

## HOUSE OF ASSEMBLY

Wednesday, August 20, 1975

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

## PETITIONS: SUCCESSION DUTIES

Mrs. BYRNE presented a petition signed by 1 022 residents of South Australia stating that the burden of succession duties on a surviving spouse, particularly a widow, had become, with inflation, far too heavy to bear and ought, in all fairness and justice, to be removed. The petitioners prayed that the House would pass an amendment to the Succession Duties Act to abolish succession duties on that part of an estate passing to a surviving spouse.

Mr. MILLHOUSE presented a similar petition signed by 1 127 residents of South Australia.

Dr. TONKIN presented a similar petition signed by 1 059 residents of South Australia.

Petitions received.

## MINISTERIAL STATEMENT: PRIVATE MEMBERS' BUSINESS

The Hon. D. A. DUNSTAN (Premier and Treasurer): I seek leave to make a statement.

Leave granted.

The Hon. D. A. DUNSTAN: As this is the first day for this session on which private members' business is to be considered, I am taking this opportunity to state the Government's attitude to private members' business for the session. Last session far more private members' business was put on the Notice Paper than could possibly be dealt with during normal private members' time in the session, and already during this session notice has been given of more private members' business than one could expect could be dealt with during the time that conceivably could be allotted during the session. I point out to honourable members that this House will be given a fortnight's notice of the Government's intention to terminate private members' business. On the Wednesday prior to such motion for precedence of Government business being moved, private members' Orders of the Day should be at such a stage that they are capable of being voted on on that day; that is, motions should at least have been moved and replied to, and Bills should have reached the third reading stage. If private members' business has not reached that stage, no other time will be made available, in Government time, once Government business is given precedence.

## COMMONWEALTH BUDGET

Dr. TONKIN (Leader of the Opposition) moved:

That Standing Orders be so far suspended as to enable the following motion to be moved without notice:

That this House express grave concern at the adverse impact the Commonwealth Budget will have on the well-being of the people of South Australia, particularly in the fields of housing, employment and the private sector of the economy, and that such suspension should end at 6 p.m.

The SPEAKER: I have counted the House and, there being present an absolute majority of the whole number of members of the House, I accept the motion. Is it seconded?

Mr. GOLDSWORTHY: Yes.

Motion carried.

Dr. TONKIN: I move:

That this House express grave concern at the adverse impact the Commonwealth Budget will have on the well-being of the people of South Australia, particularly in the fields of housing, employment and the private sector of the economy.

For some weeks, almost every member of the community has been looking forward to an event that finally took place last evening: the introduction of the Commonwealth Budget. That Budget is of intense significance to the States and, indeed, to all residents of Australia. However, it is more significant nowadays, and has been over the last few years, since State expenditures have become markedly controlled by and dependent on Canberra. Terms such as "horror Budget" had been expressed; perhaps it was not directly the horror Budget that it might have seemed to be, except in relation to the immediate price increases for beer, spirits, tobacco and petrol. Otherwise, it was a fairly low-key Budget, the horror coming with greater reflection.

Last evening, the Commonwealth Treasurer (Mr. Hayden) spent more than 10 minutes emphasising the importance in the community of the private sector in restoring the economy and, having raised everyone's hopes, he then proceeded to make announcements that were virtually meaningless: a decrease of 2.5 per cent in company taxation, and double depreciation measures that will have virtually no effect on stimulating the private sector of the economy. This will have disastrous effects on small businesses and, because small businesses and industry generally will be depressed (many small business will go out of operation), unemployment must become a serious problem also. The estimates of unemployment are horrific, and they will be exacerbated by the terms of this Budget.

The most important matter, other than those general matters, which affected South Australia (and I put this No. 1 on the list) is the problem of housing. With the news that housing grants to the Housing Trust and the State Bank are to be cut back, last night's Budget, I think, set the seal finally on any hopes that young married couples might have had of eventually owning their own houses. Home ownership will virtually become a thing of the past. Home ownership and cheap rentals, where necessary, are very high on the priority list of the Liberal Party, and I believe they are very much considered that way by the Labor Party, too—certainly as far as cheap rental accommodation is concerned.

South Australia has been receiving and will receive \$56 360 000 in advances in 1975-1976 under the Housing Agreement Act from the Commonwealth Government. These funds are advanced to the States at concessional rates of interest of 4½ per cent in respect of advances to the State Bank, and 4 per cent in respect of advances to the Housing Trust. These funds, as they are presently disposed, will be used predominantly for welfare housing. South Australia received in 1974-1975 \$56 360 000, which is exactly the same amount in money terms but is a considerable cut-back in real terms: that is, because of the current rate of building cost increases and inflation, the real value will be much reduced—I understand by as much as 25 per cent. Victoria, New South Wales and South Australia receive the same allocation in money terms as last year but Queensland, Tasmania and Western Australia receive cut-backs in money terms compared to 1974-1975.

With building costs rising at about 25 per cent, this will mean a significant cut-back in the construction programme undertaken by the State Housing Trust. This cut-back will be about 25 per cent. This could not possibly

have happened at a worse time for young people in South Australia, and I think the Premier has confirmed that in some of the statements that he has made. The availability of reasonably priced rental, purchase or rental-purchase houses in South Australia is reaching a crisis level. If we think the position has been tough up to now, I believe that with this Commonwealth Budget it has become totally impossible. During the past few years, South Australia has suffered in the area of low-cost housing for lower-income groups, particularly in the Housing Trust area. The number of houses built by the trust as a percentage of the total number built in this State is at the lowest ebb ever. The trust completed 1 589 dwellings in 1974-75, and yet the number of applications for rental houses is running at about 12 000 a year. We are told there are about 30 000 applications currently with the Housing Trust and that the building programme will take some 15 to 20 years to catch up with this lag.

Mr. Venning: If ever.

Dr. TONKIN: As the honourable member says, "If ever," because the situation has now deteriorated. The individual ability to obtain loans in respect of housing has also been seriously affected by the cut-back in funds to the State Bank, and the State Bank's effective rate of lending will have been cut back by about 40 per cent. This simply means that there will not be the funds available, that it will be impossible to obtain finance to purchase a house. The cost of 110 squares is now running as about \$25 000 to \$30 000, without the cost of land. That is the way it is going. It will be impossible to get sufficient funds from the State Bank at reasonable rates of interest. People will either have to pay excessive rates of interest, which are beyond their means, or they will have to go without. It now looks very much as though young people will have to go without. I repeat that new welfare housing lending will be effectively cut back by about 40 per cent.

I turn now to the private sector, industry, and small businesses. The Commonwealth Treasurer certainly identified the problem, and he is obviously well aware of it but, in identifying the problem, in saying how necessary it is that the Budget should do something to stimulate the private sector of the economy, in saying that the economy depends on the private sector, and in then doing very little or almost nothing about it, he has virtually damned his own Budget. He placed great emphasis on the need to stimulate the private sector, but he then proceeded to do nothing at all about it. I therefore take it that he has given the economy away. If that was one of the major tools that he saw to bring the economy back to an even keel, he has not applied the Budget in this way at all.

I have already said that company tax has been reduced by 2½ per cent. There is no stimulus to the private sector, and even less stimulus for small businesses, which are undergoing severe liquidity problems. Owners of such businesses were hoping against hope that something might be provided in the Budget to rescue them from the most serious position that they have ever faced. However, owners of small businesses have been let down; they are now likely to go out of business, and the economy generally and the work force in particular will be the worse for it. As a result the number of unemployed people in South Australia will soar. Last year about 8 000 people were unemployed, and at present about 20 000 people are unemployed, but next year heaven knows how high the unemployment figures will go. If Mr. Hawke is to be

believed, the figures could be astronomical. No member on either side of the House wishes to see such a level of unemployment.

The situation is to be deplored, and it must be remedied by whatever effort we can make. Further, the situation will be exacerbated, because the Regional Employment Development scheme is to be discontinued. The effect on inflation in South Australia will also be quite marked. The Budget is not an anti-inflationary Budget. Certainly, there are no specific measures in it that will, on the surface, increase the rate of inflation, but I repeat that inflation will not be halted. This Budget has not in any way put the brakes on. Currently, inflation is running at the rate of 18.2 per cent in South Australia, which has the dubious distinction of having one of the highest rates of inflation in Australia. Inflation will obviously increase, and it is likely to increase drastically towards the end of this year, because of the increases in indirect taxes that have been imposed. Petrol, cigarettes, and so on are minor components of the consumer price index, and many interstate economists predict a 6 per cent increase in the index for the December quarter. That applies to South Australia as much as it does to any other State. If South Australia gives the rest of Australia the lead in this respect, we can be sure that we will be up with the front runners.

The annual rate of inflation appears likely to reach nearly 25 per cent, and the tragedy is that these increases will be translated into increasing wage claims. So, the vicious spiral, which the Treasurer was at some pains to say he was trying to cut back in the Budget, will once again be released. The income tax concessions will not for very long satisfy people who believe they have a just claim for wage increases. I do not believe that the trade unions will be fooled by this measure; they will want to go ahead and seek tax indexation as an incentive to restrict their wage claims, as originally suggested. This Commonwealth Budget assumes wage increases of 22 per cent for the next year, and the State Loan Estimates provide for an expected 25 per cent increase. Therefore, the rate of inflation must be just as great over the next year, or even greater.

Building costs will continue to soar, and home ownership will be impossible to achieve. This House must make it forcibly known to the Commonwealth Government that we do not wish to have our priorities determined for us from Canberra; we are quite able to manage our own priorities here. If South Australia had greater control over its revenue (and obviously the present State Government does not want nor does it practise that control), I venture to say that the State could do much better. Certainly, a more sensible and stimulating approach to the private sector of the economy would begin to get Australia out of the difficulties it is facing. It is to be deplored that the Commonwealth Government has not seen fit to take what it believes could be unpleasant and unpopular measures to control Australia's economic difficulties. In these times, with the crisis that is confronting us financially, we should be willing to take unpleasant measures.

If the inflation rate continues its present rate of increase, unemployment will, of necessity, increase and short-term measures to retain employment or to contain unemployment will, in the long-term, lead to greater levels of unemployment than would have been experienced. I look forward to the support of Government members for this motion, because it is a matter that affects every member of the community, regardless of his Party beliefs. It is

for that reason that I have moved the motion in the terms I have used.

Mr. GOLDSWORTHY (Kavel): I support the motion, and I believe that the Premier and his Government have no option but to support it, too. Any person in his right mind must agree that the impact of last evening's Commonwealth Budget will have disastrous effects on the well-being of South Australians, especially in the areas outlined in the motion of housing, employment and the private sector of the economy. The impact of the Commonwealth Budget will be far wider than in those areas, but I shall confine my remarks to some fairly limited areas in which we in South Australia will certainly suffer. The Premier is in a bind in this regard; he would very much like to shrug off his Commonwealth colleagues (as he tried to do before the recent State election), but the fact of life is, whether the Government in this State likes it or not, that its members are members of the Australian Labor Party, the national Party of which is in charge not only of the affairs of this State but also of the national economy.

Any fair-minded citizen (the majority of men in the street) must come to the conclusion that the Commonwealth Government came to office with a set of economic theories that have been tried but, alas, have been found sadly wanting. I firmly believe that the cause of inflation in this country is the result of the coming to office of the Commonwealth Labor Government and its attempts to put into effect its economic policies. We have seen the Labor Government in Canberra since coming to office try to give as the reason for inflation every reason other than the reason to which I have just referred. The Labor Government in Canberra has looked overseas at countries with troubled economies and has said that inflation is a world-wide problem and is not its fault. However, if we look at those overseas countries to see just what has happened, we realise that those countries, which have far less favourable conditions than prevail in Australia, have made a far better fist of coming to terms with their economic problems than has Australia.

Mr. Venning: Hear, hear!

Mr. GOLDSWORTHY: The Commonwealth Government used to quote to us the instance of Japan, but the fact is that Japan imports most of its raw materials, including vast tonnages of iron ore from Australia. After having paid to import raw material, it manufactures its own goods and exports them back to Australia particularly against a tremendous tariff barrier. With these great disadvantages, Japan has made a better fist of coming to terms with inflation than have these "messers" in Canberra. We have only to look at West Germany, where the inflation rate has not nearly approached the rate of inflation in Australia; for some time now it has been under 10 per cent. At present, Australia has the third highest rate of inflation of those countries in the Organisation for Economic Co-operation and Development. South Australia has the distinction of having one of the highest rates of inflation in Australia; no longer is this a low-cost State. During the election campaign (although he could not do it very openly), the Premier sought to dissociate himself from the Commonwealth Government. Whether members opposite like it or not, the same policies (although they may look less spectacular and have less spectacular effects) have been followed by the Labor Party in this State as have been followed in Canberra. An attempt has been made to place more resources in the Government sector, and of course, hand in hand with that must go a decrease in resources in the private sector.

The effect of this policy in this State has been grossly increased rates of taxation, all of which have a disincentive effect on the private sector. The Premier may seek to dissociate himself from this matter, but there was a deliberate policy in Canberra of transferring resources from the private sector to the Government sector, as expounded by the former Treasurer (Mr. Crean). Although the Premier may not be doing that explicitly and openly here, the effect of his policy is the same. Industrial development in this State, despite statements to the contrary, has come to a virtual standstill. The Commonwealth Government, having lit the fires of inflation in this country, just cannot quell them. That is the economic reality of the situation.

That Government came to office having made many irresponsible promises which, in the main, it had not costed. Having bought its way into office, it sought to implement these promises. The attempt to implement these irresponsible promises, with the massive deficit budgeting it has had to undertake to try to finance its schemes, has put this country in its present sorry mess. We have heard much from our Premier about deficit budgeting. He has said that, in times of recession, this is the way to get out of our problems. "Haven't you ever heard of the Keynesian theory of economics? Let's stimulate the economy." However, the day of reckoning must come. No Government can go on consistently with the sort of deficit budgeting which was for a while fashionable in this State and which is now fashionable in Canberra.

We were trenchantly criticised by this Government and its counterpart in Canberra because Liberal Governments in Canberra used to budget for a surplus. It was a deliberate economic weapon to siphon off, for a domestic purpose, surplus money to come to terms with inflation. I remember the outcry, with Labor members saying, "You are not even spending the money you have got." We heard that from the teachers' lobby and from Labor supporters in this State. That was the cry. Unfortunately, in Canberra, the Government is not only not trying to save a bit of money, to come to terms with inflation, but is spending thousands of millions of dollars that it just does not have.

Mr. Evans: They just keep printing it.

Mr. GOLDSWORTHY: That has been its answer, to print more and more money, and that is the quickest way to add fuel to the fire of inflation. In addition, it has added positive disincentives to production. We need only to think what it has done to rural industry. One of that Government's first actions was to cut out the bounty on superphosphate. If it had left that bounty on, it would have paid for itself over and over again in added production that would have been stimulated. We had the ploy last year of the Premier's bringing in his Budget and suggesting that it included no increased taxes and charges. However, during the month before the Budget was introduced there were increases in duty on motor vehicles, and increased stamp duties, on mortgage transactions, new homes for young people, and so on. Yet within a month, the Premier announced, "There are no increased charges in this Budget".

Mr. Evans: And the press backed him on it.

Mr. GOLDSWORTHY: I do not know, but that is the way it was quoted. Of course, that is complete nonsense; it is completely misleading. Savage increases were effected in this State last year during the Budget session. Perhaps they were not spelled out in the Budget, but they were imposed in the month or so before the Budget.

We saw that exercise in part recently, when costs increased as a result of the actions of the Government's Commonwealth counterpart. We have had massive increases in post and telegraph charges. Those increases were announced some weeks ago, but of course they formed part of the Commonwealth Budget. Look at the increases we have had in this area since the Government's friends assumed office in Canberra. The cost of mailing an ordinary letter has increased by 157 per cent, and the cost of making a telephone call from home has increased by 90 per cent. Such increases have occurred in the three years since the Labor Government took office in Canberra. It is part of the Budget strategy; it has increased costs to this State Government alone by \$1 000 000 in postage. That is on the Premier's own admission. He has set up a committee to see how to get around the situation. That is what his Commonwealth colleagues are doing to the Premier's costs in South Australia.

What a farce to make a big deal in this State about the 6c petrol tax! The Premier, again using one of these political ploys he is most adept at dreaming up, linked that tax with the selling off of the non-metropolitan railways. Big deal! We will have a drop of 6c or thereabouts in the price of petrol in this State, but that has been wiped out and another 4c possibly added. We could see an increase of 10c a gallon in fuel as a result of what the Labor Government is doing on the national scene.

Mr. Arnold: Is that the result of taking over the State railways?

Mr. GOLDSWORTHY: I do not know what the result is. What will these actions do to the transport industry, and to inflation? Nearly all sections of the community depend heavily on transport for the movement and production of goods and services. That includes the primary sector of our economy, secondary industry, and retail industry. What will this additional 10c do? The mind boggles when one tries to estimate the increased costs.

Mr. Duncan: But—

Mr. GOLDSWORTHY: If the member for Elizabeth can come up with a figure showing the impact of this impost of 10c a gallon on our economy, let us hear it. If his mind does not boggle, it is time he did something about his mind. The increase in costs will be astronomical. The Budget effects will be disastrous. Further reference has been made to the increased impost on brandy. That is the last of a series of steps—

Mr. Gunn: The elimination of the wine industry.

Mr. GOLDSWORTHY: The differential in excise on brandy was eliminated. What a furore broke around the Commonwealth Government when the State Labor Government heard that 50c a gallon was to be charged in respect of wine. The Premier had a letter from the present Prime Minister saying that, when his Party came to Government, there would be no added impost on wine. The matter was a source of embarrassment to the Premier when his colleague saw fit to dishonour that pledge. The Premier said he would never get caught again, but he is getting caught every week.

Mr. Evans: Didn't he say they could collect money from that industry for the election campaign?

Mr. GOLDSWORTHY: He did. It is a source of grave concern. That is the bind the Premier is in. He is wedded to his colleagues in Canberra, but they have dishonoured their pledges to him and to this State. They

can endanger the economy of this State and the whole economy of a large part of the district I represent. The whole of the Barossa Valley, as well as the small independent grapegrower, is dependent on the wine industry and the production of spirits. The whole economy of that part of the State depends on that industry. The Premier can go through all the antics he likes, but he cannot shrug off the fact that the Prime Minister promised that there would be no added tax levied against the wine industry. The Prime Minister has seen fit to dishonour that promise, and the Premier has had no impact whatever in taking any action to reverse that decision.

Mr. Venning: I wonder how much he tried.

Mr. GOLDSWORTHY: Well, he has gone through the motions, but the proof of the pudding is in the eating, and he has got nowhere. His Prime Minister, in Canberra, from his own mouth, is a liar. He let the Premier down. This matter is a source of great discomfort to the Premier, but there is nothing he can do about it. I will conclude by quoting something which I think is apt and which I am sure the Labor Party will not like, because it was said by the Chairman of the Colonial Mutual Life Insurance Company Limited—one of the business men they hate. The Chairman (Mr. W. D. Brookes) said at the annual meeting held on May 27 last:

The community's social responsibility must be to provide for people who cannot provide for themselves, but if we as a nation are to preserve personal endeavour and a respect for ourselves and our achievements, then those who are able to look after themselves should be encouraged to do so. If we reject the need for thrift by promises of future Government benefits, capital formation, the linchpin of a private enterprise economy, will sag, unemployment will rise and the economy will stagnate.

That is precisely what has happened in Australia: in times of inflation such as this, or in the social welfare state as envisaged by the Labor Party in this country, there is no premium on thrift. There is no incentive for people to look after themselves or for initiative and enterprise. What I have referred to has, unfortunately, come to pass in this country. I do not believe that any member has any option but to support the motion.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I move to amend the motion as follows:

To strike out all words after "House" and insert "appreciates the necessity for restraint in spending by Governments in Australia, but expresses concern that at the federal level it is proposed by the Federal Government to reduce programmes in housing, school construction and unemployment relief, and that the Federal Opposition would propose to cut these programmes even further".

Mr. Venning: What about the wine industry?

The Hon. D. A. DUNSTAN: That is not referred to in the motion.

Mr. Venning: Yes it is.

The Hon. D. A. DUNSTAN: It is not. The motion that the Opposition puts to the House is that we should express concern immediately after the introduction of the Commonwealth Budget at the effect on this State of the measures in the Commonwealth Budget, and it expresses that concern because of the effect in the cut-back in real programmes. The Leader of the Opposition then carefully outlined his concern in the areas of housing and unemployment, but he did not mention school construction. The Deputy Leader of the Opposition then pointed out that, in the view of the Liberal Party, Government spending in Canberra was too high. In other words, one member wants the Canberra Government to spend more, whereas the other member wants it to spend less, and they try to

reconcile those two conflicting views in the way in which South Australia is treated under the Budget.

Mr. Goldsworthy: Spend it in different areas.

The Hon. D. A. DUNSTAN: Let me talk about these areas, because they are mentioned in the Liberal programme. From history, let us see what the Liberal Party's priorities have been in these areas. Let us consider the housing position. Under the Commonwealth Liberal Government, this State and the other States were refused increases in housing money.

Mr. Venning: We built a lot more houses.

The Hon. D. A. DUNSTAN: Your Government did not. The fact is that all State Ministers of Housing (the most vociferous of whom were the Liberal Ministers) protested bitterly that, at the outset of the last five-year arrangement before the Australian Labor Government came to power, we were refused any increase in the money used for housing, despite the increases in building costs. The level of Commonwealth spending for housing was vastly below the present amounts in Australia; it was vastly below in real terms, not just in money terms.

The Hon. R. G. Payne: It's the same in education.

The Hon. D. A. DUNSTAN: I will deal with education in a moment, but let me deal with housing now. The fact is that I was able to achieve a new deal for increased money for housing in South Australia under the Commonwealth-State Housing Agreement and, in addition to that, a reduction in the amount of interest chargeable in respect of welfare housing, so that we were able to complete houses and supply them at an economic rental to the people of South Australia. In addition to that, I was able last year to obtain extra housing money, and this meant a 40 per cent increase in the approval rate by the South Australian Housing Trust.

Mr. Millhouse: What is the point you're making?

The Hon. D. A. DUNSTAN: The point I am making is that, in fact, we were able to get marked increases in housing expenditure from the Commonwealth Government. I have expressed my view that the real rate of increase in effort should be maintained; that is, that we should continue the real effort and, therefore, the money should have been increased to cope with the increase in building costs.

Mr. Coumbe: Are you agreeing with the Budget?

The Hon. D. A. DUNSTAN: That is the view I am putting, but the view advanced by members opposite and their Commonwealth counterparts is that, in the present Commonwealth Budget, there should be a cut-back in the deficit that has allowed the present rate of provision for housing; in other words, that housing should have less spent on it than is provided in the Commonwealth Budget.

Mr. Venning: That's not right.

The Hon. D. A. DUNSTAN: That is exactly the position taken by Liberal Party members. The Deputy Leader made perfectly clear that he regarded it as utterly improvident that the Commonwealth Government was now running a Budget deficit of \$2 800 000 000, and that it should be cut back. On the priorities expressed by Liberals previously, the areas of cut-back would be the areas in which the Commonwealth Labor Government has expanded expenditure: urban development, schools, health, and housing.

Mr. Mathwin: You're building more houses, are you?

The Hon. D. A. DUNSTAN: The fact is that during this last year I was able to obtain a rate of housing money that has enabled a rapid increase in approvals for public housing and publicly financed housing in South Australia. There has been a 40 per cent increase in approvals by the Housing Trust, and a marked increase in lending by the State Bank.

Dr. Tonkin: But where are the houses?

The Hon. D. A. DUNSTAN: The houses have been approved and are in the course of construction right now.

*Members interjecting:*

The Hon. D. A. DUNSTAN: Honourable members opposite express dismay that in fact the real rate is being cut; so do I. However, they propose that the money from the Commonwealth Government be further cut. In other words, they not only want to have their cake and eat it, but they want to tell the people that they will not have any cake to eat at all.

The motion does not deal with the matter of school construction. We know well the attitude of Liberals in relation to education expenditure in Australia. Year after year I had to go to Premiers' Conferences and put forward motions from teacher and parent organisations throughout this country demanding a marked increase in the share of gross national product that went to education, and I could get no hearing at all from Liberal Prime Ministers and Treasurers. In fact, this country under Commonwealth Liberal Governments underspent every comparable country per head of population on education.

Mr. Evans: And achieved the same results as are being achieved at the moment.

The Hon. D. A. DUNSTAN: If the honourable member says that, all I can say is that he does not even know about the schools in his own district. For any member to say that the spending under Liberal Governments previously achieved a real rate in expenditure on education equal to that which now occurs in Australia simply betokens his ignorance and incompetence as a member of this House. This State, as a result of the moneys we have had from Commonwealth Governments, now has the highest resource use, on a pupil basis, in this country and a rate of expenditure in education comparable with that of comparable countries. That has been achieved in three years.

Dr. Tonkin: Oh, come on!

The Hon. D. A. DUNSTAN: Yes, it has.

Dr. Tonkin: It didn't start before then, I suppose!

The Hon. D. A. DUNSTAN: Yes, it did, under our Government. Before a Commonwealth Labor Government came to office, we had increased expenditure in South Australia by 100 per cent in both current expenditure and school construction. That was done under a Labor Government in the State, but we have gone further than that now, with the help of a Commonwealth Labor Government. We know perfectly well the attitude of the present Leader of the Commonwealth Opposition. He was a Minister for Education, and we know what was his attitude to spending in the education area. Time in and time out I got only knock-backs from him in respect of education in South Australia, and he is now reported in the newspapers as saying that Commonwealth expenditure should be reduced below what is proposed in the Commonwealth Budget, so the schoolteachers and the children in South Australia know what to expect from the alternatives put forward by the Liberals.

Regarding unemployment relief, we know, again, the history of that relief under Commonwealth Liberal Governments. I could get no unemployment relief from a Commonwealth Liberal Government in respect of metropolitan areas.

Dr. Tonkin: You didn't have the same degree of unemployment: that's why.

The Hon. D. A. DUNSTAN: At that time we had on the streets far more people than we have there now.

Mr. Mathwin: Come on!

The Hon. G. R. Broomhill: That's true.

The Hon. D. A. DUNSTAN: The first thing I did when a Commonwealth Labor Government was elected to office was get from the Commonwealth Treasurer money for urban unemployment relief, and we employed the people. We know what is the attitude of the Commonwealth Liberals on the subject of unemployment relief, because we had had the experience, and we know what are their priorities in expenditure. Again, they say that the expenditure must be reduced. We know all right where they will reduce the expenditure, and it is in every one of these areas about which we express concern. I do not believe that the Commonwealth Government was correct in its assessment of spending in the areas mentioned in my amendment. I believe that it is necessary for the economy that we maintain the real rate in spending in housing, school construction, and unemployment relief, but I point out to members opposite that, if their Commonwealth colleagues (from whom they cannot dissociate themselves, either) were in office, we would have not the level of spending proposed in the Budget but a level that would be the most disastrous that this State would have faced in its history.

The SPEAKER: Is the amendment seconded?

The Hon. J. D. CORCORAN: Yes, Mr. Speaker.

Mr. MILLHOUSE (Mitcham): I appreciate the invitation from members of the Liberal Party to take part in this debate. It is, after all, their motion that we are debating, and I would not have intruded into the debate had it not been for the invitation that I have been given.

Mr. Wells: They can't do without you.

Mr. MILLHOUSE: I do not reflect on the motives behind the invitation. I must say, of course, that I had no part in drawing the motion. It is not a bad one: the general theme is certainly good, and I support it strongly, but perhaps it is a little blunt in the sense of not making the points sharply enough. That is the only criticism of it that I would have. I am not in the position of the Leader or the Deputy Leader. One cannot say of me as the Premier tried to say of them, that they are speaking one on one side of the question and the other on the other side. I speak only to the motion as I see it, and it states that the Budget brought down by the Commonwealth Treasurer last evening was a poor one. I certainly support that view and, accordingly, I do not support the amendment moved by the Premier. I want to say a few words about that amendment in a moment.

First, I want to make one general observation about the Premier. It is significant that he has done again what he always does when he knows he is defending a weak case. He has got stuck into someone, quite irrelevantly. He spent most of his time attacking the Leader of the Opposition and the Opposition in Canberra. We do not know yet what the considered view of the Opposition will be, because we will not

hear the Leader of the Opposition speaking in the Budget debate until next week. It was, as I have said, significant that today the Premier had to dwell on the shortcomings of Mr. Fraser when he was a Minister in a previous Government rather than defend the Budget that was brought down last evening, and I know him well enough to know, as I have said, that he did that only because he could not well defend the terms of that Budget.

The Premier's amendment falls into three parts. First, it appreciates the need for restraint in spending by Governments in Australia. Well, as a statement, one cannot really cavil at that, but the honourable gentleman may not know (or, if he does know, he probably hopes that it will not become known publicly) that already the Commonwealth Government is not practising what it preaches. I have received figures in about the last half hour from my colleague in the Commonwealth Parliament (Senator Hall). I wonder whether people know what the figures for July disclose on this matter.

First, expenditure by the Commonwealth Government this July was 53 per cent more than expenditure for the corresponding period 12 months ago. That is the restraint that the Premier's colleagues in Canberra are exercising now! In other words, in the first month during which this Budget is to operate, it has gone bad, and it was quite likely that that Government would not be able to keep to the Budget, even before it was presented in the House of Representatives. I will give the figures, in case the Premier or one of his offiders wants to try to refute them.

Expenditure in July, 1974, was \$1 106 000 000. In July, 1975, it was more than \$1 690 000 000, an increase of 53 per cent. Receipts, on the other hand, increased from \$925 000 000 to only \$935 000 000, so last year there was a deficit of \$181 000 000 in July, and this year, in the month of July, it was \$756 000 000.

Mr. Coumbe: Not a bad start!

Mr. MILLHOUSE: It is not a bad start for a Government that is preaching restraint by everyone else and is being supported by the State Government here, with the amendment the Premier has moved! So, I doubt whether we will hear much more about restraint.

I will now deal with the second part of the Premier's amendment, that is, "but expresses concern that at the federal level it is proposed by the Federal Government to reduce programmes in housing, school construction and unemployment relief". I certainly share that concern. It is pretty significant that two of those areas in which there has been a reduction, that is, housing and school construction (and this has been dealt with at length by the Leader of the Opposition), are primarily the responsibility of the States, and there is no doubt whatever that the Commonwealth Government will get the States to practise whatever restraint it can force on them, but it will not practise the same restraints itself. It is the Commonwealth Government's considered policy to squeeze the life out of the States, and this is one of the best weapons that the Commonwealth Government has with which to do it. I can only hope that this will be the last chance the Commonwealth Government will have for many years to do this.

I am told that the atmosphere in Canberra amongst members of the Labor Party is one of unrelenting gloom. They cannot do a thing right; they know that they are on the way out, and this has completely paralysed them in Government and, if it was not something that I am looking forward to happening, it would be quite a sad picture.

Mr. Coumbe: What about the report on the Bass by-election?

Mr. MILLHOUSE: Yes, that is one small indication of it. That is the second part of the Premier's amendment, which regrets what is, in fact, a squeeze on the State in the Budget. The third part of the Premier's amendment is "and that the federal Opposition would propose to cut these programmes even further". That is entirely dishonest, because we do not know, and we will not know for another six days, what the federal Opposition will do. However, these are the traditional tactics of the Government and of the Premier, when he is in a tight corner and cannot defend directly the case which he is given to defend. I will therefore oppose his amendment.

Let me make a couple of other points quickly. To me, the most appallingly frightening part of the Budget was something that has not had much publicity. It was not in Mr. Hayden's speech. I listened to every word of that, and he did not mention this: the Federal Government is allowing for an increase of 22 per cent in male weekly earnings during this year. That means that it is acknowledging that the rate of inflation in Australia will be more than 20 per cent this year. It cannot have it both ways. If it says that it is accepting a rise of 22 per cent in male weekly earnings, it follows irresistibly that inflation in this country will be not precisely the same but of about the same magnitude. That is the most frightening part of the Budget, to my mind, and it is something which, understandably, Mr. Hayden did not mention in his speech. But it is there on page 106 of one of the statements attached to the Budget speech. So, of itself, that is an acknowledgment of defeat by the Government.

I believe the Budget does nothing that is good. In my view, it is quite neutral. It is obvious from the first 15 minutes of Mr. Hayden's speech last evening that he realises the problem (that has already been said in this debate), but he is not permitted by his Party to take any effective action at the federal level to deal with it. It is for that reason, and for the acknowledgment, to which I have referred, of the rate of inflation that will continue, that I believe the Commonwealth Government should be condemned, and it is for those reasons that I support the motion.

Dr. EASTICK (Light): This afternoon, we have seen some fairly fancy footwork by the Premier. His footwork was hardly fairy-like, because he blustered and boomed. He preached "how great I am" or "how great thou art" in the expenditure of funds, but he gave no indication that there had been any result from the expenditure of those funds. It is easy for the Premier to get up and claim that his Government has spent money in certain areas and that the Housing Trust has had a record number of approvals, but he can give us no indication of any result that has been achieved. There has been no indication that there has been any product from the effort that he claims has been made in these vital areas.

We have just heard that there is at present an air of complete gloom on the part of Government members in Canberra. It could hardly be said, if one looked at the faces of members opposite this afternoon, that there was an air of confidence in this place other than that which has just resulted from the attempt of Government members to alter their stance, attention having been drawn to their gloom. The Premier, in addressing himself to this motion, which is indeed a proper one, used an interpretation of convenience to try once again to hoodwink the people of this State and members of this House that the motion was not specific and did not encompass such things as the wine industry and all other areas of the public

sector of the economy. For him to pinpoint the fact that housing and education were the only areas that were criticised shows how little thought the Premier gave to the matter before him.

Some time ago in this House there was a unanimous vote by all members on a motion criticising the present Commonwealth Labor Government. That unanimous vote was deserved by the Commonwealth Labor Government because of its failure properly to consider the well-being of the people of this State. I believe this motion deserves the same treatment (that is, unanimous support) so that the Commonwealth Government will know full well that members of this Parliament are concerned for the people of this State, and indeed for the people right across Australia, and that they, as representatives of the people of this State, are willing to exert their influence by supporting a proper motion.

The Premier's amendment is a complete farce. He has tried to suggest that he expresses concern that the Commonwealth Government intends to reduce expenditure on housing and school construction programmes, as well as on unemployment relief. Would he have us believe that this same situation will not obtain in South Australia and that this Government will reverse the decisions outlined in Canberra last evening? What will he do for money? From where will he provide the funds necessary to reverse the pattern set last evening? Of the additional Commonwealth funds that were recovered by South Australia and by all States of the Commonwealth last year, more than 60 per cent had to be directed to specific projects. In other words, they were tied grants, which reduced the opportunity of any State Government to direct its funds into those areas of priority that it considered were important for its own people, having regard to their needs and requirements.

In moving the amendment, the Premier has indicated just how dishonest he is prepared to be. We have certainly had much opportunity over recent weeks to know what he can do by doctoring figures, whether it be in respect of urban land prices, the actual deficits that apply to other States, what the Liberal Party in Government would do with petrol tax, or many other areas of public expenditure and public concern. Even this afternoon, with reference to the contribution made by the Deputy Leader, he tried to suggest that we as a Party, Commonwealth and State, are interested in reducing expenditure for education.

Mr. Keneally: Speak to Senator Guilfoyle.

Dr. EASTICK: I would like the honourable member to speak to Senator Guilfoyle and to heed all the statements she has made; I would expect the honourable member then to stand in his place and withdraw the insinuation he has just made that Senator Guilfoyle has spoken in other terms. The people of South Australia will be vitally affected, as will people in Australia as a whole, by the decisions announced in Canberra last evening. They will affect every sector of their lives. They are involved not only in housing or unemployment relief, not only in school construction and school proceedings (tertiary, secondary, or primary) but also in the total area of living. It is accepted (and the Premier has made this point clear) that the decisions of the Commonwealth Government are inflationary and that they will have an increasingly inflationary effect on the well-being of the people of Australia. The Premier made great play last week, in introducing legislation to remove the petrol tax that it would reverse the inflationary trend. It was a tax he had



unfortunately had to apply because of the failure by the Commonwealth Government to meet its commitments. We know, from the various financial documents presented to us last year, on just how many occasions the Premier had to come back to this place and acknowledge that the money that was to be forthcoming had failed to arrive. One asks how many of the limited promises made by the Commonwealth Treasurer last night will eventually be seen in the form of actual funds received.

I will briefly refer now to housing, and not only the area of housing to which my colleagues have referred, and to which undoubtedly others will refer, but housing for young people and the almost impossible situation of young people wanting to have their own homes. I refer quickly to the Premier's statement in this House last week, when he acknowledged that, in the area of school building, costs had escalated by 40 per cent in the past year. I have previously referred to a letter I have received from him which states that in the past five years the cost of school building construction has increased by 100 per cent at least. Members will be aware of the massive increases that have occurred in the cost of building ordinary houses. Although it may not be 40 per cent in the past 12 months, it is certainly a figure greater than the general rate of inflation of 20 per cent or 18 per cent.

I refer also to the failure of the Commonwealth Government to provide funds for the housing of the aged, one of its great social programmes, the area in which it said it would show the way. As the Chairman of an aged cottage homes organisation, I can say with some authority that currently we have a programme to build 12 home units, each unit to house one or two people, depending on the marital status of the applicants. The foundations have been poured, on the authority of the Commonwealth officer, and building commenced on one group of four. Three weeks ago we were told that, notwithstanding that building was under way, it should not proceed because there was a freeze of funds for homes for the aged. In reviewing the details of last evening's Budget, there is still no clear indication that projects that are under way, and to which people have committed funds for their proportion of the cost of entry, will be permitted to be completed. As a body, we are holding a potential account for \$90 000, with no indication that funds promised as a subsidy will be made available and, more particularly, that the units will be completed to allow these people to be housed. We must look at housing in its total sense, and in this sense it is vital for the aged. It is important that members opposite take the opportunity of expressing their dissatisfaction regarding the inability of groups within their areas, whether they be charitable bodies or incorporated organisations associated with community effort, or whatever may be the purpose of their formation, to proceed with their programmes. It is important for Government members, along with members on this side, to indicate that they want their disapproval of the Commonwealth Government's action to be recorded in the clear way in which this motion was worded originally. Unless all members of this House support the original motion, they reveal their subservience to their Commonwealth masters. I firmly believe that members opposite, if they fail to support this motion, will be clearly acknowledging their subservience to their Commonwealth masters, notwithstanding any comment the Premier has made, publicly or elsewhere, disclaiming his friendship or his close ties with the Prime Minister. Just how real was that situation was exhibited by his saying in this House last week, "Well, I let the Prime

Minister know what I was going to do." Clearly, the amendment is innocuous. It seeks to remove any pressure on the Commonwealth Government. However, the motion is positive, and I look forward to total support for it.

Mr. RUSSACK (Gouger): The Premier may not be very happy this afternoon, but I am sure he is not surprised at the reactions to the Commonwealth Budget. Earlier this session I said that the Premier had had a preview of what would be in the Commonwealth Budget; that was why the State election was called before the announcement of the Budget. The accuracy of my statement has been confirmed by an article in today's *Advertiser*, in which the Premier is reported as saying:

Because I had some warning of this from the Premiers' Conference I made a detailed submission to the Federal Government in advance.

The Premier's statement shows that he had full knowledge of some of the unpalatable measures to be brought down in the Commonwealth Budget. If the newspaper report is correct, how can the Premier and his colleagues do anything else but support the motion? The Premier has made a public comment in line with this thinking. The motion suggests three salient points (housing, employment and the private sector) and I shall deal briefly with each of them. This afternoon the Premier, in endeavouring to distract attention from the real truth, attacked previous Liberal and Country Party Governments in Canberra and he attacked the attitude that he supposed would exist if there was an L.C.P. Government in Canberra today. During the period of the present Commonwealth Labor Government, the housing position in South Australia has deteriorated. The report of the South Australian Housing Trust for 1974 shows that the rate of building in this State in 1972, 1973, and 1974 was the lowest since 1950. I stress that in those years there was a Commonwealth Labor Government. During 1973-74 only 1 339 dwellings were completed in South Australia. According to reports from the trust, this year the number has been increased to about 1 600 houses, but even that figure is the lowest since 1949.

Mr. Mathwin: The Labor Government's record contrasts with the Liberal Government's record.

Mr. RUSSACK: If there is a 25 per cent cut in the ensuing year because of the Commonwealth Budget, the number of houses completed will be down to about 1 200, the lowest figure in 25 years. So, there is no foundation in the Premier's attempt to blame previous Commonwealth Liberal Governments for lack of funds. Since there has been a Labor Government in Canberra the funds made available to South Australia have led to the worst housing situation in 25 years. On examining the Housing Trust's sales schemes, we find that in 1973 they were at the lowest level, yet the number of applications in 1974 was the highest, with a further very steep increase during 1974-75. There are currently more applications for rental housing with the trust than there have ever been before. A short time ago the trust's estates manager said that the average number of applications a week for rental housing was nearly 220. If we add the number of applications for rental sales housing, the figure increases to about 320 a week. So, the housing situation in South Australia has never been worse. We are in a crisis, resulting from the lack of finance available from the Commonwealth Government. I therefore see no relevance in the Premier's attempt to blame past Liberal Governments. In this morning's *Advertiser* the Premier is reported as saying:

Housing Trust construction would be down 25 per cent this year. . . . Future prospects for the State were "alarming"



and the only hope of lessening the effects lay with further representations to Canberra.

Again, the State Government relies on Canberra, yet during the recent election campaign the State Government sought to deny such an association. The termination of the RED scheme when the present projects have been completed is a terrific blow to many country areas, where it had been expected that allocations would be available. I understand that, if particular projects have not been commenced, they must not go ahead. So, much forward planning will be wasted, and hopes of employment will be dashed. This is a further serious blow to local government, which is experiencing serious financial and liquidity problems. The weekend newspaper says that many councils have found it necessary to increase their rates by about 24 per cent. The Commonwealth Government, through the Grants Commission, has made money available to local government, and this money is appreciated. However, in the opinion of those in local government, councils are not receiving a fair and adequate share of the money available. In an article in this morning's *Advertiser* the Premier is reported as saying that the private building sector would continue to decline. The article states:

Mr. Dunstan said any hope of cushioning the blow through the State's unemployment relief scheme had dwindled with the rapid phasing out of the Commonwealth's RED scheme. . . . Mr. Dunstan said he was pleased with the new taxation scheme, but disappointed by the degree of indirect taxes, the inadequacy of company tax and the removal of the brandy differential. "I am very alarmed about housing, and the rapid phasing out of the RED scheme with no provision for the State's unemployment relief scheme."

Therefore, by the Premier's own admission, the private sector will be drastically affected. Regarding housing, employment and the private sector, the Premier has made certain comments, and I consider that he and his colleagues must support the motion before the House. In addition, the private sector will be greatly affected by the impact of increased postal, telephone and petrol charges. By way of illustration, the member for Frome has suggested that the increase in the price of petrol will cost him an additional \$100 a year if he covers the usual 50 000 kilometres that he covers each year. This is an example of how people in private industry and company representatives will find it more costly to travel around the country.

The cost of the rate of recovery for providing airport facilities is to be increased in the Commonwealth Government's transport programme. A spokesman for the Adelaide Cessna Flying Club, which has 170 members, indicated that (and I bring this matter to the attention of the House to show how one aspect of the Commonwealth Budget will affect the private sector):

It sees the Jones plan as a deathblow to an industry that has pioneered world and Australian aviation and maintained the lead in its field. Light plane flying men had made possible such historic triumphs as the flying doctor service and turning out the pilots who kept the Royal Australian Air Force in the air in World War II. In South Australia alone, where 336 light planes are registered, the group says the extra costs proposed by Canberra will cripple.

The article then illustrates the associated segments of the private sector that will be affected drastically and crippled by this tax. The article continues:

Development of our far-flung tourist industry. Development of natural gas and oil fields in the Far North. Use of aircraft by St. John Ambulance Brigade and the Flying Doctor. Feeder services to main line air routes. Development of opal fields. Newspaper and mail deliveries and general supply to outlying areas. Fire and shark patrols. Development of marginal lands for primary production. Training of pilots to fill those jobs and essential airline services.

The House is gravely concerned about the effects of the Commonwealth Budget on South Australia, especially in the fields of housing, employment and the private sector. The Premier's action in moving an amendment is an attempt to parry the sharp blade of the truth of the situation. I strongly support the motion.

The Hon. D. J. HOPGOOD (Minister of Education): I suggest that, in all fairness, the debate so far has been a little disappointing. I hope to illustrate what I mean by that statement.

Mr. Gunn: The Premier's own remarks were—

The Hon. D. J. HOPGOOD: It was not my intention to be personal about this matter, so I hope other honourable members will not be personal, either. I understand that the idea for this motion was probably generated in the Liberal Party conference room this morning and that the idea could have arisen with two motives in mind. During the Labor Party Caucus meeting this morning the Premier answered the telephone. I understand it was a call from the Leader of the Opposition, but what was said I do not know. I guess it was something fairly formal, but what was meant was probably far more important and would probably have related to one or two matters. What was said, or what was intended, was probably something along this line, "Mr. Premier, we feel we have a certain contribution to make because there is widespread debate in the community about the Budget. There is disquiet in certain areas and, therefore, we as the Liberal Party, in the spirit of being helpful and constructive, wish to put before the House of Assembly and the people of South Australia a series of helpful suggestions that the Labor Party, especially the Government in Canberra, may well take up with profit."

Mr. Venning: We're doing that all the time.

The Hon. D. J. HOPGOOD: That is what may have been in the mind of the Leader when he rang the Premier this morning. Of course, what may well have been in the Leader's mind, and what he may well have said in a burst of candour was, "Well, Don, we reckon we've got a good opportunity this afternoon to embarrass you blokes and your mates in Canberra, so we hope you'll co-operate with us in an endeavour that we might be able to do so." If the first of those two approaches was the approach that actuated the Leader of the Opposition to move for this debate this afternoon, we have seen precious little evidence of constructive suggestions about what should have been done in place of what was done in Canberra last evening. If what the Leader was actuated by was an attempt to gain some sort of political advantage he was premature, because the Leader of the Liberal Movement reminded us some time ago that we would not know what attitude Mr. Fraser would adopt until next week. I suspect that Mr. Fraser does not yet know what attitude he will take.

Mr. Fraser certainly did not fare particularly well against Mr. Hawke on television last evening; he was unable to reply to the specific questions Mr. Hawke put to him. If one is discussing political advantages, all is relative. What counts is what "we" do in the same situation. We simply do not know and will not be in a position to know until Mr. Fraser is willing to lay his thoughts before the House of Representatives. The constructive suggestions from the Opposition this afternoon have been somewhat of a barren womb. Perhaps they are not quite barren; they have given birth to this debate. However, I suggest it is a premature debate and, as in the bad old days of medicine, the premature birth shows every sign of expiring quickly.

I always enjoy hearing what the member for Mitcham has to say because, no matter how much I might disagree with what he says, he usually says it fairly well and one has little trouble in understanding exactly what the honourable member is driving at. Unfortunately, a couple of the points he made today I am afraid completely flummoxed me, so perhaps later in the debate other honourable members will assist to make what he said plain to me. The member for Mitcham uttered the classic *non sequitur* that, because the Commonwealth Treasurer was budgeting for a wage inflation rate of 22 per cent, there would be a wage inflation rate of 22 per cent. That is not the standard of logic that we normally get from the member for Mitcham. If the Commonwealth Treasurer had budgeted for, let us say, a wage inflation rate of 10 per cent, the member for Mitcham would say that the Treasurer was utterly irresponsible because there is every chance the wage inflation rate will exceed that percentage.

I am saying that it is responsible for a Treasurer to look on the bleak side in budgeting for some sort of drift in wage rates, because if he proves to be too adventurous in his budgetary policies, he will have to run further into deficit. Therefore, the Treasurer looks on the bleak side so far as making an allowance for wage movements is concerned. For the member for Mitcham to say that, because 22 per cent is included in the Budget papers, it follows that Australia will experience a wage inflation rate of 22 per cent, is well below the normal performance we expect from the honourable member.

Then he went on to talk about how the Federal Government had shown, apparently in this document which Mr. Hayden delivered last night, that it was intent on squeezing the States, that it would not be squeezing itself, but it would be squeezing the States. Yet I thought one of the possible contexts in which this whole matter is being debated, if we can try to follow at least one of the contradictory strands of thought coming from the honourable gentlemen opposite, is that in certain areas the Federal Government is squeezing its own expenditure and that we do not like it. One might perhaps well interpret that by cutting down expenditure in certain fields the Federal Treasurer is hoping that the States will look to their own resources to see what further can be done. But it does not follow that there is a squeeze on the States, purely because of what is actually happening in this Budget.

I want to return to the point with which I commenced. I am going to give honourable members opposite the benefit of the doubt and assume that in bringing this debate forward they have been activated by a desire to be constructive and to put forward constructive suggestions within the whole context of this debate. I recall that the member for Light mentioned in talking about housing that we have got to look at the total picture. I would like to suggest to him that in the matter of budgeting we have to look at the total picture, and I would therefore like to suggest three areas, three vital questions, which honourable gentlemen opposite have to answer for us if they are to demonstrate that in fact they do have a desire to put forward realistic solutions to what they see as the problems which are confronting us. These, as I say, are overall questions. They are big questions. They are all Olympian questions, yet they are ones which Mr. Fraser will have to at least grapple with next week if he is to retain any sort of credibility.

The first is: what really are the Liberal Party's areas of priority so far as spending is concerned? I do not know that we have ever had from the present Leader of the Opposition, or his predecessor, or from the present Federal Leader of the Opposition, or his predecessor, or any of the others who went before him, any clear statement, since they left office, of exactly what the priority areas of spending happen to be.

Mr. Mathwin: You'll find out after the next election.

The Hon. D. J. HOPGOOD: Or, in fact, the extent to which they will be able to exercise these priorities as opposed to being wagged by the Country Party tail, of what federal coalition would emerge in the event of the present Government being defeated. One of the things that has been speculated upon by commentators is this: that Mr. Fraser is not anxious to get into office because he is well aware of the demands which will be made on any Government that he heads by the Country Party, for a great deal of spending in those areas (which are very dear to the heart of Mr. Anthony). I have no doubt, that these demands would be raised by Mr. Anthony.

Mr. Venning: What about coming back to South Australia?

The Hon. D. J. HOPGOOD: This whole debate is in the context of a Federal Budget and how could one possibly look at that except by looking at the total context of the Federal Budget. It was in that context that Mr. Hayden brought down this Budget. I noticed, for example, honourable members opposite have said very little about education; possibly because they are not aware there has been, at this stage, no official announcement of the State break-down as to figures, so if they want to have a look, if they want to debate sensibly the total situation of the Budget, they have to look at the total situation of the Budget and not simply as it impinges on South Australia.

I was making the point that we have never really been given any clear concept of what the Liberal Party's areas of priority for spending happen to be. Would they spend more on defence? If so, where would they save money? Would they spend more on assistance to the rural sector? If so, where would they make those particular sorts of savings? In which areas would they particularly reduce spending? We would like to know these things, and I really think that Mr. Fraser, if he is activated, as I say, by the spirit of constructive thinking, will have to make clear next week exactly what his areas of priority in spending happen to be.

The second point I would make is that we have to get from the Liberal Party here—because they bought into the fight this afternoon, but more importantly in Canberra—what is the appropriate deficit level to run in the current situation; or, maybe they are not looking at a deficit level, maybe they are looking at some sort of surplus or some sort of break-even situation, because every pronouncement that is made about the incidence of taxation on the one hand, about increasing or decreasing expenditure in any particular area on the other hand, has some influence on the deficit and the level of deficit.

What do honourable members opposite think about the existing deficit? What do they think should, in fact, happen to alter the current situation, if they do not like it? Do they want to halve the deficit, is that something which would be appropriate within the current economic situation? Do they want to wipe it out altogether? Does this occur through either an increase in the revenue side of things, or a drastic decrease in the spending side of

things? And, if it is the second that they are interested in, then that gets back to priorities and where expenditure would be cut. Thirdly; what does the Liberal Party have as its attitude to the relative balance of impact of direct and indirect taxation? There is at present a good deal of debate about the fact that certain people are receiving relief so far as direct taxation is concerned but, in certain areas, there will be increases in indirect taxation. This, in itself, has considerable consequences for any sort of budgetary situation. I would have thought that probably honourable members opposite would display some sort of bias towards shifting the incidence of taxation away from the direct area and into the indirect area. I would have thought that that would probably have been in the interests of the people who largely support them outside of this House.

To that extent, of course, I would have thought that perhaps the moves that have occurred in the taxation area would have received their support. We have not been told this, and so it seems to me that this is the third of the important points that we really have to have answered if the people opposite are to show that they are taking a serious and responsible attitude to the debate that is going on at present. In summing up, and in urging the House to support the amendment which has been moved by the Premier, I would again challenge speakers opposite (and they have got another couple of hours in which they can expend themselves in these areas) that if, as I believe, they are trying to be constructive, can we please get some sort of inkling as to (a) the Liberal Party's areas, there will be increases in indirect taxation. This, in level or the appropriate outcome of the Budget in the current economic situation; and (c) the relative balance of impact of direct and indirect taxation.

Mr. CHAPMAN (Alexandra): I am pleased to support the motion before the House. I would like to take up the point raised by the Minister of Education when he referred to the lack of attention by the Opposition to the effects of direct and indirect taxation as it applies within the scope of the recent Federal Budget. I am disappointed that the Minister is leaving the Chamber at this time. In order to put forward an example, I would like to cite the situation as it applies to primary producers. I might point out that there has been little reference to the primary producing area at all in the Federal Budget this time.

Mr. Duncan: There is no reference to it in the motion.

Mr. CHAPMAN: Yes, there is. What does the member for Elizabeth think the last line of the motion that refers to the private sector of the economy means if it does not encompass the rural sector of Australia? Surely the rural sector has some relationship with the private sector. Surely that industry has not completely lost recognition by this Government. However, whether it has lost recognition by the Commonwealth Labor Government or not, it has not lost recognition by the Opposition. Returning to the example I intended to mention, I refer to the Land Tax Act as it applies in South Australia, and more particularly to the amendments made in this place and assented to on April 10, 1975, as follows:

"land used for primary production" means any parcel of land of not less than 0.8 hectare in area as to which the Commissioner is satisfied—

(a) that the land is used wholly or mainly for the business of primary production;

and

(b) where the land is within a defined rural area that the principal business of the owner of the land . . .

Landholders in the rural sector of South Australia enjoy a rural land tax rate less than that for land occupied for residential purposes only. The income of a large proportion of the rural community has been so diminished in recent times that people have been required to seek other employment. However, as a result of the amendment referred to, and within the recent interpretation of the Land Tax Department, some rural people seeking and gaining employment immediately disqualify themselves from the enjoyment of the rural land tax rate. That situation has not been acknowledged in the Commonwealth Budget in relation to assistance to the private sector. In fact, that section of the community has been forced into a situation in which people are unable to enjoy a reasonable net return from their ordinary course of agricultural practice, yet they cannot enjoy unemployment benefits because, under the social services legislation as applied, these people, as self-employed, cannot qualify for unemployment benefits. When they currently try to gain employment they disqualify themselves from the rural land tax rate applying in South Australia. I would have thought that that point alone, covering the rural sector of South Australia, would cause this Government to support the motion. Going further, in the interests of those people who have their backs to the wall at this time, I was somewhat disappointed that little reference was made to their present plight. There were some noises by Mr. Hayden that Loan moneys would be available to the beef industry; no grants, but Loan moneys.

Dr. Eastick: A limited number of people would benefit.

Mr. CHAPMAN: A limited number of people will benefit who, I suggest, are not in a position either to service a loan or to pay the interest tag attached. They are in no position to borrow, as I pointed out yesterday during the Address in Reply debate. They have nowhere to go except to ask the Government, if at all responsible, to assist them by way of grants, if not directly, then at least in the transport field. There was no reference at all to the much sought after superphosphate bounty, a bounty this country has enjoyed for many years, which was introduced by the Liberal and Country Party Government, a responsible Government, to an area of need but which the Australian Government has removed, thereby robbing our people of that benefit. Despite the submissions made by the superphosphate companies and the grower organisations throughout Australia to the Industries Assistance Commission, the Prime Minister, his Cabinet and, through their Treasurer, the Government have so far failed to recognise the situation. I suggest that that factor alone is most relevant in relation to the three major points raised in the Leader's motion.

If this private sector of the economy is not lifted, particularly that section to which I have referred, we will see continuing unemployment in this country and, as a result of that unemployment, whether housing is provided or not, the community will not be able to afford to buy or rent such housing anyway. I should like to raise one other point regarding what I believe was a responsible statement by a former Commonwealth Treasurer. Dr. Cairns said last week that we should be ceasing to issue the dole under the present system and that, in fact, it should be issued by way of the employers. The article, as reported in the *Advertiser* of August 18, states:

Dole payments should be channelled through employers so they could pass them on as wages, former Treasurer Dr. Cairns said last night. "Instead of paying people the unemployment benefit to stay out of work we should pay them a portion of that to get into work," Dr. Cairns said. "It would be a subsidy to the employer," he said.

No-one is more pleased than I that at least one member of the Commonwealth Government recognises the need to get the men back to work. I was slaughtered in this place a couple years ago when I referred to this subject and to the very thing that we on this side of the House believe in: we pay the men to work, and we help those who cannot work. Here is Dr. Cairns virtually supporting that very statement and recognising that neither in this State nor nationally can we afford to pay those who can work but who refuse to. Adequate evidence has been produced and will be produced from this side of the House to call on the Premier to be responsible and to support the motion.

Mr. CUMBE (Torrens): I support the motion so ably moved, seconded, and supported by other members. I thought the Premier today was at a complete disadvantage. It was one of the weakest efforts I have seen him put up in this House for a long time. He was obviously right behind the eight-ball and trying to talk himself out of it. If members had listened with some attention to what the Premier was saying, they would have realised that he was resorting to his old tactic of talking in history, not talking at all about the motion. The subject of the motion was something that happened last night and something that is happening at this moment, but he went back two or three, or perhaps four or five years, talking about what had happened. It is obviously a ploy the Premier has adopted today, which most of us have seen on so many occasions.

The only point I wish to make (and I shall be mercifully brief and right to the point) is that I believe that the Commonwealth Government, and the Commonwealth Treasurer in particular, had the opportunity of a lifetime to save Australia, to save the future of Australia. They let us down completely. What was done in this Budget to stop inflation? Not a thing. If one looks at the indirect taxes one realises that these are self-generating items of inflation.

Mr. Keneally: What would you have done?

Mr. CUMBE: Never mind the agricultural expert from Stuart who is trying to get into the picture. He had his chance just now. I am saying that this is a completely inflationary Budget. One section of the community that is looking for relief (and I know you appreciate this yourself, Mr. Speaker) is the business community. It is a sad fact that the business community, which, after all, is the greatest employer of labour in this country (75 per cent of the labour employed in Australia is employed in the private sector) and which is the sector that can provide the impetus, the expansion and employment opportunities in this country, received so little. It received 2½ per cent off company tax, which means nothing. It did receive a continuation of the double depreciation allowance, but it did not get the direct incentive it was hoping for. Today, unfortunately, business is suffering from a complete lack of confidence in the future. So many business men were looking forward to this Budget for some impetus and encouragement to be given, whether in the way of investment allowance or export incentives, but they were not forthcoming.

What I fear (and it is the last thing I want to see happen) is that we will have an increase, unfortunately, in unemployment, because I know of several companies which have folded, some which are likely to fold, and others which will put their blueprints for expansion away in the pigeon hole, from which they will not come out again. The great tragedy for Australia is that, whereas in

the past we have been able to expand, we are now in the position where a Budget that had the opportunity to inspire confidence in the private sector has let that sector down completely. I do not know what the share market will indicate tomorrow, but I think that many board meetings will be held and I am afraid that some of the expansion programmes will be delayed, and that will be tragic. I believe that one of the big opportunities here has been lost, namely, the chance to create more job opportunities, but nothing in the Budget does anything to inspire such a move. The Premier's speech was an extraordinary exhibition, because it was a completely different act (I use "act" advisedly) from the one he put on some weeks ago when he was dissociating himself from the policies espoused in Canberra. My study of the Premier's amendment leads me to believe that he is completely on side with Canberra. How two-faced can he be? I support the Leader's motion, because it is time the House supported such a motion and got things going.

The Hon. HUGH HUDSON (Minister of Mines and Energy): I will make only a few comments in relation to this debate and I think that the first point which ought to be made is that, in current circumstances, no matter what kind of Commonwealth Budget was brought down, it would be wrong. So far as any Opposition is concerned, the Government is always wrong, anyway. The first general point that ought to be made in this connection is that the Opposition is adopting the typical attitude of an irresponsible Opposition by saying either that the deficit is too large and, therefore, inflationary or, alternatively, that spending in certain areas is not high enough or, alternatively again, that taxation should have been reduced more. So, the Opposition's attitude is typical of the irresponsibility we have come to expect from the Liberal Party in this State, because it will never say what items of expenditure should be cut or whether or to what extent taxation should be reduced, and it will never give a proper indication of how the deficit should be reduced.

*Members interjecting:*

The Hon. HUGH HUDSON: I think that there are good things in the document in a number of respects, although there are several areas in which my priorities and the State Government's priorities would not be the same as those of the Commonwealth Government.

Mr. Coumbe: What is your attitude, then?

The Hon. HUGH HUDSON: That is expressed clearly in the Premier's amendment. For the member for Torrens to say that the Premier was completely on side with the Commonwealth Government is a load of hogwash, because the Premier's amendment makes clear in general terms that there are areas where the State priority is different from that being applied by the Commonwealth Government. I think it is worth while to recognise that the consequences of the Budget deficit are of some significance. A Budget deficit of this size, which cannot be financed by the issue of Government securities, must lead to a significant increase in the money supply, and the size of increase in the money supply likely as a consequence of the Budget is between 20 per cent and 23 per cent. That increase in the money supply could be modified only by the extent to which the Commonwealth Government sold Government securities, or the extent to which there was a deterioration in Australia's balance of payments.

It is difficult to say at this distance what the balance of payments position is likely to be, but I can say that a substantial increase in the issue of Government securities to the public at large in this country could be achieved only if the Commonwealth Government was willing to

contemplate a significant increase in the interest rate and in the interest rate structure. Undoubtedly, if that took place (as it would certainly take place under Mr. Fraser as Prime Minister), there would be a scream from the Opposition about it taking place under a current Labor Government. The unfortunate difficulty that arises from the current inflationary situation is the willingness of lenders to take up Government securities at substantially reduced current interest rates. Therefore, any Budget deficit that might in other circumstances be financed largely by the issue of Government securities cannot be financed in these circumstances; instead, it leads directly to an increase in the money supply.

So, to the extent that increases in money are necessary in order to provide the working capital for the inflated level of activities that arise from rising wages and rising prices, the Budget is permissive. The Commonwealth Budget will allow the rise in prices to take place. From its own internal operations, it will do nothing to prevent an increase in prices. The member from Davenport can mutter as much as he likes and make as many irrelevant interjections as he likes. Before I rose to speak, he interjected that, if I were going to speak, he would follow next. If that is the case, I suggest that he shut up in the meantime.

Dr. Tonkin: You're terribly rude!

The Hon. HUGH HUDSON: I am sorry. You will have an opportunity to reply in the debate, and I suggest that you keep quiet, too.

The SPEAKER: Order!

Dr. TONKIN: On a point of order, Sir, I do not think that the Minister should tell you that you will have an opportunity to reply in the debate.

The SPEAKER: The honourable Minister must withdraw those remarks.

The Hon. HUGH HUDSON: What am I being asked to withdraw, Sir?

The SPEAKER: The fact that you are directing who will speak.

The Hon. HUGH HUDSON: I was not directing any honourable member to speak: I said that the Leader, as the mover, would have the opportunity to reply in the debate and, no doubt, he will exercise that right. If he were going to exercise that right, it would be helpful if he replied to anything I said in his reply and not by interjection. The position facing the Commonwealth Government is that, if it is going to moderate the size of the deficit, it must either reduce the extent to which it is willing to reduce taxation or, alternatively, cut expenditure further. The choice is not an enviable one, and the Opposition has already demonstrated by its arguments that its position is completely without logic.

The Opposition wants increased public expenditure, and the Leader's motion shows that. The Opposition wants reduced taxation, and it also wants a lower deficit. In other words, the Opposition is in the traditional situation here that it has always adopted: one of complete irresponsibility. It is not willing to make any constructive suggestions as to what should or should not be done that would be meaningful in circumstances where there is a deficit of more than \$2 500 000 000. The more the increase in company tax that takes place or the greater the incentives that are provided to the private sector, the bigger the deficit will be, and the greater the inflationary impact of the Budget, unless further cuts in expenditure take place.

The member for Torrens was trying to suggest that the incentives to the private sector were not sufficiently great. However, I would have thought that in current circumstances a cut in the company tax rate of 2½ per cent, which is as great a cut in the company tax rate as has ever taken place in the Commonwealth Budget (2½ per cent is the normal cut, and the new level will be lower than it has even been under Liberal Governments), is about the best that one can really have expected the Commonwealth to do.

The Leader may say in reply that he would advocate a greater cut in company taxation. He would argue that this was in part a means of countering inflation, but I venture to say that in no circumstances would Mr. Fraser, as the alternative Prime Minister, accept the commitment that he would in fact cut company taxation even further.

Mr. Gunn: Haven't you ever heard of increasing productivity?

The Hon. HUGH HUDSON: How does one increase productivity other than by taxation incentives of one sort or another, or arrangements designed to produce a specific kind of development in certain areas that will result in increased productivity?

Mr. Gunn: By getting more goods on the market at the same cost.

The Hon. HUGH HUDSON: If the honourable member wants to be really constructive, he might care to enter this debate and tell us specifically what measures should be in the Commonwealth Budget in order to achieve this objective. Having done that, he might also care to give us an assessment of what the consequences would be on the size of the Commonwealth Government's deficit of the kind of strategy he suggests. If one is going to get into this argument in any detail, one has the responsibility to say, "I want taxes cut, but the kind of policies I am advocating will mean an increase in the deficit and, therefore, I am also committed to policies that will reduce expenditure in other areas," and specify the areas in which expenditure should be cut. I believe it is a most inappropriate policy for the Commonwealth Government to run hot and cold on certain areas of Government activity, and I refer especially to the areas of housing and education.

Mr. Arnold: Then why is it doing it?

The Hon. HUGH HUDSON: It is doing it because it has been persuaded to a significant extent by the Commonwealth Treasury that this policy must be adopted and, in terms of its own priorities, it has reached these conclusions about where these cuts should be made.

Dr. Eastick: Is it with your approval?

The Hon. HUGH HUDSON: If the former Leader of the Opposition will wait for a moment he will find out. What we have had over the last 12 months in the housing area is an allocation made at the time of the last Premiers' Conference in June, 1974, with further increases made during the 1974-75 financial year on two separate occasions (one in November-December, and another in February, 1975), both of which led to a substantial increase in housing expenditure by public authorities in the 1974-75 financial year. The Housing Trust obtained total funds of \$33 560 000 in the 1974-75 financial year after a preliminary allocation at the time of the June, 1974, Premiers' Conference, which was about \$22 000 000 or \$23 000 000. This represented a substantial increase, but it led to the main acceleration in trust activity occurring in the latter part of the 1974-75 financial year. If we have the front

end of the trust moving, its tail will follow, and one is committed to a higher level of expenditure extending into the next period.

The \$33 560 000 supplied by the Commonwealth Government to the trust for the 1974-75 financial year implied a much greater commitment should have been made for the 1975-76 financial year, for two good reasons: first, the inflation of costs, which implies that the same real effort in 1975-76 will require additional funding; and, secondly, the level of activity, stimulated by the Commonwealth Government, of the trust, which was greater at the end of 1974-75 than at the beginning of that financial year. Once a higher level of activity is achieved and a start has been made on letting contracts in relation to a higher level of activity, inevitably it will be some time, if there is reduced funding available, before the trust can significantly reduce its level of expenditure.

Exactly the same position applies in relation to the State Bank, which makes loans and gives approval for loans ahead of the time that those loans are actually drawn on the bank by borrowers. Therefore, the loans that have been approved at a rate of about 40 a week in recent months commit funds ahead for the next few months. Therefore, for a significant part of the current financial year, we are spending through the State Bank at a level much greater than the allocation proposed by the Australian Government, and the policies that we were encouraged by the Commonwealth Government to follow towards the end of the last financial year have led us into that situation. In order to keep within the kind of allocation that is available to the State Bank for the remainder of this financial year, we would need, if we were to accept the implications of the Commonwealth Government's policy, to cut the rate of approvals of new loans by the State Bank, under welfare housing money, from 40 a week to 23 a week.

In other words, that involves a cut of about 40 per cent in the total amount of funds available for new loan approvals under welfare housing arrangements. That is the size of the cut that would now be required to keep the State Bank operating within the same allocation as it had last financial year. It is simply not rational policy of the Commonwealth Government to put public housing and the public funding of housing (an area to which the Commonwealth Government says it is giving a high priority) into this sort of stop-go position. It is nonsense-type policy. The Premier's amendment draws specific attention to that and shows the extent of the criticism that this Government would make on this matter regarding the Commonwealth Budget. I believe that a similar problem arises in relation to the education programme. I understand that Mr. Hayden has stated that the educational funds for 1975-76 will be at the same real level as they were at in 1974-75. On the figures available to us so far, I would challenge that statement. The implications of the Commonwealth Budget regarding education imply a reduced real level of assistance for Government and non-government schools when account is taken of the increased cost level.

Again, this State Government would say that the Commonwealth Government should have provided a bigger degree of spending in these areas and tolerated an increase in the deficit, or not reduced tax to the extent that it did, or reduced expenditure in some other area. That is the kind of statement that we believe should be made at present. I think the Commonwealth Treasury's reasoning is excessively cautious. It certainly believes there are indicators in the economy at present that, without some

degree of restraint being imposed by the Commonwealth Government, the economy would become overheated very rapidly indeed.

True, there are one or two signs of an increased level of activity. For example, the level of housing approvals in this State has increased rapidly last quarter. The number of approvals for the June quarter for flats and houses is about 25 per cent higher than the number for the previous quarter and is virtually running at a record level.

*Members interjecting:*

The Hon. HUGH HUDSON: I am sorry: I am talking about the situation that exists at present. It shows a very sharp increase.

Mr. Mathwin: A record level?

The Hon. HUGH HUDSON: It shows a record increase in the situation and, if it continues—

*Members interjecting:*

The Hon. HUGH HUDSON: It is difficult ever to develop an argument here, because unfortunately some members are just non-listeners. They will not stay with one until one finishes the argument. I am saying that the Commonwealth Treasury had the view that there were indicators in the economy that suggested that the economy could, if it was unchecked, become overheated fairly rapidly, and I was pointing out that there was some evidence to support that view: for example, the increase in the June quarter in the level of housing approvals, which was an extremely sharp increase.

If one could assume (and I think one would be wrong) that that level of increase in approvals led to an equivalent increase in commencements of construction, the building industry would be rapidly stretched and we would encounter difficulties fairly rapidly about the supply of materials. Some evidence may support that point of view, because it is difficult at present to find much evidence in South Australia of significant unemployment in the building industry. It is my view, however, that an increase in the level of house construction will be necessary this financial year to take up the slack that is likely to occur in the coming months in the overall large-scale construction, because private construction is likely to slacken off significantly.

Because of inflation, it is becoming more and more difficult for any organisation, private or Government, to finance its development proposals. One's developmental proposal may be a new factory, estimated to cost, when tenders were about to be called, \$2 000 000. By the time the project was completed, with an appropriate allowance for inflation in the building industry of 2 per cent a month, the final completion cost might be about \$3 000 000. That is bad enough for a Government construction authority, because it means that, when it is letting the tender, it is committing itself not only for \$2 000 000 but for a further \$1 000 000 of its funds that could be used for other purposes. However, it is obviously bad news for a private organisation that must be sure, when it goes to tender for a \$2 000 000 project, that it has \$3 000 000 available to complete the project, and that estimate is only a guess based on an expected rate of inflation. It is no wonder that there are circumstances in which private organisations are doubtful about further construction proposals.

Mr. Arnold: Don't you think the Government must accept the responsibility for that?

The Hon. HUGH HUDSON: I believe that it is part of the current situation and that it will continue as long

as the rate of inflation continues. I want to come to the question of the rate of inflation soon. I think an increase in private and Government house and flat construction could have been absorbed within the economy in the current financial year because of the likely release of resources from the construction industry itself, from larger-scale construction, and I believe that, if private and Government flat and house construction is cut back, we will see unemployment developing in the building industry. Therefore, we are quite proper, in our approach to this motion, in including in the amendment reference to the unemployment situation. I think everyone would like to have the answer to inflation.

Mr. Goldsworthy: Except the Labor Government.

The Hon. HUGH HUDSON: The Deputy Leader has his answer.

Mr. Goldsworthy: My word, and it would be the answer of about 60 per cent of the community, too.

The Hon. HUGH HUDSON: That may be so, but it may turn out to be a short-term answer indeed and may not produce the kind of solution that the member for Davenport and the member for Kavel may think, wishfully, would take place.

Mr. Goldsworthy: No-one suggests that the road back will be easy.

The Hon. HUGH HUDSON: Certainly, a Commonwealth Government that in current circumstances adopted the kinds of prescriptions suggested by members opposite of a strikingly reduced deficit, for example, would create a serious difficulty in the economy as it is at present, and I have no doubt that a Commonwealth Liberal Government could pursue the traditional solution of conservatives by knocking an inflationary situation through the creation of more unemployment. That has been the traditional approach of Liberal Governments in previous years. I venture to suggest that, if the next Government in Canberra is a Liberal Government, we will see, consequent on that Government's assuming office, a significant increase in unemployment.

It seems to me that, as a community, we ought to have the wit and the intelligence to be able to find a solution to inflation without creating unemployment. To do that would require a degree of co-operation within our community, a degree of willingness to accept a somewhat slower rate of increase in standards of living, or a willingness to accept some degree of sacrifice.

However, as you know, Mr. Speaker, and as most other people would know, everyone is in favour of restraint as long as it applies to the other fellow. No-one wants restraint on himself. Most people will argue for wage restraint until that restraint is applied to their own wage or salary, and then the row develops. The rows are not confined to the traditional trade unions, by any stretch of the imagination. Every group in our community is conscious of how much money it has in the pocket and it tries to increase the amount in the pocket to the extent that it can do so. Doctors do this: pilots have done it; members of Parliament have expressed concern: public servants do it: and the business sector does it when it says that it cannot look after shareholders, that it is not getting enough profits, and that it must look after its source of income. That group is concerned, and acts in the same kind of way as does every other group in the community. The federal system of government in this country makes sensible and rational government policy very difficult, because no-one in our community has the authority to

introduce even the kind of wage, income and price controls that have been applied in Western European countries. True, one State acting on its own can impose wage and price controls and would have certain authority to do that, but it would be completely ineffective because, under section 92 of the Constitution, there is nothing the State can do to prevent the trading of goods between States, and the consequence of a strict price control on commodities in South Australia below prices obtaining in other States would simply mean that everyone in South Australia would ship his goods to other States, and we in South Australia would not get the goods at all.

Also, our arbitration mechanisms are all built on establishing and following precedents and we, in most of our arbitration procedures in this State, follow decisions that have been laid down elsewhere. Teachers' salaries, for instance, regarding which I have been accused by the member for Kavel previously, follow the movements of teachers' salaries in other States, which in turn follow, to some extent, the movement of salaries awarded by the Commonwealth arbitrator with respect to teachers in the Australian Capital Territory and the Northern Territory. Under Commonwealth legislation, the Commonwealth Government has no power over that arbitration procedure, which determines the salaries of its own employees.

It is an interesting question how any degree of restraint can be imposed in that kind of arbitration situation, and it really requires, at the Commonwealth level, the Arbitration Commission itself to do it, and to be able to do it in a way which causes all other arbitration authorities to follow the same procedure and which, at the same time, enables the State authorities to follow suit. But, mark my words: just as wage restraint on pilots and doctors, for instance, will cause industrial trouble, it will also cause trouble in other sections of the community and amongst trade unions as well. So, the problem of getting overall policies followed is a difficult matter indeed.

Mr. KENEALLY (Stuart): It seemed to me that the Leader of the Opposition was anxious to rise in his place and close this debate. I am not surprised that that was his idea. He sought the agreement of this House to have Standing Orders suspended to enable him to introduce a motion that the Opposition considered was of great concern to South Australia, but what sort of an effort has the Opposition put up today? It is now 4.30 p.m. and the debate has been going for a little over two hours. In that time we have heard six Opposition members make their contributions, the last of whom spoke for only four minutes, on an issue that is supposed to be of great concern to the people of this State. That honourable member was compelled to speak for a mere four minutes, and he said as much in that four minutes as the Leader and Deputy Leader of the Liberal Party said in their contributions: exactly nothing. The Leader of the Opposition is never worse than when he is speaking on financial matters, and this was amply demonstrated again today. He knows nought about it, yet he insists on making a fool of himself in this House. We don't mind his doing that, but sometimes it distresses us to see some of his colleagues following suit.

The Opposition seems to think that it is its role only to be completely irresponsible and critical. It does not believe it has a responsibility or a role to play in putting forward concrete suggestions or alternatives to the policies it criticises. We have not heard any such alternatives today, although the Liberal Party has in its ranks a man with some financial background. I refer to the member for Mount Gambier, who has not entered into



this debate at all. Why has he not done so? If he has some financial knowledge, we should have the benefit of it. Certainly, we should have heard him speak before we heard some of his colleagues who have spoken today. I support the Premier's amendment, which was also supported by the Minister of Education and by the Minister of Mines and Energy. Those three speeches have been the only ones in which an attempt has been made to discuss the Budget.

Mr. Goldsworthy: Ha, ha!

Mr. KENEALLY: The Deputy Leader of the Opposition says, "Ha, ha." There is no doubt that the Opposition today has spoken in generalities. It has not been specific to any degree at all, and how could it be? It is generally the procedure in the Commonwealth Parliament that, when the Treasurer brings down the Budget, the Leader of the Opposition seeks to adjourn the debate for at least a week so that the Commonwealth Opposition, with the enormous resources at its disposal, can have that time to examine the Budget documents to see what effect they will have. Yet here today we have the absolute arrogance of the Opposition in this House which suggests that, without seeing the Budget documents, it can enter into a sensible debate on this matter. This is typical of the arrogance that the Opposition has often displayed in this House. How can it sensibly debate the Budget as it applies to South Australia, or indeed Australia, within a few hours of hearing the Budget delivered in the Commonwealth Parliament? Their Commonwealth colleagues need at least a week to consider the Budget documents, and one knows the enormous resources that the Commonwealth Opposition has at its disposal.

Mr. Duncan: The Opposition hasn't even seen the documents.

Mr. KENEALLY: That is so. They have merely heard the Commonwealth Treasurer giving his Budget speech in the Parliament, and from that Opposition members seem to be able to deduce exactly what effect it will have on everyone. Of course, there are newspapers; they get all the information from the press. It seems to be beyond their ability for Opposition members to understand what is going on.

Mr. Becker: You can't even read a balance sheet.

Mr. KENEALLY: The member for Hanson suggests that I do not have any great expertise in the fields of finance. However, if the Opposition had believed that he had such expertise, he would already have spoken in this debate. He will not be able to do so because his Party obviously has no confidence in his ability to debate this issue. So, he is in a poor position to be critical. I do not have any great expertise in financial matters, but I have been reinforced in my decision to speak in this debate because it is obvious that members opposite have even less understanding of Budget procedure than I do. It seems to me that it is the responsibility of those who seek to criticise anything to say not only which areas they criticise but also what they would do regarding the things that they criticise. That seems to me to be a simple piece of logic.

It is completely irresponsible for Opposition members to jump up and say that the Budget is no good, that it will have ill effects on South Australia and that it will affect housing, employment, and so on, without saying in what areas they would cut expenditure. Like members of the Commonwealth Government, we would be pleased to have sufficient money and for the economy to be in such a condition that the Government could spend in all areas that require funding. Of course, we in South Aus-

tralia are well aware that housing is a problem area and would like to see funding of housing to such an extent that we would be able to provide for the needs of all people in South Australia. However, for some reason or other, members of the Opposition (they are not going to stay and listen to me, as suddenly they may have got a message) are great promoters of public housing, and so the Government should be pouring more money into the public sector. Last night, whilst in my office, I did the member for Fisher the courtesy of listening to some of his contribution to the Address in Reply debate. He said that the situation that Australia faces now arises directly from socialistic policies and that the socialists are trying to promote a welfare State; the Government is spending too much, it is doing too much for people; people should be encouraged to be independent, to stand on their own feet, and to be more thrifty.

When the Commonwealth Government reduces some of its spending in the public sector, what do our friends in Opposition say? They do a complete somersault. They say that not enough money is going into the public sector; we should spend more money on housing, ensure that there is no unemployment, and spend more money on education and hospitals. They do not actually say it because they are not game to say where they would spend money, but at least they imply that more money should be spent. The Minister of Education in his excellent speech, asked Opposition members to specify three things, if they spoke later in this debate. I notice that no other Opposition member seems likely to speak, but we could hope that the Leader of the Opposition might take the time to answer the Minister of Education, and also the Minister of Mines and Energy. Of course, he will not, because it will not suit him to do so; he will run off at a tangent of his own. I would like him to spend time answering the question asked.

The first question the Minister asked was whether the Liberal Party would be willing to state its priorities on spending. It will not do so, of course; it never has. When we asked the Opposition what would be its priorities on spending, the member for Glenelg said, "You wait until we are in Government". Here is the old closed package deal again. "We will not tell you what we are going to do; we will not tell you where we will or will not spend the money. But you put us in Government and you will find out." This is the philosophy we have been hearing from members opposite for a long time. People are much more intelligent today. They want to know what policies the people who aspire to Treasury benches would follow if they were on those benches. However, we shall not hear it today and I doubt very much whether we shall hear it in a week's time in Canberra. We have discussed on the Government side (certainly it has not been discussed on the Opposition side) what level of deficit the Opposition would be willing to accept.

Dr. TONKIN: Mr. Speaker, I draw your attention to the state of the House.

*A quorum having been formed:*

Mr. KENEALLY: Thank you, Mr. Speaker. This certainly indicates the seriousness of the Opposition in this debate! The Opposition has claimed that this is a matter of great urgency, and it has sought the patience of this House to move the motion. Where are all the Opposition members? They are not even in the House to listen to what I consider to be a very good contribution to the debate. I have been referring to the level of deficit that Opposition members are willing to accept or promote, but we will hear nothing whatever about that, nor will we

hear any deliberate attempt by Opposition members to discuss the Commonwealth Budget as it applies to South Australia. All we will hear will be petty, snide remarks made by the small-minded people who sometimes occupy the Opposition benches.

Mr. WELLS: Mr. Speaker, I draw your attention to the state of the House. Obviously, the Opposition has no interest in the debate, which the Opposition initiated. I suggest that Opposition members be recalled to the Chamber.

*A quorum having been formed:*

Mr. KENEALLY: May I record, for the benefit of the House and for anyone who may wish to follow the proceedings of the House, my disgust at the Opposition's action today. The Opposition has once again sought the patience of the House to allow it to move a motion, yet at present only two Opposition members are here listening to this debate. This shows how seriously Opposition members take the whole affair. They have made their small, petty point, and now they do not want to discuss the matter at all.

Mr. Wells: Let's see how much of this the papers publish.

Mr. KENEALLY: Possibly Opposition members believe that they have got the headlines that they want; that is all that they wish to achieve. They do not want to do Parliament the credit of approaching the debate with any principle or honesty at all. Of course, I should not be surprised at this; I have been here for a few years, during which I have become accustomed to the Opposition's activities. I point out for the benefit of the member for Rocky River (if he stays in the Chamber long enough) that he is typical of his colleagues, who find it easy to be irresponsible; the honourable member is quite incapable of being responsible. Of course, we should not blame the honourable member for this: it is beyond his capabilities, but at least we should expect him to try at times. There is no doubt that under the Commonwealth and State Labor Governments the vote for education has increased enormously in real terms—by well over 100 per cent. We cannot expect much more than that. However, we still hear Opposition members criticising the Australian Government and the South Australian Government. The Opposition shadow Minister for Education in the Commonwealth Parliament has clearly stated that, if the Liberal Party was in Government, she would promote a reduction in education spending. I challenge members opposite to say where they stand in this respect.

The former shadow Minister for Education, who now has another shadow portfolio, said during the last session that, if he believed the circumstances in the economy warranted it, he would support a cut in funding for education. I challenge him to say where he stands today. I challenge him to say whether he believes the economy has reached the stage where he would support a cut in funding for education. I put the same challenge to the Leader of the Opposition, who is about the only Opposition member left in the Chamber: what is his policy on this matter? We have not yet heard it, and I expect that we will not hear it. I was interested in the efforts of the member for Davenport, who purports to be a shadow Minister. When a Bill on industrial matters was dealt with yesterday, I believe that the honourable member had to play second fiddle to the member for Torrens, whom the member for Davenport played an active part in putting on the back benches. Again today the member for Davenport, when he was allowed to be present in the Chamber before the Opposition Whip asked him to vacate it, attempted to get into the debate by interjection, but he

was anything but successful. I would be interested to hear what the honourable member had to say on this matter and what many other Opposition members had to say.

The member for Alexandra made great play of the claim that we should not pay people who are out of work. He suggested that we should make it so difficult for unemployed people that they would be forced back into the work force. The Government here and in Canberra would be highly delighted if all those who were able to work and motivated to work had positions available to them. However, if there are 200 000 unemployed people in Australia and there are 65 000 vacant positions, there would still be 135 000 unemployed people if every vacant position was filled.

Mr. Evans: It does not work that way.

Mr. KENEALLY: Even allowing for marginal factors, there would be 100 000 unemployed people. The level of unemployment would still be very high. Members opposite get uptight when they refer to long-haired louts lounging about on beaches and taking advantage of the welfare state. I put it to members opposite that young people who willingly opt out of the work force and thereby make positions available to family men are providing a service to the community. I would much prefer to see 100 000 people voluntarily out of employment than to see 100 000 people compulsorily out of employment. If we force people who do not wish to be part of the work force to be part of the work force and thereby force out of work other people who wish to work, we have not achieved much. The unemployment benefits paid to a single man are less than those paid to a married man with three or four children.

Mr. Evans: If someone wishes to opt out, let him opt right out, but why should others have to keep him?

Mr. KENEALLY: If the number of vacant positions is less than the number of unemployed people, what is the honourable member's suggestion for solving the unemployment problem?

Mr. Evans: Create work through effective programmes.

Mr. KENEALLY: How would the honourable member create more employment for these people? I know what he would like to do. He would like to get out the whip and force people to work. He would like to pay them at half the award rates of pay, so that he could employ twice as many people. They would then be at starvation level. If they were put back into the conditions that prevailed in the 1890's, that would suit the member for Fisher, because that is when the private enterprise system, which he supports so dedicatedly, was at its peak. Under that system employers could force people who were unable to find employment, or could not achieve any sort of living style at all, into starvation so that they would work for little reward. That system suits the philosophy of the member for Fisher.

Mr. Duncan: He should have been an overseer in a workhouse.

Mr. KENEALLY: Yes, because the member for Fisher would not, to any degree, find that task to be onerous.

Dr. Eastick: You'd rather him be subservient.

Mr. KENEALLY: No-one needs to be subservient: in the sort of State that we democratic socialists wish to see set up in Australia, we certainly would not wish anyone to be subservient. We think that people should be able to play a role in the community and have pride in themselves and a sense of equality with other people. That is the direct opposite to the sort of society that people who promote the private enterprise ethic would

wish upon people; they would wish people to be subservient to others and would seek to see people make fortunes by exploiting other people. Someone said to me yesterday that he was not too disappointed to see a few rich people in the community. I said, "I have no objection to that happening so long as there are no poor people in the community."

I suggest to members opposite that, where a group of people, a group of companies or a group of countries can bring to themselves added wealth, other groups of people, of companies or of countries are getting poorer at the same rate as that at which the first group is getting richer. Members opposite should think about that to some degree. The people of this country should support an Australian Government that tries to bring equality to the living styles of the people. I suggest that the media, too, should support that concept. It does the Opposition little credit to jump on to the band wagon of what has been a massive media campaign to denigrate the Commonwealth Government. No matter what sort of Budget was brought down by Mr. Hayden, the press and small-minded members opposite would still criticise it. It is people like members opposite who believe that, as long as they follow money and power in Australia, money that is invested in multi-national companies (the people and companies from whom the Commonwealth Government is trying to buy back a bit of the old farm), they are well on the way to getting back to the Treasury benches in Canberra. They are not one bit interested in the welfare of South Australians or in the welfare of Australians.

Opposition members in Canberra are interested only in getting back to the Treasury benches by hook or by crook and, since they have been in Opposition, it has been by crook. We have seen how the Senate, for the first time ever, denied the Government Supply. We have seen how the Premier of New South Wales acted when filling a Senate vacancy with a member from a Party other than the Party in which the vacancy occurred. We have seen an attitude from members opposite, when in Opposition, that they were born to govern.

Mr. MATHWIN: On a point of order, Mr. Speaker. I believe the honourable member's remarks are irrelevant to the matter before the Chair, and I ask that he be brought back to the motion.

The SPEAKER: I ask the honourable member for Stuart to stick to the motion under discussion.

Mr. KENEALLY: Thank you, Sir. The motion concerns the well-being of people in both South Australia and Australia, but the member for Glenelg is not interested in that matter. However, I take the point. Although I have only four minutes remaining, I should like to speak at greater length, so perhaps members opposite would care to grant me an extension of time. If they did, I would accept such an extension.

Dr. Eastick: Why don't—

Mr. KENEALLY: In the limited time I have available to me I do not need further interjections. The member for Light referred to the Commonwealth Labor Government's funding programme and said that it was a bad policy that the funds given to States should be in the form of tied grants. He had the absolute cheek to suggest that the Australian Government, which is concerned about the welfare of the people of Australia, should make available to State Governments and that chap in Queensland, Bjelke-Petersen, moneys without suggesting how they should

be spent. Because the Commonwealth Government has given the money it should have the right to say how it is to be spent. The Commonwealth Government should not have to go to the people with a programme of how it will spend money on, say, housing and find that the money it has given to the States is being spent in a different area. The member for Light suggests that the Australian Government should not have a voice in how the States spend those funds. Of course it has a right. After all, it supplies the money, so it should have a right to see that the money is spent for the purpose for which it was granted and about which the Government went to the people. It also has the right to see that its programmes are implemented.

Dr. Eastick: Would you—

Mr. KENEALLY: I do not want the member for Light to interject further: he has already given me sufficient ammunition to last out my 30 minutes. The member for Light should not suggest that the Australian Government should not have a right to say how its money should be spent. That is the sort of argument and the sort of arrogance that will ensure that the member for Light and his colleagues will stay in Opposition for as long as the electors in their districts are foolish enough to support them. I suggest they will not support them for much longer. If the Opposition does not like my contribution to the debate, I say that their contributions have been more puerile than they may think mine has been. The Opposition has put forward nothing that needs to be refuted. Members opposite craved the indulgence and patience of the House to move this motion, but they have not debated it. We have heard six Opposition members speak to the motion. The longest speech lasted 10 minutes and the shortest speech lasted four minutes on what they called a matter of extreme urgency to this State. Members opposite could not suggest where the Commonwealth Government was wrong; they have not said what the Commonwealth Government should have done to correct the ills that they imagine are included in the Budget. I suppose what they have said really requires little refuting by members of the Government; however, the Government would be lax in its responsibility if it did not take this opportunity to take part in the debate. I thank the House for its patience in listening to me.

The Hon. R. G. PAYNE (Minister of Community Welfare): For openers, I ask members opposite to admit, if they are being honest about the matter, that when a Commonwealth or a State Budget is considered some people support it and some people oppose it. It is unlikely that any Budget has ever satisfied everyone, and I include Budgets brought down by Liberal and Labor Governments alike. If we accept that and go on to the next step, which is that it is the function of the Opposition to challenge the Government of the day on any matter it chooses, we can see the reason for the motion which has been moved by the Leader and which we are asked to support. The motion states:

That this House express grave concern at the adverse impact the Commonwealth Budget will have on the well-being of the people of South Australia.

At that point, I should like to pause for a moment to point out that we are asked by the Leader to express grave concern at the adverse impact that he says the Commonwealth Budget will have on the well-being of the people of South Australia. Any thinking person may offer the proposition that that is fair enough, but that we have got only the Leader's word for the statement that we should look at the matter in that light. He says it will have an adverse effect, but to see

whether we should agree with him I think it is reasonable to find out what other people throughout Australia think of the Budget.

The Budget was introduced in the Commonwealth Parliament only last night. The point was made earlier by the member for Mitcham, speaking on behalf of the Liberal Movement, that it could be a week or more before any specific or pertinent comment was likely to be made by the Commonwealth Leader of the Opposition, Mr. Fraser. The member for Mitcham made that point quite clearly, yet here we are, straight off, with no holds barred, drop-kicking straight into the centre of the arena, asked by the Leader to express grave concern at the adverse impact of the Commonwealth Budget. I intend to see what other people who have had the same opportunity to look at the Budget think about it. If their assessments and their views on the Budget are unanimous, we may have something to go by. If their views agree with those of the Leader, we can say that he has a reinforcement for his argument and perhaps consider in that light what he is asking us to support. However, if opinion about the Budget is not unanimous and does not support the Leader, it would be fair for us to approach the matter from a different angle.

At the moment, not much informed comment on the Budget is available. That is by no means unusual. Only a short time has elapsed since its introduction, and it is a document of considerable length which took the person introducing it into the Commonwealth Parliament a long time to deliver, even in a shortened form. It refers to colossal expenditure, to vast sums of money, to thousands of millions of dollars, yet the Leader, in his wisdom, sits down, has a quick scan of the whole show, and calls on the House to express grave concern at its adverse impact. They are his words, and I can only suggest that it is unlikely that he would have had time to arrive at any reasoned comment or standpoint to support such a statement. I have already said that we will see what other people have had to say about the Budget in the limited time available, and see whether they are unanimous in their opinions. To do this, we can make use of the media. Today's *News* contains a column or two headed "Budget Comment".

Dr. Eastick: To allow you to go on with a filibuster.

The Hon. R. G. PAYNE: I should have thought the honourable gentleman who has just interjected would never accuse any other member in this House of filibustering, because, when he was Leader of the Opposition in this place, he subjected us to nothing else for the whole period of his leadership of the Party opposite.

Mr. Gunn: It is fortunate that he interjected, otherwise you would have had nothing to say.

The Hon. R. G. PAYNE: I would thank the honourable member not to interject, but as I have many other telling points to make he may be tempted to do so. They are points he will not be able to refute and, as he has already spoken, I hope he will refrain from interjecting again in the same manner.

Mr. Chapman: Another personal attack.

The Hon. R. G. PAYNE: Perhaps the member for Alexandra does not wish to hear what other people have to say about the Budget. He may be so subjected to the Leadership authority on his side that he is not allowed to canvass other opinions but must accept what he is told: when the motion was put before him as a motion for the day he had to go along with it. That situation does not

apply on this side. We are allowed to canvass all the opinions available and to make use of the expertise that might come our way to assist us in arriving at the right decision for the benefit of the people of South Australia. The people know that we operate in that way, and that is why we are still here. The member for Stuart, in speaking earlier, made this point quite clearly. On the other side, the speciality of members is interjection, diffusion, subterfuge, and by-passing, never facing up to what they are required to do as an Opposition. If they wish to challenge something that is policy, something put forward by the Government, they must offer an alternative, and not just say that what the Government puts forward is no good. That is why members opposite will remain where they are. I am doing them a favour, and perhaps I should chide myself and—

Mr. Mathwin: The best thing for you to do is shut up.

The SPEAKER: Order! I must ask the honourable member to withdraw that remark. It is most unparliamentary. We have no right to ask a member who is on the floor to shut up.

Mr. MATHWIN: I am quite willing to withdraw, Sir, as you ask, but I remind you that the Minister of Mines and Energy used the same phrase and was not even scolded for it. I shall retract the statement and say that it would be nice if he were to keep a little quieter.

Mr. Wells: I am shocked.

The Hon. R. G. PAYNE: I thank you, Sir, and I shall return, as requested by members opposite, to the references I was about to introduce from the *News*. I think it would be fair and charitable if members opposite were to agree that the financial assistance available to newspapers and to the financial editors of those papers might be of a standard that we do not have. I would be the first to admit this, and I suggest that members opposite might do that too. If that is the case, they may learn something if they will listen to the points I am going to make. With the top financial advice available to them and the experience they bring to the job, having seen many Budgets—

Mr. Coumbe: May I ask a question? Do you intend to quote directly from the newspaper?

The Hon. R. G. PAYNE: I intend to make the point that certain comments have been made about the Budget the Leader has asked us to condemn. He canvassed various authorities and introduced arguments ranging far and wide, so it would seem quite fair if I adopted the same method in rebutting his case from my side. I am happy to abide by your rulings in these matters, Sir. The *Australian* states:

A Budget which robs Peter to pay Paul. In the process, it is taking a number of risks and in several vital areas it is operating in the dark . . .

Members might be pleased to hear the next bit, which states:

Economically it fails to halt inflation and will do little to restore business confidence.

I will not quote full extracts, because I do not want to take up the time of honourable members, but that is the viewpoint of one responsible journal in this country, and I accept that it comes from its financial correspondent. The *Melbourne Age* says (once again I will shorten the extract):

The Budget is mostly restrained and balanced . . . at last encouragement is being offered to the battered private sector and relief to the burdened taxpayer . . .

This is the Budget the Leader asks us to condemn as having an adverse impact on the well-being of all the people of South Australia.

Mr. Venning: You say it's a good Budget, do you?

The Hon. R. G. PAYNE: The honourable member may speak after I have finished speaking, and I invite him to take that opportunity, but I hope that he will not continue to make those inane interjections. The report continues:

... the Hayden Budget is realistic, responsible, and on the right track.

Surely when I quote from the *Sydney Morning Herald* one would not hear any criticism about that paper; at least, I do not expect to hear any criticism. That newspaper reports:

It contains clever strategy, containing deficit restraint with a major tax restructuring.

Has any Opposition member given any credit to that point in this debate? Regarding major tax restructuring, we have heard Opposition members say many times when talking about the existing tax set-up that it should be changed, and they have asked why the Australian Government did not do something about it. The member for Kavel has been vocal on this matter more than once. As he is the Deputy Leader, I would have hoped he would be in the Chamber. However, he must have other business elsewhere. Opposition members have been very vocal on this matter: why is something not done about the tax scales? They are iniquitous and unfair. In the Budget, the Government has done something about them, but not one word did we hear from the Opposition. Surely the State's well-being is tied up in that aspect. I suggest that Opposition members are less than fair dinkum in these matters, and that is the point I am trying to make. They have moved the motion as a political exercise. The report continues:

*Canberra Times*—

and my point is relevant—

sees it as an inconsistent Budget;

There is another opinion again. Summing up, the article concludes:

*Financial Review*—

And, as the title suggests, it has a few clues—

says the Budget is risky, subtle, but it could work.

The whole point about the exercise of making use of the press, the several financial brains involved, and their viewpoint on the matter is to show that there is no unanimity on the Budget at this time. In the meantime, I have been able to show the complete insincerity of the Opposition in the choice of the words contained in the motion which says, in effect, that the Budget will adversely affect the well-being of the people of South Australia, but not mentioning that a major restructuring of the taxation scales has occurred that will benefit not only South Australia but also the whole country—something carried out by the Government almost as a sideline, with an inflation problem which any decent person would admit is not a South Australian one, not an Australian one, but a world one. He is that favourite gentleman so often mentioned by the member for Fisher as Mr. Everyman; sometimes he calls him the average man in the street, and once he called him Joe Blow, which is not a bad name for the man he tried to depict.

Any average person outside is ready to say quite openly that he believes inflation is a world-wide problem, whereas the 23 Opposition members are the only people who can see better than everyone else can see. They say that inflation is a local simple problem that is locked up within the borders of this island called Australia and that it has no connection with the outside world. No shipping ever goes to and from Australia; no cargoes go in or out, and

there are no exports or imports; we have a local thing here and we have a management in charge that does not know how to handle it. That is what they say. That is a lot of rubbish and I will not waste more time in dismissing what little guts there is in the motion.

Mr. Dean Brown: Sit down and shut up!

The Hon. R. G. PAYNE: Opposition members, having failed in their argument to make any headway on the motion and having failed by being ordered out of the Chamber to try to stop what is happening to them, have shown their utter defeat in this matter. On occasions, they have even resorted to more blunt methods, and the honourable member who just said, "Shut up" may be comforted by knowing that I am going to take up the remainder of the time to which I am entitled. On other occasions, I have heard Opposition members say that time should be made available to them, and it is no good their saying that it is not an important matter now. Earlier, it was an important matter, and private members' time had been put aside for the benefit of the people. The Opposition said that it wanted to debate this important matter because it wanted to let Canberra know how it felt. I assume that that was the Opposition's motive, but I do not know what has happened to its members now. They ran out of gas earlier. We have known for five years that they are not substance, but only shadow. The people of this State are fully aware of this, as they have demonstrated at the past few elections. What I have tried to show in this matter is that a Budget is a document about which stacks of opinions are available beforehand regarding what it will do, whether or not it will work, but the only real way of testing it is to give it a ride and adjust it along the way. Not one Opposition member made this point.

I did not hear one Opposition member say that. It is no good their trying to get it now. Anyone can come up with a new argument after he gets a trigger. They say, "This is a document which is no good. We should condemn it out of hand." No Opposition member said that the Budget ought to be given a test and then adjusted as we go along. Does any Opposition member suggest that Budgets are not adjusted or that they are not looked at again after, say, a three-months trial period has expired? Not one Opposition member has so far said that it is fair to take any Budget and say, "All right, we don't like it. It has some crook points in it, but it may be worth getting started on. It appears to offer some benefits, so it should be given a try even in areas where we're not happy about it."

Mr. Nankivell: Members of Parliament are the ones who get the big tax concessions. Have a look at the schedule.

The Hon. R. G. PAYNE: It is interesting to consider what has happened during the last 40 minutes. The member for Stuart hit home and nettled the Opposition; so, the only thing it could do was to leave the Chamber. He shamed them into returning and showed they were completely phoney. Opposition members claimed that an important matter was being debated, yet out they went to get away from the debate because they could not handle it. Now, they are coming back in again.

*Members interjecting:*

Mr. Nankivell: Ha, ha! Even the gallery is leaving.

The SPEAKER: Order! The gallery must not be referred to.

The Hon. R. G. PAYNE: Opposition members have come back shamefacedly. Let us give them credit, because

they have agreed that they should not have left the Chamber because they had said that it was an important debate. When we reminded them of this, they accepted the fact that they were wrong and they have returned. I am willing to give them credit for having done this. What I have shown hitherto is their complete insincerity in the matter. They set out to condemn the Budget whether good or bad. They got stuck into it but they had no real evidence to get stuck into it. I have also shown that they did not seriously try to give the debate a fair go by allowing for the fact that a Budget can be adjusted along the way. The Budget is a measure which everyone (the officers concerned in the various Australian Government departments and the Treasurer) can only put together and which they believe will do what is required for the economy. I have always been taught that God is the only person who could be 100 per cent sure of any proposition that was advanced; the others of us who are more mortal, who are human beings, can only postulate, prepare something and put all our efforts into it, and let our suggestions be tried. Then, if the situation is not proceeding as required, which it seldom does, the situation can be re-examined and adjusted.

I suggest that, having reached this point, we should consider the motion and compare it with the amendment moved by the Premier so that any honourable members who were not sure which way they would go on the matter will now have a glimmer of hope in the distance to lead them in the direction they should go. The motion of the Leader of the Opposition sets out to castigate and get stuck into the Commonwealth Government's Budget, without really being helpful in any way to those very South Australians who are referred to in the motion.

There is no suggestion whatever in the motion that the Budget is any good at all. The motion is not even accurate, although I will not quote the motion in detail now. However, the motion does refer to the private sector of the community. Some honourable members opposite have said that that reference covers industry, yet a \$125 000 000 tax rebate has been provided in the Budget. Do honourable members opposite suggest that private industry does not want that \$125 000 000 rebate; that it does not want the 2½ per cent company tax reduction?

*Members interjecting:*

The Hon. R. G. PAYNE: I am sure that honourable members opposite are not suggesting that.

Mr. Coumbe: One cannot pay tax unless one makes a profit.

The Hon. R. G. PAYNE: Of course one cannot pay tax unless one makes a profit, but in the same Budget honourable members opposite say that nothing is given to the private sector. What a load of rubbish! A new allowance is made for depreciation; another \$75 000 000 is available to private industry. If the private sector cannot make a profit from that, or if it has not been able to make a profit there, at least, are two ways that have been put forward to assist the private sector through the Budget to make a profit.

I remind honourable members that this is the private sector about which we are talking, the same private sector that honourable members opposite included in their motion. It can be clearly seen that the Government has made an honest attempt to assist the private sector, and the motion moved by the Leader is not even accurate in certain statements, let alone being acceptable enough to warrant our support.

Mr. Chapman: Are you going to give us a chance to vote on this motion?

The Hon. R. G. PAYNE: I suggest that the honourable member does not hold his breath. The amendment to the motion moved by the Premier is far more sensible and constructive than the motion moved by the Leader. The Premier's amendment asks the House to "inform the Government that we appreciate the necessity for restraint in spending by Governments in Australia but express our concern that at the Federal level it is proposed by the Federal Government to reduce programmes in housing, school construction and unemployment relief, and that the Federal Opposition would propose to cut those programmes even further". I am certain that I have definitely shown why support for the Premier's amendment should come from all honourable members in this House who are genuinely concerned with the well-being of people in South Australia. I have much pleasure in supporting the amendment.

The SPEAKER: I must point out to the House that when the Leader of the Opposition speaks he closes the debate. The Leader of the Opposition.

Dr. TONKIN (Leader of the Opposition): At the outset I should like to say how grateful the Opposition was to the Government for agreeing to the suspension of Standing Orders. At the time that took place in the House before the actual sitting began the Deputy Premier expressed concern that the Opposition should not take too long in debating this motion. We agreed to his request. The Deputy Premier said there would be a limit on private members' time, and he said that he did not want to see us use it all up. He insisted that the suspension of Standing Orders be limited to 6 o'clock, and I complied with his request.

However, the Premier then proceeded to tell the House that there would be severe restrictions on private members' time in this session, and we have been led to understand that this session will be pushed through by mid-October, come what may. In the past we have agreed to respect Government time as much as we can.

The Hon. J. D. Corcoran: Until what time did I ask you to suspend Standing Orders?

Dr. TONKIN: Until 6 o'clock.

The Hon. J. D. Corcoran: I was concerned about what was to take place after the dinner adjournment, not before.

Dr. TONKIN: That has become entirely obvious, and I am pleased to hear that statement from the Deputy Premier himself. The Opposition has done its best out of some respect for you, Mr. Speaker, to co-operate in the business of this House and to make it run as smoothly as possible. However, it is obvious that the Government has no respect at all for private members' time. The Government's behaviour is disgraceful and it is showing contempt for the rights and privileges of members, which goes beyond anything I have experienced previously in this House.

The Hon. J. D. Corcoran: Who introduced the motion?

Dr. TONKIN: Who has the right to take it off if necessary?

The Hon. J. D. Corcoran: Who has the right to debate it?

Dr. TONKIN: That is something I hope the Deputy Premier will remember next time there is an Address in Reply debate if he happens to be on the Government side when honourable members on this side of the House have, in fact, stood down because the Deputy Premier

has expressed a desire to get the business finished. Disparaging remarks have been made from the other side of the House merely because Opposition members wish to speak in the Address in Reply debate. This gives the Government no credit, and its actions this afternoon give it no credit, either.

The Opposition has co-operated as well as it could, but after the abuse of confidence that has taken place, I believe that certain arrangements that have been made between the Parties will have to be looked at and re-examined. I would now like to get off that unpalatable subject and refer to the motion before us. First, most of the contributions made by Government members went on at length as a filibuster and made no proper contribution to the debate. The speeches of some members opposite were made by honourable members for whom I had much respect until they demeaned themselves by performing in this way.

The Minister of Education in his academic meanderings tried, at least, to make some contribution to the debate, as did the Minister of Mines and Energy. As for the statements that we should offer suggestions that would be helpful in this situation, that is the Government's job. The Opposition has made suggestions and we have clearly published policies on these matters and, if the Government does not want to look at them and take notice of them, that is up to the Government.

The Minister of Mines and Energy practically admitted that the Government has no control whatever over the priorities that should really be applied by the State. Obviously, he is trying to dissociate himself from what he believes is an unfortunate decrease in the funding for education. He attributes attitudes to the Opposition that the Opposition does not even hold. Basically, the Minister's own attitude in individual matters throughout his speech indicated his support for my motion.

The Premier made one of the worst showings in this House that I have seen for years. On the one hand he said we wished for more spending in certain areas and on the other hand that we sought a reduction in spending elsewhere. The Premier ignored that he was speaking about two separate and totally different facets of the problem. It is a question of priorities. The Premier went back into history and referred to what the Liberal Party did in office. He said that less was spent in various areas at certain times, but he totally and deliberately ignored the fact that the whole economy at that time was in a different situation: it was soundly based; there was an inflation rate of less than 6 per cent annually. It is only since the Labor Party has come into office that we have seen the rampant inflation running away with our money. He made personal attacks on the present Commonwealth Leader of the Opposition that were totally irrelevant, and he went on talking about the State's building programme, saying that it was expanding and that the number of approvals had increased. Try to tell that to young people in our community who cannot get a house, for love or money! Those people cannot understand that sort of stuff and will not be misled by it.

The Premier has referred to school construction and has said that the motion does not deal with that matter. However, the motion is cast wide, dealing with many things. Indeed, so many factors are to be considered that it is impossible to cover them all. The Premier referred to the past and engaged in high-pressure but meaningless tirades in relation to the expected or projected performance of his Government. He has done this many

times previously. He has inflamed public expectations at election time and at other times, and we all know very well how much the Premier's promises are worth. He totally ignores the primary factor, which is the present state of the economy.

The economy is in a worse state than it has been in for decades, and surely the Premier must recognise this. If he does not, he is not in any position to control the finances of this State and, if he ignores the need to control inflation and to stimulate the private sector, just as Mr. Hayden has done yesterday, I consider that he should not be controlling the financial affairs of this State. What is being done is not good enough.

I am amazed that the Government should move an amendment of this kind on such a serious question. It is time for a combined and concerted effort on the part of all members of this House (indeed, all members of the South Australian community) to express our deep concern about our economy and our future. I am completely appalled at the Premier's attitude. Apparently his attitude has changed since this report of his statement regarding housing appeared in the *News* this evening:

At the moment, it looks as if accommodation is to get even tighter. At this stage I do not have any answers. If the cutbacks are aimed at curing inflation it will not alter the inflationary situation at all in the housing area but it will produce unemployment and hardship. That is not a sensible course at all.

Earlier, the Premier is reported to have stated that he proposed to make new approaches to the Commonwealth Government, particularly in relation to the housing industry. How can he possibly reconcile these statements with the attitude he has adopted in this House this afternoon? He cannot do so. It is a deceitful attitude and the amendment is a deceitful, namby-pamby trend-setting amendment that means nothing. It is typical of a weak Premier. That is the time for members to put people before the Party and support our motion. By so doing, they will be supporting the people of South Australia.

The House divided on the amendment:

Ayes (23)—Messrs. Abbott, Broomhill, and Max Brown, Mrs. Byrne, Messrs. Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, Langley, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Noes (23)—Messrs. Allen, Allison, Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Millhouse, Nankivell, Rodda, Russack, Tonkin (teller), Vandepeer, Venning, Wardle, and Wotton.

The SPEAKER: There are 23 Ayes and 23 Noes. There being an equality of votes, I give my casting vote for the Ayes. The question therefore passes in the affirmative.

Amendment thus carried; motion as amended carried.

#### INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL

Mr. MATHWIN (Glenelg) obtained leave and introduced a Bill for an Act to amend the Industrial Conciliation and Arbitration Act, 1972-1974. Read a first time.

Mr. MATHWIN: I move:

*That this Bill be now read a second time.*

At the outset, I thank my colleagues and my Party for their support in my endeavour to seek some protection for the rank-and-file members of the trade union movement. This Bill is similar to one that lapsed because of the hurried closing of the previous session of Parliament, when the Premier called an election. It was most unfortunate



that my Bill lapsed, so I have taken the opportunity to reintroduce the measure to give members, particularly those who opposed it previously, an opportunity to reassess it. From my knowledge of members and their thoughts on democracy, I consider that they cannot but support the Bill, for it is indeed a democratic measure. I have no doubt, that being the case, that members will not fail to grasp the opportunity of allowing this State's workers their democratic right to call for a secret ballot before strike action is taken.

Under my Bill, workers will be able to vote without fear of retaliation, stand-over tactics or any other horrible thing that one could mention. My aim as regards this type of ballot, subject to the Industrial Court's approval, is not to attack workers but rather to protect them. A unionist ought, I believe, to have a chance before he votes to choose not to endanger the livelihood of his family and friends.

Loss of pay because of industrial action is indeed considerable. If one looks at the table of working days lost in South Australia, one will see that in 1972 the figure was 609 000 days; in 1973 it was 1 306 000 days; and in 1974 it was 3 165 000 days. At least under my Bill a unionist will have the protection of a secret ballot when he votes, and those people who would oppose a secret ballot would, I imagine, also oppose secret ballots in State and Commonwealth elections, and even in Caucus elections. I could even refer to the vote that was taken in this House yesterday relating to the Commonwealth Parliamentary Association debate. Would any member dare to demand to know how people voted on these matters? I think not. The public outcry would be terrific.

My Bill does not override any of the provisions of the Industrial Code, and there is no compulsion to vote. It provides for voluntary voting and it is intended to help, not to hinder, those involved. The aim is not to disrupt union activities. Rather, the Bill will ensure that unionists will have an opportunity to register their feelings regarding strikes and the hardships that, in many cases, are placed on them and their families. The decisions they make will enable the leadership of unions and management truly to represent them in any industrial dispute.

There are no doubt members who will say that some unions have this right now. I have here a number of trade union books. I refer, for instance, to the handbooks of the Vehicle Builders Employees Federation of Australia, the Australian Boot Trade Employees Federation, the Federated Miscellaneous Workers Union of South Australia, and so on. It is stated in their rule books that a vote is to be taken by a show of hands, so that is not a secret ballot by any means. The only book in my possession that has any relationship to secret ballots is that of the Shop and Allied Employees Association. Section 15, at page 32 of that handbook, deals with the voting in this union, and refers to secret ballots in relation to strike action. So, that is the only union of which I am aware which has this in its rule book and which is allowed to hold a secret ballot before strike action is taken.

The public reaction when I previously introduced a Bill in this place was terrific. People came to me and said how delighted they were that some action was being taken to protect the workers in these matters. The public has the right to know whether a strike has the support of the rank-and-file workers. The moderate members are, in some cases, powerless to express their opinion at open meetings when a show of hands is asked for. In fact, more often than not they refuse to take any part at all in the proceedings. I now refer to the table relating to industrial

disputes in Australia, from which one can see details of the estimated wages lost by Australian workers. In 1972, the figure was estimated at \$32 740 000; in 1973 it was estimated to be \$45 206 000; and in 1974 it was estimated at the colossal figure of \$128 301 800. If that is not a terrific loss of wages by this country's ordinary workers, I do not know what is.

In the previous debate on this matter many members, including the present Minister of Labour and Industry, quoted from the Donovan report, which contained an assessment of secret ballots. The Donovan report, however, refers to secret ballots in America and Canada only. As members know, America relies on collective bargaining, and I suggest that the effect of secret ballots in America is not quite the same as it is in Australia. I now refer to a recent publication issued by the Australian Government on legislative research services, relating to secret ballots, on page 4 of which the following appears:

Rank-and-file members of unions often fail to attend meetings giving the opportunity to more militant unionists to force their opinions on the union. This argument may be more relevant to the suggestions that a certain proportion of the membership must favour a strike rather than the contention that votes must be secret. An apathetic member may fail to vote in a secret ballot unless it is compulsory.

The emotional atmosphere of union meetings when a strike is threatened may make it virtually impossible for members to vote against the strike even though they may wish to do so. Secret ballots would preserve the anonymity of unionists who wished to vote against a strike. This links up with the argument that a union is not democratic unless all members are given an opportunity to make decisions of this nature without the fear of abuse or retaliation by other unionists who disagree.

So, the proof is in that document, which members may peruse if they so desire. Clause 1 is formal. Clause 2 amends section 3 of the Act by inserting after Division II "Lock-outs and strikes" a new Division IIA "Secret ballots". Clause 3 sets out a new section 152a, which provides that, when a strike is taking place or likely to take place, the Industrial Court may order on application that a secret ballot of members of an association may be taken. This is, of course, to ascertain whether or not the majority are in favour of the strike taking place or continuing, as the case may be. The court will direct a person or body who will conduct the secret ballot and also the form and manner which it will take, and the court will also specify who will bear the cost of the secret ballot. New subsection (3) sets out conditions that are required before an order for a ballot can be given, the application of half or not less than 10 members of the association or an application of an association or body that can satisfy the court that it would be directly affected by the strike.

New section 152b lays down the penalties for disrupting a ballot with a maximum \$200 fine, and that would depend entirely on the judgment of the court. Some people would say that this Bill could take away the power from some trade unions. But how can this be, when the voters are all trade unionists? Others say that the ballot will destroy the effective behind-the-scene conferences and prolong the strike. Under the provisions of clause 3 the Commissioner and the court will have certain powers and, as they would be well aware of the situation, they would not prevent a possible settlement. In other words, they would have their finger on the pulse. With the various facilities available, there would be no difficulty in conducting a secret ballot if it were requested. Surely no-one will object to that provision. Anyone who objects to that provision does not have the welfare of trade union members at heart, and is the sort of person who

revels in an industrial gerrymander or delights in using strong-arm tactics, such as are practised by militant unionists whose hunger for power is never satisfied.

The people who will gain from this type of legislation are ordinary workers—the reasonable type of person who is concerned about his fellow workers and worries about his wife and children. It is that type of person who, concerned that his pay packet may suffer, strives for a secure future. That is what this Bill is all about, so the measure is justified. The general public believes that, in many cases, most union members do not favour strike action and want legislation to protect them against such action being taken. I believe the Bill is a good Bill and commend it to the House for its support.

The Hon. J. D. WRIGHT secured the adjournment of the debate.

#### INDUSTRIAL CODE AMENDMENT BILL

Mr. MILLHOUSE (Mitcham) obtained leave and introduced a Bill for an Act to amend the Industrial Code, 1967, as amended. Read a first time.

Mr. MILLHOUSE: I move:

*That this Bill be now read a second time.*

The decision to introduce this Bill stems from the action of several traders in Rundle Street East in deciding to keep their premises open after 5.30 p.m. on Mondays to Fridays. The premises of these people have remained open on Friday evenings, and it is obvious to everyone (except perhaps the Minister of Labour and Industry and a few other people) that the traders' actions have done and are doing no harm to anyone; on the contrary, they are benefiting people who wish to buy goods from them on Friday evenings. The traders' businesses are benefiting from their decision to stay open and, perhaps most significantly, they are giving life to a part of the city that has been dead commercially after nightfall. It is ironic that the Premier has often complained that the city is like a morgue in the evening.

It is inevitable that the city will continue to be a morgue as long as trading in the evenings is prohibited. The city will come to life only if trading is permitted. The object of my Bill is, as I will explain later in more detail, to allow traders to make up their own minds and to use their own discretion about when they will open and close their shops. Events that have taken place in Rundle Street East influenced me to go ahead with this measure. Those events have shown the anomalies, absurdities and injustices of the present early closing provisions of the Industrial Code. At this stage I seek leave to continue my remarks.

Leave granted; debate adjourned.

[Sitting suspended from 5.57 to 7.30 p.m.]

#### HEALTH ACT AMENDMENT BILL

The Hon. R. G. PAYNE (Minister of Community Welfare) obtained leave and introduced a Bill for an Act to amend the Health Act, 1935-1973. Read a first time.

The Hon. R. G. PAYNE: I move:

*That this Bill be now read a second time.*

Before seeking the indulgence of members to have the second reading explanation incorporated in *Hansard*, I point out that this Bill is identical in every way to that introduced on March 26 last except in one small respect where a metrication change has occurred. I seek leave to have the second reading explanation incorporated in *Hansard*.

Mr. Evans: No.

The SPEAKER: Leave is not granted.

The Hon. R. G. PAYNE: This Bill makes amendments to the principal Act, the Health Act, 1935-1973, relating to a number of different matters. It provides for a term of office of two years, with eligibility for reappointment, for members of the Central Board of Health other than the Chairman or the elected members. This term corresponds to the term of office of the elected members. In accordance with a recommendation from the Central Board, the Bill proposes amendments to bring the audit requirements of the principal Act into line with those in the Local Government Act.

The Bill provides greater powers to control pig-keeping by preventative means following request from a number of local boards of health. Finally, the Bill makes provision for the licensing of pest control businesses and the certification of persons who act as pest controllers. This proposal was prompted by the health risks associated with unregulated use of pesticides, which are generally of a toxic nature, and is supported by the industry.

Clause 1 of the Bill is formal. Clause 2 provides that the Act shall come into operation on a day to be fixed by proclamation. Clause 3 amends section 3 of the principal Act which sets out the arrangement of the principal Act. The subheadings to Part VIII—Sanitation no longer accurately describe the provisions subsumed under them. Clause 4 inserts new sections 14a and 14b, which fix a term of office for appointed members of the Central Board of Health and provide for vacation of office.

Clauses 5 and 6 amend sections 33 and 34 of the principal Act to provide for one auditor to audit the accounts of local boards of health only once in each year. Clause 7 removes the first subheading to Part VIII—Sanitation. Clause 8 provides a new section 88 of the principal Act and confers powers on local boards to enable them to more effectively control the health aspects of piggeries. Clauses 9 and 10 remove the second and third subheadings to Part VIII of the principal Act. Clause 11 effects a metric conversion amendment to section 123 of the principal Act which provides that all new buildings, if they are within a municipality or township or are on an allotment of not more than 5 acres, shall have drainage as required by the local board of health. The relevant area will now be 2 hectares, which equals 4.942 acres.

Clause 12 makes an amendment to section 129 of the principal Act which was overlooked in 1972, when provision was made for the fee payable by local boards to medical practitioners to be fixed by regulation. Clause 13 amends section 146q of the principal Act to put beyond doubt the power to require licences in respect of the import and transport of radioactive substances. Clause 14 makes provision for the licensing of persons carrying on the business of pest controller, the certification of persons acting as pest controllers, and the regulation of the possession and use of pesticides. Clause 15 makes consequential amendments to section 147 of the principal Act relating to the making of regulations.

Mr. EVANS secured the adjournment of the debate.

#### SUPPLY BILL (No. 2)

Adjourned debate on second reading.

(Continued from August 19. Page 348.)

Dr. TONKIN (Leader of the Opposition): This is a Bill which, by tradition, I support. It is one of two Supply Bills which cover some four months requirements to the end of October when, presumably, we will have passed the Appropriation Bill, although from what I understand today

it will be considerably before the usual time. For the year 1974-75 the two Bills totalled some \$200 000 000. For 1975-76 the first Bill brought down in this House on June 10 last was for \$160 000 000, and, in comparing this amount with that of \$100 000 000 for the parallel Bill in 1974-75, the Treasurer said at the time that the increase was due to rising salary and wage rates and other costs, together with a steady expansion in the services provided by the Government.

This year the two Supply Bills together provide for \$290 000 000, a 45 per cent increase over the amount provided for a similar period last year. The question inevitably must be asked as to what proportion of this 45 per cent represents increased costs and what proportion represents real increases in public expenditure. One thing is certain: we cannot tell exactly what the situation is, but I think it is reasonable to assume that the greater part is to cover increased costs, which obviously have escalated out of all proportion. If nothing else, these figures and the increase of 45 per cent represent a strong condemnation of the Australian Government for its mismanagement of the economy and the high inflation rate that has resulted. I support the Bill.

Bill read a second time.

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the whole for consideration of the Bill.

Dr. TONKIN (Leader of the Opposition): I wish tonight to raise a subject which is particularly of concern to me, and that is the facile advocates who stand up and say that marihuana should be legalised, or at least made more easily obtainable and used. It seems to me that there is a growing tendency on the part of people who, not understanding the true position in relation to marihuana, say that it is no more dangerous than alcohol, that it is something that can be well let loose in our community and does not need any specific control. This, unfortunately, is an attitude taken up by some members of Parliament as well as other community leaders, and it is a matter quite frequently reported in the press. I have received recently a letter from the parent of a teenager, an adolescent, who started using marihuana and who, since that time, has moved on to become addicted to so-called hard drugs. I should like to quote one or two of the paragraphs from the letter. It was not addressed to me, but is a copy of one addressed elsewhere. It states:

What you, and so many people fail to see, is that smoking marihuana puts a teenager or older person in touch with those who have access to and are ready to peddle the harder drugs, and it is only a matter of time before they are offered a "hit". The teenager smokes marihuana to get "stoned", as they say, and, although a comparison is made that it is no worse than alcohol, all those who indulge in marihuana do so to become intoxicated with that drug. It cannot be said that even the majority of those who indulge in alcohol do so to get themselves drunk.

Once in touch with the drug scene, it can be natural progression for many teenage marihuana smokers to go on and experiment with L.S.D., morphine, pethadine, heroin, and other hard drugs. I agree that there are some strong-willed persons in our society who do not wish to experiment beyond marihuana, but a great number do, and surely, if its prohibition stops one poor soul from progressing to hard drugs, it is worth while.

Then the writer of that letter goes on to explain his experiences with his own child who became involved first with marihuana and then, through the intervention of people in business to sell hard drugs, he got in touch

with hard drugs and is now receiving treatment, but having much difficulty in remaining on the straight and narrow path. He is giving up morphine, which he was on before, but is having great difficulty in doing that. He has also become involved with the McNally Training Centre in relation to other offences and generally speaking the outlook is not good.

Marihuana is something about which we know relatively little; a great deal of work is still being done on it. Smoking of marihuana, which is derived from the flowering tops of the hemp plant or cannabis, produces feelings of well-being and sensory distortions and hallucinations. These effects, though similar in kind to those produced by lysergic acid diethylamide and more potent hallucinogens, are far less intense. Ironically, this is one of marihuana's chief dangers, because the user may then try stronger substances that are far more likely to induce drug dependence, which will in turn result in physical and psychological dependence. Although marihuana does not lead inevitably to dependence on other drugs, the findings generally confirm the fact that people who have become dependent on hard drugs (heroin, amphetamine, and so on) usually have started with marihuana and progressed.

I emphasise that people who smoke marihuana do not necessarily go on to take other drugs but, if they smoke marihuana to escape from the psychological pressures of the world, it is likely they will go on to using drugs as well, which will be drugs of dependence. There is no doubt at all from the work being done that cell damage can result from long-term marihuana smoking. The papers produced in this regard show that the danger is associated with the body's production of DNA, a genetic material that has a big part to play in genetic functions. There is no doubt that genetic consequences can arise and could affect future generations.

Male fertility is definitely affected in the case of people who smoke marihuana regularly. It is a matter that has been studied fully, and there is no question that the principal male sex hormone, in people smoking marihuana at least four times a week, is 44 per cent lower than in the case of non-smokers, and people who smoke marihuana regularly also have a significant reduction in their sperm counts. In some cases people become sterile.

Mr. Jennings: Is there any way you can reverse the situation?

Dr. TONKIN: The situation can be reversed, provided it has not gone too far, but cases have been reported where permanent sterility has resulted.

The Hon. D. J. Hopgood: I don't think that's what the honourable member had in mind.

Dr. TONKIN: Neither do I, but I gave him the benefit of the doubt. There is an increased risk of cancer. The smoker of marihuana and hashish, while it is no better or worse than smoking tobacco in that regard, can cause cancer in just the same way. As I have said, there are marked physiological effects, and also psychological and behavioural effects that can be summed up as an inability to think logically, a temporary loss of memory, a tendency to speak irrationally, a loss of will, and a growing paranoia. (that is, a situation where people believe that everyone is against them).

Even small amounts of marihuana interfere with the sense of time and memory storage. Unfortunately, users of marihuana are unable to realise their lessening degree of adequacy in areas of judgment and clarity of reasoning, even though they tend to interpret these deficiencies as a heightened awareness. This is another typical aspect of

the use of marihuana, and is now called the "marihuana illusion". The inability to think logically and the effect on memory can be conclusively proved by electro-encephalogram readings, and work of this type is being done in Adelaide now at present. These readings can show marked variations in marihuana smokers. As far as we know so far, these readings can be reversible, but there is some evidence to indicate they will not be totally reversible, and that permanent damage will result.

Advocates of marihuana, who say that it should be legalised, frequently claim that the drug is no more harmful than alcohol, and therefore should be legalised. The estimated 4 000 000 Australians who have at some stage broken the law by smoking marihuana generally consider it the functional equivalent of drinking alcohol. That does not mean that 4 000 000 Australians at present use marihuana, but over a period of about 10 years it is thought that about 4 000 000 Australians have tried it. Marihuana, taken in small irregular doses, will cause few adverse reactions; there are no two ways about that. However, there is much difference between one or two drinks a day, where no intoxication will result, and one or two "reefers", which can cause an adverse reaction and intoxication. The action of marihuana is far more rapid, and it quickly interferes with social and economic productivity. If 80 per cent of the community smoked marihuana as 80 per cent now imbibe alcohol, the problems associated with marihuana would be far greater than those associated with the use of alcohol.

There is also an argument that, because society has accepted for years the use of certain drugs, we should throw open to society the use of yet another drug. That is a fallacious argument, too. If the use of certain drugs has resulted in abuse and problems in the past, there is no reason why we should introduce another drug to add to those problems. In countries where marihuana has been used in the past as the staple drug of dependence, most of those countries are now trying desperately to eliminate it. India, Egypt, and several Middle East countries are cases in point. The courts already regard the use of marihuana on a slightly different level from the use of other drugs, and there may be some case for making a formal distinction between the two kinds of drug.

However, I believe that there is no case for that at all and that, until we know much more about the marihuana drug itself, about hashish and cannabis, we should not consider any move that would in any way suggest that we approve the use of marihuana, or that we should legalise it. Marihuana is potentially dangerous. Until we have far more scientific data, we should not advocate anything that would increase its use. I deprecate the actions of those people who, without knowing the true facts behind marihuana or the nature of it, so frequently advocate in public its legalisation. I do not think they know what they are doing; they should think hard indeed before they take such actions in the future.

Mr. GOLDSWORTHY (Kavel): I raise one or two matters of considerable importance to the Opposition in this House. They appertain to the proper functioning of the Opposition in this Chamber. The Government has from time to time had complaints from us about its deliberate attempts to stifle the Opposition and render it less effective than it should rightfully be. Since I have been a member of this House, we have seen a reduction in the length of Question Time, and there have been some changed arrangements in connection with Standing Orders, so that we could have a grievance debate on most evenings.

Mr. Jennings: You can't have it both ways.

Mr. GOLDSWORTHY: I remind the honourable member of what was said when the changes to the Standing Orders were brought into the House. The fact is that there was a suggestion from the Opposition that there be a grievance debate, and this was seized on by the Government to introduce a whole series of measures that were unacceptable to us. The Opposition Whip, and I as Deputy Leader, have been dissatisfied since the commencement of this session with the activities of the Government, in particular with those of he who has been deputed as the Leader of the Government in arranging the programme in the House. I am not *au fait* with some of these changes, and I have only nine minutes during which to say a lot. I will remind the Government of what the Hon. L. J. King said when the changed arrangements were forced on us. He said:

The Opposition will be invited weekly to participate in a conference to consider what times should be allocated to the business that has to be considered by the House during the ensuing week . . . . The question of the allocation of time between various items of business is a matter on which the views of the Opposition should be primarily concerned. It is not the only factor, but it should be the primary factor, because the Opposition is able to judge better than others what aspects of intended Government legislation are likely to be controversial and what are likely to require extensive debate.

In that way it is hoped that at a weekly conference a time table can be prepared that will be satisfactory to both Parties, will enable business to be completed with adequate time allocated for proper debate, and will also enable the House to rise by 10 o'clock on Tuesday and Wednesday evenings and by 5.30 on Thursday afternoons, with the grievance debate consequently taking place. This is a situation in which the good sense and co-operation of both sides can enable the business of the House to be completed in the time available and the case for and against legislation to be presented in the best and most concise way.

It is no exaggeration to say that we have had nothing but bluster, threat and obstruction from the Government spokesman in our attempts to settle on a reasonable programme for proper debate. It was suggested—

The Hon. J. D. Corcoran: All your way!

Mr. GOLDSWORTHY: It was not all our way. First, it was suggested that we sit on Thursday evenings, and this was completely at variance with what had been agreed when these changes were initially introduced. It was suggested that we sit late in the evening to get through the Address in Reply debate. Perhaps that debate is not of much consequence to the Government, but it is the right of Opposition members to have the opportunity of speaking for one hour in that debate. It is our proper role and the proper function of Parliament to listen to these matters that are of vital interest to our constituents. The Deputy Premier does not want to give us the proper time to debate the Address in Reply in the times that were agreed when the Hon. L. J. King bulldozed the changes in Standing Orders through the House.

Mr. Harrison: I object to the word "bulldozed". We have never bulldozed legislation through the House.

The SPEAKER: Order!

Mr. GOLDSWORTHY: One of the other changes is that we are limited in this grievance debate, and there is much that I want to say. I have correspondence that I want to read to the House that indicates clearly the Deputy Premier's attitude. He has been elected as hatchet man by the Government in these operations. We were berated because we sought our proper rights to debate the Address in Reply. Today, we were given what was, essentially, a lecture by the Premier on the role of private members'

business, and we were told that we had far too much on the Notice Paper that could be considered in the time which the Government sought to allocate to private members' business. We had an undertaking in the life of the last Parliament that private members' business would be brought to a vote, but Parliament came to a rather abrupt ending. It ill behoves the Premier this afternoon to read a lecture to us on the proper role of private members' business, when the Minister of Mines and Energy, who has just entered the Chamber, waffled on this afternoon for half an hour in a complete filibustering exercise, followed by the member for Stuart and another Minister.

The Hon. Hugh Hudson: Aren't Government members allowed to debate?

Mr. GOLDSWORTHY: If the cap fits, wear it. The Deputy Premier accuses us of claiming our rights to debate the Address in Reply. It has always been our right to debate the Address in Reply, and adequate time has been allowed for it. He wanted us to sit late at night, because these members were waffling on. We were told by the Premier this afternoon that we had too much private members' business on the Notice Paper, yet Government members, one at a time, have sought to waste our time today so that the measures we have on the Notice Paper will not be debated. There are many things I should like to canvass. A letter to the member for Davenport shows the Deputy Premier's attitude.

The Hon. J. D. Corcoran: He read it out the other day.

Mr. GOLDSWORTHY: Yes, and that is typical of the Minister's arrogance.

The Hon. J. D. Corcoran: You can read it, too.

Mr. GOLDSWORTHY: No, I will read another letter for the Deputy Premier's benefit. Until this session of Parliament, I was a member of the Public Accounts Committee. I do not apologise for reading this letter, because it shows clearly the attempt of the Government to stifle, in this case, the activities of a committee of this Parliament in going about its proper functions. The letter states:

Dear Mr Simmons—

and he is a good Chairman: at least he is honest—I refer to your request for information from the Director and Engineer-in-Chief on your committee's report into the Engineering and Water Supply Department's depots in the metropolitan area. The contents of your letter were discussed recently in Cabinet. It was decided that the committee is exceeding its statutory powers in seeking direct information from departments whose activities have been the subject of a committee's report to Parliament. I would like to stress that any action proposed by departments would be reported to their responsible Ministers. Any future requests for information regarding action to be taken as a result of your reports should therefore be directed to appropriate Ministers who will then decide whether or not such information is to be provided.

If ever a disgraceful letter came to a committee of this Parliament (a committee that has the statutory powers to do all things it has been established to do), it was that letter—a deliberate attempt by the Government to stifle the activities of one of this Parliament's committees in its proper functioning. The trouble is that this committee was putting the finger on some of the Minister's departments, showing where there was wastage of public funds, and it hurt. We had an honest committee. Fortunately, the Government has gone quiet on this matter. However, that is the kind of attitude adopted by the Minister, the hatchet man. This kind of letter tries to stifle the proper

role of a Parliamentary committee. That is the kind of treatment we have had in Opposition.

It ill behoves the Deputy Premier to come to these conferences and say, "You are here to listen; this is the Government's programme; like it or lump it." The ground rules were set down by Justice King, as he now is, when Attorney-General. So the Government wants to rise in October and it does not want the sittings of the House to be extended. That is the Government's decision, but do not let it try to shove us into a straightjacket to suit its convenience. It was clearly laid down that these Standing Orders were implemented so that there would be proper debate on issues of importance to the State. There have been deliberate attempts since Parliament has reconvened to stifle the Opposition.

The Hon. Hugh Hudson: That's untrue.

Mr. GOLDSWORTHY: It is not untrue, and we saw a typical member for Brighton activity this afternoon. If the Government wants proof, let us go back to the days when it was in Opposition. This Government had a far freer arrangement when it was in Opposition than we have had from this Government. The Government set up the media monitor. Why? It was so that it could see what the Opposition was saying, to write reports and give them to the Government.

The SPEAKER: Order! The honourable Minister of Works.

Mr. GOLDSWORTHY: I could do with another hour.

The Hon. J. D. CORCORAN (Minister of Works): It is with great regret that we have lost the member for Torrens as the Deputy Leader of the Opposition, and I say that seriously. Before the change in leadership in the Opposition, I think we clearly demonstrated that there could be co-operation between the Opposition and the Government on the matter of the programme that the Government put before the House. The present Deputy Leader of the Opposition has the temerity and gall this evening to complain bitterly about the treatment that he has received at my hands.

Mr. Goldsworthy: Ask the Whip; he was there before.

The Hon. J. D. CORCORAN: Yes, he was, and he will say, if he is honest, along with me, that we got on much better before than we are currently getting on. If the Deputy Leader wants to hold as the rule what the former Attorney-General said when he was introducing changes to Standing Orders, he can do so if he likes, but I remind him that the Government is responsible to see that its business is dealt with by this House on the basis of the time table that is laid down in all fairness and reasonableness. I say that seriously, because we do attempt to discuss the length of time, within reasonable bounds, that topics will take. I have not been inflexible. Even the Deputy Leader will admit this, as last week I allowed the House to adjourn the debate on the Address in Reply at 10 p.m., and the grievance debate to take place, on the understanding that we would continue on Thursday and complete the debate early on Tuesday, but this did not happen. The Deputy Leader seems to think that I am such a magician that I can predict everything that will happen in this house, but I cannot always do that. Nevertheless, I do try to do my best, and I have tried to do my best to see that the Opposition gets a fair and reasonable chance to debate matters properly. The difference that should be drawn is between the present Deputy Leader of the Opposition and the former Deputy

Leader of the Opposition. I recall the former Deputy Leader going around with his Whip trying to maintain the programme that we set.

The next point I want to explain to the Deputy Leader (and it is a point he appears to have failed to recognise) is that if the Government had wanted to use the heavy crunch it could have done so. However, it did not do so. While the Deputy Leader said that the former Attorney-General said certain things, he did not say that we now have the right to use the gag and the guillotine, and that it has never been used; we have never attempted to use it. However, if that is what he is asking us to do, we can accommodate him.

Mr. Nankivell: It has been used.

The Hon. J. D. CORCORAN: Not since the Standing Orders have been altered.

Mr. Nankivell: Yes, it has.

The Hon. J. D. CORCORAN: When was it used?

Mr. Nankivell: King used it twice.

The Hon. J. D. CORCORAN: If that is the case, I stand to be corrected, but I challenge the member for Mallee, whose integrity I respect, to produce the instances where the gag or guillotine has been used. To the best of my knowledge, and I am the Leader of the House, it has not been used since the Standing Orders have been changed.

Mr. Venning: He'll put you right.

The Hon. J. D. CORCORAN: Let the honourable member put me right, if he can. I will leave it to him, and I hope that if he has made a mistake he will explain that to the House.

Mr. Goldsworthy: You'll apologise if you've made a mistake?

The Hon. J. D. CORCORAN: Yes, I will. I listened to the Leader say this afternoon that I had broken a confidence, and I want to take this opportunity to say exactly what happened in relation to the motion moved by him this afternoon. As certain letters have been read out, not by the persons to whom they were written but by others, I will explain what happened today. A telephone call was made to the Caucus room this morning by the Leader requesting the Premier to allow the suspension of Standing Orders this afternoon so that the Leader could move a motion. The Leader gave the Premier an idea of what the motion was to be. The Premier came back to the Party meeting and subsequently rang the Leader, saying that the Leader could certainly suspend Standing Orders, but that the Premier did not want the debate to extend beyond 6 p.m., and would not, in any circumstances, provide extra time for private members' business, because the Leader had chosen to move the motion during private members' time today.

That was the clear understanding on which the suspension of Standing Orders was agreed to. I came into the House at about 1.57 this afternoon, and I spoke to the Clerk, who said that he had the motion. I read the motion seeking to suspend Standing Orders, but it contained no mention of 6 p.m. I then said to the Leader of the Opposition, "The agreement was that this matter would be completed by 6 o'clock this evening." He said that there were no worries, and I told him that, as there had been trouble with words, the time should be included in the motion. It was then put into the motion. However, the Leader then claimed that I had broken a confidence, because some members on this side of the House decided to debate the motion that he had introduced. We have this self-righteous

Deputy Leader of the Opposition claiming the rights of the Opposition, so surely Government back-bench members can claim the right to debate the motion introduced by the Leader. What is wrong with that?

*Members interjecting:*

The Hon. J. D. CORCORAN: The Leader claimed that I had broken a confidence. In fact, I broke nothing, and he knows it.

Mr. Venning: They didn't debate the motion, they talked a lot of rot.

The Hon. J. D. CORCORAN: Of course they debated the motion. Obviously Opposition members expected us to sit back, tame cat, and take the sort of things that were said this afternoon, not just by the Leader and his Deputy, but by many other members on his side as well. In fact, if members count the number of members who participated in the debate they will find that no more Government members participated than did Opposition members. In fact, I am told that fewer Government members participated in the debate than Opposition members.

It ill behoves the Deputy Leader of the Opposition to say to me this evening that, since he has become Deputy Leader, he has had nothing but trouble from me, in respect of the programme of this House. I can tell the honourable member now that, if he wants to discontinue the meetings that I attend at 12.30 p.m. on Mondays, he is perfectly free to say so. I do not want to go there, but I do so because I am trying to enlist the Opposition's co-operation and, if it does not want to give it, the Government will handle its programme just as it did in the past. Neither the Deputy Leader nor his Leader has had all that much experience in this House. Certainly, if they go back to the days when Sir Thomas Playford was the Premier, they would know that the Leader of the Opposition was lucky if he knew an hour beforehand what was going to come on for debate that day, and he had to like it or lump it.

We have tried to improve the system by telling people days in advance what will be debated in this House. True, the programme has had to change from time to time, and I do not apologise for that, because people who have been in this House for some time would know the difficulty of managing exactly a programme because of the many demands involved. However, we have always been able to go to the Opposition and, in the past, enlist its support.

True, very occasionally it has objected, and we have accepted that objection. What the situation in the future is to be, I will leave to the Opposition to determine. If in the future there is to be no co-operation, the Government will decide what it will do in relation to its programme, and will decide how long it will be in this House, and how long it will give Opposition members and Government members to debate certain issues. If that is to be the case, that is what we will do. That is not a threat: I am simply saying that I cannot accept the abuse and criticisms of the Deputy Leader tonight, because he has not really had time to warm the seat in which he sits. I mean that. I am only sorry (and I am sure that the other members of the House will regret, too, in future) that we have lost the services of the former Deputy Leader, who at least was a gentleman, a person whom one could rely on, one who co-operated in every respect, so much so that at times I felt that he was doing the job for me rather than that I was doing the job for the Government. I respected and appreciated him for that reason. I leave the matter there.

It is entirely up to the Opposition what happens about the conduct of this House in future. I will do what I can to co-operate with the Opposition, to help the Opposition, and to inform it in advance. In fact, the Deputy Leader last Monday demanded to know exactly what legislation the Government would introduce this session. That would have been a reasonable demand, if I had known.

Mr. Goldsworthy: That's not the truth.

The Hon. J. D. CORCORAN: The honourable member asked me whether I would tell him—or was it the Whip? I am sorry, I apologise: it was the Whip.

Mr. Goldsworthy: It was the Whip, and he didn't put it like that.

The Hon. J. D. CORCORAN: I apologise. It was the Whip who wanted to know exactly what legislation—

Mr. Goldsworthy: Get your facts straight before you start sounding off.

*Members interjecting:*

The SPEAKER: Order: The honourable Minister of Works.

The Hon. J. D. CORCORAN: The Whip wanted to know the legislation that would be involved in the total programme of the Government for this session, and I said, "I do not know yet myself. I hope it will be before Cabinet next Monday. As soon as I know, I will give you some indication of the number of measures that will come before this House and the nature of them." The Deputy Leader was complaining that he had heard that we intended to get this House up on October 30, and he said, "You know, this is ridiculous. We should be going on." I pointed out to him then that again it was the Government's prerogative as to how long the House would meet. I maintain that attitude, and make no apology for it. If we are to continue these meetings, it is entirely up to the Opposition. I will wait to see the outcome and whether I will be invited to the meeting next Monday.

Mr. EVANS (Fisher): I did not intend to speak in this debate until later.

Mr. Jennings: How many times have I heard that!

Mr. EVANS: The Speaker also has the list, and he would know that that was not the case. I changed my order because I considered that some things should be put straight. Even if the member for Torrens came back to the meetings on Mondays, he would find that it was a different ball game, and I hope that the Deputy Premier is honest enough in his own attitude to know that this is so. He is a different man, because he is having different pressures put on him from some areas. During the last Parliament there was never the pressure, or attempts at pressure, at the meetings such as are being applied by the Deputy Premier. If he doubts me on that, I hope he thinks back to the most recent meetings. I am aware that the Government is in a balanced House and wishes to be sitting for as little time as possible. I am not denying that but, when the Deputy Premier speaks of the Playford days, I want him to remember that the guillotine was virtually non-existent. It was not within the Standing Orders, and it was a different Parliament.

Mr. Coumbe: The first time it was put on was by the late Mr. Walsh.

The Hon. Hugh Hudson: The guillotine has not been used.

The SPEAKER: Order!

Mr. EVANS: Members could speak whenever they liked on a matter, and we all know that that was the case. To draw a comparison with the Playford days, the Walsh days, the Dunstan days before the 1970 election, or the Hall days is totally wrong, because it is a different ball game. We all know that. The Deputy Premier knows that it is wrong to refer back to that era. If he wishes to refer back to that era, he will remember that the then member for Wallaroo stood at the seat now occupied by the member for Mitcham and spoke in the Address in Reply debate for 3½ hours.

Mr. Venning: And didn't say anything.

Mr. EVANS: I will not say anything about that, but he spoke for 3½ hours. Since then, we have had restrictions imposed on the length of speeches, such as time limits of an hour, half an hour, or, as in this debate, 10 minutes.

Mr. Mathwin: And there's Question Time.

Mr. EVANS: The length of Question Time has been reduced. In every area for probing by the Opposition, the time has been reduced. A statement was made from the Government benches that these meetings on Mondays would be meetings to try to arrange for the working of and co-operation in the House. I do not wish to say what was said at the meetings, but last year the Deputy Premier would say, "These are the things we would like to get through. What is the position?" Now he says, "These are the things we are going to get through." The approach is entirely different. Even if the member for Torrens was at the meetings, that would be the case. I did not say to the Deputy Premier that I wanted to know what the list was in regard to business until the end of the session, but I said to him, "How can you justify sitting on Thursday evenings, when the Premier said he would like to finish the sitting by the end of October?" I did not go through all this, but I asked whether we could get an idea of the Bills so that we would know whether we would have to sit on Thursday evenings. Let us look at that aspect.

The Treasurer, in a public statement, said that he wanted the session to finish at the end of October. We are now near the end of August. The most time that we have left is 10 weeks. We will not be sitting for a week in Show Week. It is not proper to introduce Bills during the last week of the session, so only about seven weeks is left for Bills to be introduced. The Government cannot tell us roughly what a seven-week programme is, yet the Deputy Premier is coming to us and asking for management of the House. That is what I was getting at when I asked the question of the Deputy Premier. I acknowledge that he told us that he would get the programme for us as soon as possible, and I appreciate that. I know that the member for Torrens, and the member for Unley in respect of the period when he was Government Whip, would remember that we were told definitely that, on private members' afternoon, Opposition members had it in their hands, if the Opposition Parties could come to an arrangement, to decide when we would start on motions we had on the Notice Paper. That did not happen today. When we wanted to conclude a matter at 4 o'clock (and Government members knew that), the Government deliberately chose to filibuster. I am not blaming the Deputy Premier. I believe that the Minister of Mines and Energy conjured it up and decided to set the ball in motion. I do not say that he was the man, but I believe he was.

That is what stirred members on this side, because we were always told that on Wednesday afternoons the Opposition could decide when its business started and finished. The member for Elizabeth knows that we co-operated in



regard to a Bill that he introduced, and we co-operated as much as we could when the member for Ross Smith had before the House a Bill dealing with cruelty to dumb animals. In fact, I believe that last session, when the member for Ross Smith wanted to introduce an amendment to that Bill, his Government colleagues possibly said, "Do not bring it back, because there may be some difficulties because of the other private members' business around."

The House is balanced delicately and, if the Deputy Premier wishes to have meetings and some form of discussion before we get dogmatic and if he wishes to give the Opposition some opportunity to know what Bills will be before the House in future, I believe we can get co-operation and get some sense into the place. However, if we are to go to the meetings on Mondays and have the Deputy Premier say, "That is what I want through this week, come hell or high water," there is no co-operation. All that the Deputy Premier needs to do is hand over the list on Monday mornings to someone and say, "That is the programme for the week, and we will sit until it is finished."

The worst thing that a Government can do when the House is balanced is use the guillotine so that it can deliberately force business through, when it speaks of having co-operation. The Opposition in total (I am sure I speak for other groups) wishes to co-operate. We want Parliament to work properly, but individuals and in particular the Opposition must have the opportunity to probe and debate, even though to Government members it may seem improper to do so, because they disagree with the point of view. Private members' afternoon is an important aspect of that procedure now that Question Time has been reduced and other changes have been made. A guarantee was given at the earlier time to which I have referred. I will tell the Deputy Premier privately what I said to my Party about his change of approach. I do not want to say it here, because he may think that unfair. I had actually reported to my Party at the Party meeting that the Deputy Premier was acting in a different way at those meetings, and that was long before the bust-up today: it was last week, when I reported it to my colleagues. I say that because I have some feelings when it comes to people's attitudes at discussions and meetings. I will say again that, if the member for Torrens had been part of those discussions in the past two or three weeks, he would have found that it was a different ball game.

The Government can do all the things it has said it can do. It can gag us or guillotine a debate at any time. In fact, it can even move for the suspension of Standing Orders if you, Sir, are willing to support the Government, to stop us from having Question Time. The Government can virtually stop us from talking at all; it has that power. It also has the responsibility to see that Parliament operates properly. I hope the Deputy Premier realises that he has taken a different attitude now from that which he has taken at earlier meetings.

Mr. MILLHOUSE (Mitcham): As one who is apart from these Monday meetings (because it has been the policy of every other Party in the House except perhaps for the Country Party to pretend that the Liberal Movement does not even exist), and therefore as one having no say in the management of the House, I want to contribute a few things tonight in this debate. I was one who suffered this afternoon through the prolongation of the debate, because I had several motions on the Notice Paper. I was not the only one, but I was one who suffered. Nevertheless, I think I can take a detached view of this.

There is no doubt whatever that the Government had a little tactical victory this afternoon. I watched it, and it was perfectly obvious to anyone what happened. I know, because the courtesy had been done me of a conversation with the Leader of the Opposition, that the Liberal Party wanted to finish the debate at about 4 p.m. It was expected that it would finish then, and all of us who took part in the debate on this side (and, as I said, I was invited) spoke briefly. I do not think anyone on this side, including the Leader, spoke for longer than 10 or 15 minutes. But at 4 o'clock, when it looked as though the debate had finished and when everything that needed to be said on either side had been said, the Minister for Mines and Development, or whatever he is—

Mr. Gunn: Mines and Energy.

Mr. MILLHOUSE: —got up and spoke deliberately for the full 30 minutes. He is good at this. I have seen him do it often before, and it is a good tactic, from his point of view, to employ. He went until his time had expired, and then the member for Stuart did exactly the same thing. Although he has not got quite the facility that the Minister possesses for spinning out a debate, he went for his full 30 minutes. Then, the Minister of Community Welfare took over. It was perfectly obvious that the whole object of the exercise was to spend another 1½ hours or so which the Opposition Parties wanted to use on private members' business. The Government was entitled to do it. Everything that the Deputy Premier has said tonight is technically correct. Government members were only taking part in the debate, but it was a deliberate, and indeed a successful, attempt by the Government to rob the Opposition of private members' time, ironically, after the warning had been given by the Treasurer that there was much private members' business on the Notice Paper and there would be not much time to debate it.

We cannot technically complain about this, although I do suggest to the Government and to the Liberal Party that it was a victory this afternoon that ought to be dearly bought. If that is the spirit that is going to inform this place, the Government ought to be made to pay for that. Let us remember, as the Liberal Party Whip has said, that this is an evenly balanced House. The Deputy Premier is, by nature (and I hope he will not mind my saying this), an arrogant man.

*Members interjecting:*

Mr. MILLHOUSE: We all know it is true. I know that he is called the colonel on that side of the House, and not for no reason. He can be quite dictatorial, and I can well imagine how he goes on at these meetings. Apparently, I do not miss much by not going to them, if all that happens is that they are presented. It is much better for a man of his temperament to be in charge of the House when he has the numbers behind him than when he has not, and he can do the things he has said tonight he will do only if he has you, Sir, in his pocket, because you are the only one who can allow him to dictate to this House, and it is up to you whether you will allow him to do so. All the threats that the Deputy Premier has made tonight come to nothing unless he has a majority of the members behind him, and I remind the Minister that sitting behind him he has only 22 other members. He faces 23 members on this side, so you are the decisive factor, and it will be up to you, Sir, whether the Government is able to dictate to this House the time table that it wants to get through.

I do not see any reason why the Liberal Movement should co-operate to see that the Government gets through the business it wants to get through in this House in the time that it sets, and I cannot for the life of me see why the Liberal Party should co-operate in that way at all. We are not paid to make life easy for the Government: quite the contrary. This is the Opposition on this side, and we are here to oppose and (speaking for myself and, I am sure, for my colleague from Goyder) turn out the Government if we can, not to help it. Until now in this session, the Government has had an easy ride, and maybe it will not be a bad thing that this afternoon occurred if it puts a bit of backbone (if I may put it that way) into the Liberal Party and a determination not simply to co-operate with the Government but to put its own point of view and time table. It is no concern of ours what the Government wants to get through. Why should we help it? Why should we be willing to sit on Thursday nights or at any other time, or to forgo the chance to speak, just at the Government's behest, to make things easier for it? Of course the Government does not want to sit a day longer than it has to sit. One of the things that has been masked since the election, because of all the controversy between the Parties on this side of the House, is the tightrope on which the Government walks. I have said this before, and I got a bit of jeering about that.

The Government knows that one accident to one of its members can place it in jeopardy and, at the least, can severely embarrass it, and it will not sit a day longer than it has to sit. Why the devil should anyone on this side want to co-operate with the Government in getting the House up, just to save its skin? I hope there will not be co-operation. I was glad to hear the Deputy Leader (with whom I do not always agree) say what he said tonight, and I hope that, if these meetings are to continue on Mondays (and it does not seem to matter a damn whether they do or not), there will not be any of this co-operation in which, apparently, the member for Torrens has indulged in the old days under the old regime.

Mr. Harrison: And the new regime, too! Don't worry about that.

The SPEAKER: Order!

Mr. MILLHOUSE: The member for Albert Park is very vocal tonight. That is about the fifth time he has interjected. However, I have not been able to make sense out of any of his interjections. No doubt he is trying to help the Government in some way by what he is saying. I hope that puts the matter clearly. This is the first time that I have had an opportunity to speak in a grievance debate in this Parliament. I had intended to raise several matters tonight, including, for instance, the Hackham East school. However, those matters can wait. I hope that we will have a grievance debate from time to time but I hope, above all, that what happened this afternoon has helped to clear the air and to make sure that, for the remainder of this session and this Parliament, the Government does not get the easy ride with its legislative programme that it has got up to date.

Mr. NANKIVELL (Mallee): I gave an undertaking to the Deputy Premier that I would check the records. I have to confirm that, in my time in the House, the guillotine, section 114a of Standing Orders, has never been applied, so I withdraw the comment that I made about the guillotine having been applied. However, the closure, or the gag, the other means of closing debates, has been applied several times. The records show it was applied 12 times during 1973-74. It was applied on Tuesday,

November 26, by the Treasurer in a debate relating to the Business Franchise (Petroleum) Bill, and the last time it was applied was on February 27, when the Hon. D. H. McKee, the then Minister of Labour and Industry, moved it in a motion of no-confidence in the Speaker. That was done before the new Standing Orders came into effect on March 4 this year, so I admit that the statement made by the Deputy Premier was correct.

Having used one minute to clear the record, I now want to raise a matter of great concern to me. That matter relates to an institution known as the Commonwealth Parliamentary Association which, during my association with the Party in this Parliament, has not been a political vehicle. However, after the vote that was taken yesterday in this Chamber I have gained the impression that it is to become a political vehicle.

The Hon. J. D. Corcoran: While you're in charge it's all right.

The Hon. Hugh Hudson: While the Liberal Party has a majority, it's not political!

Mr. NANKIVELL: Wait a minute! The Commonwealth Parliamentary Association has conducted conferences annually at different times of the year throughout the world, and the practice has been to give senior members of Parliament the opportunity of attending one of these rare conferences. Until recently it was the only opportunity a member of Parliament had to take a trip at Parliamentary expense. It became an extremely competitive exercise. What I am saying is not a criticism but an observation. I give credit to the Dunstan Government for instituting a new system, which I believe was implemented as a result of a move by the executive of the association that believed it was unfair that old or retiring members should be the only members to take trips to obtain experience overseas. It has been recognised that there are younger members in the House who have prospects of continuity of a seat in Parliament. The member for Stuart, who is drawing attention to himself because he probably wishes to go on the next trip, if there is another trip, is an example.

Mr. Keneally: Or the next two trips.

Mr. NANKIVELL: Those younger members could gain experience overseas that would be of advantage to them in debates in this place. Attending association conferences would enable those members to contribute constructively to the business of Parliament, because they would have had the opportunity to look at overseas Parliaments and investigate matters in which they have a special interest. My concern arises because of a change that has taken place. Until this year these trips were allocated to the Parties, and it was the Party itself that determined who would take the trip, subject, of course, to the Government's approval. The House was not prescribed, but it was left to the Party to determine whether a member of its Party in the Upper House or the Lower House would take the trip. That system has changed. I am not criticising the Government, because it has increased the number of trips available, and it has now specified that trips will be available to a member from the Legislative Council and to two members from the House of Assembly.

The Hon. Hugh Hudson: That's fair enough, isn't it!

Mr. NANKIVELL: It is fair on the basis of numbers, but the point now arises that, although they are not accepted as Parties, the Liberal Movement and Country Party have members sitting on the cross benches. They are different Parties from the Liberal Party, the majority Party in Opposition.

The Hon. Hugh Hudson: They've got to get them, too, haven't they?

Mr. NANKIVELL: The Minister of Mines and Energy is saying that it is fair that people should have an opportunity to take such trips, but my point is that the Government could use the C.P.A. as a vehicle for making arrangements with minority Parties to appoint a member of either of those Parties to take such a trip. That is a Government decision, not an Opposition decision. If the Government wants to take the responsibility (and the Deputy Premier has told me that these trips are Government trips) it will therefore say which members will take them. I believe it would be much fairer if the decision was not taken by a vote of members in the forum of the Commonwealth Parliamentary Association. I repeat that, during my experience, the association has been non-political in its activities. In these circumstances, it would be infinitely better for the Government to call for submissions.

The Hon. Hugh Hudson: Do you reckon you could do a deal with the L.M. and fix up the order?

Mr. NANKIVELL: I am asking the Government to call for submissions from members interested in making such a trip who should indicate what they want to study, where they want to go, and make out a case that is considered on its merits and is not determined by an arbitrary vote irrespective of the merits of the case, in this Chamber. In some cases that vote will undoubtedly be taken as a deal on some other issue. I do not want to see the association reduced to that sort of forum. That is why I raise the matter this evening. Members of my Party are justly concerned because it is the first time in my history, and the history of any other member, that a political decision has been made that overrides the recommendation of the executive. That is proper but, under the constitution of the association, the executive has the right to recommend.

Mr. Jennings: But the executive was gerrymandered for years, and you know it.

Mr. NANKIVELL: It was not gerrymandered on Tuesday: it was done by vote and finally decided by straw vote. The recommendation was made in a perfectly proper manner. The recommendation that came to the House was not rigged in any way. Unfortunately, I think it reflects on the attitude of the honourable member that he should suggest that the association executive, made up of the Leaders of both Houses, the Speaker and the President, would not be party to such a rigged vote or such a gerrymander as was implied by the member for Ross Smith. It is shameful of him to make such a suggestion.

Mr. Jennings: Don't be so self-righteous. After it left here it got gerrymandered—

The SPEAKER: Order!

Mr. NANKIVELL: The decision was made under the chairmanship of the Treasurer. The recommendation came to the association as a properly constituted recommendation, and it was immediately ignored by the C.P.A. group here on political issues. It was determined on political issues, because, as the honourable member said, it was rigged: it was a gerrymander. On the association there are only seven elected members; there is no gerrymander as far as—

Mr. Jennings: Well, they're elected now, aren't they?

Mr. NANKIVELL: True, but they have always been elected by the C.P.A.

Mr. Jennings: What's wrong with that?

Mr. NANKIVELL: I am not complaining about that; I am saying that the matter has gone beyond that and decisions have been made that are politically motivated, decisions that will be unfortunate for the future of the association if deals are done and trips are allocated for political motives. The proper way to decide who should take a trip is for all members to have an equal opportunity for their case to be judged on its merits and for the merits of the case to be decided by the Government (if it is supplying the trip). The Government says it wants to make the choice and the matter should therefore be taken out of the hands of the Commonwealth Parliamentary Association. Unless that is done, it will jeopardise the association. That is my complaint.

Mr. VENNING (Rocky River): I take the opportunity of saying a few words in this grievance debate and expressing my disappointment with the situation developing in this House. As has been said tonight by the member for Mitcham, the decisions of this House in many cases will depend on your attitude, Mr. Speaker. I want to bring to the attention of the House and of the Speaker himself (and I do so with the necessary apologies) the fact that the Speaker stood as an Independent candidate in the recent State election. I know many people right of centre at Port Pirie who supported his candidature. I know many who assisted financially in his campaign, and I believe that they supported him as an Independent. Although the Speaker stood as an Independent, on two occasions already this has been shown to be not so. I express my disappointment at the situation in which the Speaker is not showing an independent view on these matters.

I make these remarks with the necessary apology, believing that the people of Port Pirie supported his candidature as an Independent. This is not being borne out. Many people in Port Pirie will be disappointed when they read the record. That is the situation as I see it. This is a very close House and the position you hold, Sir, is a most important one. As I said during the Address in Reply debate, people in Port Pirie have a great deal of respect for our Speaker and I hope they will continue to have that respect for him because he shows true independence in this House in his deliberations at all times.

Mr. Harrison: You are not reflecting on the Chair?

Mr. VENNING: Not at all. Today we debated a matter that was expected to have been debated in this House, the ramifications of the Commonwealth Budget, and I was concerned about what happened. I had a great deal of work to do and I listened in my room to the filibustering that went on in this Chamber, knowing that the Government intended to push on with its programme. It would not have been so bad if the filibustering had been of the type to which one could listen with interest and learn something, but it was pure cockie-chaff. In a drought, that has some value, but I am afraid the sort of stuff we listened to today in this Chamber had no value to anyone.

It is disconcerting to hear this sort of thing put forward when the question of the Budget is a most important issue to all sections of the community, and especially the rural community I represent. Those who listened to the Budget speech last night were discouraged by its restricted nature, and the rural section of the community did not get a mention. This is a most trying period for people in rural industry who had hoped for some relief from the Budget. However, that situation applies not only to the rural community but to other sections of the public. District councils

are under financial pressure. The Regional Employment Development scheme is not to continue. What is to happen in Port Pirie, where the Treasurer promised to spend \$420 000 and where 100 tonnes of steel has been landed on site? We have been told that the RED scheme will not proceed where projects have not already commenced.

These are the shortcomings of this Government and of its colleagues in Canberra. The Treasurer today endeavoured to support his Commonwealth colleagues. He was very critical from time to time of the situation as it used to be when we were in Government in the Commonwealth sphere. Now that they are a family unit, we would have expected some real co-operation between the Commonwealth and the State, but that has not been forthcoming. The Treasurer knows that, but still he tried today to defend the situation, not as I believe it appeared to him, but through a technicality, moving an amendment to the motion to try to take the credit for the whole exercise. I hope we will see independence in your representation in this House, Sir, and I look forward to that being demonstrated.

Mr. GUNN (Eyre): I am pleased to take the opportunity of making one or two comments on the effects of the Budget on the rural community.

The Hon. Hugh Hudson: Why didn't you take part in the debate this afternoon?

Mr. GUNN: I am not selfish like the Minister of Mines and Energy. He and his colleagues displayed a completely selfish attitude in not allowing matters on the Notice Paper, matters of which members had given proper notice, to be discussed. We know that the shopping hours wrangle taking place in this State is a constant source of embarrassment to the Government. Its weakest Minister, the Minister of Labour and Industry, has made a mess of every proposal he has had before the House. He cannot even give proper answers to the Parliament, and members opposite, who are trying to protect him, do not want that matter brought before the House.

The Commonwealth Government has failed, in my opinion and in the opinion of many others in the community, to bring down a responsible Budget. For the benefit of the member for Stuart, I have a copy of the document and I paid for it, unlike the times when previous Liberal Governments made copies available free of charge. On this occasion we have had to pay. I did not mind doing that, although if one had to pay 50c one would be paying too much, because that is more than the worth of the document.

Mr. Nankivell: Is it worth the paper it's written on?

Mr. GUNN: No, it is not. During the debate this afternoon we heard from the Special Minister of State for Monarto and Redcliff. He has lost Redcliff and he is about to lose Monarto. Perhaps he could actually be described as the Minister of State; he is in a state of constant confusion. That is about the only appropriate title we could give him. However, I want to answer the challenge the honourable gentleman extended across the Chamber this afternoon. It is obvious to any person who has looked at the situation and who has observed the prevailing overseas situation, especially that in West Germany, that, if one wants real benefits for the people, inflation must be controlled. I shall quote the remarks of the Commonwealth Treasurer, Mr. Hayden, who said:

More inflation simply leads to more unemployment. He went on later in his speech (at page 26) to say:

Budget outlays are estimated to increase in 1975-76 by \$4 084 000 000, or 22.9 per cent.

That is about half the increase of the previous year, but we know that that resulted in about 20 per cent inflation.

The Commonwealth Government is budgeting for an estimated deficit of \$2 700 000 000. If that will not create record inflation, I do not know what will. This Government already has a record: it has created record unemployment, record interest rates and record inflation. If it looks at the situation in West Germany—

Mr. Keneally: Why don't you have a look at East Germany?

Mr. GUNN: That may be more in line with the course of action you want: that is the sort of economy you want. Why does the honourable member not stand up in public and tell the people? On another occasion, the present Minister of Education got up and asked the Treasurer to send his congratulations to the Chancellor of West Germany. He should look at the West German Chancellor's present financial policy, because he has got inflation down to about 7 per cent. When interviewed recently, the Treasurer said, "There is no nice, easy way of controlling inflation. The old-fashioned remedy is to cut Government expenditure." As soon as members on this side of the House question the Government about cutting Government expenditure, the Government says, "Whom will you sack or put out of work; what will you cut?" The Minister of Mines and Energy was asking whether we would cut expenditure on education. Clearly, it is no good educating people if they have not a proper job to take when they leave school. The only way to get the economy moving and the only way to provide jobs for people to reduce inflation is to give a proper stimulus to the private sector of the economy.

The private sector employs three-quarters of the work force of the country and, if we stimulate the private sector of the economy, we must reduce inflation because we increase productivity and get more goods on the market for the same price. When we talk about the agricultural industry, which has a market for grain, should not we encourage people to produce so that we can receive more export income, and more income can go into the hands of the rural producers? The Government would get more taxes; it has already inflicted vicious taxation on that sector of the community. If members opposite were realistic, they should adopt that situation, because they would then save the taxpayers millions of dollars, and the Government would not be spending millions of dollars on unemployment relief, for those people would be gainfully employed and making a contribution to the welfare of this nation.

I now have one or two words to say about the rural policy of the Labor Party. It would appear that it has set out to destroy an industry that laid the foundation for the economic development and welfare of the people of Australia. It was the primary industry that laid the foundation for the country to develop into the great country we would have today if, unfortunately, it had not been ruined by the Commonwealth Government. However, I am confident that soon, when Malcolm Fraser becomes Prime Minister and proper economic policies are put into effect, the nation will flourish. Let the member for Stuart test the climate in Australia, because Malcolm Fraser will become Prime Minister, as members opposite know.

What did this Budget do? It has increased costs in country areas. The increase in the cost of petrol (and in oil fuels later) will fall heavily on country people. It will affect transport costs in primary industry, but the Government does not care about that. It has already slugged people with massive increases in postal charges, but has

taken no proper action to increase rural productivity. If it had taken proper action, it would immediately have reintroduced the investment allowance so that people could replace their plant. It reduced company tax, and I applaud that course of action, but most of the rural properties in Australia are not run as companies, so those people will receive no benefit.

Mr. Keneally: Is that the only way the farmers can exist—with a little socialist help?

Mr. GUNN: No, because the people whom the member for Stuart claims to represent, some of them working in the factories of Horwood Bagshaw and other agricultural companies, will be out of a job: people will not be able to purchase the plant and machinery they require. Look at what happens in any recession in a primary industry: those people are in trouble, and it is because of the inflationary policy, which has eroded the purchasing power of primary producers and other sections of the community, that they need that support. Members opposite like to attack rural industry. If the Labor Party's policies are allowed to continue, they will eventually lead to the complete destruction of primary industry as we know it today and, instead of being an exporting nation, we shall be an importing nation of primary products. The Commonwealth Treasurer should take positive action in the reduction of interest rates and Commonwealth estate duties, so that family farms and small family businesses, which are the basis of our free enterprise economy in this State, will be able to continue. It is no good members opposite talking nonsense. The member for Stuart talks in riddles; he should put a dummy in his mouth, because he does not know what he is talking about.

They should have accepted the recommendations of the Industries Assistance Commission report. The Prime Minister referred the superphosphate bounty matter to the I.A.C. to try to sweep it under the carpet; but it was no good, because it was recommended that the bounty should be restored, but we know that will not happen. The left-wingers in the Labor Party, the same group as is in control in South Australia—

The SPEAKER: Order! The member for Davenport.

Mr. DEAN BROWN (Davenport): Last week it was announced that shipping rates from Australia to both Europe and North America would be increased by an average of 25 per cent over 12 months. On October 1 this year, those freight rates will increase by 15 per cent, and six months later there will be a further increase of 17½ per cent. That works out, over 12 months, at an average increase of 25 per cent. This applies to most of our agricultural produce and also to a large portion of our manufactured goods being shipped to those countries.

It concerns me particularly because it will restrict severely Australia's ability to sell its export produce to those two countries. I have already raised in the House, only in the last two weeks, the impact that the devaluation of the New Zealand currency will have on South Australia. The increase in shipping costs to Europe and North America will have an even more drastic effect. I will quote some figures to show the extent of exports merely to some of the European countries. In 1973-74, South Australia exported a total of \$662 000 000 worth of goods to Europe. Looking at some of this produce to which this increase in freight rates applies, we see the likely effect on that sort of export, especially in South Australia.

South Australian industries are now facing a particularly grim future. We have had this increase in freight rates

and the devaluation of the New Zealand currency. Last night, we had the tabling in Canberra of one of the worst Budgets for private enterprise that any Commonwealth Government has ever introduced. The Commonwealth Treasurer claimed, during his speech, that he was trying to stimulate the private sector of the economy, but only two advantages accrued to private enterprise. The first was a mediocre reduction in company taxation, which would amount to only \$120 000 000 in a full year, but the important point there is that most of the companies at present struggling will not even be paying income tax. Many of them are currently running at a loss. Therefore, that reduction by the Commonwealth Treasurer in no way helps the many small companies in the South Australian economy that are currently struggling. The second so-called hand-out by the Commonwealth Treasurer was allowing for double depreciation of stocks. Over a full year, that would account for only \$75 000 000. Again, it does not help the many small companies. It helps some of the larger companies. The fourth reason why the future is particularly grim is the inflation rate that is likely to occur within the next year. The Commonwealth Treasurer has predicted that the rate will be about 16 per cent, but I believe that it will go even higher than that. Irrespective of whether it is just above or below the 20 per cent mark, the point is that companies—

Mr. Keneally: That's a guess.

Mr. DEAN BROWN: It is not a guess. The Treasurer said that it would be 16 per cent, and I think that most sensible economists would predict that it would be even higher, because the Commonwealth Treasurer said that his prediction for wages would be about 22 per cent. Whether the inflation rate is above or below the 20 per cent level, the small companies which have a large amount of their resources invested in fixed assets are unable to meet the increases in wages currently occurring. The fifth reason why I believe that South Australian industry as a whole is likely to face a grim future is the increase in unemployment that is likely to occur; hence a drop in demand which is likely to exist throughout Australia for manufactured goods. South Australia is one of the major States for manufactured goods, particularly white goods and motor vehicles. The phasing out of the RED scheme will accelerate that rate of increase in unemployment in Australia. I think we will face the snowballing effect of rapidly increasing unemployment aligned closely with an increase in the inflation rate.

The responsibility for this must lie with both the Commonwealth and State Governments. As I said last evening, unfortunately the Commonwealth Government did not take any responsible action to ensure that the private sector would not continue to stagnate any further, and it is important that every possible stimulus must be given to that sector of the economy. As the Commonwealth Government has completely wiped its hands of its responsibility in this field, it now lies completely with the State Government in its next Budget to take some positive action to ensure that the manufacturing industries here do not flounder, many of them experiencing an extreme financial crisis. I predict one or two points as regards the South Australian economy during the next 12 months. To begin with, the unemployment percentage within the State will increase from the present level of 3.6 per cent to what I believe is a totally unacceptable level of between 5 per cent and 6 per cent. This will mean that almost twice as many people here will be out of work some time during the next year.

Secondly, I believe that there will be increasing depression in secondary industries within the State. The only industry in which the greatest pressure is likely to be found is the motor vehicle industry which, I believe, after the boom period in the first part of this year, as a result of a false demand created by a reduction in sales tax, will flounder as sales decline rapidly and as the sales tax is reintroduced gradually. The third aspect when one looks at the South Australian economy is that, for the first time, South Australia is likely to face an increase in the consumer price index of over 20 per cent. I think that this again will place a further burden and threat on the South Australian economy, especially the private sector. I bring these facts to the Government's attention because I am concerned that the Government shows no regard for secondary industries. When I asked the Treasurer a question about these industries last week, he simply tried to pass the responsibility on to the Commonwealth Government. That is unacceptable, because they are South Australian industries, and the Australian Government is unwilling to take that responsibility. I therefore believe that that responsibility must now be taken up by this Government's Treasurer, and I hope that he will pay due regard in the State Budget, which I understand will be brought down at the end of next week, particularly to the manufacturing industries in the State.

Mr. VANDEPEER (Millicent): I rise to grieve on behalf of the beef producers in the Millicent District and in the State as a whole. I do not think I need to explain to honourable members the dire straits in which our beef producers now find themselves. Their predicament should be of concern to us all. Beef producers during the past few years have been encouraged to extend their operations to increase our beef exports in order to assist the export income of Australia as a whole. Through no fault of their own, after expanding to a large degree over the past five or 10 years, they found that their export markets were disappearing, and they were left with an over-supplied market. Although they find themselves in dire economic straits, the Government is doing little to help them out of their difficulties. The Government has made promises in several directions, and \$1 300 000 has been allocated for beef assistance, but only little of this money has been taken up.

First, the application form for this money consisted of a 27-page document, which I think frightened most beef producers away. Also, a beef producer found that when he went along to an accountant the latter required about \$100 to fill in the form. As the rate of applications produced no money, the \$100 was far too valuable, and producers believed that it was not worth the risk. No-one was getting any results and they said, "If it costs \$100 to fill in the application form, why waste \$100?" This situation has been remedied so that we are now down to a four-page document to complete. However, it has had a depressing effect on beef producers, many of whom have not yet realised that it is easier to fill in the form than it was previously.

Probably the most difficult part of the application form is producing information from the previous three years taxation forms, in addition to filling in the four-page application form. Although these things are necessary, we find that, after filling in the form and applying, we are getting no results. One of the conditions to obtain this assistance is that the person concerned has been refused money by the bank and the stock firm, and these institutions have over the years been responsible for deciding

whether or not sections of the industry were viable and whether or not those sections could be supported with more loans. We find that once these institutions have said "No" we can apply to the Government and a Government department decides whether the producer's undertaking is viable.

Again, Government departments are deciding, over the heads of organisations that have been lending money for the past 50 or 100 years, who shall be viable and who shall receive loans. The difficulty is that, if a producer's undertaking is proved not to be viable, he is left out on a limb. The producers have plenty of stock of low value and their only alternative is to consider selling land, which is also of low value, or passing the stock over (and this would probably not meet their commitments) to the stock firm. Even in these circumstances we find that the Government is unwilling to assist. The situation needs examining from a different angle than merely giving a further grant, which only increases the indebtedness of the producer and makes it even harder for him to repay his debt than it is now. I suggest a relaxation of the conditions, so that producers can receive assistance before banks and stock firms determine that they are no longer viable. This will enable producers to carry on, and not move so rapidly into a position where they can no longer carry on. It will bring home to them their drastic state.

Mr. Keneally: What's wrong with private enterprise banks and stock firms that they seem to desert producers at the stage when they are in trouble?

Mr. VANDEPEER: The Government is restricting loans to producers, and banks have only so much money to lend. They must decide which borrowers can repay the loans.

The Hon. D. J. Hopgood: Banks are ultra-conservative.

Mr. VANDEPEER: I do not agree with that, but they certainly do not like others to intervene and try to tell them to whom they can lend and how they should do their job. Beef producers need assistance, and banks and other lending institutions would still like to assist them. The Minister cannot convince me that banks and other institutions are ultra-conservative, because they have been of much assistance to producers generally. The Government is not contributing greatly to assisting beef producers, and there are other avenues through which it could provide assistance. I refer to the tuberculosis and brucellosis campaign, which has been proceeding at a medium pace for several years. In the current situation, with stock extremely cheap, there is a wonderful opportunity for the Government to provide funds to speed up the current rate of progress of the programme by perhaps two, three, or five times, because the amount of compensation that will now have to be paid out is so much less than will be the case in five or 10 years when, we hope, the beef market will have improved.

The situation has reached such a state that only in the past week, with the market value for cattle so low, six or eight animals were taken by my brothers to the corner of our property and shot, as they did not know what else to do with them. I foresee more of this activity soon, so I ask the Government to reconsider the terms and conditions of loans available to producers, to reconsider its approach to the tuberculosis and brucellosis campaign, and to take direct action to assist producers to remain in business until the overseas beef market returns as an outlet and beef producers can contribute to the export income of South Australia and Australia. Their contribution to our export income is an essential facet of our economy that

honourable members opposite seem to forget. They forget the importance of export income in keeping our economy moving, as it did in the period before the advent of a Commonwealth Labor Government.

Mr. RODDA (Victoria): I rise to say a few words in this debate, as I was squeezed out of the debate this afternoon by honourable members opposite. Today is August 20, yet I can remember that in the week before July 12, old Gough was the man to be shunned. Only this afternoon we saw his State colleagues sneaking back to the Whitlam waggon. Certainly, the member for Stuart was there, mounting it. Members opposite set out this afternoon effectively to justify the Commonwealth Budget, and they accused Opposition members of not having sufficient details of the Budget, saying that we should have waited until we had had a proper chance to study it.

The Treasurer, who got into the act early, said that last year his Government was able to bring about a 40 per cent increase in the provision of housing. I question that because we have seen the lowest rate of house completions for several years in South Australia. I understand that there is currently a five-year waiting list for Housing Trust houses. Only this morning one of my colleagues referred to the need to encourage home-building clubs. This is the situation we face today, and we will probably hear more about this matter as time goes by. The member for Millicent spoke about rural industry. I represent one of the socialist farming districts that the member for Stuart is so fond of talking about. He speaks of socialist farmers.

Dr. Eastick: The destitute farmers.

Mr. RODDA: Yes, and they will become more so unless we get the Canberra colleagues of members opposite away from the Treasury benches. I refer to the conspicuous absence of reference to the rural industry—

The Hon. Hugh Hudson: Where?

Mr. RODDA: —in the Budget. The Commonwealth Treasurer referred to the wool industry. Thank God, that is one of the primary industries that is showing some signs of improvement. I understand that \$19 600 000 is to be made available for joint State-Australian Government carry-on finance for the beef industry. However, that sum will not even touch the sides. There is \$8 000 000 to supplement the \$20 000 000 made available to the Commonwealth Development Bank last year, and about \$50 000 000 allocated for rural industries carry-on finance in the food growing and dairy reconstruction spheres.

The real problem goes back to the two-man Cabinet established in 1972, when the Prime Minister (Mr. Whitlam) and the Deputy Prime Minister (Mr. Barnard) had their 22 days of glory. One of my farming friends in Naracoorte said that they made the economy sing. They introduced new stringent financial measures that were dear to their hearts. We saw foreign capital come into Australia, with the requirement that 37½ per cent of the sums involved be lodged interest free with the Reserve Bank. We soon found that foreign investors brought more than money into Australia: they brought expertise, too.

Mr. Keneally: How did that money help the farmers?

Mr. RODDA: A sound economy helps the farmers just as it helps the constituents of the member for Stuart. He also represents a swag of rural constituents who hold views in line with those of my constituents. The fiscal policy of the Whitlam Government has had its effect. The Minister of Community Welfare can say that inflation is a world-wide problem, but I point out that there are countries with sound economies, and that does not apply in Australia,

which has an inflated economy. The Budget presented yesterday is obviously gearing us for a considerable increase in inflation, and this affects the rural industry.

I now refer to the fishing industry. Despite the many reports in the newspapers today, that industry has not been mentioned, although I know that when Budgets are introduced, miscellaneous appropriations and Commonwealth grants are made available. I hope that this State Government will act quickly to do something for that industry. As I mentioned a few evenings ago, a medium-size cray boat earns about \$13 000 a year, of which about \$3 000, or 25 per cent, is paid to the deck hand and 50 per cent towards the cost of running the vessel.

Mr. Duncan: At that rate of pay—

Mr. RODDA: They are not well paid. When they have paid their outgoings, they are living on fresh air. If this position continues, the fishing industry, which is in dire straits now, will not exist. During the election campaign we heard much about "buying back" and, now that the Commonwealth Budget has been introduced, we want the Minister of Fisheries to make firm moves to get money for the fishermen of this State. We have heard about Commonwealth Government assistance being available as a result of the economic survey of the industry. We have heard much about the fisherman Elio Cherini and the *Torres Strait*.

The Leader of the Opposition announced that we, as a Government, would set up a research vessel, and I put it to the Government that there was an excellent opportunity, when that fisherman was in difficulties, for the Government to purchase the vessel. However that opportunity has been lost, and I think it has been stated that poor Elio is going back to the dole. If the Government could pay \$9 000 for that gentleman whom the member for Eyre called a political pugilist, or words to that effect, in paying that fine, surely it could consider some of the downtrodden people in the fishing industry, such as Elio Cherini. That man had a vessel that should have stayed in the industry and not been flogged off to some foreign country in the Pacific that has the money to pay for it.

The fishing industry is in dire need of assistance. The industry is manned by good people who know the industry, its hazards, and all the natural phenomena attached to it. I am pleased to make these points to the Government now in this grievance debate and at the commencement of the new session of the Commonwealth Parliament initiated last evening by the introduction of the Hayden Budget.

Mr. ALLISON (Mount Gambier): I rise at the invitation of the member for Stuart, who stated this afternoon that he considered that the House should receive the benefit of my financial experience. It was most kind of him to say that. Of course, I have not yet had time to peruse about 100 pages of Appropriation Bills and the various schedules, but I have had time to look at a few things, and it seems that we have had a sort of Rake's Progress of Commonwealth Government deficits in the past few years.

In regard to the Olympian heights mentioned by the Minister of Education, it seems that the present Commonwealth Government has set a few Olympic records of its own. It had a deficit of \$293 000 000 in 1973. Then in 1973-74 it had an estimated deficit of \$570 000 000, which actually became (one year and several Treasurers later) a \$2 500 000 000 deficit. It had doubled on the previous year but quadrupled on the actual year's estimates; and in the current year it has an estimated deficit of \$2 788 000 000, which, if it follows the simple numerical



sequence, will not only quintuple to 17½ times but will be 100 times greater actually than in 1973-74. It is interesting, too, to note that the \$2 700 000 000 deficit is said to have been largely offset by \$2 600 000 000 additional tax from income tax alone in the current year, which would strongly indicate that we are an inflation-fed economy.

I tend to think that the job of Commonwealth Treasurer at present is being given to Ministers as a punishment. We have heard our Premier today expressing his immediate concern to the press regarding the state of our economy, after reading the Commonwealth Budget. I will not read his comments, but he expressed concern about the private sector and stated that he could not see anything happening to help that group. He also expressed his concern about the housing situation. In those circumstances, I do not feel that any member on this side should apologise for arriving at the immediate conclusion that something is wrong with the Budget.

Dr. Eastick: He's noted for his about-faces, too.

Mr. ALLISON: That is true. I am concerned about the effect of the Budget on my district, and the State Government will have difficulty redressing that effect. The 25 per cent cut in the South Australian Housing Trust building programme, which will certainly follow as a result of Commonwealth Government cuts in finance, will create waiting lists of several years for both purchase and rental houses, at a time when we already have an accommodation crisis. Private building can fare no better, because there is a 40 per cent cut in money available for bank loans, and interest rates remain at an all-time high level. The Commonwealth Treasurer (Mr. Hayden) has many times repeated the need to assist the private sector of industry, but in framing the Budget he has ignored his own advice. The company tax concession is so trifling as to be laughable. It is a reduction of 2.5 per cent, and the doubling of the company depreciation rates is of little use. No way! If a person is not making a profit he cannot afford to spend money on new equipment, regardless of whether the depreciation rate is higher. There is no incentive to increase productivity.

Mr. Coumbe: He will not be paying tax, either.

Mr. ALLISON: That is true. Today the Premier accused the Commonwealth Liberal Opposition of wanting to reduce spending on housing and education. That was a specious, unfounded claim. What we should all be doing is examining the competence of the Commonwealth Treasurer. A few months ago, when he was Minister for Social Security, he sought \$550 000 000 (at no cost to the taxpayers, he stated) to implement his Medibank scheme. Today he is seeking \$1 445 000 to implement the same scheme. That is an increase of 300 per cent in little less than six months.

Surely there are strong grounds for a reappraisal of Government spending, especially in the public sector. I should like to think that there are still enough sane and rational-minded Australians left to appreciate that not just one sector of the Australian public spending but all sectors should be re-examined. Housing and employment must be given priority, even if it is for only one year. Surely no-one employed in the Public Service would begrudge being made to mark time for one year, a year of no expansion, if he knew it would assist private enterprise and the economy generally to get the country back on its own feet, for the benefit of everyone.

The State Government surely should bear in mind that the present Budget has struck hard not only at metro-

politan residents but also at country residents, too. We in the country areas look to Adelaide very much as our leader in so many fields, despite the fact that so many are trying to divide city and country. Adelaide is our cultural, legislative and commercial leader. The influence on country people is endless. We are proud of this city. Similarly, we are very dependent on it. We visit Adelaide far more frequently than Adelaide residents visit us. We telephone here for advice many times daily. We trade here at all levels and, as a result, our costs of transport in regards to freight, passengers, and fuel tax, our costs of postal and telecommunication services, and our cost of accommodation when we arrive here all add considerably to the expense of living in the country. That happens merely because we are so dependent on this marvellous city, Adelaide.

The cost of living in the country is so different from that in the city that many people are moving to the city, and are emphasising and compounding the city's problems in relation to housing and employment by doing so. I ask the State Government to examine most carefully the annual grants to city councils so that there is a guaranteed, adequate income in addition to rate revenue. At present, there are hundreds of council employees in Regional Employment Development scheme projects who will be redundant within a month or two. Let us not forget that earlier this year many councils were on the verge of retrenching even their permanent staff, at a time when State grants were at a five-year low (I was going to say at an all-time low), and assistance was being sought unsuccessfully by many country councils.

Every Australian must surely be equally concerned at the cuts in primary production subsidies because, this year, they have been halved once again. Food production is declining, and costs will inevitably rise. It must be repeated that primary producers, and all those engaged in productive employment, are quite unable to offset rates, taxes and wages by raising their own selling prices. Indeed, their incomes invariably drop in times of recession. Fair-minded Australians must find it a strange concept indeed that rural and city-based business men have been badly let down, while no real restraint has been placed on public spending.

I conclude with one more plea: that the considerable expertise of the Monarto planning staff be redirected at least temporarily towards solving the bottlenecks and subdivisional problems at present bedevilling our existing growth centres. We may yet need a satellite city at Monarto. However, our immediate needs are where the people are now. The \$900 000 Monarto wages Bill and the \$2 000 000 additional funds might well be spent on immediate State planning needs and housing shortages. Speed is the essence of the contract. Delay will only result in vastly increased housing costs, and it is no good the Government's claiming to have spent record sums of money on housing construction when in real terms we have a State building programme which produces fewer houses year by year.

I will conclude on a pleasant note. In an otherwise dull day, there has been one bright spot. I learnt from the member for Stuart that, despite my earlier fears and doubts on the issue, South Australia is in fact to be made the headquarters for the new federal rail system. I only hope that, after having lost Redcliff because of Commonwealth interference, having Monarto stifled, even if only temporarily, and having the Nissan-Datsun-Toyota engine project stillborn at the federal level (if, in fact, it

was ever conceived), this is at least one step in the right direction. We hope that there will continue to be many others.

Mr. BECKER (Hanson): I am pleased that the Minister of Transport has found time to grace this Chamber with his presence. He will learn later this evening that we have a special welcome for him. Unfortunately, he is now leaving the Chamber. However, he will be able to read *Hansard* tomorrow. I am considerably worried about the effect that the Commonwealth Budget will have on the people of this State. I am concerned particularly about the housing situation not just in my district but in the metropolitan area generally. Ever since I have been a member, I have made continual pleas to the Government to try to upgrade its programme to provide rental housing accommodation for all sections of the community. I cannot complain about the programme that the trust has undertaken in my district, even though there are some unattractive residences there.

Mr. Keneally: We would like to put more there.

Mr. BECKER: I know the Government would like to put them there. I should not mind, because I would go fairly well in those areas; the honourable member would be quite surprised. I should like to see all the people in my district who have applied for Housing Trust rental accommodation receiving favourable consideration. On November 19, 1970 (page 2884 of *Hansard*), I asked the Premier, as Minister in charge of housing, whether the Government would consider purchasing houses that were for sale on the open market to overcome the shortage of emergency housing that existed then. In his reply, the Premier said:

The only way the trust could purchase houses on the open market would be by decreasing the amount of money that is now used to construct houses, and that would not solve the emergency housing problem.

I was pleased to read at page 25 the following statement, under the heading "Special Rental Houses", in the Housing Trust's annual report for the year ended June 30, 1974:

An extremely important part of the trust's performance during 1973-74 was fulfilled by the special rental scheme which was introduced in February, 1973—

three years after it was suggested—

Under this scheme, 349 dwellings were purchased in the city, metropolitan area and in the country during the past 12 months. This brings the total purchased to 422 at June 30, 1974. The trust wishes to emphasise again that this programme has a number of purposes. First, the houses which are purchased are to be at a stage where they need renovation. This renovation is carried out as part of the trust's upgrading programme and certainly assists in uplifting areas in which the houses are located. This applies especially to houses in the city of Adelaide and some inner suburbs like Norwood. If the trust does not purchase and rehabilitate some of the old houses in these areas, the private market will do so.

We know that they will also be demolished and replaced by gigantic, multi-storey monstrosities. The important point is that the trust is making some effort to provide accommodation but, of course, it all depends on finance. It is interesting to note from the trust's financial report that of the money it has received sundry institutions have invested (and this is secured by debenture) \$76 759 083. That is a considerable increase on the sum of \$67 264 503 for the 1973 financial year. This is the area in which the State Government can now capitalise if it is experiencing difficulty in obtaining finance from the Commonwealth Government.

If the Government is sincere in its wish to keep up its housing programme, in trying to provide housing for those who are unable to afford the capital outlay to purchase a house, and in providing housing of a fair and reasonable

standard for those who, through no fault of their own, are unable because of present economic circumstances to pay the rents charged in the private sector, it should provide such accommodation. However, it is an expensive programme. The time has come when the trust will have to try to use its powers, as a trustee investment, to go to the people and see whether it can arrange loans, as do the Electricity Trust of South Australia and the Gas Company. This means it will have to operate at a rate one-quarter per cent or one-half per cent greater than the Commonwealth bond market rate. This will also have certain effects on the amount raised and the interest that will have to be paid. However, in the short term this could be a solution for the Government. It could bolster the building industry and help it to overcome the backlog and the tremendous number of applications that it has for housing accommodation.

I suggest to the Government that I would now use all the power and resources at my disposal to encourage the public to invest in the South Australian Housing Trust by way of debentures. I certainly hope the Government will seriously consider doing this. The Budget will to some extent have an effect on local charities, particularly in relation to postage rates and telephone charges that have been announced. More importantly, increased costs that must be borne throughout the community (we believe that the rate of inflation will continue at 16 per cent; it cannot just be chopped off overnight) will have a serious effect on charitable organisations. No-one can deny that, over the years, the Government, whether State or Commonwealth, has assisted charitable organisations by providing welfare and community services. Charitable organisations still depend on voluntary help and voluntary labour and on the goodwill of people to support badge days, appeals, functions, and so on. They also depend on service organisations to assist them with fund-raising activities. As a member of a service club, I know that we are receiving more requests from large charitable organisations for financial and physical help than ever before. I can see a real problem developing in the community, and if charitable organisations are able to carry out their work programmes they will need more Government assistance, especially with the financial squeeze that we will face.

I believe this State will, more than any other State, suffer from a financial squeeze, because it is not sufficiently strong to withstand an economic squeeze of any proportion. If that is the case, charitable organisations will rely more and more for help on the good faith and Christian charity of people in the community. It is in this area that the Government will have to come forward and provide encouragement for people to assist these charitable organisations. The Children's Foundation is an organisation that needs and deserves Government support. Mordialta Children's Home is an institution that plays a valuable role in providing facilities for young people. The rising juvenile crime rate, as well as a rising major crime rate, is the result of a depressed economic situation, and we have not yet really felt the effects of the conditions that have been created in this regard.

The other matter about which I want to speak, after the seriousness and tenseness of this debate, is in a lighter vein and relates to the front bench of the present Government which reminds me of Snow White and the Seven Dwarfs. We hear so much about the Treasurer's wanting to change his image, so we have nicknamed him Snow White. The Deputy Premier is Grumpy; the Minister of Mines and Energy is Sneezy; the Minister of Transport is Dopey (and he has proved that on several occasions);

the Minister for the Environment is Happy; the Minister of Education is Doc; the Minister for Labour and Industry is Sleepy; and the Minister of Community Welfare is Bashful.

Mr. MATHWIN (Glenelg): I wish to draw the attention of the House to the crisis we are experiencing in the housing industry. This important matter has been referred to by other members, and, as far as I am concerned, there is a crisis in this industry. It is not like the crisis we had in education before the previous Minister of Education (Hon. Hugh Hudson) took over and immediately solved so many problems. The housing industry in South Australia is different, because the Government does not appear to be able to do anything to solve the problem that exists. My main area of concern relates to the South Australian Housing Trust, about which it appears the Government has done nothing and will do nothing, anyway. However, the private building industry is suffering, too. When, in May, 1975, the member for Gouger criticised the erection of a \$3 500 000 shopping-cum-cinema complex at Elizabeth, as reported in the *Advertiser*, referring to the honourable member, stated:

... he was disgusted that the Housing Trust was promoting a project to use \$3 500 000 worth of building resources on a shopping and theatre complex when there were thousands of needy families waiting for roofs over their heads.

He went on to say:

He—

the Treasurer—

appears to have overlooked that \$3 500 000 would build 175 moderate homes to house at least 700 people.

The member for Gouger was criticised for saying that. In fact the Government described what he said as poppycock. However, what the member for Gouger said was confirmed by Mr. Crichton, an officer of the trust. According to Mr. Crichton, each working day for the past two months more than 60 families had lodged with the trust applications for housing. This was a record (of which, in this time of creating records, the Government should be ashamed). Apart from the 60 families who had lodged applications each day in the past two months, 221 families had applied for rental accommodation and 96 families had applied for houses to purchase, making a weekly total of 317 applications.

Because fewer people can procure private accommodation there are fewer cancellations of trust applications, so the waiting time for rental and purchase accommodation through the trust is considerable. From what Mr. Crichton has said, it appears that the trust is dealing with applications that were lodged in late 1970. In other words, the trust is many years behind in its programme. On page 25 of the 1973-74 annual report of the South Australian Housing Trust (the latest available report) it is shown that the 10 126 rental applications were received in that financial year but the number of applications "housed" was only 4 018, and that illustrates a distinct short-fall in that area. Unfortunately the situation seems to be deteriorating. One wonders what the next report will reveal: whether it will show a colossal increase in the number of people applying for rental accommodation that is practically impossible to obtain.

The annual report records the trust's lowest housing construction rate for the past 25 years. This is also borne out by press reports. In 1949 the trust completed 1 252 houses. That number was increased until in 1951 (and it is significant to note that that is the year I came to Australia, the building industry improved in that year) the trust

completed 3 059 houses. The number of houses was increased in 1952, and in 1953 the number of houses completed was 4 126. In 1974, the number constructed dropped from 4 126 in 1953 to 1 339 houses. What a sorry state of affairs! What a shocking record that is for any Government that is responsible for such an organisation. The entire building trade in South Australia, including the private sector is in the doldrums. I have heard this, too, from contacts I have in the building industry. When I was in the building trade we could guarantee that, from the date the foundations were poured to the date of completion, when the house would be occupied, it would take only 12 weeks. However, those people fortunate enough to be able to build a house now are shocked to find the way in which the cost has spiralled during the time in which the house is being built. Today, one is fortunate to have a house completed in nine months, and sometimes it could take almost 12 months. It is virtually impossible for people to know what to do. They do not know what the bill will be when the sums are all added up after the house is completed. Sometimes the cost is \$1 000, \$2 000, or \$3 000 more than the cost of a similar house only a year previously.

Practically no spec housing is being built in South Australia nowadays, but only a few years ago many builders were erecting houses of excellent quality and buyers had a choice of various districts throughout the suburbs. The situation today is quite different. Spec houses are rare and, when they are available, the cost is colossal. I am speaking especially on behalf of young people. The young citizens of South Australia find it impossible to obtain housing, and they do not know which way to turn. They save a deposit and, when they reach their goal of \$2 000 or \$3 000, they find that they are still \$1 000 short of the deposit then required. The future for them is grim, and the Commonwealth Government has provided no relief in its allocation in last night's Budget. We wonder what has happened to the great scheme of the boss of the Australian Council of Trade Unions, Mr. Hawke, the saviour of the housing crisis.

The SPEAKER: Order! Time has expired.

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

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr. COUMBE (Torrens): I intend to speak briefly on a metropolitan problem that I consider extremely grave. I have dubbed it the great urban road system scandal of today. I am pleased that the Minister of Transport is here to listen to my remarks, because I may or may not get some relief in this area. Road congestion is growing daily on our metropolitan road system. I defy any member to drive on any of our main arterial roads and deny what I have said. The congestion is especially bad in my district, but the situation in other metropolitan areas would be identical. We had hoped to see road widening taking place and new road systems introduced. In some parts of my district the Highways Department bought a good deal of property. It has demolished some of the properties to provide for the future. However, having bought some shops and put out the tenants, it has immediately relet the shops and put other people in them. That is how the department is run.

Dr. Eastick: Did they sell any of the properties for a profit?

The Hon. G. T. Virgo: That is unkind, uncharitable, and untrue.

Mr. COUNBE: I became involved in some of the negotiations, and they were quite protracted. Let me tell honourable members what the Treasurer had to say about the road system following the Budget. In the *News* today he is quoted as having said that, as long as the State was given sufficient flexibility, planned projects would go ahead. This mention of flexibility interests me, because I know that certain sections of the road grants are of a priority nature, certain moneys being allocated in certain areas. What the Treasurer is hinting here is that he does not want Canberra to say where the Minister of Transport can spend the money. He is saying that he wants the Minister to have a free hand; he does not want bureaucratic control from Canberra.

We all know how this goes on. The Government, including the Treasurer, has been critical in certain areas today of the Commonwealth Budget, and rightly so. I agree with them. At the same time, I am a little sceptical, because I recall that just before the recent election the Treasurer dissociated himself from his colleagues in the Commonwealth Labor Government. He said that election had nothing to do with Canberra, that it was only to do with South Australia. I also recall the Minister of Community Welfare, before his promotion, saying that we were not just South Australians, that we should not be parochial, that we were all Australians. Those two attitudes do not quite tally.

Because of the geographic nature of my district, almost everyone from the North of the State travels through the road system in that district. I am sure, Sir, that you are one of the culprits, but you are welcome to come through the district. Yours is probably one of the 30 000 cars a day travelling down O'Connell Street. That is not a bad figure: 30 000 cars a day down O'Connell Street through the centre of North Adelaide! We know that there is a shortage of north-south outlets, but the only way to get from Parliament House or King William Street to the north is through O'Connell Street, Jeffcott Street, LeFevre Terrace, Melbourne Street (as long as one does not stop there too long) or Stanley Street. Further on, one travels through the Main North Road, Prospect Road, or North-East Road, or one may divert through Churchill Road.

Mr. Jennings: And then you get into a decent district.

Mr. COUNBE: After people wear out the roads in my district they get into the district of the member for Ross Smith. I am pleased to have his support in this regard. In my opinion, far too much congestion occurs in North Adelaide and Adelaide, and it could be easily avoided. I am not talking of the bus lane recently introduced on the western side of King William Street.

The Hon. G. T. Virgo: They are pretty good, aren't they?

Mr. COUNBE: Far better than the dial-a-bus scheme.

Dr. Eastick: Much more viable.

Mr. COUNBE: I said that the bus lane on the western side of King William Street was far better than dial-a-bus.

The Hon. G. T. Virgo: What is that observation supposed to prove?

Mr. COUNBE: I was giving the Minister a pat on the back.

The Hon. G. T. Virgo: You are back way down!

Mr. COUNBE: That is the Minister's observation. He would be pleased to forget the dial-a-bus episode.

The Hon. G. T. Virgo: So would private enterprise, which you people are always advocating and which insisted on doing it.

Mr. COUNBE: I am pleased the Minister is back in the House to hear what I am about to say.

The Hon. G. T. Virgo: I was here all the time.

Mr. COUNBE: Let me try to be constructive, if I can, because I know the Minister needs all the help he can get. I believe that, as far as the congestion in North Adelaide and Adelaide is concerned, so many passenger cars and, to some extent, commercial vehicles go through both those districts that should not need to go through them, because their destination is neither in North Adelaide nor in Adelaide: they go to points south, south-west or south-east. There should be a diversion or a bifurcation of the road system just to the north of North Adelaide. I am not talking here about the old MATS scheme. I know the amount of land that the Minister's department has acquired, but I make this plea particularly on behalf of the residents of North Adelaide. The members of the North Adelaide Society, of which I am a member, feel strongly about the number of vehicles that go through North Adelaide. There should be a diversion.

The Hon. G. T. Virgo: Perhaps we should have the clearway in Melbourne Street.

Mr. COUNBE: I did not intend to comment on that.

The Hon. G. T. Virgo: I think you should. Don't you agree with that?

Mr. COUNBE: I asked the Minister a question on that the other day, and he said he was still considering it.

The Hon. G. T. Virgo: I think we should have it, don't you?

Mr. COUNBE: I do not want the Minister to divert me, because I want a concrete proposal for a diversion—a bifurcation so that passengers and commercial vehicles coming from, say, Holden Hill or Enfield and travelling to Tonsley do not have to go through Adelaide or North Adelaide: they should be diverted through the Hindmarsh interchange, where some land has already been acquired.

The Hon. G. T. Virgo: You want us to build a freeway!

Mr. COUNBE: I prefaced my remarks by referring to the Metropolitan Adelaide Transportation Study plan; I am not advocating all those distances. I think the Minister has seen my point and realises the need for something like this to happen. If nothing happens soon (we do not seem to have much money with which to do anything tangible, and the morning and evening congestion where I live and, I am sure, in other districts has to be seen to be believed), all hell will break loose. Not only will accidents occur, but the citizens of those places will get on the Minister's back and break it.

The Hon. G. T. Virgo: That is exactly what Murray Hill said seven years ago.

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

Dr. EASTICK (Light): First, the bouquets before the brickbats. I applaud the activities of the members of the Electoral Department for the actions they were called upon to take recently when an election was called at short notice. I can think of nothing less romantic than being called back from one's honeymoon to conduct an election, as happened to the Electoral Commissioner.

The Hon. G. T. Virgo: Caused by your Party in the Upper House.

Dr. EASTICK: That we could debate for a long time.

The Hon. G. T. Virgo: Well, why don't you?

Dr. EASTICK: I refer to the indecent haste with which the election was called by the Treasurer, who was in Canberra when he made the decision, and he announced it—

The Hon. G. T. Virgo: That is untrue; he was in touch with Cabinet here.

Dr. EASTICK: That is right, but he made the decision from Canberra in indecent haste. As a result of that indecent haste, many aspects of the election held on July 12 left much to be desired. I applaud Mr. Guscott for the work he did during the absence of Mr. Douglass. He had a mighty job to do to orchestrate the requirements involved in holding an election. Many incidents that arose out of the conduct of that election left much to be desired. Many people were overseas, and many people in the State were refused the opportunity to cast a vote because of the lack of time for the postal service to process the applications for postal votes.

Mr. Nankivell: There will be more next time.

Dr. EASTICK: Yes, considerably more next time; but, whether the people were in other States or overseas, in many instances (as the member for Frome could relate) people in their own homes were unable to obtain their votes. People who were called into hospital or through misfortune went into hospital just before the election were also denied the opportunity of having their applications for postal votes processed.

The Hon. G. T. Virgo: That applies both ways.

Dr. EASTICK: Yes, and that is why I have not directed any claim against any one Party, other than to say that the mismanagement by the Government over a long period has allowed many problems to become accentuated and more apparent with the changed postal system that applies today. It is urgent and important that attention be given to amendments to the Electoral Act to allow for a more sophisticated, a more up-to-date and a more twentieth century approach to the handling of postal votes and applications for them.

The request I made, initially publicly, and subsequently by letter to the Electoral Commissioner for consideration of a voting pattern that became evident in Heysen, has not been answered. In the *Advertiser* of July 18, 1975, under the heading "Some voted three times—Eastick", an article points out that I had told the media the previous evening that some people had voted "up to three times in Saturday's snap election". The article stated:

He said the multiple voting took place in the Heysen electorate and had involved more than 30 people. "This meant more than 60 extra votes had been cast," Dr. Eastick said. He called for an immediate inquiry into the allegations. "I can guarantee it is factual," Dr. Eastick said.

The Hon. G. T. Virgo: You were dissatisfied with the result.

Dr. EASTICK: I was not. I made it clear that, if it was a pattern that was apparent in other districts as well, it was something that had to be determined as soon as possible.

The Hon. G. T. Virgo: Why didn't you go to the Court of Disputed Returns about it?

Dr. EASTICK: I went on to say that it did not matter whether the people who voted several times voted for the new member for Heysen or for any of the three other people who stood against him. The fact was that it had been determined. The following day, under the heading "No action over Liberal poll claim", in the *News* of July 18, 1975, an article by Rex Jory stated:

"I am not going to go on a wild goose chase about some allegation of Dr. Eastick's which is not supported by any evidence," the Premier, Mr. Dunstan, said today.

He said no inquiry would be held into allegations by the Opposition Leader that some people had voted three times in last Saturday's elections, unless specific complaints were made. "The Electoral Commissioner, Mr. N. B. Douglass, clearly knows nothing about what Dr. Eastick is alleging," Mr. Dunstan said.

There is further information. I wrote to Mr. Douglass giving the background detail of the information that had been made available to me. I realise that there has been a tremendous amount of work to do to complete the legal requirements of the poll in regard to finalising the very real issues, such as the return of writs so that the Parliament could get under way, but I do not refer to the legal situation of sending out "Please explains" to those people who had not voted in this context, even though that action has already been taken.

Indeed, in the case of the district of my colleague the member for Alexandra, some people who did vote have received a request to explain why they did not vote. In other words, this situation is identical to that which applied after the shopping hours referendum in 1971, when some people who had voted received "Please explains" because of an error that had been made. A report appeared in last Saturday's *Advertiser* under the heading of "Explain note follows vote".

The Hon. G. T. Virgo: That was the Liberal Party's column.

Dr. EASTICK: The report states:

A woman who voted in the last State election has been asked to explain why she didn't vote. Mr. J. W. G. Silverlock, of Reynella, said yesterday the woman had changed her name by deed poll on April 23 and had voted under her new name at the July 12 election. This week the woman had received a letter from the Electoral Office, addressed to her under her former name, and asking why she had not voted. Mr. Silverlock said he had contacted the Electoral Office about the matter. He had been told that because the election had been called early, the Electoral Office had not had time to delete names from the roll. It had, however, listed all new and changed names and addresses.

Mr. Silverlock contacted me and said he had been told that deletions had not been made on the rolls for at least two months. In other words, on the rolls used for July 12 election were the names of people who were known to be deceased or names of people which were on other rolls because those people had notified the Electoral Office of their change of address; their original names were still permitted to appear on a roll used for the election.

The Hon. G. T. Virgo: Who is responsible for keeping the roll?

Dr. EASTICK: It is a Commonwealth roll, which is used by the States. Many discrepancies arose through the conduct of the poll as regards the names of those persons who were eligible to vote, and this situation should be investigated.

Mr. CHAPMAN (Alexandra): I express my concern following an apparent interpretation by departmental officers of the Land Tax Act, 1936-1974, as amended, and assented to on April 10, 1975. I briefly mentioned this matter earlier this week during another debate, but I bring to members' attention a matter that has come to my attention from a constituent of mine. His concern (and my concern) is that, as an occupier of a small property, he has to pay land tax and, as the property is a rural holding, hitherto he has enjoyed a rural rating. It appears that, following a recent interpretation of one of the sections of the Act, as amended, the department is calling on such people to furnish it with information in order to justify that the principal business the person is carrying on is business on land as defined in the Act for rural purposes.

It would appear that, if a person cannot cite his principal business as being one in the ordinary course of agriculture or rural practice, he is disqualified from enjoying rural land tax rating. The section in the Act to which I refer is section 4 of the principal Act which has been amended by striking out the definition of "land used for primary production" and inserting in lieu thereof the following definition:

"land used for primary production" means any parcel of land of not less than 0.8 hectares in area as to which the Commissioner is satisfied—

(a) that the land is used wholly or mainly for the business of primary production.

That is the point I will pursue, and I go back to the Treasurer's second reading explanation at the time the amendment was introduced. He said, as reported in *Hansard* at page 2950 on March 18, 1975:

Clause 3 amends the definition of "land used for primary production". It is obviously undesirable that a land speculator who purchases land in rural areas that are ripe for urban subdivision should be able to obtain the benefit of the major statutory exemption intended for genuine primary producers by the Bill. Accordingly, the new definition provides that, where land is in a "defined rural area", land will not qualify for the exemption unless the principal business of the taxpayer consists of primary production or some related industry.

I do not believe that it was the Treasurer's or Parliament's intention to go beyond those words, which clearly refer to the business being carried on by the property owner and which does not refer to the income derived from that business. The situation I am citing as an example involves a property owner who spends most of his time carrying on a rural business on his land but, because of the recent depression in the rural economy generally, his income from that vast amount of effort on the property is minimal. Accordingly, he has been forced to take up other forms

of employment or to practise in other areas where he can enjoy a greater income.

The interpretation placed on that section of the Act recently prevents this taxpayer from enjoying a rural rate any longer, because the departmental officers are saying that his income from the property is now less than his income derived from other sources and, therefore, this disqualifies him. The department has asked him to supply detailed evidence of his personal rural income and income from any other sources, although I am sure that that requirement was not intended originally. I support the principle as outlined by the Treasurer wherein he wishes to keep speculators out of rural areas that are ripe for urban subdivision but, in this case, we are entering into a field of interpretation.

I am sure that this whole issue is due for ventilation and that we should get clarification from the Treasurer at the earliest opportunity, because in no way can a business or the application of effort and or time in a business be interpreted to mean the income derived therefrom. This situation is well reinforced and reflected in many areas throughout the rural community where families can work all the year and finish up with no net return whatever. On the basis of the evidence brought forward in this House, I believe that this subject justifies close attention, and I would welcome the Treasurer's consideration of this matter, so that the situation can be clarified to the advantage of all those people in rural districts.

Motion carried.

Bill taken through its remaining stages.

#### ADJOURNMENT

At 10.24 p.m. the House adjourned until Thursday, August 21, at 2 p.m.