safety campaign.

Welfare services: The Community Welfare Department is expected to increase its expenditure by \$1 981 000 to \$14 111 000, and a further \$4 111 000 will be available from miscellaneous votes. Of the increase in the departmental allocation, \$757 000 will be required to meet the cost of awards. Decentralization of the department is continuing, and several new branch offices will open at metropolitan and country centres. The central office of the department will move from its present unsatisfactory accommodation to new premises at the corner of Gawler Place and Grenfell Street. An increase in foster care rates of \$2 a week will be applied over the whole scale, and guardianship rates, which are paid in certain circumstances to people caring for children who are not their own but who are also not under the control of the Minister, will be increased to the level of the basic foster care rate. The sum of \$100 000 has been provided so that additional assistance can be given to voluntary children's homes to provide specialist care of a high standard. Additional family and cottage homes will also be established by the department with the aim of providing residential care for children within their own localities. A new non-residential centre is being established at

Norwood as a joint Community Welfare-Education Department project to help children with educational and social problems.

Public undertakings: The major public undertakings whose normal operations have some impact on the Revenue Budget are the Railways Department, the Engineering and Water Supply Department, the Woods and Forests Department, the Marine and Harbors Department and the Municipal Tramways Trust. In the case of the Woods and Forests Department, the impact is confined to a contribution to the Budget from profits and, in the case of the Municipal Tramways Trust, to a contribution from the Budget towards losses. Each of the other undertakings operates substantially within the Budget but, here again, the extent of the impact varies from the heavy losses incurred by the Railways Department to the approximate balance over time achieved by the Marine and Harbors Department. Much is heard of the inefficiencies and waste supposedly inherent in the conduct of public enterprises, and it is possible that certain of the functions performed by, for instance, the Railways Department, may have outlived their usefulness. Indeed, one of the benefits expected from the newly-appointed State Transport Authority is that it will be able to take a broad view and advise the Government of areas where further economies of operation are possible. What the critics tend to ignore is that such enterprises have responsibilities beyond those of a private company, responsibilities which, from time to time, make it necessary to give greater priority to the achievement of broad social objectives than to the making of a profit. The Railways Department and the Engineering and Water Supply Department, for instance, have borne the responsibility of providing essential services to primary producers whose activities are of benefit to the entire community. In these circumstances it is appropriate that some part of the operating costs of these enterprises should be met by the community. The Government believes that nothing is to be gained by breast-beating about deficits on services that have their origins in decisions taken in past years for valid reasons. Rather, the correct approach is to subject these services to constant review to ensure that they are still worth continuing, to examine critically proposals for further extensions in the light of all the probable costs and benefits, and to seek all reasonable economies in operation.

It is worth making some further brief comment about the Woods and Forests Department. The general experience in other States is for the forestry undertaking to have an adverse impact on the Revenue Budget, but we in South Australia are fortunate to have a particularly well-run organization which has been able to absorb large cost increases and still repay capital funds to the Loan Account and make a contribution from surpluses to the Revenue Account. In the other undertakings, every effort is being made to contain costs and minimize the burden on the Budget, but their operations are rather different in nature from those of the Woods and Forests Department, and substantial contributions to revenue are not to be expected. Particular features of the Engineering and Water Supply Department figures that may be of interest are the contribution of \$582 000 to the River Murray Commission towards maintenance costs and the cost of electricity for pumping, which is estimated at \$1 700 000. For ordinary departmental operations, the provision is \$24 447 000.

Other activities: The Government is justifiably proud of its efforts to preserve the environment and to protect our native plant and wildlife. Expenditure by the Environ-

ment and Conservation Department is expected to reach \$3 374 000 in 1974-75, an increase of \$664 000 over last year. Of this amount, \$124 000 represents the carry-over effect of wage and salary awards, \$108 000 the cost of pay-roll tax, and the balance the cost of expansion in a number of areas where increasing demands are being made on the Government. In particular, provision is made for increased staff to carry out essential environmental projects, to implement further coast protection measures, to provide support service to small museums, to extend the national parks and wildlife service and to deal with the increasing workload in the State Planning Office. One aspect of Government policy that deserves more recognition is its effort to promote greater appreciation of the arts and literature. Grants and provisions for the arts are expected to increase from \$895 000 to \$1 407 000, and will include assistance to major local groups such as the South Australian Theatre Company, the New Opera of South Australia and the Australian Dance Theatre, a grant towards the next Festival of Arts, funds to enable the Arts Council of South Australia to sponsor country tours by prominent companies and individuals, and a sum for the Arts Grants Advisory Committee to allocate to new applicants. The grant to the Adelaide Festival Centre Trust will rise from \$450 000 to \$520 000. Under the Art Gallery votes, \$10 000 has been provided as a contribution towards the cost of purchasing a remarkable self-portrait by the late Sir William Dobell. This is a major work and is on special offer from the Sir William Dobell Art Foundation for \$80 000. It is hoped that the balance of the purchase price can be raised by public subscription and by other means. The increase in the costs of operation of the Highways Department is particularly large this year and this has the effect of reducing the amount transferred to the Highways Fund. There is a simple explanation, however. Certain costs that were previously met from the fund after the transfer will now be met from Revenue Account before the transfer and the amount available for road construction and maintenance will not be affected.

ATTACHMENT THE YEAR 1973-74

The Revenue Budget presented to the House a year ago provided for payments of \$612 890 000 and receipts of \$611 636 000. In addition, a sum of \$10 000 000 was provided against possible future wage and salary increases to give a deficit forecast for the year of \$11 254 000. At June 30, 1973, the deficit in the Consolidated Revenue Account was \$2 035 000, and, as it was known that a completion grant of \$4 900 000 for 1971-72 recommended by the Grants Commission would be received early in the year, the cumulative position at June 30, 1974, was designed to be a deficit of about \$8 400 000. In summary, the principal object of the Budget was to continue the steady improvement in the quality of life of all South Australians that had marked the Government's term of office and, in particular, to plan and implement further steps in the development of those services for which the State was responsible. Because of the lack of significant automatic increases in taxation revenue from the measures available to the States, the Government was obliged to levy increased taxes in order to finance these developments but deemed this preferable to postponing their implementation.

The fact that both receipts and payments far exceeded estimate stands as testimony to the hazards of forecasting in a period when strong inflationary pressures are exerting their influence. Payments finally totalled \$645 368 000, a figure \$22 478 000 greater than the original estimate.

Not surprisingly, the main determinant of this excess was the additional cost to departments of new wage and salary awards. Awards for which automatic appropriation is given by section 3 (2) of the Appropriation Act, alone, amounted to \$22 310 000, but, in addition, over-award and service payments were increased and leave loadings introduced at an estimated cost of \$5 800 000. These figures provide an approximate measure of the direct impact on the Budget of wage increases, but include no allowance for the further costs generated by the necessity to increase grants to Government-supported institutions, such as the subsidized hospitals. A conservative allowance for this factor would be \$2 800 000. The full effect of increases in wages and salaries was, therefore, about \$30 910 000, an amount \$20 910 000 greater than originally provided. The balance of the excess above estimate, \$1 568 000, was the result of a change in accounting procedures, whereby the Government decided to make clear the cost of land tax and water and sewerage rate concessions to pensioners, by including them as both receipts and payments, rather than crediting only the net receipt. Despite strong upward movements in the prices of goods and services, the Government, by instructing departments to continue to exercise all reasonable economies, was able to avoid any further adverse impact on the Budget.

At \$641 967 000, receipts were \$30 331 000 greater than estimated. The increase occurred across a broad spectrum of State revenue sources, but was most marked in the area of State taxation, where collections were almost 10 per cent greater than expected. Motor vehicle registration fees, land tax, stamp duties, succession duties, gift duties and pay-roll tax all exceeded estimate, but far the most significant differences arose in the stamp duties and pay-roll tax areas. The taxable value of land conveyance and mortgage transactions continued to rise, and duty payable on these transactions formed the major component of the higher stamp duty receipts. Pay-roll tax receipts, of course, reflected wage and salary levels obtaining throughout the community that were generally higher than those used in Budget projections. Revenues from business undertakings were also buoyant. Railways receipts were boosted by an improvement in fare revenues and by an increasing quantity of goods moving into rural areas as a result of the improving agricultural situation, while the water supply undertaking benefited from a substantial reduction in outstanding accounts. The other major factor affecting receipts was the financial assistance grant. As with pay-roll tax, the dominant influence was the rapid increase in wage and salary levels which, through the operation of the wages element in the formula, produced a grant substantially greater than expected.

The final outcome for the year was a deficit of \$3 401 000, an improvement of \$7 853 000 over the original forecast. Against this, however, must be set the deterioration of \$6 956 000 on the Loan Account from an expected surplus of \$2 930 000 within the year to a deficit of \$4 026 000. Instead of a balance of \$11 453 000 in that account at June 30, 1974, to cover a prospective accumulated revenue deficit of \$8 400 000 and to provide a small further reserve, there remained only \$4 497 000 to cover an actual revenue deficiency of \$536 000. For both accounts together the result was very much as expected but taken separately the differences were quite significant.

RECEIPTS

In summary form the major variations from estimated receipts were as follows:

	Above estimate \$
Taxation	13 223 000
Business undertakings	5 190 000
Recoveries of debt services	1 406 000
Departmental fees and recoveries	2 930 000
Territorial	117 000
Commonwealth	7 465 000
	<hr/> \$30 331 000

Taxation: Land tax receipts exceeded estimate by \$646 000. There were three reasons for this, the first being the decision to credit the full tax assessed on land owned by pensioners instead of only that figure net of remissions, the second being that rather more revenue than anticipated was derived from new valuations of certain areas of the State, and the third being that much greater collections of deferred tax were received following the sale of rural land subject to special assessment under section 12c of the Land Tax Act. Revenue from stamp duties was \$6 119 000 greater than expected. In presenting the Budget to the House last year, I mentioned the special difficulties of attempting to estimate likely receipts from stamp duty on conveyances in a climate of considerable speculative activity in building allotments. There is evidence to suggest that the Government's actions to restrain the increase in the price of these allotments met with considerable success, but sales of real estate remained remarkably buoyant throughout the year and it was from this area that the greater part of the extra revenue was derived. In keeping with the sustained level of activity in real estate sales, revenue from duty on mortgages continued to increase rapidly and there were also unexpectedly large returns from duty on applications to register motor vehicles, on credit and rental transactions and from insurance company licences. The number of gift duty returns rose sharply, particularly for values up to \$10 000, and it appears that the State may have benefited somewhat from the decision to raise the exemption from Commonwealth duty to that figure. Receipts from pay-roll tax exceeded estimate by \$5 276 000, reflecting both the rapid increases in wages and salaries which took place during the year and a situation of near-full employment.

Business undertakings: The Marine and Harbors Department received \$837 000 more than expected from wharfage charges, pilotage rates, tonnage rates and conservancy dues. The level of activity was higher fairly generally across the range of cargo handled by the department. For the Produce Department the reverse was the case. In the last few months of the year meat was in plentiful supply on both Japanese and English markets, with the result that Australian exports were reduced. In addition, the prospect of good pastures encouraged producers to build up stock with the result that the earnings of the department declined sharply and fell short of estimate by \$357 000. Railway receipts were \$2 188 000 above estimate, principally due to the transport of greater quantities of general merchandise and to rather better passenger figures than had been anticipated. These factors were more than sufficient to offset a serious shortfall in revenue from Barrier ores. The receipts of the Engineering and Water Supply Department were increased by \$2 589 000, of which \$1 432 000 was simply the result of the changed method of accounting for pensioner concessions, and to this extent no real benefit accrued to the Government. The remainder of the excess was caused by consumers paying more promptly and thereby reducing the volume of outstanding accounts.

Recoveries of debt services: Interest received on funds placed for short terms with banks exceeded estimate by \$1 390 000. The interest rate structure changed radically during the course of 1973-74 and the Government was able to secure very favourable terms in the latter months of the year.

Departmental fees and recoveries: The Community Welfare Department recovered rather more of its expenditure from the Australian Government than had been expected. At the time the Estimates were being prepared, the effects of the Australian Government decision to assume greater responsibility for supporting mothers was difficult to assess and the estimate of recoveries of State expenditure was consequently very tentative. Total receipts of the Education Department were very close to estimate, but there were a number of significant variations in particular areas. From January 1, 1974, the Australian Universities Commission adopted a policy of making advances for university purposes in such a way that a greater proportion was received in the first half of the calendar year than had previously been the case. On the other hand, the Board of Advanced Education has not yet received certain reserve funds which it was expected would be made available for allocation to institutions, the relief to revenue from grants towards the operation of departmental schools did not quite reach the expected level and the recoup of costs associated with the administration of Northern Territory schools fell short of estimate. Patients' fees, pharmaceutical benefits and recoveries of expenditure on tuberculosis treatment were principally responsible for the receipts of the Hospitals Department exceeding estimate by \$1 156 000. A higher level of patient occupancy, increased charges for X-ray, radiotherapy and pathology services and higher charges in nursing homes and mental health institutions, following pension increases, accounted for the extra receipts from hospital fees, the higher prices of drugs for the extra receipts for pharmaceutical benefits and the rapid increases in costs generally for the greater recoveries under the tuberculosis scheme.

Grants: The very large increases in average wages had their effect on the financial assistance grant through the operation of the wages element of the formula. As a result the grant was \$7 618 000 higher than expected.

PAYMENTS

The most notable variations from estimate on the expenditure side were as follows:

	Above estimate \$
Premier	986 000
Chief Secretary	2 567 000
Treasurer	1 775 000
Minister of Works	1 268 000
Minister of Education	11 421 000
Minister of Transport	2 186 000
Minister of Community Welfare	2 245 000
Minister of Health	8 369 000

In each case these figures represent a variation from the amount voted in the 1973 Budget and would be rather lower if the \$10 000 000 provision for wage increases had been spread over individual lines.

Premier: Expenditure by the Premier's Department exceeded estimate by \$308 000, due principally to higher wage and salary costs totalling \$277 000. Awards accounted for about \$101 000 of this, and a further \$117 000 resulted from the creation and filling of new positions within the department. The Department of the Public Service Board spent \$239 000 more than estimated, of which \$107 000 was the cost of new wage and salary awards and \$46 000 the extra expenditure incurred in advertising vacant positions. Mines Department expenditure was \$363 000 greater than anticipated, primarily as a

result of award increases to the extent of \$187 000 and extra payments of \$164 000 to the Australian Mineral Development Laboratories. Of this latter amount, \$64 000 was for extra services provided for Government departments and \$100 000 was to help overcome short-term liquidity problems. The other major item of over-expenditure in this section was an extra \$145 000, which was provided by way of grants and provisions for the arts and which included a special allocation of \$40 000 to the Australian Ballet.

Chief Secretary: Expenditure by the Police Department was \$1 788 000 above estimate. Almost the entire sum was accounted for by wage and salary awards and bonus payments associated with the efforts made by the force to reduce the road toll over the Christmas period. Award increases to the extent of \$327 000 were the main factor contributing to the excess expenditure of \$442 000 by the Department of Correctional Services but, in addition, because of the nature of the department's activities, it was particularly hard hit by the rapid increases in the cost of living.

Treasurer: With the large increases in interest rates which occurred during the year, holders of special bonds had strong incentive to convert to the latest issues. The cost to the State of premiums and capital gains on the older series so converted was \$234 000 higher than anticipated. Higher interest rates also raised by \$456 000 the bill for interest on Trust Fund balances. Fires in Government buildings proved to be rather more costly than had been expected, and an extra \$200 000 was transferred to the Government Insurance Fund to cover liability and provide a reserve under fire insurance arrangements. The deficit of the Municipal Tramways Trust was raised by \$600 000 as a result of over-award and service pay increases and leave loading, the national wage decision, flow-ons from the metal trades award, and costs associated with the take-over of private bus services.

Minister of Works: In the Engineering and Water Supply Department figures there were a number of variations from estimate, but overall the original Budget allocation was exceeded by only \$844 000. Awards of the order of \$1 610 000 were made during the year, a further \$262 000 was required for the metropolitan waterworks system principally for extra water treatment owing to flood conditions on the Murray River while increased costs of materials and labour, together with a greater number of blocked mains, led to an extra \$199 000 being spent on metropolitan sewerage. As a partial offset, savings were achieved in the cost of electricity for pumping and in the contribution to the River Murray Commission towards maintenance expenditure by that authority. Public Buildings Department expenditure was \$520 000 above estimate. Higher costs incurred for leased accommodation and a slightly accelerated programme of maintenance of hospital buildings were offset by savings on school and other buildings, but it was not possible to make further savings sufficient to offset award costs of \$710 000.

Minister of Education: Expenditure by the Education Department was \$9 184 000 greater than expected. Apart from salaries and wages, the most significant areas of excess were in the secondary division, where higher book allowances and increased costs for materials and power boosted expenditure, and in the further education area, where the cost of equipment for technical colleges was well above estimate. Salaries and wages were \$8 114 000 more than the figure included in the original Budget but, as the cost of awards during the year was about \$9 510 000, it is apparent that considerable savings were made to accommodate these increases. With one exception, the major variations in the Education Miscellaneous

section reflect the earlier payment of university funds and the delayed payment of advanced education funds mentioned previously. The exception is the grant to the Kindergarten Union, which was \$830 000 above estimate. Extra State contributions were made towards the cost of wage and salary increases but, in addition, certain grants from the Australian Government, for which no provision had been made, became available.

Minister of Transport and Minister of Local Government: The cost of awards to the Highways Department, at \$535 000, was the principal factor contributing towards over-expenditure of \$601 000 by that department. Expenditure by the Railways Department was \$2 337 000 greater than anticipated. However, the cost of awards, service pay, leave loading and overtime necessitated by the increased volume of merchandise handled amounted to about \$4 110 000 and it is apparent that considerable savings were achieved elsewhere. Part of the reason was the slower rate of progress achieved by the Way and Works Branch which experienced difficulty in obtaining supplies of sleepers. Motor Vehicles Department expenditure was \$319 000 above estimate, due almost entirely to extra salary costs. Awards amounted to \$149 000 and the balance resulted from overtime and extra staff made necessary by an increasing workload. The changed accounting procedure for dealing with pensioner rate concessions produced an apparent saving of \$1 300 000 in the Minister of Transport Miscellaneous section of the Budget.

Minister of Community Welfare: The changed procedure in respect of pensioner rate concessions had its greatest effect on the expenditure figures of the Minister of Community Welfare, however, where an extra impact of \$2 968 000 was imposed. This figure is greater than the excess expenditure of \$2 245 000 within the Minister's area of responsibility, as it proved possible to make a number of savings elsewhere. It was recognized that the State would benefit from the decision of the Australian Government to assume responsibility for relief payments to a wider variety of people but, in the event, there were even fewer applicants for State assistance than had been expected, and a saving of \$644 000 was made. Similarly, in the area of Aboriginal affairs the decision of the Australian Government to assume further responsibilities led to a saving for the State Government of about \$300 000 in grants.

Minister of Health: Expenditure by the Hospitals Department was \$5 260 000 above estimate. The cost of awards, service and over-award pay, leave loadings and higher fees for visiting medical specialists was about \$6 140 000 and, in addition, all hospitals were hit with cost increases on contingency items of about double the anticipated severity. In order to absorb some of these increases expansion had to continue at a rather slower rate than had been hoped, in particular at the Queen Elizabeth Hospital. The major area of excess expenditure in the Public Health Department was the school dental division, where it was possible to expand much more rapidly than elsewhere because of the substantial assistance rendered by the Australian Government. Improvement was also rapid in the tuberculosis division, which is an area where the Australian Government has long accepted responsibility. Wage and salary rises and cost increases also had their impact on subsidized hospitals, and about \$2 500 000 more than originally estimated was made available by way of maintenance grants.

The clauses of the Bill contain two additional kinds of authority this year. The first restores the automatic

appropriation authority for pay-roll tax costs arising from award increases that was contained in Appropriation Bills before the removal from Government departments of the obligation to pay this tax in 1971. Now the tax has been restored, it is only sensible that the authority, too, should be restored. The second change on the other hand is an extension of previous appropriation procedures.

Since 1970, the automatic appropriation authority given by section 32a (2) of the Public Finance Act has stood at 1 per cent of the totals contained in Appropriation Acts each year. The intention behind this section is to give Governments some flexibility in budgeting while retaining for Parliament close control over total effective appropriations. Lately, however, large increases in grants to institutions subsidized by the Government, consequent upon large award increases affecting their employees, have pre-empted much of this extra authority and left the Government with very little flexibility in its own sphere of direct control.

Because of the close comparability between the situation of these institutions and of Government departments faced with award increases, it was decided that the most appropriate way to overcome this difficulty would be to provide the same appropriation authority for the costs of wage and salary increases in subsidized institutions as now applies for the cost of similar increases affecting Government departments. In accordance with this decision, the Bill before the House provides for Governor's warrants to be issued in respect of wage and salary increases payable either by the State or in relation to any "prescribed establishment" as defined.

Clause 1 gives the short title. Clause 2 authorizes the issue and application of such a further sum as well, together with the sums authorized by Supply Acts, amount to \$613 453 000. Clause 3 (1) appropriates the sum of \$613 453 000 for the purposes set out in the schedule. Clause 3 (2) provides in the normal way that, if increases of salaries or wages become payable by the State pursuant to any determination made by a wage-fixing authority, the Governor may appropriate additional funds by warrant, but it extends the provision to cover increases affecting prescribed establishments and the liability to pay pay-roll tax. Clause 3 (3) provides that, if the costs incurred by the Engineering and Water Supply Department for electricity for pumping water should be greater than the amounts set down in the Estimates, the Governor may appropriate the funds for the additional expenditure.

Clause 3 (4) is a new one, and defines a "prescribed establishment" as one in respect of which an operating grant has been included in the Estimates for the year in question. Clause 4 authorizes the Treasurer to pay moneys from time to time up to the amounts set down in monthly orders issued by the Governor, and provides that the receipts obtained from the payees shall be the discharge to the Treasurer for the moneys paid. Clause 5 authorizes the use of Loan funds or other public funds if the moneys received from the Commonwealth and the general revenue of the State are insufficient to make the payments authorized by clause 3.

Clause 6 gives authority to make payments in respect of a period prior to July 1, 1974. Clause 7 authorizes the expenditure of \$8 700 000 from the Hospitals Fund during 1974-75, and of \$3 000 000 in the early months of 1975-76, pending the passing of the Appropriation Bill for that year. Clause 8 provides that amounts appropriated by this Bill are in addition to other amounts properly authorized. I commend the Bill for consideration of members.

Dr. EASTICK secured the adjournment of the debate.

HILTON PROPERTY

The Legislative Council transmitted the following resolution in which it requested the concurrence of the House of Assembly:

That, in the opinion of this Council, the Ombudsman should be requested to investigate as a matter of public interest all matters in relation to the acquisition by the Highways Department of allotment 4 containing 480 square metres or thereabouts of subdivision of portion of block 24 and other land of section 49 laid out as Hilton from George Sydney Elston and Kathleen Annie Elston, his wife, and the subsequent use of the above land and to report to Parliament on any matters which he considers to be of public interest.

MOTOR VEHICLES ACT AMENDMENT BILL

Returned from the Legislative Council with the following suggested amendment:

Page 3—After line 31 insert new clause 6a as follows:

6a. *Enactment of s. 38ab of principal Act*—The following section is enacted and inserted in the principal Act immediately after section 38a:

38ab. *Registration fee for certain pensioners*—(1) If the Registrar is satisfied by such evidence as he requires that the owner of a trailer—

(a) is in receipt of a pension paid or payable under any Act or law of the Commonwealth, and that he is, by virtue of being in receipt of such a pension entitled to travel on any public transport in South Australia at concession fares under any Act, regulation or by-law for the time being in force;

and

(b) the trailer will during the period for which it is sought to be registered be wholly or mainly employed in the personal use of the owner, the registration fee for that trailer shall be reduced by twenty per cent of the amount prescribed by section 29 of this Act in respect of that trailer.

(2) This section shall not authorize the registration at a reduced fee of more than one trailer owned by the same owner.

(3) If the registered owner of a trailer that has been registered at a reduced fee in accordance with this section dies, or ceases to be the owner of the trailer, the registration shall, subject to this Act, continue in force for a period of one month after his death, or the cessation of his ownership, and shall,

unless the balance of the registration fee, as defined in section 40 of this Act, is paid, become void upon the expiration of that period.

Consideration in Committee.

The Hon. G. T. VIRGO (Minister of Transport): I move:

That the Legislative Council's suggested amendment be agreed to.

This amendment provides a concession for certain pensioners in the payment of a registration fee for trailers and caravans. I realize that, unless the Bill is passed today, the State will suffer the loss of about \$500 000 in additional revenue, thus affecting operations associated with highways and councils. Accordingly, the Committee should accept the suggested amendment.

Dr. EASTICK (Leader of the Opposition): I am pleased the Minister has accepted this recommendation and, although he may have tried to gain some political capital, I hope he will recognize that this will benefit a disadvantaged group in our community.

Motion carried.

PAY-ROLL TAX ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

HOUSING LOANS REDEMPTION FUND ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

MORGAN-WHYALLA PIPELINE

The SPEAKER laid on the table the final report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Morgan-Whyalla Pipeline (No. 2) (Part Replacement).

Ordered that report be printed.

ADJOURNMENT

At 3.51 p.m. the House adjourned until Tuesday, September 10, at 2 p.m.