

HOUSE OF ASSEMBLY

Wednesday, February 11, 1976

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

MINISTERIAL STATEMENT: Mr. JOHN MANT

The Hon. HUGH HUDSON (Minister for Planning): I seek leave to make a statement.

Leave granted.

The Hon. HUGH HUDSON: Last week, in questions to the Deputy Premier, the Leader of the Opposition may have created the impression that Mr. John Mant had come to South Australia because there was no job for him in Canberra. That is not the position, and I should like to make quite clear that Mr. Mant is still a Commonwealth public servant. He is an Assistant Secretary in the Federal Department of Environment, Housing and Community Development and is currently on leave without pay during his period of consultancy to me as Minister for Planning. Mr. Mant has been a public servant during his period of service with the Australian Government with either the National Capital Development Commission or the Department of Urban and Regional Development, or as Principal Private Secretary to the former Prime Minister.

I should add that Mr. Mant, by his experience and training, is eminently suitable for the work that he will be carrying out for me, which relates to a review of legislation and planning policy and to administrative structures, and in the development of appropriate arrangements for co-ordination of activities of statutory authorities. I am extremely delighted that I have been able to obtain his services.

QUESTIONS

BANK REPORT

Dr. TONKIN: Will the Premier now make public the report to the Government on the Savings Bank of South Australia and the State Bank prepared by Sir John Marks and Sir Walter Scott? If he will not do that, will he say why not? This report has never been made public. As stated in the House yesterday during a motion of no-confidence in the Government, the report apparently points the way for the integration of the two banks. The Premier said yesterday that the report had been rejected by both the banks and the Government. He said that the terms of reference had not been dealt with fully and that there was no need to release the report. It is, of course, a matter of conjecture and a matter of great interest, and it has been suggested to me that, if there is nothing wrong in the report, why should it not be released. The South Australian public is entitled to see what proposals have been made for their bank, the Savings Bank of South Australia.

The Hon. D. A. DUNSTAN: I do not intend to release the report.

Mr. Goldsworthy: Open government!

The Hon. D. A. DUNSTAN: If the Leader asks for reasons for not releasing the report I will give them to him. The Leader has already been publicly assiduous in his misrepresentation and distortion of this matter. The fact that that action would be taken by Liberal members of Parliament was discussed by me with the Chairmen of both State banking corporations, both of whom urged that neither the terms of reference nor the report itself should be released publicly because of what had been a

history, on the part of the Liberal Party in South Australia, of attacks on State Government banking institutions, and it was pointed out that, when there was a proposal some years ago for some form of integration of these banking institutions Liberal members, especially Mr. Octoman and Mr. Geddes, had organised in some parts of the State a run on the Savings Bank of South Australia.

Mr. Gunn: What nonsense!

The Hon. D. A. DUNSTAN: In these circumstances the recommendation was that internal matters of the organisation of the banking system of this State should not be revealed publicly because of the way in which it would be attempted to be used against—

Dr. Tonkin: Our job is not to stifle criticism. Why don't you lay the report on the table?

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: Because of the attempt that would be made by those who tried to see to it, unfairly and improperly, that the private banking system took away business from the Savings Bank of South Australia, the people concerned doing this by the kind of misrepresentation and distortion for which the Leader has been responsible by the disgraceful attack he tried to make on the bank yesterday.

Dr. Tonkin: How could you misrepresent something that was laid on the table of this House?

The Hon. D. A. DUNSTAN: Yesterday the Leader made a series of statements completely distorting what occurred concerning this matter. We know—

Dr. Tonkin: Table the document!

The Hon. D. A. DUNSTAN: The Leader will not quote the document, but will do his usual job in his hatred of any State institution—

Dr. Tonkin: You prove it.

The Hon. D. A. DUNSTAN: The Leader constantly attacks any community institution in this State.

Dr. Tonkin: You're a knocker!

The Hon. D. A. DUNSTAN: The Leader is the knocker of this State. The Leader—

Dr. Tonkin: Table it!

The Hon. D. A. DUNSTAN:—at the time—

Members interjecting:

The SPEAKER: Order! This is Question Time, and I will not allow members to ask more than one question. If honourable members continue to interject and ask the Premier further questions, I assure them that I will not tolerate it, because it is out of order. The honourable Premier.

The Hon. D. A. DUNSTAN: The Leader has attacked nearly every governmental and community institution in South Australia because of his doctrinaire attitude that it is wrong to have community institutions. His disgraceful attack on the Savings Bank of South Australia and on its probity and integrity is just one chapter in the saga. He has attacked the basis of the State's having an interest in the fuel that supplies the basic resources to South Australian industry. How that lines up with governmental control of the Leigh Creek coalfields (instituted properly by the Playford Government with the support of the Labor Party), I do not understand. However, the Leader believes that fuel for the Electricity Trust of South Australia should not be under any sort of control by the trust which, after all, has supplied the best and most efficient service to industry of any State in Australia. Again, the Leader tries to bring our governmental banking institutions under attack and to distort and misrepresent

what has been done regarding them. However, the advice to me of the boards of those institutions is that I should not accede to what the Leader suggests.

Mr. GOLDSWORTHY: Can the Premier explain how the report prepared by Sir John Marks could be misrepresented if it were made public? The Premier has already stated that a report has not been published, and we have deliberately misrepresented it. He has now claimed in answer to a question that, if a report is made public, it will be misrepresented. I reiterate that the Opposition did not, as the Premier alleged today, attack Mr. Bakewell, nor did the Opposition have any orders from the private banks in this State. All the Opposition seeks is that the report be made public so the people can be the judge, and so that the Government will not be the judge and jury. The Premier says that a report not published has been misrepresented, but he also says that if this report is published it will be misrepresented. Can the Premier explain this?

The Hon. D. A. DUNSTAN: Yes. The Leader of the Opposition said yesterday the Labor Party's policy was to amalgamate the banks. The Labor Party's policy, which is published, contains no such statement; that was an absolute untruth. That is the sort of misrepresentation we would get.

MOTOR INDUSTRY

Mr. ABBOTT: Will the Premier say whether he has received any assurance from the Prime Minister regarding the four-cylinder car engine plant at the Chrysler Australia Limited Lonsdale site, particularly with respect to the 85 per cent local content plan as outlined by the former Prime Minister, and will he say whether this venture would cease to be viable if the local content policies were substantially altered? I should like to know what is the Liberal Party's policy on the motor vehicle industry. I understand that the manufacturers will not make a final commitment until they know what the policy of the new Federal Government is on the motor industry and that further negotiations between the four groups in the consortium depend largely on whether the 85 per cent local content plan put forward by the Whitlam Government is ratified by the new Liberal and National Country Parties coalition.

The Hon. D. A. DUNSTAN: We will get the four-cylinder engine plant in South Australia and the adoption of the proposals that were put forward by this Government on behalf of the motor vehicle industry and supported by the Federal Government if the present Federal Government goes along with the plan. There is nothing in the way of our getting the four-cylinder engine plant in South Australia but a decision of the Federal Government. I have discussed this matter with the Minister for Industry and Commerce (Senator Cotton), and I appreciate his understanding of the problems of the motor vehicle industry, including the problems in South Australia. I have been able to put the South Australian Government's submissions to him in detail, and I hope for a positive result. As soon as the Federal Government decides that it is proceeding with the 85 per cent content plan and will admit local Japanese manufacture in existing capacity in Australia, we will get the four-cylinder engine plant in South Australia. The plant has been shown to be economically desirable and viable, and it is only on the Federal Government's decision that the matter hangs. I have had no undertaking from the Prime Minister that he will go along with these proposals, nor have I had finally a decision in this area

from the Federal Minister. However, my discussions with Senator Cotton at the Ministers of Development meeting in Hobart were, I believe, useful and fruitful for South Australia, and I am hoping for a positive result.

OVERSEA TRIPS

Mr. MILLHOUSE (Mitcham): I move:

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

That this House: (1) calls urgently on both the Government and the Liberal Party to follow the example of the Federal Government by cutting down its quite scandalous spending of taxpayers' money to be incurred on the extravagant overseas trips proposed by the Premier, the Minister of Mines and Energy, the Minister of Labour and Industry, and the Leader of the Opposition and those accompanying them during the coming interval between sessions of Parliament; (2) expresses the firm opinion that trips on the scale presently proposed are not justified; and (3) believes that the expenses to be incurred (estimated at about \$100 000) should be halved at the least either by not taking so many persons with them or, in appropriate cases, relieving the State of the burden of paying for such persons by allowing them to pay their own way.

The SPEAKER: Is the motion seconded?

Mr. BOUNDY: Yes.

Mr. MILLHOUSE: This is the first opportunity I have had to raise this matter to test the feeling of this House since yesterday when I received the answers to a number of Questions on Notice that I asked about the forthcoming junket of the Premier, the Leader of the Opposition, and, I now know, two Ministers. In the information given me yesterday, I was told that the cost estimates of the trips were as follows: the Premier and his retinue is \$45 000; the Leader of the Opposition, with his wife and newly appointed press secretary, \$20 000; and the Minister of Labour and Industry, \$19 000. That adds up to \$84 000. The Minister of Mines and Energy, in his usual arrogant way, did not give any information.

The Hon. HUGH HUDSON: I rise on a point of order, Mr. Speaker. The honourable member is seeking a suspension of Standing Orders and he is not entitled to debate the motion; all he is entitled to do is give reasons why the House should agree to a suspension of Standing Orders.

The SPEAKER: I must uphold the point of order.

Mr. MILLHOUSE: That is quite right, Sir; I did not intend to breach Standing Orders. It is significant, though, that when it starts to hurt that man he is the first to take the point.

The SPEAKER: Order! The honourable member must talk about the motion only.

The Hon. HUGH HUDSON: I rise on a further point of order. The honourable, learned and gallant gentleman is reflecting not only on your decision but also on me.

Mr. Millhouse: I meant to reflect on you—you deserve it.

The Hon. HUGH HUDSON: I take the point of order that that is contrary to Standing Orders, and I ask that the honourable member be ruled out of order.

The SPEAKER: I insist for the last time that the honourable member for Mitcham speak only to the motion before the Chair.

Mr. MILLHOUSE: The point that I was making was that this is the first opportunity to raise the matter that I have had since yesterday, when this information was given to the House, and therefore made public, of the scandalous waste

of money to be incurred. This will be (and this is my reason for seeking the suspension today) probably my only opportunity to test the feeling of members of this House about what both sides are intending to indulge in, because if I give a notice of motion in the normal way the matter will not come on in this session. If I raise the matter by way of adjournment or in grievance debate, there will not be any opportunity for a vote of this House to be taken so that we know who supports this and who does not support it, on both sides.

That is why I have taken this first opportunity to raise this matter of importance, a matter which has caused much indignation in the community already. I believe that before the session ends we should test this matter in the House. I was told, also in answer to a Question on Notice yesterday, that the session will end at the end of next week. I will not have another opportunity and there will be no other method at all in this place of testing out what members think about these trips. I say with great respect, Mr. Speaker, that I did not include in the motion your trip, because that is in a different category, for the reasons that I shall be pleased to give at the appropriate time if this motion is passed.

The Hon. J. D. Wright: You tell the truth just for once!

The SPEAKER: Order!

Mr. MILLHOUSE: I do not know what I have done to the Minister of Labour and Industry to deserve that. Sir, I do not include your trip in this motion, for the reasons I shall be pleased to give later. This is the only opportunity I will have (and I believe I should take it at the first possible opportunity) to move the motion, so that we can test the feeling of members of the House and to see whether anyone, say, in the Liberal Party is embarrassed about David Tonkin's taking a trip within six months of becoming the Leader, when his predecessor has had one in the past 12 months.

The SPEAKER: Order! I must remind the honourable member for Mitcham that he must not refer to the honourable Leader of the Opposition other than as "the honourable member".

Mr. MILLHOUSE: Yes, of course. We will test out the Party of the honourable member the Leader of the Opposition to see whether any of those members are embarrassed about his falling for the three card trick and accepting a trip with the result that he cannot criticise the honourable the Premier's trip with a retinue of five everywhere but in Malaysia, where he will have only four with him. I do not want to expand on this matter, and I do not intend to do so. However, I am so indignant about this matter that it is hard not to be carried away with what I believe—

The Hon. Hugh Hudson: You're a hypocrite.

Mr. MILLHOUSE: Why am I a hypocrite on this matter?

The SPEAKER: Order! The honourable member must not debate the matter and honourable members on both sides must not encourage him to debate it. He must speak only on the motion before the Chair.

Mr. MILLHOUSE: I hope I can go at least as far without trespassing as to answer the interjection of the Minister that I am a hypocrite. I can answer him briefly by reminding him, as he well knows, that when I was Attorney-General I went overseas on my own once, and it was not at the expense of the State Government; I went over on a United States of America Government Leader grant. Therefore, I did not, when I was a Minister, incur

any such expense as is being incurred by the honourable gentleman himself and those others who are going. I say no more about that, but I simply answer in that way the snide interjection of the Minister that I am a hypocrite. He knew perfectly well that what I just said was so; he knew that was how my trip when I was a Minister was financed. The trip was of some use to the State because I was working, and that is more than can be said for nine out of 10 of the people who are going now on these trips at our expense. I will wager that, if they go on the scale now proposed, it will cost us well over \$100 000 by the time we are finished. We do not even know how much the Minister's trip will cost.

The SPEAKER: Order! I remind the honourable member for Mitcham that he should not be debating the matter.

Mr. Venning: Do you think you should have gone on a single ticket?

Mr. MILLHOUSE: That is the sort of sentiment that I have to put up with from the honourable member and from other members of his Party. I have only 10 minutes to speak and, with the provocations and interruptions that have occurred, I have little time left. Whatever members think of the substance of this motion, I ask them to support the suspension so that we can see who approves and who does not approve of these junkets, as I have advisedly called them, of the Leader and his friends on the front bench. This is the only chance we will have in this place before the end of the session and before the trips take place to test the feeling of the House. It is for that reason that I ask for support from both sides for the suspension of Standing Orders, so that the matter can be thrashed out, where it should be thrashed out, before this very considerable sum is spent on holidays for other people.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I ask the House to vote against the suspension of Standing Orders on this occasion. The honourable member knows the procedures of this House: there are two ways in which to pre-empt the normal mode of business in the House. One way is by a proper motion of no confidence about a serious matter.

Mr. Millhouse: You don't think \$100 000 is serious? It is nothing to you—you spend money like water.

The Hon. D. A. DUNSTAN: The honourable member is referring to the kind of nonsense that has been talked about the State Treasury, which last week in Canberra was the envy not only of every other State but also of the Prime Minister. The fact is that the Treasury in South Australia is better run than the Treasury in any other part of Australia, and the honourable member has tried to misrepresent that fact along with his Party colleagues, or Party non-colleagues, for some time, but eventually the truth comes out, as it does now. There is no departure from the principle in this matter. There is no motion of no confidence, nor could a motion of no confidence be sustained as a serious matter on the question the honourable member has raised, so appropriately he has not moved a motion of no confidence. The other way in which the honourable member can get urgent discussion on a measure is by a motion of urgency, and this he could have moved.

Mr. Millhouse: There's no vote on that, as I said, and I want to see where everyone stands.

The Hon. D. A. DUNSTAN: It is possible to express an opinion in this House and raise any matter the honourable member wants to. He has not seen fit to move

a motion of urgency. The Government will not agree, any more than the Government of which the honourable member was at one time a member, or any Government which he supported, would agree, to a departure from the normal procedures of the House to enable the honourable member to pre-empt other members' rights in this House as to their questioning of the Government at this time, which is the normal Question Time. I urge the House not to accede to this departure from the normal practice of the House.

The SPEAKER: Order! The question before the House is the motion as moved by the honourable member for Mitcham. For the question say "Aye"; against, "No". There being a dissentient voice, there must be a division. Ring the bells.

The House divided on the motion:

Ayes (20)—Messrs. Allison, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Millhouse (teller), Nankivell, Russack, Tonkin, Vandepeer, Venning, Wardle, and Wotton.

Noes (21)—Messrs. Abbott, Broomhill, Max Brown, Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hudson, Jennings, Keneally, Langley, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Pairs—Ayes—Messrs. Allen and Arnold. Noes—Mrs. Byrne and Mr. Hopgood.

Majority of 1 for the Noes.

Motion thus negatived.

QUESTIONS RESUMED

COUNTRY MAGISTRATES

Mr. KENEALLY: Can the Attorney-General tell me whether he plans to appoint any new country magistrates in South Australia and, if he does plan to do that, can he say where they will be located and what purpose they will fulfil? As member for Stuart I have been greatly concerned by the fact that in the past the courts in the Spencer Gulf cities have been serviced mainly by justices of the peace, with magistrates from Adelaide visiting as required. The work done by justices of the peace in this area has indeed been valuable, but it is apparent that the number of matters of a serious nature coming before these justices is increasing. I see the need soon for the hearing of more of these serious cases by legally qualified magistrates. I am also concerned, in relation to this matter, that country areas are not receiving the benefits of the high standards of justice that prevail in most other parts of the State, particularly in the metropolitan area. The country cities and rural regions provide a complex social environment with which visiting magistrates are sometimes not familiar, and the waiting time for cases to be heard by these visiting city magistrates is often unduly prolonged.

The Hon. PETER DUNCAN: I am pleased that the honourable member has raised this matter, because one of the most important aspects touching on the Attorney-General's portfolio is to ensure that all areas of the State have the same uniform high standard of justice, and as Attorney-General I have taken immediate action to try to ensure that the country areas of the State are serviced by magistrates to the same extent as are the metropolitan areas. In the past, in the country areas, most matters in the lower courts have been heard by justices of the peace and, although these justices have rendered excellent service to the people of South Australia it has been a matter of

concern that properly legally trained officers have not been available to hear matters on many occasions. I have taken action to ensure that in future resident country magistrates will be appointed so that the services of properly trained legal officers will be available in the courts.

I am pleased to tell the honourable member that the first of these resident country magistrates will be appointed to service the Spencer Gulf cities, and I expect to be able to announce the details of these appointments in the next few weeks. Already one magistrate has been appointed, and another is being sought at present. Further, a resident magistrate will be appointed at Mount Gambier soon. Regarding the part of the question concerning justices, I think this is also an important matter and, as Attorney-General, I am taking action to ensure that the particular social aspects of various parts of South Australia are considered when justices of the peace are being appointed. With this in mind, I am taking action to try to appoint one or more Aboriginal justices of the peace, not only in the honourable member's district but also in the West Coast area and in other areas of the State where there are Aboriginal people, so that the special benefits and special expertise of Aborigines in dealing with their own people will be available in the court system. I hope that in due time and with suitable training these Aboriginal justices will be able to sit on benches and deal with matters of lesser importance, to assist in dispensing true justice to Aboriginal and European people in this State.

DAYLIGHT SAVING

Mr. BECKER: I had intended to address my question to the Premier because it is a policy matter, but because he is not here at the moment I will address it to the Minister for the Environment. Has the Government considered this year extending the period of daylight saving in South Australia, which will end on February 29. In view of the importance of the ninth Adelaide Festival of Arts, which will be staged between March 6 and March 28 this year, I ask whether the Government has considered extending daylight saving for an extra month and, instead of setting the clock back an hour (as is the normal practice), whether it could be set back half an hour to give some relief in rural areas. Instead of adopting central standard time, we could adopt eastern standard time, and the extra half an hour would benefit the festival as a tourist attraction. I make this request because I believe this festival has attracted the largest collection of artists in its history, and importance has been placed on staging many low-priced family concerts in Rymill Park and outdoor exhibitions. The extra daylight period will give the city a chance to show off its Mediterranean-type climate and outdoor restaurants. Because of the benefit to Adelaide and its tourist industry, I ask the Government whether it will consider extending daylight saving for an extra month.

The Hon. D. W. SIMMONS: I believe that daylight saving has no effect on the environment, so I can hardly see how it comes within my portfolio. The honourable member may be thinking along the same lines as a woman who wrote to my predecessor (who was then responsible for this legislation, although he had other responsibilities) stating that the extra sunlight was rotting her curtains. I really do not think the matter raised by the honourable member comes within the ambit of my portfolio. I believe that the Government has not made a decision on the matter and, in any case, a law operates in this regard. The honourable member's suggestion, which covered tourism, recreation, sport, licensing

and so forth, will, I am sure, be noted by the various Ministers who have heard the question this afternoon. I should imagine that daylight saving will end on the day specified in the Act.

RADIATA FORESTRY DEVELOPMENT LIMITED

Mr. WELLS: Will the Attorney-General have investigated the business activities in Adelaide of Radiata Forestry Development Limited and give me information about the validity of transactions indulged in by that company? I have received complaints, especially one from a lady who has invested a considerable sum with the firm. She bought two 405 hectare blocks, which were to be planted with pines, expecting that, after some years she would reap a rich reward from the sale of the pines. However, she became disillusioned as far back as 1968, when she wrote to the company and asked that the blocks she owned be sold. She was told, "Yes, they could be sold, but we would like to recommend to you that they be converted into shares in radiata pines as they would be easier to dispose of, probably in 30 years." Over a period of some years the lady has written six or seven letters to the firm addressed to its registered office in Sydney but has not received a reply. Occasionally, she receives from the company a prospectus inviting her to reinvest in other pine development carried out by this company. It is interesting to note that the company has registered offices in Melbourne, Canberra, Brisbane, Wagga Wagga, Trundle, Goulburn, Bathurst, and Yass, but has no registered office in South Australia. Nevertheless, I have been told that the company advertises in the daily press in Adelaide seeking people to invest money in these ventures. I know of other ventures such as this in Western Australia and other parts of Australia that are of a dubious nature. I am concerned that my constituent has probably been defrauded and has lost all the money she has invested. As a result of my and her concern, I ask the Attorney whether he will have the matter investigated and, if it is ascertained that any fraud or malpractice has occurred, whether he will institute a prosecution against the people responsible.

The Hon. PETER DUNCAN: I will have the matter investigated. I point out to honourable members and the public of South Australia generally the extreme undesirability of people investing with companies of this type operating merely from a post box number in South Australia or from another State, because the protections we have for consumers in these areas apply only in South Australia. I often wonder whether some of the citizens of this State, living under the benefits of consumer protection given to them by the Labor Government, are not lulled into a false sense of security when having dealings of this sort and therefore wrongly believe that this sort of consumer protection applies across the borders in other States. That is not the case. It is interesting to note from the honourable member's question that although this organisation has registered offices all around Australia it does not have an office in South Australia, I think that indicates that our consumer protection legislation in this area is working extremely well. I will certainly have the matter investigated. I warn the people of South Australia to be extremely wary about dealing with any organisation which advertises this type of get rich quick scheme or which advertises from a post box number or operates out of a motel room as an agent or through an agency for an interstate company. It is an extremely shaky type of business organisation that usually operates using these means, so I warn the people of this State to be wary of this type of operator.

LAND TAX

Mr. RUSSACK: Can the Minister of Works say whether the land tax equalisation factor, where applicable, creates a new unimproved value to which people can object or against which they can lodge an appeal? If that is not the case, will the Government consider introducing such an appeal provision? Although the scheme affects all areas of the State, two rural examples have been brought to my notice. The first relates to the Waitpinga area, where the land valuation on a certain property in 1971 was \$61 070, in 1974 it was \$97 470, and in 1975 (because of the equalisation factor) it rose to \$146 205, the effect being that the tax increased from \$221.76 to \$871.60. In the Barunga Gap area, in 1971, the valuation of a certain property was \$20 180; on April 15, 1975, it was revalued at \$30 100; and on October 7, 1975, it was revalued at \$52 360, because a mistake had been made. If an equalisation factor could be applied in the coming year, that property could again, in effect, be revalued. With the rural statutory exemption to which I have referred, the first property I have mentioned had an increase in rates of about \$650 in the one year. Because of this, I ask whether provision exists for an appeal against the factor or against such a valuation.

The Hon. J. D. CORCORAN: No ground exists for an appeal against the equalisation factor. The cases the honourable member has cited probably involve, I should think, properties that were about due for the five-year revaluation, and the only provision for appeal in the valuation sense is when the five-year valuation of the property takes place.

Mr. Russack: The first one was revalued in 1974.

The Hon. J. D. CORCORAN: It seems to me that either the 1974 valuation was well under the correct figure or the basis on which the equalisation took place certainly had some effect. Although no grounds for appeal exist, I will ask the Treasurer to examine the specific cases, because there seems to have been a fairly steep increase, allowing for the fact that the five-year valuation had taken place only the year before.

SONY SOUND EQUIPMENT

Mr. MAX BROWN: Will the Attorney-General obtain information for me or tell me now how the Japanese can legally import into Australia Sony sound equipment (I refer, in particular, to the Sony HP-2200) and have it retailed, particularly in the country, when they must know that the FM tuner, which I understand is attached to the equipment, is unable to receive FM stereo broadcasts in Australia? I am not an electrical genius but, as I understand the problem, the receiving tuner range in this instance is not compatible with the range of the Australian Broadcasting Commission's FM stations throughout Australia. This apparently renders the FM function of the Sony HP-2200 completely useless to receive all possible future FM transmissions in Australia. In these circumstances, I believe that the importing of this type of electrical equipment should be stopped immediately and that some investigation should be undertaken regarding the possible refunding of the extra money paid by consumers for the purchase of such equipment. I remind the Attorney-General that, in one instance alone, the tuner to which I am referring cost the consumer about \$700.

The Hon. PETER DUNCAN: It sounds to me as though this matter would come within the powers of the Australian Parliament and the Australian Government, but I will investigate the matter and obtain a report for the honourable member.

BUS DEPOT

Mr. MATHWIN: Can the Minister of Transport say whether the Government intends to finance the building of the Morphetville Park bus depot from State revenue and, if it does, how much of the \$47 000 000 project the Government intends to finance? A report in the *Advertiser* of March 9, under the heading "M.T.T. Quitting Park in \$47 000 000 Project", states:

The State Government has given the green light to a \$47 000 000 expansion and development programme for the Municipal Tramways Trust. The M.T.T. will vacate its headquarters and depot in the park lands at Hackney as part of the project. A new depot will be established on 15 acres of Morphetville land.

The Minister will recall that he was forced to have an environmental impact statement conducted after the purchase of the site, and he knows that the final E.I.S. was issued to me late yesterday afternoon, and to some of the residents who had complained, after the Minister's announcement in the press that the project was to go ahead and that tenders were being called. The Minister should also be aware that, under the Environmental Protection (Impact of Proposals) Act, when the final E.I.S. is made available to the public, it is released for public information before a decision is made on the proposal, and copies must be made available to members of the public who supplied comments on the draft.

The Hon. G. T. VIRGO: Clearly, the honourable member, having not touched this subject for so many months—

Mr. Mathwin: That's untrue, and you know it.

The SPEAKER: Order!

The Hon. G. T. VIRGO:—is sadly out of touch, and is not stating the facts as they are. First, I do not accept any responsibility for what the press reporters care to write, but I accept full responsibility for the press statements I make.

Mr. Mathwin: And for the T.V. interviews?

The Hon. G. T. VIRGO: Yes, and for the radio interviews I give. I take full responsibility for them. I take the honourable member back to a meeting in my office when he and a Mr. Hammond (who, I believe, has now sold his property) and a Mr. Courtney (and, I think from memory, another gentleman) were present. Certainly those two gentlemen were present in my office to discuss this matter. I told them the procedures that would be followed, saying that we would investigate the whole of the project and that the whole depot would be properly planned to fit in with the environment of the area. I said that the site would be landscaped and beautified and would not, I believe, present any problem to the local residents. I went further and said that I would require an E.I.S. to be produced. For the honourable member to go on saying that I was forced into an E.I.S. is completely untrue, and he knows it.

Mr. Mathwin: That's quite true. I know it.

The Hon. G. T. VIRGO: If the honourable member knows that what he is saying is untrue, why is he saying it? A comprehensive environment impact statement was prepared and submitted to the Australian Department of Environment and Conservation and to the State Environment and Conservation Department.

Mr. Mathwin: By your department.

The Hon. G. T. VIRGO: Obviously, it was not supplied by the member for Glenelg, because he, like his Leader, tries to sabotage everything. The E.I.S. has been thoroughly and professionally assessed by the department, and for the honourable member to cast reflection,

as he has, on that assessment means that he is, in effect, casting a reflection on the professional integrity of the department's employees and officers.

Mr. Gunn: You can't get out of it like that.

The Hon. G. T. VIRGO: Those people are employed professionally, they are competent in their area, and they have come up with a report.

Mr. Mathwin: With the answer you asked them for.

The Hon. G. T. VIRGO: That is completely untrue, and the honourable member knows it. They have come up with an independent assessment which clearly shows that the establishment of the depot—

Mr. Gunn: But you don't—

The Hon. G. T. VIRGO: It has nothing to do with the member for Eyre. He should shut up, and he will do a lot better. The report states clearly that the depot cannot be opposed on environmental grounds. The honourable member knows that, and he wants the departmental officers to throw away their professional ability and come up with a crooked answer simply to satisfy his demands. They will not do that; they came up with the answer in accordance with their own professional knowledge and ability, and the Government accepted that decision. The honourable member went on to say that the Government had now called tenders. Again, he is not telling the truth: that is not what I said.

Mr. Mathwin: You said you were calling tenders.

The Hon. G. T. VIRGO: I did not say we were calling tenders. That is where the honourable member is again telling untruths. What I said was that we were inviting contractors to register; that is not calling tenders.

Mr. Mathwin: But—

The Hon. G. T. VIRGO: If the honourable member knew anything about these sorts of operation he would know it is as different as chalk and cheese.

Mr. Mathwin: I taught you that.

The Hon. G. T. VIRGO: That is the situation, and if only the honourable member for Glenelg would occasionally listen, instead of yapping like a fox terrier dog all the time, I am sure he would learn something. That is the position in relation to this depot; the Government has gone through every conceivable step, and the final conclusion that has been made, as an independent assessment, is that there is no valid reason to do other than build the depot on that site. If the honourable member would prefer to have a secondhand junk yard or freight depot, or something of that nature, there, let him stand up and be counted.

Mr. Mathwin: Or a harbor. They could put a harbor there.

The SPEAKER: Order!

The Hon. G. T. VIRGO: If the honourable member wants something aesthetically pleasing, he will get it.

Mr. Mathwin: 250 buses!

The Hon. G. T. VIRGO: What the honourable member has always refrained from saying is that Hamiltons had already signed a contract for the sale of that land before the Government came into it; it had been sold on a contract.

Mr. Mathwin: Subject to consent.

The Hon. G. T. VIRGO: It had been sold on contract to G. J. Coles for a shopping centre. The honourable member knows that, but he is never willing to admit it.

Mr. Mathwin: Subject to consent.

The Hon. G. T. VIRGO: He is talking about still having these vines there; he will not acknowledge that Hamiltons not only want to get out of that block but they have asked us to buy the one diagonally opposite, so the honourable member had better stop and take a breath for a little. If he does, he will realise that what is to occur on that corner is the best thing possible for the residents.

BOB'S PLACE

Mr. GROTH: Can the Minister of Prices and Consumer Affairs inform me whether any action is being taken by the Commissioner for Prices and Consumer Affairs against Bob's Place (Sales) Pty. Ltd.? My question concerns one of my constituents, Mr. D. E. Boucher, of Parafield Gardens, and it is undoubtedly of great concern both to the public and to the consumer protection authorities of this State. Bob's Place (Sales) Pty. Ltd. advertised a secondhand 4ft. by 3ft. trailer for sale in the *News* on November 3, 1975, for \$55. My constituent, requiring a trailer of that size, was told over the telephone on November 4 that the advertised trailer had been sold earlier that morning. The same advertisement appeared on November 5, and a similar reply was received on inquiry by a friend of Mr. Boucher. This seems to be a serious contravention of the Unfair Advertising Act, and in the interests of both my constituents and the buying public I ask the Minister whether Bob's Place (Sales) Pty. Ltd. will face prosecution for this offence?

The Hon. PETER DUNCAN: I can inform the honourable member that officers of the Prices and Consumer Affairs Department have investigated the substance of Mr. Boucher's complaint. As part of those investigations, an officer from my department went to Bob's Place (Sales) Pty. Ltd. and interviewed Mr. Robert Stanley Alcock, the managing director of that company. Mr. Alcock is a person who is no doubt well known, if not to members on this side to members on the Opposition benches, because this gentleman was endorsed by the Liberal Party as a candidate at the recent State election for the seat of Mitchell. This person, I think, goes under the slogan of "Bob's my boy", and he certainly indicated that that was the truth in this case, because when my officer interviewed him about this matter he admitted that the company did not have a 4ft. by 3ft. trailer available for sale on either day on which the advertisements were placed in the Adelaide daily press.

The Hon. J. D. Wright: That's the sort of bloke the Liberal Party endorses!

The Hon. PETER DUNCAN: The Liberal Party must be responsible for its own actions, but it seemed to have acted most unwisely in putting up a candidate of this type for election. Mr. Alcock admitted quite freely that he did not have this trailer available. As a result of that admission, I have approved the institution of a prosecution against Bob's Place (Sales) Pty. Ltd. for a breach of the Unfair Advertising Act. These sorts of fraudulent action by companies must be stamped out. The Prices and Consumer Affairs Department will continue to act vigorously against this type of activity.

At 3.7 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

FINANCIAL AGREEMENT BILL

The Hon. J. D. CORCORAN (Deputy Premier) obtained leave and introduced a Bill for an Act to ratify and approve an agreement made between the Commonwealth of Australia and the respective States of Australia. Read a first time.

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

That this Bill be now read a second time.

This Bill arises from the fact there have been changes in the effect of the Financial Agreement following the decision of the Commonwealth, at the time of the previous Liberal Government, to take over a substantial proportion of existing State debts and substitute a grant element in the Loan allocations. This involves a series of amendments to the sinking fund and debt repayment requirements of the Financial Agreement. It has been necessary for us over a period to go through a drafting exercise to amend the Financial Agreement appropriately. I now have a more adequate explanation than the one I was giving off the cuff.

The purpose of this Bill is to ratify an agreement entered into by the Commonwealth of Australia and the six Australian States on February 5 this year and to amend the provisions of the existing Financial Agreement in so far as it relates to the national debt, sinking fund and Australian Loan Council procedures. The other State Governments and the Commonwealth Government will also be introducing similar legislation to their respective Parliaments. The amending agreement, for which legislative approval is now sought, is attached as a schedule to this Bill.

Members will know that, under section 105A of the Constitution, the Commonwealth may make arrangements with the States with respect to the public debt of those States. The original Financial Agreement was entered into by the Commonwealth and the States in 1927. It provided for the taking over by the Commonwealth of part of the liability to bondholders for the States' public debt, it set out provisions for sinking fund on those State debts, and established the Australian Loan Council to co-ordinate future public borrowings in line with the needs of the Commonwealth and the individual States. Except for some relatively minor changes, the basic principles of the original agreement have remained unchanged for 48 years, and it has been generally accepted by all parties that some modifications would be required effectively to meet present circumstances.

The matter of timing of amendments to the Financial Agreement was brought to a head at the 1970 Premiers' Conference, when major changes in Commonwealth-State financial arrangements were agreed upon. One element of those changes was the agreement on the part of the Commonwealth to take responsibility for \$1 000 000 000 of State public debt at the rate of \$200 000 000 a year. South Australia's proportion of that total debt was \$130 000 000. Over the five years to June, 1975, the Commonwealth has made grants to the States equivalent to the interest and sinking fund charges on the increasing volume of debt taken over. It is now necessary to formalise that transfer by way of an amendment to the Financial Agreement, and in doing so the various parties to the agreement have also taken the opportunity to introduce some other amendments which are designed to: (a) provide for a more simplified sinking fund arrangement; (b) introduce greater flexibility in Australian Loan Council procedures in respect to the appointment of substitute members and the holding of meetings; and (c) remove certain obsolete provisions considered by the respective legal authorities of the various parties to be no longer necessary.

I turn now to the relevant clauses of the agreement. Clause 1 sets out legal requirements for commencement

of the new arrangements. Clause 2 provides for retrospective effect of the agreement from June 30, 1975, when assistance towards debt charges under the Commonwealth legislation had ceased. The remaining explanation is purely formal, as it relates to the clauses of the Bill, and I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF REMAINING CLAUSES

Clauses 3 to 5 are formal; they refer to the title of the agreement. Clause 6 clarifies some definitions. I would ask members to note that definition of the "face value" of securities now provides for the amount of debt raised overseas to be calculated in Australian currency at the current selling rate of the Reserve Bank of Australia instead of the fixed and for a long time unrealistic "mint par exchange" rate ruling in 1930. Definitions of "public debt" and "net public debt" lay a simple, yet equitable, basis on which to calculate sinking funds contributions in future. Clause 7 introduces two main changes to expedite proceedings of the Australian Loan Council. One provides that nomination by the Prime Minister or a Premier of a substitute Minister as his representative will now include any person acting in that capacity. The other provides that decisions by the Loan Council to vary the original programme for the year and to allocate the proceeds of individual loans during the year may now be made by correspondence without the necessity to hold a formal meeting of the council.

Clause 8 sets out the new sinking fund arrangements. It provides for specified contributions by the Commonwealth and the States for 1975-76, adjusted in subsequent years until 1984-85 by a percentage of the difference in the net State debt outstanding at June 30 of the year preceding the contribution and the net debt outstanding at June 30, 1975. As from 1985-86 annual contributions will be a fixed percentage of the net debt of the State outstanding at the preceding June 30. I would add that the new rates of contribution have been calculated to raise annual sinking fund amounts comparable with the projected amounts payable under the previous scheme. However, voluminous calculations made on behalf of each State each year will be eliminated and accounting procedures will be greatly simplified. Clause 9 provides for the assumption by the Commonwealth of the liability for \$1 000 000 000 of State debt, as set out in the schedule to the agreement.

Clause 10 provides for the deletion of several clauses from the Financial Agreement which have been fully performed or are no longer relevant. They relate to interim arrangements before the original agreement was ratified in 1927, and to exemption of the Commonwealth from certain sinking fund contributions on the State debts. This clause also converts a table of amounts to decimal currency. Clause 11 refers to provisions which shall apply to the operation of the Financial Agreement during the interim period between June 30, 1975, and the date on which the amending agreement comes into force.

Dr. TONKIN secured the adjournment of the debate.

WORKMEN'S COMPENSATION ACT AMENDMENT BILL

The Hon. J. D. WRIGHT (Minister of Labour and Industry) obtained leave and introduced a Bill for an Act to amend the Workmen's Compensation Act, 1971-1974. Read a first time.

The Hon. J. D. WRIGHT: I move:

That this Bill be now read a second time.

The present Workmen's Compensation Act has now been operating for nearly five years. At the time it was introduced by our Government, it was seen as pioneering legislation which led Australia in providing economic security for those injured in the course of their employment and as a consequence unable to earn their living, and those suffering permanent disablement. Other States have, in the intervening years, followed our lead in many respects. At the same time, we have taken vigorous action to improve legislative standards of safety, health and welfare at work and strengthen the staff of the industrial safety inspectorate to see that those standards are observed. It is important to remember that, as provided in the Industrial Safety, Health and Welfare Act, 1972, it is the responsibility of each employer to take all reasonable precautions to ensure the safety and health of his employees while at work, and I emphasise that point.

The Government is concerned at the increase in the number of workmen's compensation claims that have been made since this Act came into operation in 1971. Although in the last four financial years the number of wage and salary earners in the State increased by just over 10 per cent (from 408 000 to 449 000), the number of workmen's compensation claims increased by 50 per cent (from 56 000 to 84 000). It was, however, encouraging that the number of claims decreased by 3 000 in the 1974-75 financial year. While these figures include all claims made, whether or not any time was lost from work because of the accident, the fact was that one in every five employed persons in this State had an accident at work in the last financial year.

Obviously the way for any employer to reduce the burden of workmen's compensation payments, which in this State totalled \$36 000 000 in the last financial year, is to intensify his accident prevention measures and to indicate clearly to all of his employees his safety policy. As with any new initiative, a constant assessment has been made of the practical working of the Workmen's Compensation Act and its ability to secure its stated objective. An amending Act was passed by Parliament in 1973. It was based on the experience of the first two years of operation of the legislation and, as well as dealing with a number of technical anomalies, it also greatly improved the benefits available to incapacitated workmen.

Now, after further experience, the Government is proposing more amendments. The Premier in his policy speech in June of last year referred specifically to the Government's intention to revise the workmen's compensation legislation to eliminate the anomalies and difficulties which have arisen from it. We have received requests for amendments from several sections of the community and, among other things, set up an inter-departmental working party to report on those requests. The Bill represents only a first stage in our consideration, and this is very important.

I have previously referred in Parliament to my concern about the high level of premiums for workmen's compensation insurance and the difficulty that some businesses have found in obtaining adequate insurance cover. The truth of my remarks about the impact of Medibank in particular was demonstrated only recently when the Insurance Council of Australia recommended a 5 per cent reduction in premiums in South Australia. However, I am still not satisfied with the position.

When the basis of weekly payment was changed from a maximum of \$65 to average weekly earnings (a change,

incidentally, approved by both Houses in 1973, even though the Government was completely outnumbered in the other place), it was naturally expected that the payments would increase substantially. In fact, on the latest figures, the increase is not quite as great as could be expected. While the difference between the former maximum compensation payments of \$65 a week and average weekly earnings in 1974-75 is about 116 per cent, total compensation payments increased by 110 per cent. It should be remembered that, had the average weekly earnings concept not been introduced, it would have been necessary for the maximum payment to be increased considerably to keep pace with inflation, and, in addition, employers in this State would have been forced to make up the difference between compensation payments and earnings under accident pay provisions in awards, as has happened in New South Wales and Victoria. When these factors are taken into account, the increase in the cost of compensation in South Australia over the past two years can be seen to be quite comparable with the position in other States.

More significantly, a survey undertaken in mid-1975 (and this is rather interesting with all the accusations made in South Australia about our compensation legislation) by the Chamber of Commerce and Industry of 130 of its members revealed that the premiums paid to insurance companies had increased by 299 per cent between the financial years 1972-73 and 1974-75. This compares with an increase in total payouts of 135 per cent over the same period—a substantial margin in favour of the insurance companies. The present Act already provides power to make regulations prescribing the amounts or rates of premiums for workmen's compensation insurance. However, the problem is a complex one, and the Government is not seeking by this Bill to fix premiums or set up the type of controls that exist in some other States. However, I am circulating to interested parties several proposals concerning the registration of approved insurers, the regulation of premium levels and acceptance of risks, the elimination of brokerage fees, proposals to guard against loss by employers because of failure of insurance companies, and on apportionment of liability. That correspondence will be posted this evening or early tomorrow morning.

I intend that these will form the basis of legislation later this year. It is only my desire to have full and complete consultation on these complex matters that has resulted in their deferral on this occasion. As will be seen from the Bill, it is confined to dealing with anomalies and difficulties that have been experienced in administering the present Act. I will explain the clauses of the Bill in detail later, but I wish to make particular reference to the proposed amendment to section 71 of the Act that will affect the level of weekly payments made to an incapacitated workman.

At present a workman receives payment at the rate of 100 per cent of his average weekly earnings over the previous 12 months. The amendment provides a procedure by which an incapacitated workman will not receive more by way of weekly payment than he would have done if he had continued in employment. While we are concerned to ensure that an injured workman is receiving adequate financial protection during the period of his incapacity, the present section has created the anomalous situation where, for instance, because the general level of overtime has been reduced, a workman on compensation can receive far more by way of weekly payments than his workmates still on the job. Such a situation is clearly inequitable and must be corrected. Equally, the same right of adjustment should be open to the workman.

Before turning to the detail of the clauses, I refer to the long-term future of workmen's compensation in this State. My predecessor, the Hon. D. H. McKee, referred to the inquiry into a national compensation scheme being conducted for the Australian Government when introducing amendments to this Act in 1973. The Government believes that a no-fault scheme as proposed by the previous Australian Government would have many advantages, and eliminate many of the problems and much of the costly litigation in this field. However, the defeat of the Whitlam Government seems to mean that the national scheme has been put into cold storage. Accordingly, I believe that this State should look seriously at a more comprehensive no-fault scheme, which could provide many advantages over our present system. As well as trying to improve the working of our present Act, I will be investigating in some depth the long-term future of workmen's compensation in this State.

The remainder of my report is an explanation of the clauses. On asking the Opposition whether it would agree to my inserting it in *Hansard* without reading it, I was told that the Opposition wanted me to read it and, in those circumstances, I will do so. Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. Clause 3 amends section 9 of the principal Act. The amendment provides that compensation is to be payable in respect of an injury that occurs during a journey made for the purpose of obtaining a medical certificate relating to an injury in respect of which the workman is entitled to receive compensation. At present the provision only applies to a journey relating to an injury in respect of which the workman has actually received compensation. The amendment provides further that an injury occurring during a journey to collect a compensation payment is to be compensable. Finally, the definition of "place of abode" is extended to include any place at which the workman spent or is to spend the night.

Clause 4 repeals section 22 of the principal Act so that the court may be constituted of an industrial magistrate at the direction of the President of the court. Clause 5 makes a drafting amendment only to section 51 of the principal Act. Clause 6 amends section 52 of the principal Act by providing that an employer may discontinue weekly payments to a workman if the workman fails to provide a continuity of medical certificates evidencing his incapacity. The employer is required by the provision to give the workman 21 days notice that his weekly payments are to be discontinued, during which period the workman may apply to the court for an order that his weekly payments be continued.

Clause 7 amends section 54 of the principal Act so that workmen who are entitled to be paid for public holidays that occur during their incapacity will not, in addition, be paid compensation in respect of such public holidays. Clause 8 substitutes a new section for section 64 of the principal Act, but is consequential only and makes no substantive changes. Clauses 9 and 10 amend sections 65 and 66, respectively, of the principal Act to ensure that a workman who is incapacitated and receiving compensation should not, so long as he continues in his employment, lose the benefit of annual leave in respect of the period of his absence due to the incapacity. At present workmen obtain this benefit only if they return to their employment after the period of incapacity.

Clause 11 amends section 68 of the principal Act relating to the amount of weekly compensation payments for partially incapacitated workmen. The amendment is

of a drafting nature only. Clause 12 amends section 71 of the principal Act by providing for variation of the amount of weekly compensation payments, so that they correspond to the average weekly earnings that would have applied to the workman if he had continued in the same employment during the preceding period of four weeks. The variation is to be by agreement and, in default of agreement, by order of the court. Clause 13 makes a drafting amendment only.

Mr. DEAN BROWN secured the adjournment of the debate.

APPROPRIATION BILL (No. 1) (1976)

Adjourned debate on second reading.

(Continued from February, 10. Page 2207.)

Dr. TONKIN (Leader of the Opposition): I listened with great interest to the speech with which the Treasurer introduced this Bill last evening, and it became absolutely crystal clear as he went on that there was a message in that speech. The message that was clearly conveyed was that the Treasurer and Government intend to continue the socialist programme that the Whitlam Government was stopped on December 13 last year from carrying out. It was quite clear all the way through the speech that the Whitlam-Hayden philosophy, which had brought this country to its knees financially, would be carried through in South Australia. One has only to consider the various measures outlined and the explanations made. There is no doubt that the Treasurer, for all the fuss he made before he had his interview with the Prime Minister and before he went to the Premiers' Conference, has not accepted the federalism policy. He did not take the Opposition's advice and go to the Premiers' Conference with an open mind.

Predictably, he has been criticising the federalism policy of the Liberal and National Country Party Government since he has heard about it. Let us get something else quite clear. Despite his protestations, he has known about that policy for some time. It was released as a public document in September, 1975, and, if he did not know about it, he had not done his homework, or he has some fairly inefficient research officers. Of course he knew about it, and it was hypocritical of him in the extreme to pretend to know nothing about it, when I went to the Prime Minister, as I intend to do again as a matter of courtesy to meet, as a Liberal Leader, and consult the Prime Minister from time to time. That was a petulant display by the Treasurer that did him no good whatever.

The Treasurer is knocking the Federal Government and the federalism policy as hard as he can, without giving the policy a chance to work. He is doing that on principle. I suppose one can understand the bitterness that he may feel at the change of Government and at the fact that the people of Australia so soundly rejected the Whitlam Government and the socialist policies for which it stood, but it is no excuse for his not wanting to do the best he can for South Australia. Apparently, he feels that some sort of advantage is to be obtained from knocking the Federal Government all the time. Perhaps he thinks that he will make a martyr of himself but, unless he puts the welfare of the people of South Australia first, he will be badly beaten at the next State election, because those people will not stand for politicking with their welfare. The Treasurer intends to carry out in South Australia, the last bastion of socialism on the mainland of Australia, the programme that Mr. Whitlam and his cronies intended for Australia. That is the message that comes through loudly and clearly. Indeed, the first four or five pages of the explanation of the Bill could easily have been written by Mr. Whitlam, Mr. Crean, Dr. Cairns, Mr.

Hayden, or even, now, by Mr. Hurford, who I understand is the fourth choice for Treasurer. In this case, he is a shadow Treasurer. The explanation was longer than usual and it obviously relished the opportunity to snipe at and knock the Fraser Government.

There is one positive feature in the whole document, and I will deal with that first. Obviously, the Opposition will support in principle the moves on pay-roll tax. We will wait and see exactly what they are. They were announced last evening as coming, but we still have not seen them and do not know exactly what they will be. We understand that they will benefit small businesses. The Opposition is delighted that the Government should have followed our lead. We only hope that the Government has gone far enough. Consistently in the past few months we have advocated moves to look after pay-roll tax and to stimulate the private sector by so doing.

On August 29, 1975, I stated that pay-roll tax should be used to establish a special fund to help private industry through its difficult periods, and I referred to increased wages and the consequent increased pay-roll tax receipts, stating that the receipts would be significantly greater and that, therefore, some concession of this kind would not be a drain on the State's resources. A remission of pay-roll taxes of that kind could well have had a significant effect on unemployment in this State, but nothing was done.

That statement was followed by a further one on September 9, during the debate on the Budget. I made the point then that the Budget relied completely on inflation by ripping off more taxes from the public, and I referred specifically again to the need to deal with the pay-roll tax problem, to reduce that tax, to make concessions to help industry, and to do something worth while instead of just talking about the problem of inflation and unemployment. I said that something should be done to relieve it.

I made the point again that the Opposition supported a reduction in the rate of tax or an increase in the present exemption level, or both, and I said that the Government should consider using some of the surplus \$20 000 000 collected in pay-roll tax from private industry to help to stimulate employment at least or to prevent retrenchments.

I went further in October, 1975, and, on behalf of the Opposition, put forward six incentives to decentralisation. Among them I listed pay-roll tax and land tax rebates, up to 100 per cent if necessary, and it was interesting that, I think one month later, the Treasurer adopted that suggestion, and on November 1, 1975, he announced that pay-roll tax rebates would be offered to companies willing to start new ventures in three areas of South Australia. I repeat that the Opposition is pleased that the Government is following through our suggestions regarding pay-roll tax.

Mr. Millhouse: Who made these suggestions? I thought I made them.

Dr. TONKIN: I think the member for Mitcham has not been in the Chamber and has not been listening. As I have said, the Treasurer has acknowledged the wisdom of our argument, and I think that, by and large, he seems now to have adopted the wider principles, after our further urgings. We made quite clear, in a letter to the Editor of the *Advertiser* on February 4, 1976, what we believe. The letter states:

I have constantly stated, and will continue to do so, that pay-roll tax should be further amended to relieve the

burden on industry and small businesses. This will help stimulate the private sector and reduce unemployment, both of which are urgent needs.

Now the Government has adopted this policy also. I repeat that I only hope that this goes far enough and that the measures do what they are intended to do. I do not know whether the Treasurer intends to introduce the system as it has been adopted in Queensland and allow a rebate to all employers.

The Hon. D. A. Dunstan: Yes.

Dr. TONKIN: He does. I am pleased to hear it. Is the Treasurer taking further action? Does he intend to reduce the rates? Is he willing to enter into any negotiation with his colleagues in other States to reduce the rates of pay-roll tax? Will any concessions be made to small businesses? I understand from the Premier's attitude that there will not be, but at least we have got a rebate for all employers. In response to the Treasurer's intimation across the Chamber, I say I am bitterly disappointed that he has not seen the sense of using pay-roll tax to stimulate the private sector more efficiently than he will be doing by adopting the Queensland system of rebate.

At least what he intends is something that is good about this document. That is about the only good part, because the remainder of it deals basically with the same form of attitude that the Whitlam socialist Administration has shown. If I may summarise the document, I point out that the Treasurer has referred to economic unknowns and the sketchiest of manners, as he describes them, in which the Prime Minister outlined Federal-State relations at the recent Premiers' Conference.

That is a petulant attitude. Details were given to the Premiers of the principles of Commonwealth-State financial arrangements. Indeed, they were available before the conference and were available to him. It is significant that other Premiers have said that it was refreshing to be able to consider the proposals and to be asked for suggestions, to go away and consider the documents, and to come back later and discuss them instead of attending a Premiers' Conference, which was more or less a formal affair where the Premiers were told by the Prime Minister and the Treasurer what they should and would be allowed to do. In other words, they were dictated to.

Even our Treasurer found it difficult to criticise the recent Premiers' Conference. To say that the Commonwealth-State relations proposals were outlined in the sketchiest of manners is pure politicking and is certainly a petulant attitude, probably springing from bitterness. On page 2 of his statement the Treasurer refers to the tough cut-backs in Commonwealth funds for a number of specific projects. He refers to filtration and to extra funds for the Dartmouth Dam.

The Hon. J. D. Corcoran: He did not say there would be cuts in the filtration project. We have not heard anything about that.

Dr. TONKIN: That must be one of the economic unknowns.

The Hon. J. D. Corcoran: But we have heard about the Dartmouth Dam.

Dr. TONKIN: Even if there has been a decision to cut back funds for the filtration programme, the Fraser Government when it came into office found a disastrous situation, as it faced a deficit of almost \$4 500 000 000. The Fraser Government, which found itself in this position because of the Whitlam Government's profligate attitude to the whole matter of public spending, now faces extreme

problems. It is possible that the Fraser Government will have to make further cuts in many spheres, whether it will be cuts in the filtration programme I do not know. I shall be waiting just as anxiously as is the Minister of Works to hear about that programme, but I will understand if the cuts have to be made in any sphere or in any way.

The Hon. J. D. Corcoran: You're encouraging Fraser to make cuts in areas that are absolutely vital to South Australia.

Dr. TONKIN: It is entirely the fault of the previous Whitlam Administration. What else can the Fraser Government do? Has the Minister any suggestion for solving this disastrous deficit that the Fraser Government has inherited?

The Hon. J. D. Corcoran: Yes, knock off the super bounty for one thing.

Dr. TONKIN: What a short-sighted attitude! It is just as short-sighted as the sort of attitude that says that what we really need in this State is further unemployment benefits rather than definite proposals to stimulate employment. Does the Minister suggest that South Australia is being singled out for these cuts? I think that is what he is trying to do. The Treasurer would certainly have us believe that that is so, but he is behaving like a petulant schoolboy over the whole matter. Let us consider the matter of wage indexation, a matter to which the Treasurer directed some attention. The Fraser Government, in deciding to intervene, acted to treat the disease rather than the symptom. For that action it has been criticised, but it was a courageous decision to make in all the circumstances. There is no question that the problem of inflation called for strong measures and for a degree of indexation. Mr. Fraser's decision is completely in line with the principles laid down by Mr. Justice Moore at the first indexation hearing. The first clause of the principles of indexation laid down on April 30, lays down, among other things, the following:

. . . to adjust award wages and salaries each quarter in relation to the most recent movement of the six capitals' consumer price index, unless it is persuaded to the contrary by those seeking to oppose the adjustment. Mr. Fraser's view is substantially the same as the view held last year by Mr. Whitlam and Mr. Hayden when they argued that the effects of indirect taxes and other Government charges on the consumer price index should be excluded for wage-fixing purposes. This view is entirely consistent with Mr. Fraser's contention, because more than 2 per cent of the December quarter increase in the c.p.i. related to indirect taxes and charge increases in the Hayden 1975-76 Budget. It is probable that, had the Commonwealth Government remained in the hands of the Australian Labor Party, it would also be arguing to intervene to stop the full 6.4 per cent flow-on.

The Treasurer is, in the extreme, naive in saying that Mr. Fraser's proposal would cause increased inflation and unemployment. The Treasurer has accused Mr. Fraser of being simplistic when, in fact, he is being more simplistic in this instance, and his statement has been poorly researched. There is strong evidence that the wage spiral would have slowed down last year even without a restraining influence from wage indexation. An article in a national daily at the end of last month dealt with the problem.

Mr. Millhouse: Which paper is this?

Dr. TONKIN: A national daily. The honourable member would find, if he bothered to think a little about it, that it is the *Australian*. The article states:

. . . there is a strong correlation between growing unemployment, and growing company profits and slowing price increases and the slowing wage growth picture over the past year. In other words, simple market pressures and economic realities had a major influence on moderating wages growth in 1975 . . . The economy is facing the prospect that wage indexation could well become an inflationary force in its own right.

That view is widely held by economists, and it is a view that should be known to the Treasurer. Obviously, the Treasurer's ascribing an improvement in the wages picture to the indexation system is a superficial view not based firmly on fact. In his statement the Treasurer talks about the Commonwealth Government's policies not leading to a restoration of consumer confidence and states that we cannot expect a significant increase in demand. Again, his credibility gap is widening alarmingly. At the recent Commonwealth election the Treasurer campaigned for the Labor Party on the basis that Mr. Hayden's January, 1976, tax changes would lead the way to recovery in consumer confidence and demand.

Mr. Becker: How?

Dr. TONKIN: That is what he campaigned on. Mr. Fraser has as yet made no change to the Hayden tax changes, although I am looking forward to a complete overhaul that has been promised for the taxation system. Until now Mr. Fraser has not changed the measures introduced by Mr. Hayden. In other words, the present Commonwealth Government has done exactly what the Treasurer campaigned for before the recent Commonwealth election, yet now he is saying that the measures will not lead to recovery. He cannot have it both ways: he must get it right. Exactly where does the Treasurer stand? Perhaps we will get an answer.

Mr. Allison: He agrees with us; he was whingeing about Whitlam.

Dr. TONKIN: I think he was whingeing about Whitlam, but I do not think that that was what he went campaigning to do. Obviously, he is knocking the Federal Government just for the sake of knocking; I say that he is a knocker. In his second reading explanation, the Treasurer reopens that old hoary chestnut, that old argument, about whether day labour is better than the contract system. I will not ventilate that matter; it is well known, and it has been debated many times in the House. It is a matter of philosophy as much as anything else, but I believe the contract system gets a far better result.

Mr. Evans: The trade union movement wouldn't allow him to admit that.

Dr. TONKIN: No, but, if anyone wants proof of that, I suggest they look at the bridge on the Christie Downs line that was built by the Engineering and Water Supply Department. That project should have been let out to private contractors. I cannot say that the bridge would have been built any better, but it certainly would have been built more cheaply and probably more rapidly.

Mr. Evans: The department could have gone on with sewerage work.

Dr. TONKIN: The department has many other things to do and, as the member for Fisher says, it could well be engaged in what it is intended to do, namely, providing sewerage. The Treasurer went on to say that there will be a probable \$25 000 000 surplus. I refer to my calls made periodically over the past few months for a review of high State taxation. There is every need to relieve individual members of our community of the burden

of land tax, water rates, succession duties, and stamp duties, which have crippled many people in the community. Some, especially those on fixed incomes (whether pensions or superannuation), have been forced to scrimp and make do to stay in the homes which they have established for themselves and in which they thought they would be able to finish the rest of their days. Some of them are now having to move out because they can no longer afford the high rate of State taxation. They are simple measures, which could be dealt with in this House.

Yet the Treasurer says that we have all this money up our sleeves. He was proud that we had \$25 000 000 last year after the Budget had been balanced, and he now says that he expects to have \$25 000 000 this year, but he will do nothing about the crippling effects of State taxation. Somewhere along the line he must get his priorities sorted out and justify his attitude again to the people of South Australia, because the burden of this iniquitously high State taxation falls on those people. As I have said before, the Liberal Party has made proposals on pay-roll tax, and a significant announcement in the field of succession duties, which affect every individual in the community at some time. The Treasurer must come to grips with this problem. He can no longer justify a surplus while maintaining the present high level of State taxation.

In studying the details of this document, I realise that several matters bear commenting on. I was interested to see that the method of providing supplementary funds was set out clearly in the document (I am not sure that that has been done before). The estimates total about \$15 000 000. I find it extremely interesting to see in the miscellaneous section that the Electricity Trust is having great trouble with the higher workmen's compensation premiums, and this is particularly significant in view of the legislation that has just been introduced in the House. The workmen's compensation premiums that have resulted from the legislation that was introduced in the House nearly four years ago have also had a crippling effect on industry and a stifling effect on the development of private enterprise. This is wrong, and the Act should be amended.

I suppose it is poetic justice that a Government instrumentality should also be having trouble in this respect. There is only one difference: we, the people, are paying the difference. In other words, we are footing the bill. I note, too, the increased appropriation to cover fire insurance on Government buildings. I will not deal with that matter to any great extent, except to say that there has been an alarming increase in the number of cases of arson, vandalism, and general delinquent behaviour recently. To what extent this is related to the problems that young people are having in finding employment, I am not certain (and I do not think that anyone else in the community is certain, either). I know that this phenomenon is not restricted to South Australia or Australia: it is arising in countries throughout the world where unemployment is a significant problem. Many of the countries that have dealt with their unemployment problems have also taken action to ensure that young people who are having difficulties in finding jobs and who are, therefore, frustrated and perhaps on the path to alienation from society, feel that they have the support of society. Several most exciting and interesting programmes have been developed.

It is my fear that what has happened to one generation will happen to our present young generation (and that is something I do not want to see). How many times have

we heard people say, "I remember the great depression. I went through it. I had a hard time. It was as much as we could do to live. I'll never forget those days." A certain amount of bitterness still creeps through in the attitude that these people have for those memories. I would not like to hear a rising generation say, "I can remember the great inflation period," and I would not like those young people to have to remember the unemployment that has accompanied that period. My Party and I sincerely hope that such feelings of bitterness, disappointment, and frustration with society will never arise in the young people of today. For that reason, I applaud the measures outlined in the Treasurer's statement dealing with the difficulties confronting school leavers in the present economic climate. Certainly, I believe that that is going some way towards solving the problem, although other programmes could be instituted.

The matter of overseas tours has been obliquely referred to today. I suppose that is appropriate, because the tours involve appropriation. I make clear that one of the objects of my overseas study tour will be to look at not only the problem of unemployment among young people but also the disastrous effects unemployment is having on our young people and the barrier it may well place on their acceptance as fruitful members of our society. Whether the honourable member for Mitcham knows it or not I do not know, but there has been and is some considerable doubt whether my wife will accompany me overseas because of her serious illness. I do not suppose he was aware of that. In any event, I say categorically that in professional practice I found it was not possible to do justice to my profession without travelling overseas periodically, and I am totally in favour of periodic travel. The firsthand experience and the stimulus obtained from close contact with experts in a field is invaluable and cannot be obtained in any other way.

Another matter that must be considered is that the value obtained from the overseas study must be balanced against the cost of that tour. The sum mentioned by the Treasurer as being the cost of my proposed tour was his estimate, not mine. I intend to show on my return that neither Ministers nor the Treasurer need spend such exorbitant sums on overseas travel. I will not be inhibited in any way in my criticism of undue expenditure. The periodic nature of overseas travel for the Leader of the Opposition amounts to once every three years, that is, once a Parliament. We will continue to criticise what we regard as unnecessary travel and travel that is not regarded as profitable to the State.

I now turn to the allocation set down for the relief of unemployment. As I do not know what the scheme involves, I should be interested if the Treasurer would let me know. As an advance for unemployment relief, I find it difficult to understand. Although it may relieve the symptoms, it is certainly not tackling the root cause of the problem. The money would be better spent in tackling unemployment and stimulating the private sector of our economy, enabling industry and small businesses to take on more employees, to increase productivity, and thus to stimulate the economy of the State as a whole. I believe that it would be a far better way of spending this money.

My colleagues will have a few words to say about the other matters. I cannot get away from the clear evidence throughout this document that we are to see carried on in South Australia, a continuation of the socialist philosophy and administration that the people of Australia rejected so firmly in December of last year. We will be the model socialist State. I repeat what the

Treasurer has said—it is possible for a State Government to nationalise everything in that State that it wishes to nationalise. Reluctantly I support the Bill, as it is a financial measure. It is an interesting Bill and the explanation is interesting, too. It is interesting for what it does not say and what it tries to gloss over, rather than for the things it outlines.

Mr. GOLDSWORTHY (Kavel): With some reluctance I support the Bill. One can hardly be enthusiastic about an explanation the first few pages of which are given over to slightly veiled abuse of the Prime Minister of Australia. The fact is that the Prime Minister won an overwhelming mandate and a record majority in the Commonwealth Parliament, and I expect that he still retains the support of the vast majority of thinking people in this country. He is putting into effect a financial programme that is somewhat at variance with that of his predecessor, the Hon. Gough Whitlam, probably the most disastrous Prime Minister we have had since federation; certainly it was the most disastrous Government we have had since federation, when we think of what it did to this country economically. As one can expect Mr. Whitlam's counterpart in South Australia, the Treasurer, to be traditionally critical of the present Prime Minister and laudatory in his remarks about his comrade-in-arms in Canberra, one can understand the tenor of the opening pages of this explanation, but one cannot support them.

As the Leader said, we have no option but to support the Bill, but we in no way support what the Treasurer is at some pains to express in the opening pages. He talks about economic unknowns during this financial year. That goes without saying, when there is to be one of the most exciting changes in the economic arrangements of this country. Certain details must be agreed on by the States, and I believe they will be amicably agreed. If we look at what is proposed, we see a basic change in the way in which this country will be run. What we hope to see is the fulfilment of an economic policy which gives real meaning to a belief in the decentralisation of decision-making and financial decision-making and which is diametrically opposed to the philosophy embraced by the Labor Party of centralist decision-making and financial decision-making, a philosophy that we saw worked out so inexorably during the life of the disastrous Government to which I have already referred. So, if one agrees with decentralisation of decision-making (as members on this side do), these financial proposals are probably the most exciting and far-reaching that I can recall in my lifetime, because they will enable real effect to be given to this policy. One would expect the socialist and centralist Treasurer, as he has been described, who has been willing to hand over more and more decision-making to Canberra, to have some qualms about the new policy.

Any thinking person must realise there are a good many things still to be sorted out. I am sure the smaller States can be accommodated. We all realise that the numerically smaller States of South Australia, Tasmania and Western Australia, do not have the tax-raising ability of more populous Eastern States. Nevertheless, if we are to pursue this new policy (and I believe we should), I believe an equitable arrangement can be made whereby a special provision can be made for an equalisation factor for the smaller States. Therefore, I do not take much notice of the harping and whingeing of the Treasurer on the first three or four pages of this document. He talks about the programme of the Prime Minister being

economically simplistic. In my view probably the most economically simplistic policy was that pursued by his predecessor.

Mr. Millhouse: Can you define that word "simplistic"?

Mr. GOLDSWORTHY: "Over-simplified."

Mr. Millhouse: I see. Why don't you use the proper word instead of using jargon just because Don Dunstan does it?

Mr. GOLDSWORTHY: The honourable member is particularly testy this afternoon in picking people up. I am simply using the words in the Treasurer's explanation.

Mr. Millhouse: You are following his lead, as you so often do.

The DEPUTY SPEAKER: Order! The member for Kavel has the floor.

Mr. GOLDSWORTHY: The member for Mitcham wants one dictionary for the Treasurer and one for us. If he has other words to use, let him use them. Previously, we were being controlled by a Government of simpletons, or perhaps simple people might appeal more to the member for Mitcham. In his Budget of \$2 000 000 000, the former Commonwealth Treasurer (Mr. Hayden) was forecasting a deficit of \$2 800 000 000 by the end of the financial year. He was the Treasurer who seems to have retired in his modesty to the back benches. He was to be the Labor Party's saviour of the country. By November the deficit was already \$2 700 000 000 and, even with the economies the Fraser Government is seeking to bring about, the deficit will be about \$4 000 000 000. When we see a deficit of \$4 000 000 000 in a total budget of \$22 000 000 000 we realise that the finances of this country are in chaos.

It is all very well for the Treasurer to talk of things being simplistic but some simple economic facts are undeniable. Some university academics criticised the Prime Minister when, as Leader of the Opposition, he drew comparisons between balancing a household budget, a business budget and a country's budget. Economic geniuses in the Labor Party and some university academics described that explanation as too simplistic, or too simple, if the member for Mitcham would prefer it. It may be simplistic, but I believe there is an analogy between these situations, because you cannot run a country much differently from the way you run your own affairs, and if you want the affairs of the country to be in a mess you put people into Parliament who cannot run their own affairs.

The Hon. D. W. Simmons: If you think national finances are the same as domestic finances, you're being simplistic.

Mr. GOLDSWORTHY: I am not saying they are the same, but I am saying there are similarities. Perhaps that is simplistic, but even our economic friends cannot always agree. We all know the academic background and philosophy of the Minister, but we can point to academics and economists who have opposing views on the way in which a country and its economy should be run. Therefore, I do not put too much emphasis on the views of the Minister or of those people who said that the Prime Minister's statement was a simplistic explanation. We know that the Treasurer embraces a philosophy not dissimilar from that of the Minister. We have heard the Treasurer say that when a country is in a recession it must spend its way out of trouble. That policy may be all right for a short time, but good times must be in sight. If there is no resurgence of economic growth, the situation will go from bad to worse and that is what has happened in this country. This country could not possibly continue with a deficit of about \$4 000 000 000 in a total Budget of \$22 000 000 000.

I defy anyone to say that the Commonwealth Government can spend its way out of trouble. It spent its way into trouble and now the day of reckoning has come. The philosophy that more and more can be spent with less and less effort from the work force or those generating economic wealth is economic nonsense. I reject completely the Treasurer's assertion that what the Commonwealth Government is doing is economically simplistic, and I do not believe it will add to the problems of the economy in the long term. I am firmly convinced, however, that if the Whitlam Government had been left in office there would have been chaos in the long term.

The Treasurer refers in the document to the indexation proposals and criticises the Fraser Government for recommending restraint. He then talks about pay-roll tax. I want to put the record straight. A mischievous letter appeared in the *Advertiser* on February 6 signed by a stooge of the Liberal Movement, no doubt, a Mr. John McGowan. I do not know anything about him, except that he writes untrue letters to the *Advertiser*.

Mr. MILLHOUSE: Mr. Deputy Speaker, I ask that that insulting reference be withdrawn. The honourable member has attacked someone outside the House, suggesting that he is a stooge of the Liberal Movement. That is a reflection on my Party and therefore on me. What he said is entirely and absolutely untrue. I knew nothing of the letter until I saw it in the newspaper. I ask that that remark be withdrawn.

The DEPUTY SPEAKER: There is no point of order.

Mr. GOLDSWORTHY: The letter appeared in support of the member for Mitcham and condemned the members of the Liberal Party for their attitude in this House regarding pay-roll tax. I wish to put the record straight and point out that this letter is completely baseless and mischievous. The letter states:

It was surprising, therefore, to see the style of legislation introduced by the Dunstan Government and even more so to see the keenness of the Liberal Party to support it.

New provisions of the Act will cost many employers thousands of dollars, directly as a result of inflation, because a payroll of \$104 000 will be entitled to no rebate where previously it would have done. Yet, solely by inflation that same payroll three years ago would have been about \$70 000 and entitled to a tax rebate.

I hope that employers will show their disapproval to the Liberal Party for supporting this scheme. It is an attack on business which could be expected from a Socialist Government, but not from a party claiming to support free enterprise.

Perhaps Dr. Tonkin can explain why he and his colleagues crossed the floor of the House of Assembly to vote with the Labor Government while the only members to oppose it were the Liberal Movement leader in South Australia, Mr. Millhouse, and his colleague Mr. Boundy.

The obvious conclusion is that, unlike the Labor Party or the Liberals, the Liberal Movement supports free enterprise and fair taxation.

That was a mischievous letter and led to some turmoil in the South-East, where the member for Victoria has said that people were peddling these untruths. He eventually received a letter about this matter. The member for Mitcham seems quite happy to think that lies have been peddled around this district in his own interest.

Mr. MILLHOUSE: Mr. Deputy Speaker, I ask that that remark be withdrawn. What the honourable member said was that I was happy that lies should be peddled around a district. That remark is insulting and completely untrue. I know nothing of what he is talking in any case, and his remarks are tantamount to calling

me a liar. I ask that the remark be withdrawn. The honourable member is being deliberately provocative and insulting.

The DEPUTY SPEAKER: I ask that the honourable member for Kavel withdraw that remark, as other Speakers have ruled that such remarks are unparliamentary.

Mr. GOLDSWORTHY: I will withdraw it if the member for Mitcham has drawn that inference from it. All I was saying was that the honourable member was looking happy when I referred to lies being peddled round the district, but he does not seem to be so happy now. The second reading debate on that matter is to be found at page 1639 of *Hansard*. The Leader of the Opposition stated:

The Opposition also supports the Bill but with some reservations.

The member for Mitcham said:

Therefore, while I support the measure as far as it goes, I do not regard it as satisfactory.

The Bill was read a second time and a perusal of the Committee stage shows that no division was held. In the third reading debate the only speakers were the Leader, the member for Gouger, and I. Among other things, I said:

I support the third reading with the gravest reservations and with a query about what the impact of this Bill could well be. It seems to me that there is a real possibility that this Bill could do more harm than good, particularly when one considers the overall impact of the Bill on relatively small businesses in this State.

The member for Gouger said:

Businesses with more than 15 employees will find that this Bill will result in a greater imposition than that which applied previously. I therefore voice my disapproval of this Bill. . . . I reluctantly support the Bill.

The Bill was read a third time and passed. The member for Mitcham was the only speaker on behalf of the Liberal Movement in either House, and I have quoted his attitude and that of the Liberal Party. However, to put the record straight, because it took the *Advertiser* five days to publish the Leader's reply, we suggest that Mr. McGowan should check his facts before stating patent untruths that are mischievous.

Mr. Rodda: He may have been misled.

Mr. GOLDSWORTHY: The member for Mitcham has denied any knowledge of the letter. Apparently, Mr. McGowan does not read *Hansard*. He obviously supports the Liberal Movement, and it would help if he checked his facts. The member for Mitcham evinced no more opposition to that Bill (indeed, a shade less) than did the Liberal Party. We are always interested in the truth on this side.

The DEPUTY SPEAKER: Order! I ask the honourable member to get back to the Bill.

Mr. GOLDSWORTHY: I thought that the Bill referred to pay-roll tax, and I believed that we should get the record straight, because we like the truth on this side. After his initial complaints about the Commonwealth Government, the Treasurer said that the forecasted surplus of about \$10 000 000 was \$31 600 000 at the end of January. In giving his reasons for this apparent buoyancy, he referred to the savings because of indexation of about \$4 000 000. He said that wage movements for 1975-1976 would be somewhat less than the Commonwealth average and that the forecast had been based on the Commonwealth average. Also, he said there had been no significant calls on the special allowances by departments, but that several State revenues were showing an upward movement to the

extent that about \$5 000 000 extra would flow to the Treasury as a result. I would be interested to know where those extra revenues were coming from. I should like to quote from other important correspondence that I have received referring to more important matters than those discussed in the previous correspondence to which I referred. I refer to revenue flowing to the State from land taxes. Land tax is causing much difficulty in the rural sector. Recently, when I visited Western Australia (a State in which no land tax is levied on primary-producing enterprises) I stayed with a primary-producing family and I saw first hand how they could carry on their agriculture and animal husbandry. They can expand their operations and, by dint of planning and hard work, they can reasonably predict the future. I submit that land tax in this State is making such a situation impossible to achieve in many cases in South Australia. Not only large landholders are affected but also those in the Adelaide Hills on relatively small holdings. I have received letters from people in my district about this matter, and one written to the Ombudsman, and being a fair summation of the situation, states:

The unjust, high, and discriminatory tax levied by the Commissioner of Land Tax is placing many landholders in a very serious plight. I understand that the State Planning Authority has a policy of retaining the rural character of land in this area.

This is in the Mount Crawford area. The letter continues:

In conflict with this policy is the crippling tax which seems designed to force people from the land. I have been told by an officer in the State Taxes Department, that there is no redress. I therefore request that you investigate, with a view to removing the conditions which are the cause. The operative words are "unjust", "discriminatory", and "conflict". Enclosed is a copy of a letter forwarded to the Commissioner of Land Tax.

I know these people are honest and hard working, but their standard of living is being progressively depressed. There is no cropping on their property, only stock, and two families have made a living from the property since the Second World War, but they may not be able to continue much longer. The property was a soldier settlement after the First World War and was worked and enlarged by the father, but it seems that one of the families will soon be forced to relinquish it. Also, I have received a letter from people at Lobethal on a smaller property complaining about what is happening because of the increase in valuation of this property. I do not have time to quote this letter.

Mr. Jennings: Hear, hear!

Mr. GOLDSWORTHY: "Hear, hear!" says the honourable member. He does not want to hear the letter. That is the sympathy that we get from fellows like the member for Ross Smith in regard to real human problems. He says, "Hear, hear!" in a derisive voice. I should like to see the member for Ross Smith, with his fount of energy, on a rural property trying to make a go of things. I think he would be in queer street within a week, and he and his family would starve.

The second letter to which I referred was from a dairyman at Lobethal, who I think also grows potatoes. The final letter to which I will refer is from a family of fruit-growers at Forreston. It is not a large property, but neighbouring blocks have been subdivided and sold at relatively high prices to people who have bought them and got another job. I believe the land is valued without the valuer's coming to the property. People write in and hear no more about the matter. These people are suffering real hardship. If the Government has its way, everyone will be on its pay-roll, and no-one will be producing anything because people are being forced off the land.

Finally, I refer to the largest item in the Supplementary Estimates, namely, the provision for education. Although the member for Mallee is the Opposition spokesman on education, I do not think he expects to speak in the debate, so I think I should mention the tremendous increase in expenditure in this field. We know very well that the Commonwealth Government came to office on an inflationary set of promises, and probably the largest were in education and health. They have been the two emotive issues that State and Federal Governments have embraced.

We also know that a virtual moratorium was placed on education expenditure in the Hayden Budget. The Government at that time called a halt and called for commissions in every area of Government spending. Of course, the educationists and other people had a field day. If people are asked what they want, they will say what they want. The position got to the stage where the Federal Government had to call a moratorium, and tertiary and technical education programmes were virtually halted.

Frankly, the people are starting to wonder where this tremendous increase in education expenditure has gone. They ask whether the youngsters at school now are better educated and better mannered, whether they are turning out to be better citizens, and whether all these aims in education have been fulfilled. The people are wondering whether all those open plan schools are developing the personality traits and the self reliance and dependence that are claimed by the Minister and the educationists. The people are becoming increasingly critical of what is happening in education and critical of the massive funds flowing to education.

Dr. Eastick: There are many people who like the Penrose style.

Mr. GOLDSWORTHY: My word there are, and a former member of the Labor Party, Mr. John Penrose, from Gawler, saw the light. I think he even changed his politics. I am not sure of that, but he has given up his job of Senior Lecturer at the Adelaide College of Advanced Education. He is fed up to the back teeth and has had enough of it. The stable door is open and the horse has bolted, and the day of reckoning is coming in all these areas. We know that it must come in expenditure on health and education. People will be demanding more and more to see that they are getting value for money spent in education, but it is not surprising that the biggest expenditure again in these Estimates is on this item. I do not regret that I have put the record straight in some areas. We have no opportunity—

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

Mr. GOLDSWORTHY: —to do anything but support the Bill.

Mr. DEAN BROWN (Davenport): As the member for Kavel has said, it is necessary to support this Bill because the Government obviously needs the finance. I will refer to three items, the first of which is pay-roll tax. In his second reading explanation, the Treasurer states:

As well, the Government intends to give further concessions in pay-roll tax to assist small business, and the cost of these concessions will be around \$2 500 000. The detail of these concessions will be announced tomorrow.

I have just managed to obtain a copy of the Treasurer's press statement about those concessions, and he has simply adopted the very concessions that were urged by the Liberal Party when amendments were being made to pay-roll tax late last year. Further, when the Deputy Premier was acting Premier in this House last Wednesday, I asked him whether the Government would accept those further

concessions recommended by the Liberal Party. I will read the question I asked so that the House can see the sort of dishonesty that we got from the Acting Premier a week ago. My question was as follows:

Can the Deputy Premier say whether the Government will amend immediately the Pay-roll Tax Act to enable companies with a pay-roll greater than \$72 800 to obtain an exemption of \$20 800, irrespective of the size of the pay-roll? In addition, now that State Governments will receive vastly improved financial commitments and autonomy under the Fraser Commonwealth Government, will the South Australian Government reduce the present pay-roll tax rate of 5 per cent?

The first part of the question referred to the concession rates, and the Deputy Premier stated, "The reply is 'No'".

Mr. Keneally: Admirable flexibility.

Mr. DEAN BROWN: Less than a week later, the Treasurer has completely altered that and has come out with identical concessions. This is a classic example (and I know Government back-benchers do not like it) of the dishonesty that is peddled across this Chamber by Ministers in answering questions, and the Acting Premier has been found to be totally dishonest within a week of answering a question in this Chamber.

The Hon. J. D. Wright: You asked for the position at that stage. It has changed. That is flexible government.

Mr. DEAN BROWN: I refer to it as dishonest government. If the Minister likes to refer to it as being flexible, he obviously does not understand the meaning of that word "dishonesty", and that would account for some of the inaccurate statements continually made by the Ministry. I have referred to the statement by the Treasurer. He states that this concession is deliberately aimed at small businesses. He states that in his explanation of this Bill and in his press statement.

We should clarify the point, because, although the assistance is for small businesses (and I applaud that), it is for all businesses if they are not already obtaining that concession. In other words, if their pay-rolls are less than \$72 000, they will not receive any benefits from this additional concession. If the pay-rolls are more than that amount, they will receive concessions. Therefore, the concession is not so much for the very small business but for the slightly larger small business and for all other businesses. Again, that points up the basic dishonesty in the Treasurer's statement, because he has implied that the concession is for only small businesses.

I should not be too critical, because I applaud the minute concession that the Treasurer has handed out, but I do not think he has gone far enough, and I will come to that matter soon. The Treasurer has simply adopted a policy already adopted by Victoria and Queensland. Last week the Acting Premier in reply to a question I asked said that the reason the Government could not give pay-roll tax concessions was uniformity between the States. We have known since October last year that Queensland and Victoria did not intend to conform with the other States. Those Liberal States appreciated the difficulties business was facing, saw the injustices of pay-roll tax and granted greater concessions than did South Australia. It is a slight to the Treasurer of this State, that he has taken so long to reverse that policy: it is also a slight on him that he did not originally adopt that policy when the Liberal Party recommended that he should.

Mr. Millhouse: And it is strange that he did not in his statement refer to uniformity with the other States.

Mr. DEAN BROWN: Yes. Last year the Treasurer kept emphasising that matter, too. Only last week the Acting Premier said exactly the same when, at the end of his

explanation, he stated that pay-roll tax was a matter to be considered by all States in concert, that they did not act unilaterally, and they would not do so in this matter. The Treasurer did not indicate to the Chamber that there was no longer uniformity between the States. Therefore, the argument of the past four months is washed up, and that points to the basic dishonesty of the Government in this and other matters.

The Government has used pay-roll tax as its major growth tax, and that is a horrifying aspect of this type of tax. In 1971-72, the Government collected \$23 400 000 from pay-roll tax, in 1972-73 the sum was \$34 900 000, in 1973-74 it was \$54 200 000, and in 1974-75 it was \$101 400 000. In the Budget presented yesterday by the Treasurer it is stated that it is expected that, in 1975-76, the Government will collect \$126 000 000 from pay-roll tax. Using 1971-72 as the base indicates an increase of well over 400 per cent in subsequent years and shows the extent to which the State Government has used pay-roll tax as its major growth tax for State Government revenue. In other words, the sum collected from pay-roll tax today is more than five times as great as that in 1971-72.

When we look at unemployment figures we see that the reason for unemployment is this deliberate tax against the employment of further people. I point out, as I have done previously, that pay-roll tax is a disincentive towards employers employing more people. Employers have said to me that, although they have over-full order books and cannot meet their current demand for goods and services, they will not employ further people, because the additional cost of employing such labour is so great. The greatest additional cost, of course, is pay-roll tax.

Of equal importance are workmen's compensation premiums. The Government, despite frequent requests, especially by the Liberal Party, has taken until today to introduce amendments to the Workmen's Compensation Act. I know I cannot talk about those amendments, but I can assure the House that when that measure is debated the amendments will be absolutely meaningless and will not give any relief to employers in those areas. There are other disincentives to employers employing new employees. They relate to direct costs in addition to wages paid to employees. A few days ago I referred to the Long Service Leave (Building Industry) Bill and said how it would impose a further cost of 2½ per cent on the total wages paid by employers in the building and construction industry.

A person in the building industry has told me that builders are allowing between about 38 per cent and 50 per cent above the actual wages paid to employees to cover other contingencies such as workmen's compensation, pay-roll tax, other long service leave provisions and so forth. That surely is a disincentive to employers to employ further people and is one of the main reasons why we have record unemployment in Australia.

Mr. Evans: And high housing costs.

Mr. DEAN BROWN: It has certainly added to housing costs and, unfortunately, the person who pays is the taxpayer and the consumer. It is a shame that most Australians are not awake to the fact that they are paying for the so-called Government benefits which were handed out under the Whitlam Government and which are now being so wastefully handed out by the Dunstan Government. We need to appreciate that it is not for our benefit but to our disadvantage. Every time a benefit is given an additional Government charge is added for administration.

Mr. Max Brown: I wonder whether local government will be interested in that statement?

Mr. DEAN BROWN: I am not talking about that. I suggest that the honourable member read *Hansard* tomorrow to catch up with what I am saying. I suggest, too, that Government back-benchers (as happened last week) cannot follow what is happening in debate and do not understand their own arguments or policies.

The DEPUTY SPEAKER: Order! I hope that the honourable member will address the Chair.

Mr. DEAN BROWN: I was simply pointing out a few facts for the benefit of Government back-benchers. The manner in which pay-roll tax is being administered by the Dunstan Government makes it an unjust tax and a disincentive to employers employing more people. It is therefore a tax that is helping to maintain the current high level of unemployment in South Australia. On page 4 of his statement the Treasurer referred at some length to wage indexation, when he said:

Mr. Fraser has jeopardised the agreement by trying to break the indexation guidelines and, should indexation be hobbled, the wages push of 1974 will start again and the inflationary consequences will be severe.

The Treasurer claims that Mr. Fraser has jeopardised the agreement by breaking the indexation guidelines. If one looks at those guidelines one will see that they have not been broken.

Mr. Millhouse: You've not been talking to Sir Gordon Chalk.

Mr. DEAN BROWN: No, I have not.

Mr. Millhouse: Obviously.

Mr. DEAN BROWN: Justice Moore, President of the Australian Conciliation and Arbitration Commission, handed down his guidelines for wage indexation in April, 1975, and guideline No. 4 states:

The form of indexation will be determined by the commission in the light of circumstances and the submissions of the parties provided that an increase of less than 2 per cent in any one quarter should be applied fully to all award rates.

That clearly indicates (and I am sure that even the member for Mitcham, as a lawyer, can understand it) that, if the increase in the consumer price index is greater than 2 per cent in any quarter and if sufficient arguments are put forward, the commission will consider (without breaking the guidelines) not passing on the entire increase in the consumer price index. Therefore, the Federal Government, in requesting that less than the 6.4 per cent increase be granted, has in no way broken the guidelines for wage indexation. That, again, puts in true context the Treasurer's second reading explanation and the Government's dishonesty that we are currently facing here and in the press as a result of the Government's releases. The statement made in the House yesterday by the Treasurer was basically dishonest, because the Prime Minister is in no way breaking the guidelines for wage indexation. To point up the real extent to which the Treasurer is trying to make a political issue of this matter, I will quote from the 1975 Budget speech by the then Treasurer (Mr. Hayden), who made the following significant statement:

In drawing attention to these price effects, I add that it is the Government's firm view that, for the purposes of wage indexation, increases in prices resulting from tax measures of the sort that I have announced should be discounted. It would be self-defeating if the system of wage indexation were to attempt to insulate the community from tax measures designed to redistribute resources for the benefit of the community in the form of improved public facilities in fields such as education, health, welfare, personal benefits,

urban improvement and so on. These improvements must be seen as a real improvement in people's living standards and are a non-money form of addition to their incomes.

Therefore, the then Federal Treasurer (a member of the Labor Party), when presenting his Budget last year, was saying, in effect, that, if he was in Government now (which he is not, luckily for Australia), he would not recommend the commission's granting the full 6.4 per cent: he would recommend only that amount which excluded increases in the consumer price index because of taxes imposed by Governments. That is what the present Commonwealth Government has recommended. The Treasurer here is simply trying to make a political issue against the Prime Minister, because the Treasurer's own Party had formerly come out and adopted the same policy as the present Prime Minister's. The third issue on which I will comment is a comment made under the "Miscellaneous" heading, as follows:

The trust's latest estimate of expenditure on the subsidies is \$380 000 higher than the Budget figure, because such costs as workmen's compensation insurance premiums and debt servicing charges are higher . . .

Obviously, the Government underestimated the increase in premiums that would have to be charged and that, I think, is a sad reflection on its ability to judge its own legislation. When the legislation was introduced in 1973, the Opposition predicted that workmen's compensation premiums would double. I made such a claim myself, and so did many of my colleagues. However, the Government refuted the claims in the same way as the claim that the cost of housing would increase by between \$800 and \$2 000. The cost of a house increased to that extent because of the implementation of that legislation on January 1 and the effects it had on workmen's compensation premiums. We have found that insurance premiums have increased by more than 100 per cent, despite the Government's continual claims in its so-called expert knowledge that the increase would not be so high.

It seems to me that on several issues the Government needs to revise the sources of its expert information, to start listening to some of its departmental officers, and to stop inventing information but come clean and start to be honest in its statements. I believe that the so-called Government claim for seven months now (including going back to the 1975 election speech and promises by the Treasurer that he would drastically revise workmen's compensation) will not be fulfilled. I believe that that kind of outlandish claim by the Treasurer is a great sop to the business people in the community and to the average person who has some respect for the abuse of the legislation. It was the Government's sop to win those people's votes. They will have the same kind of shock as they had with the pay-roll tax promises by the Government. The Government promised to hand out major new concessions, whereas I suspect that, under the new legislation, it will receive more money than it received previously if the latest amendment had not been introduced.

The Government's promises on such issues are hollow. The business community listened to the Treasurer when he made that promise in October or November, 1975, but, when they started paying their accounts in 1976, they had a rude shock, as they found that they were paying more in pay-roll tax than they had paid under the old legislation. No longer are they accepting the glib and untrue statements coming from the Ministry. I will now refer to another area where the Government has been totally dishonest, namely, its claims regarding major amendments to its industrial democracy policy. No such major amendments have occurred. In a careful examination of the Govern-

ment's new policy, one sees that the same principles are behind it. The only minor change is that there is no statement on whether or not legislation will be introduced.

I have expressed my discontentment about those three important areas. I think it is about time that the business community and the public of this State woke up to the dishonest and glib policies continually being made by the Government. I think that they are starting to realise at last that they can no longer accept the promises continually being made, particularly by the Treasurer.

Dr. EASTICK (Light): I delayed my entry into the debate because I was waiting for the Deputy Premier to rise and give us the good oil, shall we call it, on the State's financial affairs. By interjection he was full of comment but, as soon as the balloon that he floated was pricked and it deflated, he suddenly went quiet. He could not put us right, because he was on a wrong premise. I suggest that we will not hear any more from the Deputy Premier in this debate, because the one real area where he fell flat on his face was that he was completely blind to the Whitlam disaster and to the fact that Australia was \$4 500 000 000 in deficit at the moment because of the attitudes expressed and because of the policies put forward by the former Prime Minister (Mr. Whitlam). It is interesting that, in the document from which the Treasurer read yesterday, he said:

South Australia faces a disturbing number of economic unknowns in the rest of this financial year.

I believe sincerely that the people of Australia, certainly those in local government and in the States, will have fewer unknowns in the future than they have had in the immediate past, because already the Fraser Government has clearly spelt out the basis on which there will be a true Federalism and has said that there will be a sharing of the tax income back to the States and to local government.

The Treasurer is constantly singing a new tune. Not so long ago, when it suited him, he was singing "How Great Gough is". Quite often he backed away from it and suddenly he doesn't sing that tune, but now all we seem to be getting from him is, "Damn Fraser". That is not good enough. Those who have been in this place in 1970 and before will recall the attacks the Dunstan Ministry constantly made on the former Liberal and Country Party Governments when they could do no good. They could produce nothing to the benefit of the States, or so it seemed from the announcements of Ministers here. What did the two Whitlam Governments produce for this and the other States: the \$4 500 000 000 disaster I spoke of before. The Treasurer continued:

Our favourable financial situation at the moment must be viewed against the possibility of future Commonwealth-State arrangements that could seriously disadvantage the State.

The Treasurer is seeking to hoodwink the public into believing that a responsible Commonwealth Government, of whatever political complexion it may be, would be playing one State off against the other. I say categorically that I believe (and it has been proved in the years immediately behind us, and it was proved before the Whitlam Government came into office) that there is a distribution amongst the States which bears a constant relativity between one State and another.

There is nothing in the statements made by the Fraser Government, or any of the Fraser Ministers, which suggests that situation will change. If South Australia is disadvantaged economically, every other State in the Commonwealth will be disadvantaged equally. That is one clear message that members opposite should face realistically.

The Treasurer went on to say that the South Australian Government had sought assurances from the Federal Treasurer that projects such as the purification of Adelaide's water supply (a \$100 000 000 project being financed through Commonwealth assistance) would be maintained. No such assurance has been given, and the unfortunate economic facts are that, should Commonwealth funds be curtailed, it would be impossible for the States revenues to finance such a large project within the 10-year programme originally envisaged. No-one can deny that situation, it is a statement of fact. We should realise that South Australia happens to be one of the States of the Commonwealth of Australia and, like the other States, bears the responsibility of making sure that Australia as a whole gets back on to the rails, that Australia as a whole will prosper in the future, and that Australia as a whole will be a better place in which to live in the future. If it is necessary to have a decrease in the distribution of funds for a period of time, it is necessary for that decrease to be equally shared by all of the States, not just by playing off one against the other but by an appreciation and an acceptance by each of the States that they will play their part in the economic recovery. It is only by an acceptance by each of the States of this responsibility that we will get out of the mire in which the Whitlam regime placed us.

We have fortunately been cured of the "Socialist Blight" that beset us, by the Australian public taking a course of action which was their democratic right and by which Australians showed the world they were prepared, when opportunity presented itself, to make a marked change to what we were being forced to suffer. I refer again to the following comment in the Treasurer's statement:

Indexation has worked; a look at the figures in these Estimates will show that. The level of wage rises is much lower than was estimated, and certainly much lower than for the same time a year earlier.

We can be thankful for that. From that statement the Treasurer asserts that the only reason for the down-turn in this vital area has been the indexation programme that has been implemented. I believe he sells the worker of Australia short by attempting to have us believe that that is the total reason for the decrease. A very important factor is that the worker has very clearly given the message to his union master that he will go just so far and no farther. The message has gone out to many union leaders that constant harassment, striking, and demands for wage increases are not things which the worker will suffer, and as a result of a more responsible attitude to the whole process of determining wages and of industrial relationship we are in such a position that the Treasurer can say that the down-turn has been significant. I again say that that has occurred because the worker has played a significant role in concert with and parallel to the indexation situation I have mentioned.

The other statement of the Treasurer's that I found very interesting was that we were in a more forward financial position than he expected. He said that the returns to the State coffers from the taxation systems within the State were greater than had been expected. He referred to stamp duties and to other areas. We are not yet able to relate from the financial documents available to members the true position in respect of returns from land tax, because many people have not yet paid that tax. I believe that when the final figures go up for land tax, whether collected or to be carried over on the accounts as still due, the return for 1975-1976 will be grossly greater than the expected figure presented to this House. The member for Gouger has

consistently hammered away at the problem. The member for Alexandra last evening gave several examples showing that massive increases in land tax have been levied on many normal house properties. It cannot be levelled at members on this side that the point I am making applies only to rural properties. This applies in the urban areas as well as it does in the rural areas. Since 1963, the Government has taken into account various legal opinions it has been given and, without considering the realities or practicalities, it has forced the implementation of those decisions on to the officers of the Valuation Department, and it has not done this fairly. In a letter to a constituent of mine dated February 6, 1976, in reply to a letter the constituent wrote to the department on January, 26, the Valuation Department stated:

The long established principle of valuing land is to ascertain what sum the owner could have expected a reasonably willing purchaser to pay for the land, if he had been reasonably willing to sell it with all its existing advantages and future possibilities, on the date of valuation. The Full Supreme Court in a judgment delivered on November 1, 1963, in the case *H. M. Martin and Sons Ltd. v. The Commissioner of Land Tax*, upheld the contention of the Commissioner that section 12c of the Land Tax Act required a valuation of land as land used for primary production in accordance with its most advantageous potential use and not its actual use within the definition of the business of primary production. In areas where the market for land is steadily rising, land can reasonably realise prices far in excess of the capitalised value of its immediate use.

Whilst that contention may not be disputed, the practical aspect of it must be disputed. There are not sufficient purchasers at any one time to take the whole of primary production land which falls into this category at an elevated price, but as a result of these directions given to the Valuation Department every parcel of land that falls within the ambit of areas that may be developed is being forced to a value impossible to achieve when related to the tax levied against the owners of that land. The letter continued:

Sales of land over a long period of time whether rural or urban have confirmed that the price of land per hectare does rise significantly as the parcels of land decrease in area.

In other words, there is an acceptance that if an area of land is small probably the potential value is greater because more people are likely to purchase it owing to the residential value of the house on the small parcel of land. A small parcel of rural land without a house built on it can have a high valuation because many people would see it as an area of land on which they could build a house. The letter also stated:

His Honour Mr. Justice Wells affirmed that this principle of the price of land per hectare rising significantly as the parcels of land sold decrease in area applied in the Hills area generally when delivering his judgment in a recent land acquisition case *Crompton v. Commissioner of Highways*. He referred there to the use of sales of 33-acre parcels as comparable sales in valuing an 80-acre parcel and that sufficient allowance must be made for the magnitude of the area of the subject land as contrasted with the respective areas of land whose sales were relied on in determining the value of the subject parcel.

I received a letter this morning from the Treasurer couched in similar terms. It followed a representation I had made to him that people in the Kersbrook area who had several titles to their land but used the whole of it for the one purpose, dairying, found that, if they happened to have a title for a piece of land larger than 32 to 36 hectares, the value a hectare was relatively low, but that, if the land on one title was less than 32 ha, in some cases the valuation was nearly three times that of the larger block

through the fence, although it was used for exactly the same purpose. Some reason for this is contained in the letter I have received from the Treasurer. This is not practical or reasonable.

The provision exists for an increased rate of tax to be paid after a sudden change of land use takes place. I believe that a procedure such as that should be followed, so that people can remain on small blocks and so that more and more people will not add to the urban housing problem. Pricing people off small properties will increase the problem already existing in relation to housing for people in the urban areas, as instanced by the long waiting list for Housing Trust houses. The member for Alexandra last evening referred to one case where \$10·63 an acre was charged for land tax for one year, and in addition there are council rates, water rates, and other rates associated with running a rural property, such as those involved in weed control. It would be impossible for anyone to meet such costs.

A further direction has come from the Government to the effect that a person living on a property but who is receiving a substantial part of his income from some other source may not enjoy the benefit of the reduced land tax. The problem now becomes even more catastrophic than I have outlined. Many people who live in Adelaide or who work in the country in schools or other service industries own small blocks of 4 to 8 ha that they use for primary production, but they are being denied the benefits of the rural rebate because their income from the other source is greater than their income from the property.

The Hon. Hugh Hudson: That has always been the case; it's in the legislation.

Dr. EASTICK: It is not the case so far as the interpretation of it by previous Administrations is concerned. It has not applied.

The Hon. Hugh Hudson: It should have.

Dr. EASTICK: It is not a matter of what should have applied but of what has applied. I believe we will hear a discourse from the Minister in his own time, heaven forbid. My next point relates to the massive increase in funding to this State. I refer to the position of a person who by succession has received property, but being a person not versed in farming activities or, on the other hand, being a female and therefore not able to undertake rural activities, has leased out the property for a long time. These people have always enjoyed (or passed on to the share farmer) the benefit of the reduced rural rating for production from that land. However, under the present interpretation a person not resident and undertaking farming on his own account does not receive that benefit. This will result in additional income to the State, but a greater charge against the owner.

I have briefly outlined some of the real issues associated with the method of extracting money from people in this State, as detailed by the Treasurer in this Bill. I refer now to the comments made by the member for Kavel concerning the recent announcement by Mr. John Penrose about his disenchantment with the education system in South Australia. For some time I and other Opposition members have been attacked by Government members for drawing the attention of the public and of members to the real need for a reassessment of and a proper balanced approach to education in this State and, indeed, in Australia. I believe that the report that appeared in the *Sunday Mail* on February 1 attributing statements to Mr. Penrose was excellent. I know that his point of view has had much radio exposure.

The Hon. Hugh Hudson: Do you believe anything you see in the *Sunday Mail*?

Dr. EASTICK: I do not believe everything, particularly the LeCornu advertisements. Mr. Penrose recently retired as Senior Lecturer at the Adelaide College of Advanced Education. Previously, he had been a candidate for the Australian Labor Party for the Commonwealth seat of Wakefield, and was a candidate before the 1970 election for preselection for the seat of Light, but the Party stood him aside and preferred Mr. B. A. Chatterton, as he then was. Subsequently, Mr. Penrose publicly made his thoughts well known to many people. He is well regarded as an economist. From information I have received I believe that his preparedness to voice his beliefs about the education system has had wide acceptance.

Mr. Keneally: Twelve months ago you wouldn't have said that.

Dr. EASTICK: Twelve months ago I referred to Mr. Penrose and another announcement he had made. I could say that we have not suddenly found him as a friend. However, Mr. Penrose's recent point of view has been well received by many in the community and, having regard to the massive increase in the amount being spent on education as a result of the provisions of this Bill, it behoves this Government (as well as any other Government) to put education in its proper perspective in future.

Mr. MILLHOUSE (Mitcham): This has been a rather long and, with few exceptions, tedious debate, and I do not intend—

Mr. Goldsworthy: It will be a three-ring circus now.

Mr. MILLHOUSE: I hope I can liven up the debate somewhat. At least I promise that I will not go for too long.

Mr. Gunn: Why not sit down now?

Mr. MILLHOUSE: I seem to be meeting with some hostility from members of the Liberal Party: I cannot understand why, but the members for Rocky River and Eyre have both shown some antagonism to me.

Mr. Keneally: They are in high spirits because of the superphosphate bounty.

Mr. MILLHOUSE: Of course: they are letting off some steam.

The DEPUTY SPEAKER: There are too many interjections: I should like the honourable member for Mitcham to have an opportunity to be heard.

Mr. MILLHOUSE: Thank you, Sir, for your protection. Some comments of the Treasurer have been referred to by previous speakers. First, I refer to the question of wage indexation. I support, as does my Party, the principle of wage indexation. Because of comments made by the member for Davenport a short time ago, I say that I was disappointed in the attitude that was expressed a few weeks ago by the present Commonwealth Government of opposing the increase of 6·4 per cent, which would be justified under wage indexation, and stating that it should be 3·2 per cent. I was surprised that the member for Davenport was unwise enough (although I suppose it shows loyalty from one part of his Party to another) to support so strongly the attitude of the Commonwealth Government. In my opinion that attitude verged on the deceitful. I am not alone in thinking that, because almost every Liberal State Premier in Australia (perhaps Sir Charles Court did not), including Mr. Hamer in Victoria, Sir Eric Willis in New South Wales, and the Treasurer of Queensland, Sir Gordon Chalk, all criticised the decision of the Commonwealth Government.

Mr. Keneally: Except Dr. Tonkin and Sir Charles Court.

Mr. MILLHOUSE: Dr. Tonkin and his Party in South Australia, until the member for Davenport referred to the matter this afternoon, have avoided taking any stand on this issue.

The Hon. Hugh Hudson: Do you think there has been a federal take-over of the Liberal Party in South Australia?

Mr. MILLHOUSE: I do not know about that, but I will say something soon about the Leader of the Opposition and his relationship with the Federal Liberal Party. I remind the member for Davenport that he has said that the Federal Government has not deserted wage indexation. I remind him and his colleagues of what the Federal Government, his Party, said before the election. I have the policy speech of the Hon. Malcolm Fraser, and, without any qualification whatever, when referring to his Government, he stated:

It will support wage indexation.

There is nothing more about that in his policy speech but that straight-out statement.

The Hon. Hugh Hudson: You don't expect Liberal politicians to live up to their promises, do you?

Mr. MILLHOUSE: I always live in hope. A Liberal Party advertisement in the *Advertiser* of December 11, two days before the election, stated:

What good honest Government will do for all Australians.

The first part of the advertisement is a picture of a man with something over his shoulder, apparently meant to represent a man working with his hands. That part of the advertisement states:

Trade unionists—Liberals will continue to support wage indexation, along with introduction of indexation of personal income tax. This is the full package sought by the A.C.T.U.

The Hon. Hugh Hudson: Does that advertisement mention the superphosphate bounty?

Mr. MILLHOUSE: I will not deal with that just now. I will leave that for the Minister, if he wants to deal with it. A few weeks earlier, in the *Australian*, the Prime Minister referred to wage indexation and I will quote that report, because it is longer and in more detail. The report states:

An L-NCP Government would support wage indexation in the present economic circumstances. The progressive introduction of personal income tax indexation would underpin wage indexation and pre-empt claims for increases in incomes based on the erosion of wage and salary gains by taxation.

Mr. Fraser stated there that his Government would support wage indexation in the then present economic circumstances. I ask what happened between the end of November and the end of January to our economic circumstances to justify what I believe was a real change of stand and a breach of faith. We all knew at the end of November what the position would be at the end of January. We knew, and the Federal Government knew. Nothing changed, except the attitude of that Government. I was disappointed about that, and I do not believe that the Federal Government should have taken the decision that it did take. I am fortified in saying that, because I am in company with the three Liberal Leaders in the Eastern States, if not with the Liberals in South Australia.

I would not have gone into this matter at any length but for what the member for Davenport said about wage indexation in an attempt to justify his own Party at the Federal level. I will now go on to another point on which I do, I think unreservedly, support the present Federal Government. That is regarding federalism. The plain fact is that we must make up our mind as a

community and a State whether we want to have any independence at all left. If we do, we will support the policy of federalism that has been propounded. I hope that that policy will be put into operation by the Federal Government but I am not as confident of that as I am of the principle.

We must decide whether we are willing to pay any price for our independence. If we do not want anything but the illusion of any vestige of State powers, we will oppose, as this Government has been opposing, the principles of federalism enunciated by the Liberal and National Country Party Government. I think that I was one of the first (and it was almost 20 years ago) to raise here the question of a uniform income tax scheme, and I raised the matter in a Budget debate. I believe that, as long as we have the trappings of State Governments (and I believe that we will have them for a long time, because I think it inconceivable that a referendum to abolish the States would succeed) then there should be some reality of power left, and that can be left only if we have some financial independence. The matter is as simple as that. We can go for broke in the way we have (and Sir Thomas Playford was a past master at this) of squeezing as much money out of the Commonwealth as we can, whatever the price may be in constitutional independence.

It was not surprising that, in the few weeks after the Commonwealth election and leading up to the Premiers' Conference last week, the Treasurer of this State should criticise the Federal Government and express fears about the situation in South Australia and about whether we would get our full share. It was a little surprising that the Leader of the Opposition was so naive as to answer the Treasurer every time he was critical of the Federal Government. I thought that what the Treasurer of this State was doing was good politics. He was doing his best to ensure that, when the time came for negotiations, we would get what he regarded as our full share, and all the huffing and puffing during January was to that effect. I think that had some effect. I tell the Leader of the Opposition that I think he was unwise to make that visit to Canberra and come back and say that South Australia could not expect to do as well in the future as it had done in the past. My suspicion was that Malcolm Fraser was using him up to make unpleasant announcements in South Australia through him, rather than directly.

Mr. Allison: That's done in this State. The Treasurer releases things to the local A.L.P.

Mr. MILLHOUSE: The member for Mount Gambier obviously is accepting my point; he is simply trying to justify the actions of his Leader. I am fortified in that. It shows that that honourable member obviously agrees with me.

Mr. Allison: I don't agree with you.

Mr. MILLHOUSE: If the honourable member does not, someone does, because I am looking at a report by Ian Steele, whom we all know, which was in the *Advertiser* of January 24, and in that report Mr. Steele said the same thing. His statement was:

A third reason for hostilities was the unusual way the Prime Minister leaked the news through Dr. Tonkin. It raised fear in Mr. Dunstan for the absolutely essential confidentiality of any future discussions between a Liberal Commonwealth and the South Australian Labor Administration. It has obviously been useful as a means of showing Mr. Dunstan's fairly predictable response to Liberal management, but Dr. Tonkin said things this week which he could later regret.

I have no doubt (and we have already seen it in this House) that the Treasurer will never let the Leader forget what he said when he came back the other day. I wonder whether you would mind talking somewhere else, Roger, when I am making a speech.

The DEPUTY SPEAKER: Order! There is too much audible conversation, and the member for Mitcham has the floor.

Mr. MILLHOUSE: I will complete the quotation from the report. It states:

As a potential Premier of South Australia, he can gain little by telling the people that for the past three years the State has been getting more than has been reasonable to expect, or that South Australia's \$10 000 000 Budget surplus was at the expense of the other States.

I think that what the Leader said was unwise, and I hope it is a mistake that he will not repeat. One can take loyalty to one's Federal colleagues a little too far.

Mr. Wells: Do you think you'll get a headline from that?

Mr. MILLHOUSE: I am not particularly interested in that; I never am. I am interested in what happens in this State and how the Opposition is conducted.

Members interjecting:

The DEPUTY SPEAKER: Order! The honourable member for Mitcham has the floor.

Mr. MILLHOUSE: They are most discourteous.

The Hon. Hugh Hudson: Do you think they are really Liberals or just Tories?

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

Mr. MILLHOUSE: I think that most of them are really Country Party people. I support the principles of federalism and hope to see them brought into operation in this country because it is our last chance for independence and of making federalism work. My third point relates to the question of pay-roll tax. We had one of the member for Kavel's characteristically bitter and vinegary attacks on this matter when he saw fit to criticise Mr. John McGowan's letter to the *Advertiser* and, by implication, the Party to which the member for Goyder and I belong. Mr. McGowan made an innocent mistake in his letter. I was most surprised when I saw the letter and was sure that someone from the Liberal Party would spring into the breach and make sure that the situation was put right. There was no need for me to do anything about it; it was a foregone conclusion that the Liberals would come into it. The true position is that in the Liberal Movement policy speech at the recent State election I was the first to make a definite proposal for the relief of pay-roll tax in this State. I said that we would increase the exemption from \$1 733 a month to \$4 000 a month. In other words, it would increase to \$48 000 a year. That was made as a straight-out promise, and I dwelt on it for some time. As soon as I had the opportunity in this House I moved a resolution to that effect that was carried unanimously in the House.

It is all very well for the Leader of the Opposition to huff and puff and say what he has done and has proposed, and for the member for Kavel to put the record straight (as we heard *ad nauseam* this afternoon), but the plain fact is that we took the lead in this area. I was not happy with the Bill that was introduced, but it was certainly an advantage to small employers. What has been the effect of the measure?

The Hon. Hugh Hudson: The way you treat your colleague is disgraceful.

Mr. MILLHOUSE: Without my colleague, the member for Goyder, I would be nothing. Disguised in all the figures, any business which employs more than 12 to 16 people is paying an extra \$1 040 a year in pay-roll tax. It does not matter whether the business employs 16 people, 160 people, 1 600 people, or whatever the number is, it is a flat increase under the new provisions. Several employers who employ about 20 or so people have complained to me about paying an extra, I think, \$86 a month pay-roll tax under the new scheme. Certainly it helps small employers, but the middling-to-small employers of labour are the people who are hit, and the smaller their number of employees the more they are hit because it is a flat increase. It would be all very well for the member for Whyalla to talk about Broken Hill Proprietary Company Limited, but the extra \$1 040 it has to pay would not affect it: it is only a flea bite for that company. However, for a man such as the one with 24 employees, who told me that he was paying \$598.94 a month and is now paying \$685.61 a month, it matters a lot. It is a heavy increase in his costs. That is one example, and I have several others who are paying an extra \$86 a month under the present scheme. I have a copy of a letter, dated January 19, 1976, which was sent by the Loxton Engineering Works Proprietary Limited to the Treasurer (and I do not believe he has replied to it yet) and which states:

I am writing to register my protest with you, on the amendment of the pay-roll tax, effective 1/1/76. After many months of promised relief in this area, we now find that the new amendments, over a certain wage limit, now has the exact opposite effect. I would like to point out that this is not a profit tax, and even a business losing money, is still liable for this insidious tax, if the wage bill falls outside the exemption limits. To sum up: Previous to 31/12/75, the position was that there was a general exemption of \$1 733.33 per month, on wages paid by an employer. After 1/1/76, the new amendment increases the exemption to \$3 466 per month. However, the amount of deduction is reduced by \$2 for every \$3 that the wages paid, or are payable by an employer, exceed \$3 466 per month, so if an employer pays \$8 666 or more wages per month, he even loses the original \$1 733.33 exemption.

Could this be termed "two-faced" legislation? Will you introduce legislation to remove the \$2 for every \$3 deduction of exemption for wages in excess of \$3 466 per month, so that every employer at least gets this deduction, without increasing the already exorbitant 5 per cent rate? I consider this would be fairer to all concerned, and some relief is necessary, as this particular tax has increased from 2½ per cent to 5 per cent in the last 4 years. I am sending a copy of this letter to Mr. Millhouse, who originally had this voted through Parliament, and also to Dr. Tonkin of the Opposition, to seek their help in this matter, as surely, in these present high unemployment circumstances, obstacles to more employment such as this, should be removed. I await your reply.

And he is still waiting. I have other examples, but I will not refer to them. People regard what happened as a confidence trick, which it was. It helped some people but it did not help those who needed help just as much.

Dr. Eastick: Do you think it was intentional, or didn't they understand their own legislation?

Mr. MILLHOUSE: I am not really concerned to say which it was, because each conclusion is equally reprehensible, and all I know is that something should be done about it. It is fascinating that, after all the Treasurer has said about uniformity between the States in pay-roll tax legislation, we have now heard that there will be a change in our pay-roll tax arrangements and not one word is said about keeping in step with the other States. That was just a sham to bolster what was not an argument at all against proper relief in this area. South Australia is to have a significant surplus this year.

I strongly believe that that surplus should be passed on to the taxpayers of this State in the form of tax relief. I believe as strongly as I can that there should be a reduction in pay-roll tax in the remaining months of this financial year. Pay-roll tax cries out for a reduction, and a reduction in that area would be a step in the right direction. It is not surprising that I should refer next to succession duty. I think the Liberal Party has gone too far in saying that it will abolish succession duty on all successions passing to a spouse. I have a question on Notice asking how much it is estimated that proposal will cost South Australia. I rather think that that is going too far. We just cannot afford it, however desirable it may be. I say again that I believe we should go as far as we advocated going at the last election: to exempt altogether the matrimonial home, of whatever value it may have, from succession duty. That is a more practical suggestion to make in our present situation than going as far as the Liberals would go.

Mr. Allison: What's the difference?

Mr. MILLHOUSE: It is substantially less than the cost of the Liberal Party's proposals. My view was that the State's finances could support it. If the honourable member wants to know what the Government's estimate is, he should put a Question on Notice. I will leave succession duty and come to another area in which we strongly believe that there should be a reduction in taxation, namely, in the field of land tax. We have always advocated the abolition of rural land tax (and I repeat that now), but it is not only rural land tax where there is a great deal of injustice, because the principle of aggregation, which we now have in this tax, causes a heavy burden in the metropolitan area. One man from a large concern in this State which has most favourable and close relations with the Government said, "It's the multiple holdings that are killing us." I will give a few examples from a small company that holds about 20 blocks of land around Adelaide and, although I will not refer to the company's name, there is nothing private about it. I will mention a few of the blocks of land and how land tax has increased since the company bought them, and the effect of the aggregation. In Ingerson Street, West Beach, the land tax before the company bought the land was \$11.55, which increased to \$151.17; in Glenarm Court, Flagstaff Hill, previously \$19.50, now \$122.50; another one in Flagstaff Hill, in Fama Court, \$22.50, now \$141.35; and in Hillridge Drive, Belair, previously \$11, now \$103.65.

Mr. Evans: Do you realise that, if they sell, they can charge only the individual rates, and they lose money?

Mr. MILLHOUSE: That is right. It is completely unjust and it is another area in which relief is, I believe, long overdue. There are many other ways in which we can think of giving taxation relief in South Australia, but we have from the Treasurer's lips an opportunity, because we have a good financial situation in South Australia. We now have an opportunity of passing that on to what he is always pleased to refer to, in glowing terms, in theory, as the private sector. Our rising level of costs is one of the things killing industry here and, whatever relief we can give, we should give. I have made three suggestions about the way in which we could give some taxation relief in this State immediately, and I hope we will do it, but I am disappointed that we are not apparently to do it at this time. Only in the area of pay-roll tax (in some way yet undisclosed) are we to have relief. I believe there should be a reduction in State taxation, if in no other ways, in the three to which I have referred.

Mr. COUMBE (Torrens): Unlike the previous speaker, I shall be brief. I certainly will not wade through the

various items that have been capably covered by previous speakers on the various lines of the Estimates, but I will make several comments on what is contained in the body of the Treasurer's speech in presenting the Appropriation Bill. The first matter that sticks out glaringly is the estimated financial result as at June 30 next. We heard last year that the position was likely to be in balance as regards the Revenue Account. Then we heard that we were likely to finish up the year with a \$10 000 000 surplus. Now we hear from the Treasurer's lips that we will have a record surplus of about \$25 000 000, which is a fair lump of money in anyone's language for a State such as South Australia. If that is the case, surely it is the duty of every member to query the level of State taxation.

Mr. Allison: It's about \$25 a head.

Mr. COUMBE: I am indebted to the member for Mount Gambier, but it is more than that per capita: that is the excess. I think that all members should realise that it is their duty and obligation to scrutinise closely the State's accounts to see whether the level of State taxation is imposing an undue burden on the ordinary citizen of the State. I hope that the Appropriation Bill that will come down in about August or September will contain some easing of the burden: it must contain some easing, and I remind members of items such as land tax and succession duties as being two such items. If one looks at the regulations laid on the table by Ministers from time to time, one will see that the various charges for fees and the like have increased remarkably, although quietly, and we will not see the result of those increases until the Budget is presented. While we have this record surplus (and that is a good thing), it is interesting to note that the Loan Account is going into debit. The position, as the Treasurer outlined it and as I understand it, is contained in his second reading explanation as follows:

It is appropriate that I mention at this stage that for the year 1975-76 there could be a deficit of about \$7 000 000 on Loan Account, so that the opening balance of a small surplus of just under \$2 000 000 is expected to be converted to a deficit of about \$5 000 000 on Loan Account by June 30, 1976.

I think it is important that we examine that: this matter has not been touched on until now. We are talking about the Government's capital spending programme not only for the current year but for the coming year. If we are to carry forward a deficit, it is not a very bright picture when we talk about the building of hospitals, schools, classrooms, etc., for the coming year.

It is on this point that I wanted to commence, because there has been little comment hitherto on this record surplus of \$25 000 000, part of which is made up as a result of negotiations on the railways transfer Bill. The Treasurer dilated on this matter, I think in July or August, 1975, to some extent, and that explains some way in which the \$25 000 000 has been arrived at. Looking at the body of the Treasurer's speech, one sees that it is an interesting speech, especially in its wording. I would say that it was the Treasurer's own wording for the first dozen pages; there is no doubt about that, because one can see his inimitable style coming through. Then it markedly changes to what I assume to be the normal Under Treasurer verbiage as we get into the body of the speech.

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

Mr. COUMBE: Prior to the dinner adjournment I said that I was confining my remarks to the speech given by the Treasurer in introducing this Bill, because the points made about the actual detail of expenditure have been adequately covered by my colleagues. If we look

at this speech, particularly the first page, there is no doubt that the Treasurer has given us a story of misery. He has taken the opportunity to vent some of his spite on the new Federal Government: there is no doubt about this. On the other hand, a few minutes later in his speech the Treasurer said South Australia was to have a record surplus of \$25 000 000. He cannot have it both ways. I will contrast the speech made by the Treasurer yesterday with that made in the Supplementary Estimates last year. In that speech he was memorably brief, saying only what he had to say, yet yesterday he said:

South Australia faces a disturbing number of economic unknowns in the rest of this financial year. This State does not know in detail the provisions of the new Federal-State relations proposals that were outlined in the sketchiest of manners by the Prime Minister at the recent Premiers' Conference.

So that we get the record straight, I will quote what the Treasurer said in introducing the main Appropriation Bill of 1975. He was referring then to the Whitlam Government, not to the Fraser Government, and he said:

The early planning and forecasting of the 1975-76 Revenue Budget took place in a climate of uncertainty—that was last year—

as to what might be done to improve the financial assistance grants arrangements.

The Treasurer yesterday was criticising the present Government, and one would assume from what he said that he was not at all pleased with the present Government, because it happens to be a Government of a different political complexion. I have quoted what he said about the Whitlam Government, and apparently he was not on terribly good terms with that Government in August, 1975. I think it cogent to remind you, Mr. Speaker, that only about a month or six weeks before that time the Treasurer of South Australia had disavowed his association with Mr. Whitlam and the Commonwealth Government at the election that was held in July of that year.

Mr. Gunn: Publicly disowned him.

Mr. COUNBE: He did, and then he said, not very long after that, that the two of them were buddy-buddies.

Members interjecting:

The SPEAKER: Order!

Mr. COUNBE: We should all recall very vividly how the Treasurer, a few days before the State elections, changed his course completely and, because he was associated with the then Prime Minister, he changed course in mid-stream. That was most noticeable. In August, about six weeks after the State election, the Treasurer said:

The early planning and forecasting of the 1975-76 Revenue Budget took place in a climate of uncertainty as to what might be done to improve the financial assistance grants arrangements.

I do not know about this buddy-buddy business, but apparently he was a little bit off-side at that time. The Treasurer also expressed some disappointment at the fact that he had put forward certain proposals to Mr. Hayden, the then Federal Treasurer, (and Mr. Whitlam, the then Prime Minister), on the problem facing the States and that Mr. Whitlam had said it was not possible to meet the State's case in full. He said that he was disappointed that a longer term improvement in the financial assistance grants could not be made. We had the same story repeated here yesterday when he said:

South Australia faces a disturbing number of economic unknowns in the rest of this financial year. This State does not know in detail the provisions of the new Federal-State relations proposals that were outlined in the sketchiest of manners by the Prime Minister at the recent Premiers' Conference.

I read with some interest the reports that came from the Premiers' Conference that was held only last week and some of the comments which were made by the Treasurer leading up to that conference. Whilst I could expect any Premier to make certain statements regarding the rights and claims of his own State there is no doubt that for the first time for decades the Premiers came away from that conference without the usual rancour and wrangling that goes on at every Premiers' Conference. The Treasurer of this State was far less outspoken on this occasion than he was in the past two or three years when he had to face up to the Whitlam Government: it was quite a contrast.

The Hon. G. T. Virgo: Did you read what Hamer said?

Mr. COUNBE: I read what Dick Hamer had to say, and I read what some of the other Premiers had to say, too. I am now discussing the financial affairs of this State and what the Treasurer of South Australia had to say, because he is accountable to this House and to the people of South Australia. The Minister is having a go at Mr. Hamer; let me tell him that Mr. Hamer, next month, will do Mr. Holding like a dinner.

The Hon. G. T. Virgo: Why is he bringing it on so early; is he afraid of Fraser?

The SPEAKER: Order!

Mr. COUNBE: I recall Mr. Hamer's saying late last year that he intended to have an early election.

The Hon. G. T. Virgo: Is he afraid of Fraser?

Mr. COUNBE: I can tell the Minister that the Treasurer of this State is very glad indeed that he had the State election in 1975 and not in March, 1976, and so is the Minister.

Members interjecting:

The SPEAKER: Order!

Mr. COUNBE: I suggest that the Treasurer had some inkling of what was likely to happen. He could see that the days of the Whitlam Government were finished and that is why he is counting his lucky stars that he held the election in July of last year and not in March, 1976. The Minister would not be sitting where he is today if the later election had been held.

The Hon. G. T. Virgo: We lost just one seat. We can thank the Liberals in the Upper House, can we, for their stupidity? They created the election.

The SPEAKER: Order!

Mr. COUNBE: The Treasurer and some members opposite have criticised the policies of the Federal Government because of the constraints that Government is applying at present. The Treasurer said last year that the proper and reasonable course for this State to take in the present financial circumstances was to restrain spending to a reasonable and conservative limit, and I agree with him. The recent Premiers' Conference has been the first occasion for decades when we have not seen the usual mad rowing that goes on between the Commonwealth, of whatever complexion it may be, and the various State Premiers, whatever complexion that may be. I recall the Treasurer's saying that he was largely reassured by some statements of Mr. Fraser when he went to see him before the recent Premiers' Conference. What has come out of that conference is a new concept of Commonwealth-State relationships.

The Hon. G. T. Virgo: Tell us what it is!

Mr. COUNBE: The Minister does not know! I will put it as simply as I can, but perhaps I should use four-letter words for the Minister. It is a concept of federalism as against socialism, and the Minister is one of the

arch priests of socialism in this State. It is a greater sharing and responsibility for the States in spending money as well as raising it. The Minister will find that he will receive fewer tied grants but greater overall grants. Speaking to councils in my district in the past few days, I have been told that they are delighted with the announcement of the funds they are likely to receive.

The Hon. G. T. Virgo: What are they going to get?

Mr. COURCE: They will get some money.

The Hon. G. T. Virgo: Whitlam gave them money, but what will they get now?

Mr. COURCE: They will receive a better share of the cake.

The Hon. G. T. Virgo: What are they going to get?

Mr. COURCE: The Minister may have to contain himself for some time: I assure him that councils will receive more money than they have received in the past. They can only get more, and a better deal. Councils, of which the Minister has been such an illustrious member in the past, are looking forward to participating in the new scheme. I say that advisedly, because of the conversations I have had not only with council officers and elected members in my district but also with those in other districts. We will see how the new concept works out.

The Hon. G. T. Virgo: I hope they are not disappointed.

Mr. COURCE: The Minister of Local Government, who is also the Minister of Transport, hopes to get more money, and I trust that, when funds are made available, he will, through his office in this State, administer impartially funds that are available to councils. The Treasurer has referred to inflation, wage indexation, and other matters, but the main proposal is contained in the Treasurer's own writing on the first few pages of his speech. I have the greatest admiration for the new Under Treasurer (Mr. Ron Barnes) and congratulate him on his being appointed. The remainder of the speech is his version, I think. I believe the Treasurer has taken the opportunity to have a slap at the new Administration in Canberra, but in about August of this year I shall be interested to hear (when the Appropriation Bill is introduced) what the Treasurer has to say, because I believe he will sing a different tune.

In this tone of criticism that has been levelled by the Treasurer (and echoed by his followers opposite on every possible occasion), he has attacked the new Administration in Canberra because it is of a different political persuasion, and that criticism has been heard in the grievance debate and other debates. I remind members opposite that the people of Australia and of South Australia had their say and gave a verdict in no uncertain manner. That is the ultimate in democracy, and the people have said what they thought of the socialists in Canberra and, by implication, what they thought of the socialists in South Australia. This Government should learn a lesson from what happened: of course it will not, and I hope it does not learn, because the more mistakes it makes the sooner we will be on the Government side. I must support the Bill because, constitutionally, I have to do so. However, I have offered these criticisms in answer to the weak case put forward by the Treasurer when presenting the Bill.

Mr. BECKER (Hanson): I, too, support the Bill. I believe that Treasury officials have worked long and hard since the previous State Budget was presented in order to save the State as much money as possible. The present result, with an estimated \$25 000 000 surplus, is what we

thought in July could be achieved. With a State Revenue Account income of about \$1 051 000 000, if Government departments introduced various economies, these small amounts added together would probably give the present surplus. No-one should be lulled into a false sense of security and into thinking that, because of the possible \$25 000 000 surplus, the State was in a healthy financial position. We are not certain of what could happen in the next few months, and it is possible that the original prediction of a balanced Budget might not occur. The Treasury will need the \$25 000 000 that it will have at the end of June to be used as a buffer for the next financial year.

The Hon. G. T. Virgo: And against the actions of Fraser.

Mr. BECKER: I cannot say what the Commonwealth Government will do, and I am sure the Minister cannot say that, either, nor can Treasury officials say what effect the Commonwealth Government's moves will have on our situation. Obviously, it is better to have a surplus at this stage. It could be argued that we are overtaxed and, if we are, the Government will have to pay the price, because in its next Budget it may have some difficulty in increasing certain taxes. It is better to be in a surplus situation now in preparation for the next Budget. I do not criticise the advice that Treasury officials have given to the Government, and it seems that the Government has accepted that advice, although perhaps reluctantly. We are fortunate in this State to have officers in the Treasury Department who have done much hard and good work in order to put the Government in its present position. That is why the Government is in its present happy position. It is easy to criticise our public servants and the financial position of a State, but on this occasion we are in a good position, a position that we had predicted. The Leader of the Opposition was aware at the most recent State election that we would have been in the same position if we were in office, if not in a better position.

Mr. Gunn: We couldn't have been worse.

Mr. BECKER: That is true. We were planning.

The Hon. G. T. Virgo: You're not a shadow Minister. What are you talking about? They dumped you.

Mr. BECKER: That is all right: a change is as good as a spell. The predicted surplus was indicated in the Treasury statement of December, 1975. There the Treasury officers state:

It is necessary to be cautious in projecting these end of month figures forward and in drawing conclusions about the likely end of year result. Nevertheless, the relatively high surplus to the end of December does indicate now that the eventual result for the full year could be a surplus of more than \$10 000 000. A full review by departments based on their six months results is now under way and, by the time the January monthly figures are published, Treasury will have had the opportunity to bring together these departmental re-estimates. At that stage it should be possible to give a more reliable forecast for the year.

This is the first time since I have been in Opposition that we have had statements of this type from the Treasury, and I appreciate receiving the information every month. I have been asking for such information ever since I came here. All we need do now is have a half-yearly review, or a more frequent one. The Parliament ought to adopt the same system as boards in private enterprise adopt in having a comprehensive quarterly review of finances. I hope that that will be done, because then Parliament and the people will know the financial position of the State.

It is interesting to note the cash holdings of the State now compared to the position 12 months ago. At the end

of January, 1975, the cash holdings were \$72 949 000. At the end of January, 1976, they were \$168 302 000. The surplus in the Revenue Account at January 31, 1975, was about \$7 900 000, and at the end of January, 1976, the figure was \$25 282 000. The amount of money in trust and other accounts with the Government has increased in the 12 months under review by about \$18 000 000. We have little to criticise about the buoyancy of the financial affairs of the State, but the warning is there. No-one can predict what will happen in the next five months. I hope that the Treasury and the Government will be careful in handling the State's finances.

Until the figures are available in the next few days, the improved position of the Revenue Account is difficult to predict, but two or three areas will reflect the current inflationary trend (and the Government benefits from these), and one area would be land tax. Receipts for the six months ended December 31, 1975, were \$12 453 000, against a Treasury estimate for the period of \$19 350 000. Land tax receipts in the past financial year exceeded the Government's Budget estimate, and many people felt then that persons whose properties had been revalued or reassessed for land tax purposes were paying dearly. Receipts from land tax could well exceed the Budget estimate again. This is one area to which the community, particularly property owners, object strongly, but land tax is of substantial benefit to the State Treasury.

The other matter is succession duties, for which the Budget estimate for 1975-76 was \$16 500 000. At the end of January, 1975, receipts were \$9 043 000. Although it is difficult to predict succession duty receipts, on present indications the estimate will be exceeded. Again, the Government is benefiting from inflation and from the savings of the average man in the street. With a tax of that kind, is it any wonder that the average citizen becomes upset when there is pressure for further indirect taxes? For pay-roll tax, the Budget estimate was \$126 000 000, and at the end of December the Government had received \$56 963 000. Irrespective of the announcement about the adjustment of pay-roll tax in a certain area, larger businesses will pay more, the Government will still benefit, and receipts could exceed the Budget estimate.

The matter comes back to responsible government, and the average citizen, who foots the Bill, wonders if we have such government in South Australia. Some of the expenditure items embarked on in the past five years and some of the buildings erected have been necessary, but the extravagance and the types of structure have been queried. When the Government has incurred this type of fixed commitment, it must maintain the properties or services. The Government could be in difficulty in this area in maintaining many of the quite grandiose services and buildings in years to come. It is still planning giant property developments in the city, and we have the continual proposal for redevelopment of the Adelaide railway station site. No-one will convince me that now, or in 25 years time, the amount of money contemplated as expenditure there will be justified.

The Government has been trying to entice, without having got any takers, people to establish an international hotel in Victoria Square. It is a matter of whether confidence exists or, if it does, whether it can be maintained and whether the State finances can assist in those areas. The Treasurer has made much play on wage indexation, taking the usual stand that we have seen from him since December 13 of giving a sideswipe at the present Federal Government at every opportunity. In the past, the Treasurer's tactic has been to use every opportunity to

belt the Federal Government, hoping that he stands high as the white knight for South Australia and that the State stands high as the last bastion of socialism on the Australian mainland.

The Treasurer is not advancing the cause of the State, and one would have thought he would adopt a responsible attitude to ensure the future development and growth of the State. There has been little development and progress in South Australia under the present Government. To criticise the Prime Minister on his decision relating to wage indexation is typical of the headline-hunting attitude to which we have become accustomed from the Treasurer. It is an example of the twisting around and picking on a personality that we have witnessed from him on motions that have been debated in the past two weeks. The Commonwealth Government can make representations before wage hearing bodies and the arbitration court, but the court will make the decision on wage indexation, not the Government or anyone else. No-one can predict what that decision will be.

I have been pleased to note that it is intended to assist small businesses by offering a pay-roll tax concession. It is all very well for the Government to say, "We shall do this and that," and offer incentives to small businesses, but one must remember that, during the past two years, large South Australian manufacturing industries have suffered perhaps more than any other type of business has suffered. South Australia was rapidly becoming a well-recognised manufacturing State, but today our manufacturing industry is slowing down. There is not the confidence in this State to increase development nor has the Government been successful in attracting new manufacturing industries to South Australia. We must look at this area if we are to increase employment opportunities in South Australia.

The unemployment relief situation is improved in the Bill. One often queries the method of handing out this money in certain areas and asks whether it will be used mainly to maintain schemes that have been operating for the past 12 months. If the Government intends to look at pay-roll tax as a lever, it should also look at other areas and consider not only small businesses but also South Australian manufacturing industries and try to build them up to what they have been in the past. In this area we hope that the Government can direct some of its proposed capital expenditure to the electrification of the railways. I do not know whether we can create employment in that way through manufacturing industries in this field. This morning I received a letter from the Minister of Transport about bus services in my district. At present those services are not the best. The excuse given is that South Australia has no buses left to improve services, and is waiting for buses to be built.

I hope that the buses that are needed will be built in South Australia and that the 310 buses that the Government has ordered will create an industry and considerable new employment opportunities. The Government could provide employment opportunity if it wished to do so. Manufacturing industry is the area to which we must look to provide such opportunity. We are assisting small businesses, but we must also look at big business. If the State has the confidence of big business, and if manufacturing production can be maintained, the State benefits in many other areas.

The area from which the State benefits most is pay-roll tax, which is the greatest growth tax ever given to the States. I am sure that South Australia and the other States will use that tax to full advantage. Regarding the remainder of the Bill and the additional money made available, the

Government has found itself in the same situation that is faced by any organisation or business, where pay-roll tax, workmen's compensation premiums, and general inflationary increases in raw material costs have caught up with it. Such increases would not have been easily predicted when the Budget was introduced last year. I reiterate, therefore, that we should have quarterly or at least half-yearly comprehensive reviews of the Budget so that we can continuously plan and predict the financial situation of South Australia.

Mr. GUNN (Eyre): It is interesting to note that the Treasurer has put on his old record, and we are going back to the period before December, 1972, when the Treasurer and the Minister of Transport used to blame the then Commonwealth Liberal-Country Party Government for all the ills of Australia. Nothing that Government did was right according to the Treasurer and the Minister. In his explanation, the Treasurer states:

In keeping with so many of his shortsighted policies— He is referring to Mr. Fraser. During the afternoon, by way of interjection, several Government members were critical of the Fraser Government's decision to reinstate the superphosphate bounty. I wish for a few moments to clear up—

Mr. Slater: It's a hand-out!

Mr. GUNN: —completely the nonsense that members opposite have been talking. It is not a hand-out. The superphosphate bounty is an incentive to rural producers to produce superphosphate for this country. The Minister of Transport and the socialist farmer from Stuart would have us believe that the Government is giving handfuls of money to the farmers.

The Hon. G. T. Virgo: How much are you going to get?

Mr. GUNN: What happens is that the money is paid directly to the superphosphate manufacturers and does not go to the farmers. What that does is reduce the price of superphosphate. Because of the inactivity, the shortsightedness and foolishness of the previous Labor Government, superphosphate factories were standing idle in Port Lincoln and other parts of Australia. There was no superphosphate production and people were being stood down by these factories, and other people's jobs were in jeopardy because of the stupidity of the Whitlam Government, which was supported by the Government of this State. Let us examine the situation.

Members interjecting:

The SPEAKER: Order! Regarding the matter of the superphosphate bounty, I am trying to work out how it fits into the Appropriation Bill. I cannot see that it is really a matter that should be discussed under the Bill. I have been rather tolerant, in the hope that I would be able to see how it fitted in, but I am afraid I cannot see how it does.

Mr. GUNN: I wish to speak only briefly about that matter. I am not surprised there were objections from the Labor Party about it, nor am I surprised that the member for Mitcham objects to what I am saying. He dislikes country people, as do Labor Party members. If they do not want me to talk about it now I will talk about it later. It is obvious that they hate country people and rural producers and that they have no regard for the benefits that can be gained from them by the nation. That is where the Labor Party stands on the issue.

Mr. Keneally: You should declare your interests.

Mr. GUNN: I will be pleased to do so. I am a fourth generation farmer and am proud of it. I make no apology for saying that. Many thousands of people are also farmers and they have not done the country any harm, but instead have laid the foundation of prosperity that will be built on by the Fraser Government. Yet the Treasurer and his colleagues have had the gall to criticise us. When the people of Australia spoke in December they realised that in Malcolm Fraser they had a man whom they could trust and who could lead the nation to greatness. They have completely destroyed the credibility of the Treasurer and Mr. Whitlam and it will be at least 25 years before the Labor Party, because of the foolishness of its policy, even looks like forming a Government in Canberra. Members opposite, and the Treasurer in his statement, have criticised Mr. Fraser's policy. Does the Labor Party honestly believe in the sorts of policy that Mr. Whitlam and Mr. Hayden were putting into effect, and does it want those policies to continue?

Mr. Keneally: Yes.

Mr. GUNN: That is interesting to know. Members opposite want a \$4 500 000 000 deficit and the highest unemployment rate and interest rates in the history of this country. Those are the kinds of policy the Labor Party supports.

Mr. Langley: What about subsidising electrical goods?

Mr. GUNN: It was the honourable member's friends, not the Liberal Party Government, who slashed the tariffs. It was Messrs. Cairns, Whitlam and others.

Mr. Vandeeper: Your colleagues brought it in.

Mr. GUNN: Yes. Members opposite should not blame the Liberal Party for the shortsightedness of their colleagues.

Mr. Keneally: We—

Mr. GUNN: If the member for Stuart wants to make a speech, he should stand up and give us his thoughts on this matter. He is only a knocker, and he is against anyone who shows initiative and enterprise; that is his policy. On this occasion, the Government will face the same consequences as those that led Mr. Whitlam to destruction. This afternoon, comments were made regarding the Liberal Party's policy on taxation, particularly succession duties. I am proud of my Leader's policy in this field, because if there is one shocking form of taxation it is State succession duties and Commonwealth estate duties. Commonwealth estate duties ought to be abolished and succession duties ought to be modified.

The Hon. G. T. Virgo: What are you going to do about television licences?

Mr. GUNN: Television licences are out, and are not related to matters before this Chamber.

The Hon. G. T. Virgo: What have succession duties to do with it?

Mr. GUNN: Succession duties have much to do with the revenue of the State.

Mr. Keneally: You say that television licences have nothing to do with the State but that superphosphate bounties do?

Mr. GUNN: I have been told by the Speaker that the bounty is not relevant to this debate, but I will speak about it on another occasion. I was discussing the Liberal Party's policy on State succession duties that will allow people to continue in viable enterprises and not be destroyed by the ravages of this kind of tax, which the Labor Party has always supported. The present system

works in complete contradiction to the rural reconstruction scheme that operates in the State whereby people are encouraged to make their properties economically viable. Some property owners may have just created a viable unit, and State succession duties will destroy it. My Party's policy, unlike the Labor Party's policy, is directed towards assisting the entire community, not only the farmer. My Leader's policy announced last Sunday will assist the total community. We are not a sectional Party, like the Labor Party, which looks only at isolated cases. Our policies assist the total community.

We believe in creating economic conditions so that every section of the community will prosper, but the Bill is not aimed at helping the total community. What concerned me was the Treasurer's attack on the policy for federalism which was announced by Mr. Fraser during the recent Commonwealth election campaign and which he is now in the course of implementing. I believe that his policy will create the greatest Financial Agreement in the history of federation. The reason why the Treasurer and the Labor Party do not like the Prime Minister's policy is that they will not be able to go running to the people, saying, "Canberra won't give us enough money." They will have to learn to manage their own affairs. Another reason why the Labor Party is unhappy is that it is a centralist Party and wants to see all power in the hands of a few in Canberra, with Gough Whitlam in charge, aided and abetted by Bob Hawke and Don Dunstan: that is the kind of policy the Labor Party is trying to put into effect. The Government is not interested in co-operative federalism and does not want to see federation operate as it should operate.

Members interjecting:

The SPEAKER: Order! The honourable member for Eyre has the floor.

Mr. GUNN: Thank you, Mr. Speaker, I was wondering how many speeches were being made simultaneously. I am expecting the Minister of Transport to contribute to the debate. He has tried to make a speech by way of interjection, but I have been unable to follow his line. I should be pleased if he would give the House the benefit of his wide knowledge of federalism and his policy on State taxation and succession duties, and also talk about the superphosphate bounty. As I have been prevented from speaking on the main topic about which I wanted to speak, I will do so on another occasion.

Bill read a second time.

The Hon. J. D. CORCORAN (Minister of Works) moved:

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

Dr. TONKIN (Leader of the Opposition): Traditionally, the Opposition has the right at this stage to air various matters of concern. Several matters of concern have been ventilated, I think fairly thoroughly, over the past week and one day of sitting.

Mr. Jennings: But not effectively.

Dr. TONKIN: I think it has been done most effectively. Although it may not have suited the honourable member, it has suited us. The matters raised were of grave importance, and had been kept from the public of South Australia. I am certain that members of the public have been particularly pleased to hear about them, because they believe in open government and like to know what is going on. I thank the member for Ross Smith for drawing my attention to that fact. I will discuss the effect the Dunstan Administration is having on the business and

private sector of South Australia. I think we must examine the industrial development that has taken place during the past few years under the Australian Labor Government. I must make clear at the outset that I am attacking the Dunstan Government and Labor Party Administration because I resent bitterly what they are doing to South Australia. It becomes apparent, as it has over the past few days, that the Treasurer is unable to stand criticism. We know that members of his Ministry cannot stand criticism and react badly, but I had not realised before to the extent that I have realised this week that the Treasurer is totally intolerant of the criticism and will not stand it. He takes the coward's way out and lashes out with personal criticism; he cannot take it.

Mr. Jennings: Have you found his Achilles heel?

Dr. TONKIN: On this occasion I totally agree with the honourable member; except that the Treasurer seems to have more than two Achilles heels and I think even he does not have three feet. The Premier reacts to criticism by turning the criticism from himself and his administration on to other personalities, and these may be people he has involved in his activities. Under the guise of stoutly defending them he actually exposes them to the criticism that he has drawn on himself. That is a coward's way out, and a fairly despicable thing to do.

If that option is not open to him, the Treasurer immediately lashes out at the person criticising him. These tactics have been used in debate on the motions relating to the Housing Trust and the Savings Bank of S.A. He has tried to get out of this criticism, particularly in the latter case, by transferring criticism of himself to those personalities involved: he has tried to turn that criticism into criticism of the Savings Bank and its management. That is totally wrong and false, and anyone who has heard the debate or reads *Hansard*, will realise that the Opposition has only the highest regard for the Savings Bank, and that that high regard was referred to more than once. It is cowardly to imply attacks on other personalities or institutions in order to avoid unpleasant criticism, yet that is what the Premier and certain of his Ministers constantly do.

The arrogance of a Government which turns all criticism of its activities and administration into criticism of the State itself is even more appalling. The disturbing feature of the whole attitude is the tendency it shows towards the totalitarian attitude that the Treasurer and the Government can never be wrong and that criticism of them is not permitted. That is the attitude that is coming through quite clearly. The idea that the Treasurer and the Government can never be wrong and must never on any account be criticised, brings us closer to 1984 than we might have thought we were.

The record of industrial development of this Government over the past three years has been totally abysmal. The Treasurer may well refer, as he undoubtedly will (he is bound to try to make capital of it), to the opening of the new refinery project soon. This is necessarily the development of an established industry. The fact is, that the Treasurer, the businessman's pin-up, is making things so difficult for businessmen that they are staying away from this State in droves. Why should industry come here?

Mr. Max Brown: Oh!

Dr. TONKIN: I would like the member for Whyalla to give me a list of all the new industries that have come to South Australia in the past three years.

Mr. Max Brown: Name the ones that haven't come.

Dr. TONKIN: I suppose that, because there is not a very big list of those industries that have not come, the Premier's Development Division has been spectacularly successful. I am grateful to the honourable member for making me see things from a slightly different point of view, but I am not impressed by his attitude, because if that is the attitude of the Government as a whole it is no wonder it has made a mess of things.

Mr. Max Brown: What a lot of garbage!

Dr. TONKIN: I am sorry I am upsetting the honourable member, but I must say what I see as the truth for this State. Why should industry come to South Australia when labour costs are so high? I point out the recent case of the retrenchments at Atco. Labour costs in Elizabeth are about 30 per cent higher than in a corresponding community in California, U.S.A. South Australian firms are being undercut in overseas markets in their tenders by as much as 20 per cent by tenderers from the United States, traditionally the home of a high labour cost industry. This has been going on steadily for the past two or three years. Why should industry come to South Australia under these circumstances?

What effort is the Government really making to attract new industry? It can make all the offers it likes, but, as long as all it can really offer are higher labour costs and higher State charges, industry will not come to this State. I resent what the Labor Government is doing to this State. I resent the fact that from one of the most rapidly expanding industrial centres in Australia we have gone to No. 6 on the list; we are almost at the bottom.

Mr. Millhouse: You're saying we are at the bottom, if we're No. 6.

Dr. TONKIN: I think we probably are. We are not getting any industrial development worth talking about, and it is a matter that apparently does not concern the members of the Government. They do not seem to be making any effort. New industries are not coming to South Australia and the financial factors operating so adversely have already been referred to in this House this evening and this afternoon—pay-roll tax, land tax, and so on. In fact, it is about time Government back-benches got on their feet and did their duty by their electors by telling the Cabinet and the Government exactly what their electors think. They are not doing a very good job. Pay-roll tax, land tax, and workmen's compensation premiums are the three major factors increasing the cost of labour in this State and pricing South Australia out of the reach of industry. By so doing we are pricing ourselves out of existence. Without industry there are no jobs; without jobs, there is no prosperity.

Mr. Jennings: And there's no profit!

Dr. TONKIN: This State is certainly without profit and, because it is without profit, it looks like being without development. People will have to continue to go to other States to get employment and live the sort of lives that they deserve to live. As the question of pay-roll tax has been dealt with previously, I do not intend to go into it to any great extent. For the benefit of the member for Mitcham, who was not in the House at the time, the Treasurer intimated to me across the floor that the pay-roll tax amendments will simply mean that this State will come into line with the situation that applies in Queensland. I freely admit that that is another step in the right direction, but it still does not go far enough. It has been suggested that the appropriate step would be pay-roll tax exemptions to be reviewed annually, and the exemptions should be

set at the rate equal, as it was originally intended, to the employment of 10 persons at average weekly earnings. The Commonwealth Statistician should make this calculation annually.

Dr. Eastick: Did you say that the Treasurer had taken his cue from the Premier of Queensland?

Dr. TONKIN: It seems that with a little prodding from the Opposition here—

The DEPUTY SPEAKER: Order! The Leader of the Opposition is standing with his back to the Chair, and I hope that he will abstain from doing that.

Dr. TONKIN: Mr. Deputy Speaker, I am so sorry, I really am. I am flattered that Government members should be taking so much interest in what I am saying. In reply to the member for Light, I suspect that, after some prodding from the Opposition, the Treasurer has taken the lead from the Premier of Queensland, and all honour to him. More changes could be made, and they present tremendous potential for the use of pay-roll tax concessions to stimulate industrial development in South Australia. It was done in Victoria to stimulate decentralisation, and it could be done here. Following some Opposition urging, some pay-roll tax exemptions have been made in relation to the Iron Triangle, the Green Triangle, and the other place, Monarto, but what good they will be at Monarto I am not sure. At least to some extent we have scratched the surface, but the scope and potential are wide and it could be used. Is it being used effectively? Of course it is not. Even with the chance it has of introducing an amendment to the Pay-roll Tax Act, the Government will do nothing. It is not concerned about the plight of small businesses and of industry generally. If it were, it would introduce concessions and incentives to help the private sector. If it did that, it would look after the unemployment problem, and we would not have to worry about introducing unemployment relief schemes. The money we are to spend on such schemes would make up for concessions we apply to the pay-roll tax.

Another factor desperately hurting industry is land tax. This is one of the most insidious forms of taxation, and the 1971 amendment allowing for the aggregation of total land holdings in order to calculate land tax has not only meant great hardship to individual land owners but also has had a startling effect on industry. I understand the member for Mitcham referred to this matter in an earlier debate. This tax has had a dramatic effect on the price of a building block, and the effect on industry has been drastic, because of the price of land. The only difference between its effect on a private individual and on industry is that it is more difficult to work out what component of the final product price land tax represents. Obviously, it represents a larger proportion than it did three or four years ago. As a result of the combination of rising land prices, increasing valuations and amendments to the Act, industry has been placed at a great disadvantage, particularly in cases where companies own land in different areas. The Government's revenue in this financial year will be far greater than it was last financial year in respect of land tax. Land tax payable by one company that holds rural properties has increased by no less than 1014 per cent in the last 12 months. A major manufacturing company has found that its land tax payments have increased by nearly 94 per cent in the past 12 months, and another company in the service sector, with branches in many country towns, has found that land tax payments for 1975-1976 will be 87 per cent higher than last year. This is the effect of aggregation on their land tax payments. Examples that have been given to

me are startling for both large and small organisations, with increases of up to 1 014 per cent and 422 per cent, with the lowest at 41.5 per cent on a relatively small aggregation. The money has to be found to meet the commitments, and it must come from the industries involved. That means either an increase in price, or retrenchments, with a reduction in the work force and therefore in productivity. We cannot afford a cutback in production at present, yet this Government is doing nothing about land tax and nothing to help industry and small businesses to overcome this burden.

I now deal with the third factor, workmen's compensation. I shall not canvass any details of the Act or of the Bill that has been introduced today. I say that the premiums that have been payable by industry, small businesses, and other sections of the community associated with workmen's compensation have been, as Opposition and Government members all know, appallingly high. Details from companies that were the subject of a recent survey concerning workmen's compensation premiums show that premiums paid have risen by 104 per cent from 1972-73 to 1973-74; by 89.1 per cent from 1973-1974 to 1974-1975; and after those two massive increases they have risen by another 28 per cent in 1975-1976. The 1975-76 figures have been significantly underestimated and will be subject to an end of the year adjustment, as we would expect. The respective figures in January that can be used to obtain a comparison between the rises have been 98.2 per cent, 92.9 per cent, and 29.7 per cent. In the same period employment in these companies dropped by 4½ per cent, which means that the premiums paid increased by almost 400 per cent in three years. That is a ridiculous situation: it may be managed by larger companies, although they are in much the same difficulty as are smaller businesses, but it has a devastating effect on small businesses. It makes the difference between the small business being an economic proposition in a situation in which the family who own the business either consider that it is worth while pressing on or say, "Why are we slaving away; why not just close down?" Every time such a thing happens (and it has happened thousands of times in the past two years throughout this country) people are placed out of employment. In this State, we have our fair share of that. I will quote at random some of the premiums and changes. For a large company, the premium in 1972-73 was \$4 283 and in 1975-76 the premium was \$38 108. For another company the premium in 1972-73 was \$290, and in 1975-76 it was \$1 036. For a further company, the premium in 1972-73 was \$280, and this year it is \$3 142. The situation is absurd and ridiculous. It would be laughable if it were not so tragic, many people being put out of employment because of it. These people are obliged by law to meet the premiums and they must put people off to pay them if they are to retain a viable proposition, but the Government is doing nothing about the matter.

Dr. Eastick: It's laughing all the way to the bank.

Dr. TONKIN: Yes, because who is getting all the business? I will speak on this matter further in the debate on the Bill introduced today, but, when I see what this Government is doing to industry and the private sector in South Australia, I am disgusted. I am further disgusted at the Government's lack of concern. It could not care less about what is happening to the people whom it allegedly represents. It is clear that the Government does not represent the interests of the worker and is not concerned with those interests. The Liberal Party and the Opposition Parties represent the worker far more than the Labor Party has ever done.

The Government has to do only three things to prove that it is interested, namely, to do something about pay-roll tax, land tax, and these iniquitous workmens compensation premiums and that ridiculous legislation. I am continually surprised that certain people in this community still think that the Dunstan Administration is on their side and that it supports big business. As I have said, our Treasurer is said to be the businessman's friend and the businessman's pin-up boy. It is time the community woke up to what is being done to the people. If the people do not wake up soon it will be too late, because the Government will walk over them.

This State Government hates business. The businessman's friend, the Treasurer of this State, is a sham. He is no more the businessman's friend than he is the workers' friend, because both groups are suffering, and the sooner the people do something about the Dunstan Administration the better off they will be. There was talk yesterday of an early election, and the Opposition would not be worried one bit about that. I have every confidence in the people. They are beginning to see through the facade that for several years skilled public relations experts have built up around the Treasurer and his Government. When that facade slips, he will be shown for the person he really is, and his Administration will be shown for the Administration it is. I am confident that the true image of the Treasurer and the Government will come clearly before the people before the next election.

Mr. GOLDSWORTHY (Kavel): The Supplementary Estimates indicate a fairly large increase in expenditure in education, and one matter that has come to my notice from a school in my district concerns the possibility (I hope the probability) of establishing sites for city camps for children from country areas. Several such camps are established in the country areas and several one-teacher schools in those areas that have been closed are being used successfully as camp sites for city children. A letter that I have received from a school regarding this matter states:

I refer you to the attached letter from the Eastern Hills Principals Association to the Education Department concerning the need for a school camp in the metropolitan area. As parents of children who took part in the overnight excursion mentioned, we commend the many ways in which it had advantages over the usual day bus trip to North Terrace. It was time saving, placing the party at points of interest at quiet times. There was low overall cost. There was the adventure of the overnight camp amongst friends, etc., and our council gives the letter full support. At a time when country camps and annexes are being established in numbers (for example, in recently closed one-teacher schools), it would seem appropriate that similar accommodation exist near the city for use by country schools, small or large. We ask that you give consideration and support for the concept.

I am pleased to give it any support that I can. Attached to that letter was a copy of a letter that had been sent to the Assistant Director of Primary Education, stating:

At a recent meeting of the Eastern Hills Principals Association it was resolved that we seek support for the idea of a city camp—a place which country schools could use for overnight accommodation while on excursions to the city. We are sure that you will agree that it is essential that all children in South Australia should have access to the North Terrace cultural instrumentalities, as well as the many other places of cultural, historical, industrial and social interest in and around the metropolitan area. If we, as Principals of schools within reach of Adelaide, feel the need for such accommodation, it is reasonable to assume that those in more remote areas would feel it even more. As an example of how a facility would be used, in July two local primary schools took a group of children to Adelaide to visit and participate in a programme of educational and cultural activities.

A most interesting and comprehensive list of the activities of these youngsters on their visit to the city is given. It is of much interest for city children to go to country camp sites, and it is equally as important and interesting for many young children to look at the city. Normally, they cannot do that satisfactorily in a one-day bus trip. I have spoken to members who represent the more distant country districts, and in those districts the accommodation problem is more difficult. For instance, most of one day, or even more than a day in the case of children from Eyre Peninsula, is spent in getting to the city. The question of accommodation is therefore important. I can see that the Minister of Community Welfare is taking some interest in what I am saying. I believe it has merit, and I urge the Government to set up some sort of accommodation for these children in the city. As the letter says, it need not be expensive.

The writer suggests that the following is necessary: sleeping accommodation for groups of children, bearing in mind that a bus group consists of about 45 to 50 children; sufficient toilets and showers; cooking and eating facilities (breakfast only); a recreation room (optional); no television; catering arrangements in an existing place (for example, the South Australian Railways cafeteria). I put those suggestions forward in all seriousness. It is an excellent idea and I am sure the Liberal Party fully supports it. I hope that the Government, with its increased funds flowing to education, will find this is an inexpensive operation to set up for country youngsters on their visits to the city.

I wish to quote from two other letters from constituents in my district just to illustrate what is happening on their properties regarding land tax. I quoted one of the letters earlier, and wish to take up the subject again. The letter comes from Lobethal constituents who are personally known to me. They are industrious and good citizens; indeed, they are making a real contribution to this State and country. I know they are not the types to complain easily, but they write in the following terms:

On a property we purchased a few years ago, the unimproved value was \$2 610. Two years later this was increased to \$14 800, no doubt a pretty ridiculous increase. They then refer to valuations made on neighbouring properties and indicate the illogical variations that seem to occur in those valuations. The letter concludes:

I personally think there is some pretty crazy valuations. I have contacted the Valuation Department and the council and I will enclose their replies. We don't know whether you can do much, but you would probably know how to handle Government departments a lot better than we can. Anyway, you probably realise there has been some pretty shoddy work been going on and we think it is time that things were pulled into line. Surely there must be some justice in democracy, otherwise things are getting pretty bad.

I know they have a just basis for complaint, because they are finding it difficult to come to terms with increases in capital costs, especially council rates based on Government valuations and land tax rates based on increased valuations. They are finding it difficult because they are struggling to make a living from the soil on a fairly small holding in the Adelaide Hills.

The Hon. R. G. Payne: Are they fruitgrowers?

Mr. GOLDSWORTHY: It is a dairy, and they grow potatoes. The second letter is from Forreston. Again, the people are known to me personally and, likewise, are a similar type of people. The letter is as follows:

On receiving our new land tax assessment we immediately lodged a protest. The nature of the protest was that steep rises in cost of production was putting the rural industry in

jeopardy, also that the true value of the land was what it could produce and return for the owner, not the inflated prices paid by incoming residents for 10 and 20-acre lots.

The fancy prices paid for 10 and 20-acre allotments are far in excess of the prices paid for larger allotments. The letter continues:

We have received our rate notices . . . and it appears that the smaller holder is treated unfairly.

The letter talks about anomalies in valuations, the various sizes of properties and the rates paid. It concludes:

I have been to see them recently—

the Valuation Department—

and pointed out their inconsistency in their valuations. It also applies in our own holding. They informed me that they would be visiting the district and interviewing those who had lodged a protest.

When I last saw them, such a visit had not occurred. The letter then sets out in detail the valuations on the various blocks they hold. As the land is held in separate titles, it attracts a higher valuation. They are nevertheless trying to carry on their fruitgrowing operation but are literally being taxed out of business by taxes which do not occur in other States and which I believe should not be levied in this State. No doubt members of the Liberal Party will continue to raise similar matters, because this is an area where justice is not being done to good, honest, hardworking citizens of this State.

Mr. MILLHOUSE (Mitcham): I wish to refer to four matters, two of which I am prompted to mention because of what has already been said here this evening, especially by the Leader of the Opposition. He spoke about the level of costs in this State, and with what he said I agree. Last weekend a girl from Canada came to visit my family; she is here on a holiday. Without my prompting her, she remarked about the level of costs in Australia and said she could not possibly afford to have such a holiday if she did not know people in different places. Such situation is fatal to the tourist potential of South Australia about which we hear so much from the Treasurer. If we cannot keep down our costs in South Australia in comparison with those in the rest of Australia, the question of a hotel in Victoria Square or any boom in the tourist industry will not occur. Whatever we have in Australia, if it is too expensive for tourists to stay here, they will not come.

I was encouraged to hear the Leader's comments about workmen's compensation, because what he said was entirely correct. I have said the same thing many times. In fact, I said it in the Liberal Movement policy speech before the recent State election. I gave at least as stark an example in that speech as the Leader gave this evening regarding increases in premiums. What encouraged me especially is that I think I will get support for the amendment I intend to move during the Committee stage of the Workmen's Compensation Act Amendment Bill. That amendment will seek to reduce compensation to 85 per cent of average weekly earnings. After what the Leader has said this evening I am sure that he, and I hope his followers, will support my amendment.

The Hon. R. G. Payne: That sort of move will send them back to work with broken arms and legs half mended, won't it?

Mr. MILLHOUSE: There is more than a little truth in that, as the Minister well knows. In our policy speech I said that we would reduce compensation to such a level, and I look forward with some confidence to Liberal Party support for my amendment. That is all we can do.

Mr. Venning: He's an independent.

Mr. MILLHOUSE: I obviously have the member for Rocky River in already. I am glad that I will have his support for my amendment.

The Hon. R. G. Payne: I'd be ashamed to admit that.

Mr. MILLHOUSE: His vote is as good as any other member's vote; I learned that a long time ago. Yesterday, I received from various Ministers several replies to Questions on Notice. The first I mention was on Monarto, which is utterly doomed in its present form and at this time; there can be no doubt about that. The Government knows this, but will not admit it, so, we go on spending money at Monarto in the vain hope (I hope the hope is vain) that so much will have been spent that we will have to go on with the damn place.

The Hon. R. G. Payne: Your children and mine will thank us.

Mr. MILLHOUSE: Perhaps, but that is a matter which only the future will decide. I think the Minister is wrong, because I do not believe (as I have said repeatedly) that Monarto is justified at present, or that we can afford it. I heard a rumour that the Government had gone for help to the Commonwealth Labor Government before the election. The question I asked was as follows:

1. Was a submission made late last year by the Government to the Commonwealth Government for funds for Monarto and, if so:

(a) what was the submission; and

(b) has a reply been received and to what effect?

2. If no reply has been received, what action is it intended to take and when?

The answer I received from the Minister for Planning was as follows:

1. (a) Yes; on November 3, 1975. The submission sought support of the Australian Government for a five year programme for Monarto based on a first stage population target of 4 000 by 1980 and 15 000 by 1985.

One can imagine the sympathetic response this Government is likely to get from the present Federal Government, whose view in this respect I support. The Minister's reply continues:

(b) no reply has been received.

2. I am endeavouring to arrange a meeting with Senator Greenwood.

The one thing that was not given in the reply was how much this Government asked for. It was obviously so much that to disclose now how much the Government asked for last November for Monarto would make the Government a laughing stock. However, we may be able to get that information by one means or another. We do not know how much the Government asked for over five years in its submission, but surely the Government, in the interests of saving a bit of money in this State, must now concede that Monarto will not go ahead, because the money will not come from the present Federal Government, whatever could have happened under the Labor Government. Heaven knows, we got only \$500 000 for it this financial year from the Government's friends.

The only other matter I raise is that of housing at Christie Downs. A few weeks ago I went and had a look at houses in Flaxmill Road, Christie Downs. The reply I received to a Question on Notice states, in part:

Each dwelling has an area of private indoor and outdoor space.

I do not know what a dwelling would be if it did not have private indoor space. The reply continues:

These two spaces are placed in a communal garden setting, and there are no allotments as such.

There are no boundaries, so the houses are not on separate allotments. The reply continues:

Similar home parks—

148

a euphemism—

are proving a useful and successful form of medium-density housing. Since medium-density housing depends so much on planting and various forms of landscaping, such areas frequently look rather gaunt when under construction.

The houses surely look gaunt now. They look appalling, and it is not surprising that those living around about in solid-construction good looking homes should be complaining about this group of houses being put in their own area. I sympathise with those people, and I think that what has been done is a bad mistake.

Mr. Evans: Would the Minister like a dozen in his street?

Mr. MILLHOUSE: No. That group of housing in Flaxmill Road reminds me of the old temporary housing in Centennial Park by the cemetery that became so bad that it had to be taken away. People would not walk down the street at night; it was a bad area. These places in all probability will go exactly the same way. Anyone who goes there who is any good at all will have one ambition: to go somewhere else as quickly as possible. I think that this is a bad mistake, because it will cheapen the area in which the houses are built, and I am surprised that the Housing Trust has been guilty of such an error of judgment, as it undoubtedly has been guilty of in building them.

Mr. Evans: Was there Ministerial direction?

Mr. MILLHOUSE: There may have been, and the Government must take the ultimate responsibility.

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

Dr. EASTICK (Light): First, I draw the attention of the House to the fact that a Mr. G. R. Andrews, of the Evanston Gardens area, the owner at the time of the events I will relate of about 74 hectares, comprising sections 3296 and 3299 of Munno Para, sold the property at the end of 1973. As a result of the concession he had obtained on his land tax for rural purposes over a period, he was responsible for the payment of the deferred tax. Mr. Andrews believed that he was liable for about \$172, which was an estimate he made knowing the amount that he had been conceded by way of rebate over a period. On contacting the department, he was advised that it was to be a payment of \$220. He complained that this could not possibly be correct and asked for a review. He was then told that it would be \$250. He complained again, and the department said that it would be \$500.

He refused payment, asked for further consideration and, when he returned to the department, an officer advised him that he had in his possession a letter that claimed over \$700; Mr. Andrews was refused the receipt of the letter. He said that he was dissatisfied about the matter and would see his member, but he was asked not to undertake that course. He was told that he would be contacted within a day or two, and he received an account for \$171, which was slightly less than the original sum he had estimated. I make the point that these situations should not arise. Obviously, there has been an error of judgment or of estimation somewhere. These facts can be shown to the Minister if he wants to dispute the detail I have brought out.

After that, when a constituent in Jane Street, Willaston, advised me that he had received a letter from the Engineering and Water Supply Department claiming about \$3 600 for the purpose of a sewer connection on an allotment to be subdivided I could not believe my ears,

because it was already planned that a sewer would go past the front gate of each of these allotments. I made inquiries, as did the gentleman's solicitor, and the department said that it was very sorry. It recognised that an error had been made because one of the subdivisions was purely a strip of about 2.5 metres along one side, which was to be consolidated with the next door neighbour, and the department would remove that portion, so they issued him with an account for \$2 694. This amount was payable before he was permitted to proceed with the subdivision, but the creation of the subdivision did not call for any more sewer than was already to be placed in the street going past the property.

As I believed that the person had been wrongly charged for this service, I contacted the Minister. I was not satisfied with the original letter I received, so I obtained from the Engineering and Water Supply Department detail of the sewer plans for the area, and I was able to indicate to the Minister the plan number, and the work that was to be undertaken in this street. I pointed out that if, because of the lie of the land, the department wanted to change the position of the sewer to the back of the property rather than the front so that it did not have to excavate so deeply in the front, surely it was a decision of the department and by no means a decision involving the subdivision, the subject of the discussion. I was disgusted when I received a letter from the Minister of Works dated February 10, stating:

The matters you raised have been considered at length, and I am satisfied that the Engineering and Water Supply Department proposals are in line with normal policy requiring subdividers creating new allotments to contribute towards the cost of sewerage where no previous contribution has been made for it.

No-one can argue with the general purport of that statement, but I make the point that the whole of the properties adjacent to and opposite this property are to receive their sewerage at no cost except for the connection fee. The sewer will be laid to all of the adjacent properties, whether or not this subdivision proceeds. The claim being made by the department is a matter of a department gone mad with the power and ability to squeeze money from the public.

Had this subdivision required the provision of additional sewer, I would have expected a charge to apply, but I believe that Shylock fades into a very insignificant person when compared with the blood-hungry activities of the Engineering and Water Supply Department, activities which at this time are condoned by the Minister, who would not take action to correct the anomaly that had been so well outlined to him. Shylock looks like a Sunday school teacher when compared to the activities of the Minister of Works and his department in demanding this sort of money from the public.

Mr. Boundy: He wants the bones, too.

Dr. EASTICK: He wants the lot. I appreciate that, where a person wants a special concession and will make money as a result of it, he should be called on to pay for that concession or benefit. However, at a time when there is a considerable demand for blocks for housing purposes in the existing urban towns and the metropolitan area, claims by a department of this nature, extracting money from the public, go completely against the best interests of the public. This is certainly not the type of action ever contemplated by this Party when in office, nor would it be our attitude in office in the future.

The situation is clearly outlined in another document associated with the debate in which we are involved at

present. The statement made by the Treasurer in introducing the Bill clearly indicates that he has received more money than expected. I have said before, as have other members, that the amount of money at the end of the year will be considerably greater whilst the Government proceeds to bleed the public as it has. I will not try in the short time I have left to outline a number of examples similar to those raised by my colleagues in respect of land tax, but let it be clear that the earlier statement I made regarding an increase in the costs associated with land tax on small parcels of land is not consistently applied in the valuations that apply in the Kersbrook area.

The ACTING DEPUTY SPEAKER (Mr. Kencally): Order! The honourable member's time has expired.

Mr. MATHWIN (Glenelg): I will deal with a matter I referred to this afternoon—the erection of a bus depot at Morphetville Park. We, the people concerned, will always remember the *coup d'état* that was announced by the Minister of Transport on March 7, 1975. Today I asked a question of the Minister that he completely refused to answer. I asked how the South Australian Government was going to finance this project, and how much of the \$47 000 000 it would find from the revenue of this State. After two deputations to two Ministers and the presenting of two petitions to two departments, the last signed by over 900 people, we asked for and were given an environmental impact statement, on which the wheels of operation were to turn. Originally, the Minister had no intention of letting us have this study. I would be surprised if the Minister knew at that stage that there was legislation in existence that forced him, because of his involvement with the Federal finance, to have this study conducted. On page 1, this document states:

The Australian Government is vested with the power to decide whether on environmental grounds it should provide funds for a given project. It remains, however, the State Government's prerogative to decide whether the project will go ahead as proposed but at its own expense if the Australian Government objects, or whether, in view of the environmental impact or other considerations, the project should be amended or dropped entirely.

That was the reasoning behind the question which I asked the Minister and to which I failed to get an answer. The e.i.s. was put into operation and the Government employed a firm of public relations people who were there to cushion the effect on local residents and people objecting to this proposal. This Government pays only lip service to environmental matters. The Treasurer, who on many occasions has talked in this House on environment, likes to use the "in" words and phrases, whatever is in vogue.

On one occasion the Treasurer was reported to have said, when speaking to the wine industry, that he was very perturbed and upset at the loss of the near metropolitan vineyards because it affected the history of this State. We lost that part of the history of the State, and affected one of his favourite babies, tourism, in relation to which this Government has a miserable record. I would like the Treasurer to take time off before he goes on his jaunt to Yugoslavia to have a look at Morphetville Park to see what is growing in this vineyard. Does he think we are growing sweetpeas there? Does he think it is an area for growing flowers? Indeed, it is the only remaining part of the oldest vineyard in the State. The Treasurer has said nothing in its defence, and failed when Cabinet made a hurried decision last November, no doubt persuaded by the Minister of Transport with his power in Cabinet, to develop the Laffers triangle site.

The Hon. Hugh Hudson: How many vineyards do you think grow on Laffers land?

Mr. MATHWIN: The Minister should know that Hamilton's vineyard at Morphetville Park is the oldest vineyard in the State, and was originally planted in 1837 when Mr. Hamilton brought vines from South Africa and planted them on that site. Let us consider what Dr. Inglis said in the foreword to the e.i.s., as follows:

I draw particular attention to the concern which the Environment Division expresses on the possibilities of conflict between depot traffic and drive-in traffic at the Oaklands Road entrance, a concern which I share. They make certain recommendations in relation to this entrance which I recommend should be further discussed although I agree with the statement in the divisional assessment of the Environmental Impact Statement that "This problem should be kept in perspective; it is not regarded as serious but is considered to be unsatisfactory."

If that is not having two bob each way, I should like to know what is. On the one hand it is this and on the other hand it is that, but obviously it is good for the Government. What an excellent statement by the doctor! Page 9 of the document states:

Since then the State Cabinet has confirmed that no land would be available at the site. If the site had been available and appropriately zoned, it would offer on the one hand a slight locational advantage over the Morphetville site, but this would be offset by a disadvantage in its site impact. Overall, therefore, no appreciable advantage would accrue from using the Laffers site.

Apparently, it is good enough to be on the Morphetville site but not good enough to be on the Laffers triangle! If the Minister has had no time to read this impact statement, he would do well to keep quiet and listen, because he may learn something.

The Hon. Hugh Hudson: Not from you.

Mr. MATHWIN: At page 13, the document, when referring to the Morphetville site, states:

It is considered that the visual appearance of the depot should provide no cause for concern. The buildings will be of low profile and have been designed to be both functional and aesthetically pleasing.

What a biased document that has been directed to the Government. Let us consider the traffic counts referred to in the document that were taken in June, 1973, and in June, 1975. Why at that period of low traffic density and not in January? Why not during the summer when much traffic is proceeding to the beach? The document also states that no consideration has been given to the 350 extra motor vehicles that employees will use. The swimming centre near this site will close at 5.45 p.m. and reopens at 7 p.m., and children will be pouring out from that centre on to Morphet and Oaklands Roads. They will be mixed up with the drive-in theatre traffic. That situation alone should be sufficient for the Government to reconsider this matter, because during holiday periods these people will have no chance of getting to Morphet Road. Last week a lady timed herself when travelling from the swimming centre to the traffic lights, at Morphet Road, and it took her five minutes.

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

Mr. RUSSACK (Gouger): I believe that land tax is an important subject and, when referring to it, in no way do I speak in derogatory terms about the dedicated officers of the Valuation Department or State Taxes Department. These officers carry out their duties to the best of their ability as provided by the directions and provisions of the appropriate Acts. The effect of legislation, whether it be good or bad, can only be revealed

when it is put into practice, and I sincerely believe that some detrimental effects are now appearing in provisions of the Land Tax Act. Those people affected can appeal and make approaches as best they can, but the only place in which the legislation can be amended is in this House. That is the reason for my bringing the matter to the attention of the appropriate Minister, the Government, and members.

Many examples have been given concerning land tax and its effect on landowners throughout the State. Whilst most landholders in the city, metropolitan area, and outer metropolitan area are adversely affected, I intend to give an example from a country area concerning the effect of rural land tax. The property, of 1 636 hectares, is situated in the Mid-North and used principally for grazing purposes. Last year 45 hectares was used for wheat, about 25 hectares for peas, and a small area for barley. Normally, the property runs about 4 500 sheep, and about 1 000 of them are sold each year. In November last year, 1 100 sheep were sold with the net proceeds being just under \$4 000, and I will make a comparison involving that figure later. For the purpose of administration, in 1959 members of the family formed a company, but in 1971 they fell captive to the legislation that introduced aggregation, and the property is now assessed at one value. For 1973-74, the land tax was \$320·80. In 1974-75, land tax increased to \$4 785, and the sale of sheep in that year returned less than \$4 000.

Mr. Evans: How many sheep did he sell?

Mr. RUSSACK: He sold 1 100, so he got less than \$4 a head. In addition, there were council rates in 1973-74 of \$860, and last year of \$1 300. The total indebtedness for land tax and council rates was \$6 085. The reason for the steep increase in valuation is that adjacent land was sold recently for viticulture. The family concerned does not want to grow grapes in the area, and therefore the valuation is not applicable to the use being made of the land. I refer to the letter quoted today by the member for Light, as follows:

In areas where the market value for land is steadily rising, land can realise prices far in excess of the capitalised value of its immediate use. In addition, sales of both urban and rural land over a long period of time confirm that the price of land per hectare does tend to rise significantly as the parcels of land decrease in area.

This House is the place where the Government can rectify this anomaly. A tax is justified only if the taxpayer has the ability to pay, which is not so in many cases. People must borrow money at 11 per cent, 12 per cent, or 13 per cent to pay their taxation bill. One gets the impression that the Government does not consider the man on the land in rural areas to be in a worthwhile occupation. However, during the Second World War, rural industry was a protected occupation and many men who wanted to defend their country could not enlist. That is one reason why consideration should be given to the amount of land tax levied on rural landholders; it is an essential industry.

For at least two years, members on this side have agitated about the situation and the iniquitous land tax being paid. We have tried to rectify this unacceptable position, and, when the tax scale was amended, that was received with gratitude, as we thought it would be of much benefit. However, I believe that the people were hoodwinked, because soon after a scheme known as the equalisation scheme was introduced. In his second reading explanation of the Bill dealing with equalisation, the Minister stated:

It is physically impossible for him—

that is, the Valuer-General—

with existing resources to undertake revaluations for both land tax and water and sewer rating in each year for the whole of the State, although, with the development of computer systems, annual revaluations for all rating and taxing purposes may ultimately be possible.

With the introduction of equalisation there is, in effect, a new valuation each year in South Australia. This afternoon I gave an example showing that, because of equalisation, the general valuation of one property, which in 1974 was \$97 470, has increased to \$146 205. We appeal to the Treasurer and the Government to change the iniquitous situation that is harming people in the rural area.

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

Mr. EVANS (Fisher): I refer to the present position under the Land Tax Act regarding a person who develops land. I hope we are all concerned about the cost of developing land and about the eventual cost of the block to the potential house owner. There is a difficulty under the present Act. In the case of a man or company owning much land for allotments (I am referring to someone or some company separate from the Land Commission, which does not have this burden), the total estate is aggregated to push the allotments into a higher tax bracket. The rate in the \$1 is higher.

When an individual allotment is sold, the purchaser is responsible for the balance of land tax owing for that year or paid by the owner for that year. The developer can charge only at the single allotment rate, which is much less than under the aggregated system, so he is penalised for trying to get blocks on the market for the average house owner. This injustice should be rectified and the opportunity should be given to people who genuinely own land for housing development purposes to pay tax on an individual allotment basis, not on the aggregated basis.

My main complaint this evening is regarding tourism, and the remarks I made on that matter earlier this week were similar to those the member for Mitcham has made this evening. Australia, particularly South Australia, is pricing itself out of the international market in tourism. Therefore, we must consider promoting internal tourism in South Australia if the industry is to survive. In supplying accommodation and eating facilities that a tourist may require in America, about 25 per cent of the cost is wages. In Asia, Singapore, and Hong Kong, the proportion is about 15 per cent, while in South Australia it is more than 40 per cent. We have reached the stage where we can say to our own people, "If you have a little bit of money to spend, take a trip to Singapore or Hong Kong. If you have a reasonable amount, take a trip to Europe. If you have a lot of money to spend, if you are really rich, and if you want a holiday, tour Australia." It is cheaper to fly out of Australia for a holiday than to tour within Australia.

The cost of meals and accommodation is so high compared to international standards that we have priced ourselves out of the market. The Treasurer is aware of this, but he is not willing to say so because he knows the persons who sit behind him and who are here at the whim of the trade union movement will not allow him to say it. He knows, however, that the wage structure has priced us out of the international tourist field. There is some benefit in admitting it, and the Treasurer should have the courage to do that. His Ministers should encourage him to say it so that we can achieve something better.

The Hon. J. D. Wright: A record number of conventions will be held here this year.

Mr. EVANS: The number of conventions taking place in the world 10 years ago was limited. The percentage taking place in Australia is less this year than at any other time. The Minister attempts to use a figure, saying that is something we should use as our basis for a good tourist policy, but he is wrong, because we have not gained a greater percentage of the total number of conventions; we have slipped back. Other States can use the same basis for argument as the Minister has done.

By using State resources in many cases, the Treasurer has attempted to encourage people into the restaurant business at rentals probably lower than other people in a similar business have to pay. It is a marvellous idea if it can be supported, but we have so many restaurants and licensed places that they cannot all survive. The Treasurer and his Ministers know that. We have to adopt a system of wage structure so that penalty rates are largely eliminated. We have to make the system work so that, if a person works a 40-hour week, no matter what days of the week he works, he is paid the normal rate. We have to cut out the penalty rates of triple time for Sundays and double time for Saturday nights; otherwise, we will create unemployment.

It is better for a person to be able to get a job on Sundays at \$5 or \$4.50 an hour than to be entitled to receive \$10 an hour but not get a job. Surely that is common sense. Many people, especially those who would like to work part time (university students struggling to get into a profession, and others), would be pleased to work on a Saturday night or a Sunday for \$4 or \$4.50 an hour, but they are not entitled to do that under the existing system. The person patronising the establishment would be satisfied, the owner would be able to offer better service, and the person employed would be pleased to have a job. We have created unemployment through the system we have promoted. If that is what the Government wants, it has got it.

For the Treasurer to go on promoting and propping up some establishments through Government help by back-door methods would be good in the short term, but in the long term it is damaging to the tourist industry in South Australia. Another example of the Treasurer's attitude is his dogmatic stand that there will be an international standard hotel in South Australia, come hell or high water, in Victoria Square. Instead of saying that there is at least one other site, the air space over the Adelaide railway station, and the station yard—

Mr. Venning: What about the place opposite?

Mr. EVANS: That is tied up by the trade union movement and cannot progress, with the resultant loss of time and money. If the Treasurer said we would have an international standard hotel with a convention centre of a reasonable size, and people could look at the railway station site and be given an alternative, we may find that someone would take on the project much earlier than otherwise could be expected. However, while we have a trade union movement that will hold up a project such as the one opposite Parliament House, to the extent that the builder cannot give a guaranteed price or a finishing date, our construction industry is in danger because of this industrial strife. I hope that the Government will pass back to those who support and promote it in this place (the trade unions) that that is the situation. That is what those organisations are doing to the building on the site of the former South Australian Hotel

and to the construction industry as a whole. The uncompleted building opposite this place is a typical example of the damage that can be done to industry, particularly to the hotel industry.

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

The Hon. J. D. WRIGHT (Minister of Labour and Industry) moved:

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

Motion carried.

Mr. BLACKER (Flinders): I should like to raise some matters which directly affect one of the primary industries in my district, the fishing industry. The first point is in relation to an offshoot of a small industry in Port Lincoln, the boat-building industry. Late last year tenders were called by Government advertisement for a Halmatic 40ft. fibreglass hull and the fitting out of that craft. Two of these vessels were required as pilot launches operated by the Marine and Harbors Department. When the advertisement came out I was approached by a boat-builder who was a potential tenderer and informed that he could not in any way qualify under the terms of the specifications for the Halmatic hull. The tenders had been called, but the reference to the Halmatic 40ft. hull was a reference to a trade name of a fibreglass hull imported from England.

Local manufacturers were concerned about this, because they believed that they could produce a vessel of equal quality, one which has been thoroughly tested in Australian waters (several of these vessels are operating out of Sydney as well as out of Port Phillip Bay), and they were somewhat hurt that the integrity of the South Australian (if not the Australian) boat-builder was to be put aside for the sake of the fibreglass hull. I am concerned that in this case a small industry is being overlooked for the sake of specifications that cannot be met in South Australia or, indeed, in Australia. I wrote to the Minister of Marine when this advertisement came out, and I received a reply, from which I should like to quote the relevant points. The reply states:

The Halmatic 40ft. hull is a proven design and over 200 of them are in service throughout the world. Pilot launches based on this design are used and recommended by the following authorities: Trinity House pilots, United Kingdom; Port Phillip sea pilots; Victorian Public Works Department; and Maritime Services Board of New South Wales. The Halmatic 40ft. hull is moulded to Lloyds' requirements and a Lloyds' hull moulding release note is available for each hull.

Vessels of similar quality and design could be built in South Australia, certainly in Australia, but, because they are not of a specific design approved by Lloyds of London for pilot launches, they cannot be used by the Australian or South Australian Governments. That is an anomaly. Why should an industry capable of producing vessels of the standard that any department would care to lay down be completely overlooked because the vessel does not have a mould certificate from Lloyds of London? The Minister's reply continues:

No Australian manufacturer of glass reinforced plastic hulls has the "controlled climate" factory conditions to build a hull to Lloyds' requirements.

That point is valid. Why should Australian conditions require a "controlled climate" factory condition? Those conditions occur naturally in Australia, whereas in England it is only common sense that it would be necessary to have a controlled climate for the proper curing of fibreglass hulls. Hulls cured in the Australian environment would be longer lasting and better suited to Australian conditions

than would hulls built in other parts of the world, transported to Australia and expected to suit our climatic conditions. The crux of the matter is that Lloyds is the world-wide arbiter of standards of glass reinforced plastic hull manufacture and their supervision of all phases of the moulding of the hull guarantees its strength and integrity. This guarantee is unobtainable from Australian manufacturers. South Australians should be trying to manufacture these hulls, because at least smaller industries would again operate in South Australia producing commodities that are needed and thus prevent what seems to be unnecessary waste in importing hulls and having them fitted out by Australian fitters. I have been assured that such a vessel manufactured in Australia could be produced at a cost of at least \$10 000 if not \$15 000 cheaper than an imported hull. I ask the Government therefore to support me in trying to get Australian or State specifications set down so that Australian manufacturers can at least compete in the manufacture of pilot hulls. Such vessels could be operated effectively under all the criteria required by the Marine and Harbors Department. I am certain that Australian manufacturers could produce a hull for a ship that could be used as a pilot launch in any port in Australia.

An article in last week's *Sunday Mail*, headed "Prawn Pirates Heading for South Australia", refers to the Minister of Fisheries recalling the patrol boat *Warrendi* from South-East waters to protect gulf waters. The problem arose through the findings of a court that determined a matter under the Seas and Submerged Lands Act. Controversy is raging about who controls certain waters. In South Australia an area of prawn-fishing waters overlaps State waters, the three-mile limit and Commonwealth waters. Of course, any prawn trawler operating in those areas could say that he caught all his prawns in Australian waters and consequently avoid prosecution. Prawn fishermen are concerned about boats coming from Queensland intending to encroach on the South Australian prawn-trawling grounds and consequently upsetting the managed fisheries that have developed in this State in the past few years.

I commend Professor Copes's report when it refers to the activities of the South Australian Agriculture and Fisheries Department and that department's efforts to bring about fisheries management. The prawn-fishing industry catches a local resource fish, not a migratory fish. Prawn-fishing is subject to over-exploitation, and it is important that we look for co-operation between the States and the Commonwealth Governments to bring about a unified approach to the allocation of prawn licences. That aspect concerns all fishermen involved in managed fisheries. We cannot in any circumstances allow the statistical and detailed work that has been carried out by the Agriculture and Fisheries Department and fishing organisations to be spoilt by the abuse of privileges by interstate trawlers encroaching on local fishing grounds.

Mr. ALLISON (Mount Gambier): In the past few days I have detected a sort of Orwellian animal farm sheep-bleating characteristic about the interjections from Government benches. The sort of phrase used is "Whitlam good, farmers bad, workers good". That sort of interjection makes me think that members opposite are programmed each Monday and switched on. There is a lack-logic robot mentality, to which I should probably not refer, because it is an insult to a modern computer. I hope that, with selective breeding skill, a model will soon be produced that can think for itself. However, that is not what I really intended to complain about this evening. I was a little disappointed with the Treasurer's attitude towards

the current Liberal scene. At page 7 of his statement, the Treasurer stated that he was disturbed about the current uncertain economic situation, which he outlined at the beginning of his remarks. Yet, this current uncertain economic situation is redefined on page 8 of his statement, where he states that the special allowance for increased prices, which seems to be called on only to a small extent now, is due partly to the favourable effect of wage restraint, which is moderating the rise in prices for goods and services used by departments. It would seem to be inconsistent that we have an uncertain economic situation giving rise to the current stability.

The Treasurer has blamed the Fraser regime for this situation, but has subsequently praised it. The Treasurer has said that this saving is due largely to the responsible attitude of departmental officers who are firmly controlling payments and seem to be making every effort to avoid calling on the special allowances. He said that the favourable effect could be a saving of about \$10 000 000. If it can be done this year, why could it not have been done in past years, with a similar \$10 000 000 saving? It was a pleasant surprise to hear the Treasurer introduce further pay-roll tax remissions when, only in the previous week, the Minister of Works had given a strong assurance that no such remissions would be granted. This has affected at least two of my constituents, who had written to the Premier's Department previously. One of them took the trouble to give me his correspondence. He wrote to the Premier's Department on November 18, and this demonstrates the importance of pay-roll tax to employment and continuing employment.

My constituent applied for an exemption from pay-roll tax because, owing to the large number of builders in the Mount Gambier area who employ only one or two employees and subcontract the rest of the work, he thought that the pay-roll tax on his reasonably large building firm, with permanent employees whom he was anxious to look after, was having adverse effects. He demonstrates this by saying that his last unsuccessful tender price was \$24 412, a tender that was lost by only \$74 to one of the other builders who was subcontracting and who was not paying pay-roll tax. Here is an example of a man who is trying to build up a small, secure industry (he is offering security to his employees as well as to himself), and the problems that he is having with pay-roll tax.

Another member of the Mount Gambier community telephoned me last night to say that his three small companies that previously had enjoyed an exemption from pay-roll tax because of their size were now bundled together as one company, and his pay-roll tax increased from \$500 previously to \$5 000 or more this year. Obviously, his remedy for this was not only to pay the \$5 000 (about which he had no alternative) but also seriously to consider standing down one of his staff members who would have been earning about that amount of \$5 000. These are only two of many people who, over the last few months, have led me to comment fairly consistently in different debates on the advisability of doing away with pay-roll tax. They are two people in a small community who must reflect the position obtaining over the whole State. They are standing down staff, rather than taking them on, to the extent to which they are asked to pay the additional pay-roll tax. This situation causes concern, and I am pleased that the Premier has decided, contrary to previous indications, to take one further step towards remitting pay-roll tax.

Another matter on which I should like to touch briefly is that of education, which presents a large bill to the

people of South Australia. As one who has been involved in education for about 16 years, I place on record my concern at what I have considered to be diminishing standards, not in every school or with every staff member but certainly in some schools which have a considerable number of staff coming through and which appear to have lower standards than those that used to apply. The Australian Council for Educational Standards is desperate at the prospect that, almost with incessant regularity, about 20 per cent of children leaving primary school and entering secondary school do so with a dire need for remedial work in mathematics and English, the basic communication skills in English and numbers that really establish a child's literacy. It is not asking much to expect that, after several years of primary education, a child should be able to enter secondary school with the necessary reading, writing, and number skills to enable him to go ahead, as there is not a vast amount of difference between grades 5, 6, 7, and 8. As long as a child is competent and up with the stream, he will go ahead when he reaches secondary school.

Mr. Goldsworthy: They are only just starting to wake up to that in the higher echelons.

Mr. ALLISON: This whole situation is obviously being rethought. In my experience in schools, I have viewed with some concern the displacement of grammar as a formal structure. I recall Mr. Ken Barter, who would have been the first person with whom I came in contact when I began work with the Education Department 17 or 18 years ago. He had written a number of grammar books that were in regular use in the schools. I do not think the children suffered from the discipline that was inflicted on them, as modern educationists say, the personal discipline of having to learn to do something well and to put words together in such a manner that they are intelligible, and to learn how to spell.

Mr. Goldsworthy: The first thing a child learns in a foreign language is the grammar.

Mr. ALLISON: Exactly, and the child who does not understand what he is reading has to miss only one or two words in a sentence and he throws that sentence away. If he misses one or two words in every sentence on the page of a book, he throws away the whole page. This is what happens to our youngsters who are slightly retarded: they travel backwards at an alarming speed. If we cannot help that 20 per cent of youngsters who leave primary school and arrive at secondary school with handicaps, there is something radically wrong with the education system.

I would not suggest that there is a great need to continue remedial work in secondary schools over an interminable number of years. However, I suggest that the vast sums of money that have been spent on secondary and tertiary education would probably have been better channelled into the primary department, where children are receptive, where they are thirsting for knowledge, where they are best taught, and where, if they are brought up to a standard by the time they are ready to leave for secondary school, they will not look backwards.

This is a matter for dire concern, and the Australian College for Educational Standards, a small group of people at tertiary level who have recognised this problem for what it is, a threat to the nation, are trying hard to inculcate these standards into educationists at senior level not just in South Australia but throughout Australia generally. I should like to say something about the vast number of theorists in education.

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

Mr. GUNN (Eyre): I should like to raise a matter about which I am concerned: the attitude of the Australian Labor Party and a number of people who have seen fit recently to criticise the Commonwealth Government's decision to reintroduce the superphosphate bounty. I intend to support my argument by quoting from a number of documents. I am interested to see that the member for Mitcham thinks this a matter to laugh about.

Mr. Millhouse: No, I am not laughing, and I do not think it is a matter to laugh about. You are not at all justified in saying that, and you know it.

Mr. GUNN: I can judge the honourable member only by his actions. By his actions this afternoon, he seems to think that this is a matter to laugh about. As most responsible members of the community would realise, agriculture plays a significant part in the welfare of the whole nation. I should like to quote from a publication issued by the Australian Information Service entitled "Rural Industry, 1975", on the first page of which the following appears:

Despite the increases in exports of minerals and manufactures in recent years, rural exports still account for about half of Australia's export income.

The figures for South Australia are also interesting and clearly demonstrate how important agriculture is to this State. In attachment No. 1 to the Callaghan report, which was commissioned by this Government, even though it has not acted on it, the following appears:

The gross value of rural production increased since 1931 from \$28 600 000 to \$348 500 000. This represents a three-fold increase.

I go on a little further in this document and examine the importance of agriculture to South Australia. The figures are indeed illuminating. Page 4 of the attachment states:

Rural production: exceeds \$400 000 000 per annum in value; makes up one-third of the total State production; contributes 50 per cent to the value of South Australian exports; has a rural work force, including seasonal workers, of 42 000; and supports ancillary industries employing another 30 000.

If those agricultural industries are to continue to play their important role in the welfare of this State and of Australia they must be given sympathetic consideration by Governments. By that, I do not mean the attitudes of this or the Whitlam Governments. The reintroduction of the superphosphate bounty is not a handout to a few wealthy farmers. That question was well answered this evening by Mr. Andrews, General Secretary of the United Farmers and Graziers, who pointed out that most farmers who received benefits from the bounty are the small farmers. Over 20 000 farmers use less than 100 tonnes of superphosphate a year, and fewer than 500 farmers use more than 200 tonnes a year. So, the personal attacks that have been levelled at prominent members of the community because they have received the bounty do not stand up to scrutiny.

We should examine the Industries Assistance Commission's report, commissioned by the previous Federal Government, which took no notice of the recommendations, and the reasons why the bounty was originally introduced. I will quote from page 33 of that report, which recommended the reintroduction of the bounty by a two to one majority of commissioners but, unfortunately, the then Prime Minister saw fit publicly to ridicule the commissioners because they made an honest judgment and their recommendations, to which he did not agree.

I hope that the member for Stuart has read the report. If he has read it (and gathering from the way he has interjected), he did not understand it. The report states:

The objects of the 1963 Act may be inferred from statements during the second reading debate:

a superphosphate bounty ". . . will encourage the most economic use of our agricultural resources and, in particular, will act as a stimulus to further expansion in pasture improvement";

If the honourable member knows anything about pasture improvement, I shall be pleased to hear about it. The report continues:

"Not only will the subsidy reduce farmers' costs and assist to increase their production but it will also increase the volume of production that Australia has for export and thus will enable us to earn more overseas funds";

Mr. Keneally: Now read the minority report.

Mr. GUNN: The report continues:

"restore the balance of profitability between the primary industries and the secondary and tertiary industries;

What I am trying to explain is that not only is the bounty directly assisting rural producers, but its removal has had a serious effect on the profitability and the continued functioning of some manufacturing plants in South Australia. I know of one particular operation that would virtually close down for seven months. The superphosphate companies do not have to pay for their rock phosphate until it is turned into superphosphate. Most of these plants have on hand large quantities of rock phosphate but they cannot turn it into superphosphate. They would have to pay the British Phosphate Commission considerable sums without receiving any return for it, because the rural producers would be unable to purchase it. The companies do not want to spend large sums five months or six months prior to their needs. The honourable member is continuing to talk idle nonsense, and I do not want to be side-tracked. This is not Question Time. If he wants to ask me a question, he can ask it tomorrow.

This matter is of the utmost importance, because the cost of superphosphate has risen so alarmingly that it has had a serious effect on the grazing industry particularly, certainly on those involved in the cattle industry. Many of them have not been able to top-dress their pastures and, therefore, once the pastures deteriorate it takes some years before they return a maximum profitability to the grazier. This is one of the facts which the Whitlam Government and possibly the Minister and the member for Stuart fail to appreciate. Not being practical people, they have based their judgment on what they have read in books.

The Hon. Hugh Hudson: Why not support a superphosphate scheme that looks after the small farmer and gives assistance where it is most needed?

Mr. GUNN: The Minister may speak if he wants to. If he had listened to this evening's news, he would know that that argument was destroyed by the General Secretary of the U.F. & G., but the Minister obviously did not want to hear it.

The Hon. Hugh Hudson: You do not know what you are talking about.

Mr. GUNN: I would place more emphasis on what the General Secretary had to say than what the academic Minister of Mines and Energy had to say. The Minister's attitude is to transfer the Agriculture Department to Monarto, but in no circumstances would a future Liberal Government do that (and I make that statement on behalf of my Party, and I am proud to make it).

The Hon. Hugh Hudson: If you got the department at Monarto—

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

Mr. RODDA (Victoria): At the conclusion of the session last year, I received a letter of indignation from the Secretary of the South Australian Trotting Club (Mr. Smith) drawing my attention to the fact that I had cast aspersions on the South Australian Trotting Club, as reported at page 1381 of *Hansard* of October 15, 1975. Mr. Smith defended his trotting club by suggesting that, if I was going to speak about the South Australian Trotting Control Board, I should see to it that I had my facts correct. I apologise to Mr. Smith and put the record straight for the President and officers of the South Australian Trotting Club. *Hansard* reports that I said, in effect, that the matter arose from a peremptory ruling that the South Australian Trotting Club ruled out Naracoorte for conducting races in its own right. I did not check the *Hansard* proof, and it is unfortunate that this error was made. I am sorry that I have been reported in that way. I meant to say that it was the South Australian Trotting Control Board, and I have written to Mr. Smith and apologised to him. This is the first chance I have had to make an apology, and this is because of the way the House functions by having a long drawn-out Question Time.

Last Sunday an article was published in the *Sunday Mail* expressing concern on behalf of fishermen about the appointment of the Director of Agriculture and Fisheries. A Public Service circular has already called for applications from people qualified to be responsible for matters of advising the Minister on all policies affecting the rural and the fishing industries. There is some confusion. The article in the *Sunday Mail* was critical that the findings in the Copes report were not being followed in its recommendations.

When the Bill on this matter was dealt with in the last session, this question was raised. Under a Liberal Party Government the Fisheries Department would remain an individual department in its own right. It is not our intention on entering Government to have the same Minister (the Minister of Agriculture and Fisheries) administering the portfolios of agriculture and fisheries. To be fair—

Mr. Keneally: The Liberal Minister of Fisheries is not yet born.

Mr. RODDA: Prognostication is part and parcel of the honourable member's make-up.

Mr. Millhouse: Is he wrong?

Mr. RODDA: It is not a matter of whether he is wrong; history will unfold itself. Because of this article and the concern that has been expressed on behalf of the fishing industry, I ask the Government to get on with the job of appointing a chief fisheries officer. In the new department there will obviously be a chief agricultural officer and, at the top of the apex, there will be a director-general. The fisheries branch will be part and parcel of the one department. I had the pleasure of the company of the member for Stuart and his colleagues at a meeting recently dealing with fisheries, and people in the fishing industry are looking for a chief fisheries officer whose work will be part and parcel of the dictates of the Government. The article to which I have referred caused much confusion.

I have spoken to fishermen from Port Lincoln and the South-East. The Government can clear up the concern and controversy surrounding this matter by making a public announcement of its intentions and not misleading people by calling for a Director of Agriculture and Fisheries. The appointee to this office will be a Director-

General, as we understand it. That is what we understood when the Bill was introduced by the Minister of Agriculture in another place last year. There would be a chief fisheries officer along with Mr. Olsen, who would hold another appointment. I have read the Copes report and its recommendations, some of which I disagree with and others with which I agree.

Recently, there has been much discussion on land tax. I refer to a Penola property of about 1200 hectares. The rate applying to that property has jumped from \$900 to about \$9400 under the new valuation this year. Landholders are unable to pay such sums. I understand that the landholder concerned has lodged an appeal and has received some minor consideration. It should not be the Government's intention to cause such hardship, and I refer to the case illustrated by the member for Gouger. It is similar, and highlights the hardship suffered by these people at Penola. Indeed, the \$9000 levied is not the biggest bill levied of which I have knowledge, because I have another constituent who is faced with a bill for \$15000. True, he has a large property, but that bill is out of all proportion to what the property can pay. Among the people who pay land tax are those who face enormous bills which cannot be met.

I ask the Government to examine the effects of the valuation that is being carried out as a result of inflated land values and land usage. These changes have been brought about by high prices paid for land occasioned by the advent of wine making where land is sold for grape growing.

In making those three points, I hope that the South Australian Trotting Club will realise that it was not on the receiving end of some umbrage from people in the South-East which was properly placed with the Trotting Control Board.

Mr. BECKER (Hanson): I rise this evening to speak about the method used last night to attack my Leader by two members of the Government during the grievance debate. The typical attack coming from Government members every time the Leader of the Opposition moves a vote of no confidence in this Government or when he comes up with some constructive criticism that should be aired, whether it be in this House or whether it is in the public, is that the Government has now decided that the Leader of the Opposition is to be known as "Ocker the Knocker". When a Government and a Leader of the Parliament such as the Premier has to resort to such tactics, it merely proves that the points raised by the Leader and the principle behind the issues are close to the mark. We have heard much of the belief of open government by the present Government in this State, but we have seen little of it in practice. The Opposition has queried, and is querying, the appointments of some people to specific organisations.

It is querying the principle that has been adopted in these appointments. We have seen that the facts have been twisted around to involve the personalities of the people concerned and the Leader of the Opposition instead of receiving an answer to the debate he has advanced, has been blatantly accused of being "Ocker the Knocker". This proves, to those who observe these statements by the Leader, made not only in this House but also in public, that the facts he has divulged have come close to the mark. It has always been believed that this Government is indeed corrupt. It is difficult to prove. Members opposite are cunning and there is such a wide web that it is extremely difficult to obtain the information we need. Yet that information should be readily available to all members of the

public. Parliament and a Government should not fear investigation into any matter of Government appointment or any issue raised from time to time. To accuse the Leader of the Opposition of being Ocker the Knocker proves to me that the Government has no substantial argument with which to refute the Opposition's criticism. We have seen a new development in South Australian politics engaged in by the Government in twisting the facts and throwing the issue back in a vicious form of attack such as we have seen from former members of the Government Party over many years in this State, in resorting to personalities and destroying credibility. It is a type of low politics that this country or State does not deserve, and I hope that this tactic will not persist. If the Government believes in what it is doing and is sincere, it will practise open government.

I also wish to deal with the stupid, ludicrous situation we had at Glenelg on January 19, when a certain gentleman named Nash made a prediction about an earthquake and a tidal wave, or whatever it was, affecting a large part of the metropolitan coast. What happened at Glenelg was that the people did not take notice of the statements made. The matter was joked about in some circles, but little or no publicity was given to it. It was not until the Treasurer raised the matter at a ceremony and got in front of the television cameras that the thing blew up out of all proportion. Here is the attitude of a supposedly responsible Leader of a Government, taking the opportunity to engage in a publicity stunt, blowing the issue up into something that caused more trouble than even he could foresee.

Mr. Abbott: That's a load of rubbish.

Mr. BECKER: It is not a load of rubbish, because you ought to be at Glenelg and in the situation—

The ACTING DEPUTY SPEAKER (Mr. Keneally): Order! The honourable member cannot refer to another member as "you". He must refer to the honourable member by referring to his district.

Mr. BECKER: It was the member for Spence. The position needs close examination, and there have been repercussions from the whole situation. Unfortunately, nothing can be done, and I am pleased that the Attorney-General is in the Chamber, because he may consider some means of preventing this type of character from making this kind of prediction and getting away with it. There is more behind this matter than meets the eye. There was the initial publicity (and we cannot prevent the media from doing what it did, because it was taken in to some extent), but the whole thing snowballed when the Treasurer came down to be interviewed in Moseley Square, Glenelg, about a week before the supposed event. If the Treasurer was honest and sincere and wanted to prove it to the people of South Australia, there would have been an on-the-spot interview but, when he went there with his entourage and made sure that all the television channels representatives were there, no-one was around to watch what was happening.

It was under the direction of Mr. Kevin Crease, who is paid a handsome sum to promote the Premier and the Government and also to spy on the interviews and statements of members of the Opposition, that everything was delayed until the tram arrived from Adelaide, and everyone was ushered over to where this was to take place, and there was a bit of a crowd present. It was quite a production and was made to look larger than it was. This is the link-up before January 19. By January 19, the matter had taken off in other States and South Australia was made the laughing stock of the nation. Cynics from the overseas press jumped in on this as a big publicity stunt and gave it

the treatment it deserved. It was at the expense of South Australia, and particularly of Glenelg, because the area about which the prediction was made was a large part of the metropolitan coast. Why did the Treasurer not go to Semaphore, or another area? He decided to go to Glenelg, and the people there have been hurt. The owners of holiday flats and some motels have had serious repercussions over this matter, because many people from other States left on January 17 and January 18 and not many came in after that date.

The tourist industry in the Glenelg area has suffered because of the stupid headline hunting performance by the Treasurer. On January 19 there was the scheduled arrival of the Treasurer. The exact time when he would be there was not clarified. A few hundred sightseers, mostly from other States, were there but, of course, there was the well organised and planned hard core of the Labor Party there to give the Treasurer a rousing reception, and he was treated like the Crown Prince of South Australia. Naturally, many people there hoped that he would walk out on to the water, but he was not going to try that. Whilst there was a big opportunity for the Treasurer to cash in on a stupid statement that should not have been given any publicity, he took the opportunity to obtain the publicity and capitalise on it to the fullest extent, and much damage has been done to the tourist industry in Glenelg. For that, the Treasurer ought to be totally and thoroughly ashamed of himself. It is time the crown prince climbed down off his horse and realised that he has a responsibility to South Australia.

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

Mr. BOUNDY (Goyder): I welcome this opportunity to ventilate my disgust with this Government on a particular issue. I express that disgust over the Government's clumsy and long drawn out way of stating its attitude to holiday homes on the waterfront in this State. At the outset I emphasise the difference between my attitude and that of the Government, since I refer to them as holiday homes, and the Government refers to them as shacks, and shacks are tin sheds and old tumble-down buildings. In the main, holiday homes on the waterfront in this State, be they on the river front or on the coast line, are holiday homes, and their owners are proud of them. I understand the value of this asset, but this Government does not, as it persists in referring to the homes as shacks.

Through ineptitude, this Government has not allayed the fears of these owners of holiday homes. Belatedly, the Government has said that existing shacks can remain but it has not said for how long they can remain. I suggest that this Government is persecuting owners of these homes and potential owners of such homes. I, and persons who are in my district office when I am not present, are continually being bombarded with inquiries whether it is all right to buy a shack at Hardwicke Bay, Black Point or Port Souter or elsewhere. I say, "I cannot allay your fears; my friend, you are on your own." Despite the answers I received in reply to my Questions on Notice yesterday and further questions that the member for Eyre asked on notice yesterday, I still cannot reassure potential purchasers of holiday homes. The answers I received yesterday are conflicting. First, I asked:

What classifications are being made of coastal and river-side shacks, and why?

I emphasise that I used the word "shack" there as the Government's word, not mine. The answer was:

Shack sites (not shack buildings) on waterfront Crown lands are being classified into "acceptable areas" and "non-acceptable areas".

If a site is unacceptable, how can a house on it be acceptable? That does nothing to allay the fears of the owner, or potential owner, of one of these assets. The member for Eyre asked the following question:

How long does the Government intend to give shack owners before they will have to remove their shacks?

The answer was:

Current Government policy is that existing shacks are allowed to remain.

Sure, they can remain, but for how long? So confusion still reigns supreme, and I believe this Government must immediately make a positive statement. It should look carefully and sympathetically at people's problems involved in this holiday home on the waterfront situation. The Government should immediately announce at least a 20-year miscellaneous lease for all holiday homes while it prepares plans for alternatives where justified. There is little need or justification to interfere with any homes, in my view, except perhaps to improve access.

I further suggest that security of tenure for the holiday home owner can only enhance pride in ownership, and with pride in ownership the quality of the shacks must inevitably improve. My final question yesterday was as follows:

Has consideration been given to the special needs of permanent residents in these areas and, if not, why not?

I received the following reply:

Permanent residents in shacks have received no special consideration as shacks were never intended for permanent residence.

This is a people problem. Surely this Government recognises that people live permanently in these coastal areas. What more logical residence could there be for a fisherman than a coastal shack or even a riverside shack? He lives there, he has children who go to school, and he trades at the local store, as do the holiday home owners who come in the holiday period. Our permanent communities value the use that the city dweller makes of his holiday home on our coastline, and it would severely affect the livelihood of the small businessman in country towns if these holiday homes were taken away or jeopardised in any way. This uncertainty has jeopardised the viability of our holiday home areas.

We in the country want them. Another set of people who are important to the holiday home areas in my district are the people who have decided to opt out of the rat race at the close of their working lives and live in retirement. I can name people almost without number who have done this: lions of industry from this city, have decided to come to Yorke Peninsula to spend the close of their days in comfort, and they are still uncertain whether they can remain. The draft of the Yorke Peninsula planning area development plan has done nothing to allay the fears of the people. This plan is still a document under discussion, but I will turn to page 136, which refers to Black Point as follows:

Black Point should be relocated on the landward side of the road as soon as practicable.

Only three-eighths of the beach at Black Point is built on now, and access is sufficient there for the public. Five-eighths of that beautiful beach is available to the public; but does it go there? The public does not go on the bare beach, to which it has access: it goes alongside the holiday homes where some amenities are located. There is no great public outcry for the removal of holiday homes on the coastline or for a change. Certainly, access may be improved in some cases. The important thing is that the future should be safeguarded. That can and has been done. Future development, should, and

will be orderly. Those people who already own homes on those sites complied with the regulations and by-laws of the Lands Department and local government at the time that they established there. I know they have annual licences, but they never considered that they would be resumed at the end of 12 months. Therefore, I submit that security of tenure is an important prerequisite to pride of ownership and that this Government at the earliest opportunity should spell out a long-term tenure for these home owners so that no-one is disappointed with the appearance of the homes or their use to the community.

Mr. WOTTON (Heysen): Since coming into this House about six months ago as the member for Heysen, I have experienced many frustrations, both inside and outside the House. I have no intention of speaking about the frustrations I have come across within the House, but I certainly will take the opportunity this evening in this grievance debate to discuss some of the frustrations I have had outside the House concerning my electorate. My first point, which has been touched on many times this afternoon and this evening by members who are much more expert on the matter than I am, is land tax. One of the greatest frustrations that I have on most days that I spend in my electorate office is concerned with the people from the land, and in particular the young people who come to me to see what I can do about preserving their right to stay on the land as farmers or primary producers—young people who come to me to look for new incentives to keep them on the land.

When I came into this House, in my Address in Reply speech I warned that, unless something was done to preserve the rights of these people on the land, before very long Adelaide, which now boasts of being one of the last of the capital cities to have fresh fruit, fresh vegetables, milk and meat on the doorstep, would soon find that it would join many of the other capital cities, which have to import their vegetables, fruit, milk and meat from farther afield. This matter concerns me greatly, particularly as it affects young people whose fathers have been brought up on the land, for whom a place has been prepared so they can continue on the land, in their father's field, and who are finding that they have to leave, mainly because of the extensive State taxation system operating in South Australia. Land tax, succession duties, death duties, rising costs, and poor returns are causing many young people to leave the land. Land tax payments, through revaluations in many areas, have increased many times over in the past few years. We need in this House at this time a definite assurance that rural land tax will not become even more excessive than it is at present because of increased valuations. We need, and indeed I call upon the Treasurer to bring about, a full inquiry into capital forms of taxation affecting those on the land at present.

Mr. Chapman: Have we got a Treasurer in South Australia?

Mr. WOTTON: Most of the time. I am pleased to report that recently we have heard noises from the State Taxes Department stating that the Government is willing to consider remissions of land tax to primary producers in cases of hardship. I urge all primary producers to take up this offer. All those who consider that payment of land tax over the last financial year has caused them hardship should apply to the Commissioner of Land Tax for relief. This point has been brought up many times during the debate, but I urge those concerned in this way to take such action. That is the first step. Many instances

of hardship have been related during the debate, and I should like to suggest another one.

We have in our area two properties where, following the death of the father on the property, death duties of up to \$200 000 have been paid. It is almost impossible for the young people left to look after the property to find such a sum. Some time ago the South Australian Chamber of Commerce and Industry called on the South Australian Government to set up an inquiry into all aspects of land tax. The total effect on industry and commerce in South Australia of rising land prices and the consequent increased valuations has been nothing short of disastrous. Another example in my district concerns two properties that have been established for many years. The people involved have found over the past financial year that shearing costs plus land tax will completely cut out the wool cheque. What sort of incentive is this?

I was especially pleased to see that a joint delegation from United Farmers and Graziers of South Australia Incorporated and the Stockowners Association visited the Treasurer only recently on the subject of land tax. I would hope that further agricultural organisations would get together as a body to represent the interests of the people in this way. Another point to which I wish to refer concerns the Callington, Hartley, and Strathalbyn water supply. On July 27, 1972, the former member for Heysen asked the following question of the Hon. J. D. Corcoran (page 316 of *Hansard*):

Will the Minister of Works obtain a report on progress being made in investigations into the water supply for the Callington, Hartley and Strathalbyn area? Many years ago Sir Thomas Playford suggested that ultimately the Strathalbyn scheme would have to be linked up with a main pipeline to Adelaide. As I was assured about 18 months ago that the matter would be investigated, I should be pleased to know what progress has been made. The Minister replied:

I shall be happy to do that for the honourable member. That question was asked in 1972, and contained reference to a question asked 18 months prior to that date, but still we have had no reply in relation to the water supply in this area. The people of the area consider it to be extremely important, and so do I. It is urgent at this stage.

Another point is the concern within my district about national parks. I appreciate the point made in this House by the Minister for the Environment that it is extremely important for the State to buy as much land as possible for future national parks, but I ask the Minister to look into the situation in which people find themselves, especially those on properties surrounding the parks, as a result of some of the parks becoming nothing more than fire hazards. I refer particularly to the Black Hill National Park, which recently was burnt out. The situation had been discussed for some time before the burning out of the park, and was of great concern to those in the area. While the Environment Department is so keen to purchase land, it has not got the money necessary to keep these parks under control, especially in relation to pest plants. I ask the Minister to look into that matter. As the three points I have raised greatly concern us in the District of Heysen, I ask the Ministers concerned to look into them.

Mr. VANDEPEER (Millicent): I wish to bring before the House the excesses that I believe are being perpetrated in Government departments by their expenditure. We know these departments are becoming extremely large, and the excesses therein are also extremely large, as is shown in the Bill before the House. This fact was brought home to me when I read the report, page 12 of which

states that it will be necessary for Supplementary Estimates from time to time to cover the larger departmental excesses. This being only the month of February, I wondered just how these excesses were made up. Perhaps a Christmas or a New Year party has provided some excesses in some other direction! The Treasurer may be well advised to consider the careful use of the word "excess". I am sure these departmental excesses do not come from such things as Christmas parties, but that thought passed through my mind.

At a time of severe inflation, faced with economic problems, it is the duty of the Government and of the various departments to look most carefully at departmental expenditure. We are attempting, with direction from our Federal Government, to tighten our belts. I think it will be the duty of all of us to join in this campaign to get the economy back on the road to prosperity and to reduce the present rate of inflation. Hand in hand with excessive Government expenditure is what might be termed the "handout syndrome", where all the characteristics are the same and it does not matter what the money is to be used for. If there is a handout they will accept it, and they will also accept instructions about where it should be spent. It is remarkable how this syndrome has been developing and how drastic its effect has been on the community. Unemployment relief and other forms of assistance have created a complacency in the youth of our community that must be seen to be believed. The Minister of Community Welfare would be concerned about such complacency in the youth and young people who are being affected. We do not know what effect such a syndrome will have on society in future. The Government should consider this matter because, while these excessive expenditures are continuing, other areas will also be affected.

Many sections of agriculture are passing through an extremely traumatic period. Our meat industry is passing through one of the greatest crises it has ever faced. Costs to that industry are escalating because of excessive, wasteful Government expenditure, making it extremely difficult for people in this industry to remain viable. The initial payment for meat on the hoof (beef and lamb) is low. Added to this, rising costs have made meat processing extremely costly, and the net return from meat is down to cost and sometimes below cost. Such a situation cannot continue much longer. Capital taxes imposed by this Government add to the increased costs. A tax that comes readily to mind is land tax, which is making viable farmers unviable. On one hand the Government is giving a handout, and on the other it is taking it back. Many applications are being made for Government assistance, but the Government is unwilling to give such assistance and at the same time it is willing to impose this destructive land tax on the agricultural community. I say it is destructive, because I honestly believe that it is destructive to many sections of our primary industry.

I refer now to education, because we on the land must look further afield than our own people. I believe there are excesses of expenditure in education. Although I do not knock that expenditure, we must look at any expenditure that is considered excessive. Much of the technical equipment used in this field is extremely expensive. Sometimes staff is not available to make full use of equipment that has been supplied to schools. Several schools in my district do not have sufficient staff to make full use of much of the technical equipment that is supplied. The Education Department over the next year or so could reduce its expenditure in this field until the number of technical staff members catches up.

Each time one wants to cut education expenditure, one is branded as a knocker of education. The word "knocker" has been used several times in the past few days by members opposite. No-one is attempting to knock anything: we want the Government to get its priorities right because, after all, priorities are of prime importance. Educational housing is far worse than it should be. In my district the headmasters of large schools are still living in 12-square houses when they should be entitled to something better. Part of the reason for such a lack of housing results from the transfer of the housing section of the Education Department to the Teacher Housing Authority. Although the authority was supposed to take over the housing section, it does not seem that it has yet done so. I therefore believe there has been a slow-down in teacher housing and the Government should look carefully at this matter to—

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

Mr. VENNING (Rocky River): I take this opportunity to make a few comments about the important District of Rocky River, which I hope will always be a reality even after the redistribution of boundaries.

Mr. Millhouse: And that you'll be the member.

Mr. VENNING: Yes. I believe the member for Mitcham will do all he can to see that I am. Several comments have been made today about land valuations throughout South Australia. I am amazed that the Treasurer has not taken some action to overcome some of the effects of land valuations. A few years ago it was agreed, when development was taking place in the Morphett Vale area amongst rural holdings, that a farmer would continue to be taxed according to the valuation of rural land. If after some time he decided, because of real estate development in the area, to sell his farm land, he would be assessed according to the new valuation and would have to pay land tax arrears for five years. He had to declare that he was a primary producer. Such a policy should be used in the northern parts of our State, where primary producers are having to cope with high land valuations. Why should not a wheatgrower, woolgrower or cattle producer declare himself to be such and have his land valued accordingly? However, this is not done. Because land in, say, the Clare area could be used for other purposes, perhaps viticulture (despite all the problems experienced by the wine industry today), it is valued at a high figure. This results in complications and problems.

I call to mind a valuable property in my electorate the owner of which died recently. Because of the close proximity of the property to viticultural operations, it was valued at an excessively high figure for succession duties, to such an extent that the widow and family must sell the property to pay to the department the succession duties amounting to between \$70 000 and \$80 000. Although the property owner ran sheep and milked cows on his property, an excessive valuation was placed on the property because of its close proximity to viticultural operations. This case was referred to the Treasurer, and correspondence passed between him and these people. However, the Treasurer said he could do nothing to relieve the situation. These people now realise that the property must be sold and that the son must go out and get a job.

This is the sort of thing that has been allowed to go on in South Australia. Is it any wonder that Opposition members have decided that it is about time something

was done regarding succession and probate duty legislation in this State? Criticism regarding the land valuation procedure not only for probate but also for land tax purposes has been voiced by many members today. As fresh areas throughout the State come up for revaluation, problems will arise. This is a matter that the Treasurer needs to examine now, in order to arrest the problem in its early stages rather than have a terrific problem on his hands in a month or two.

I look forward to the time when we have a Fraser element in Government in South Australia so that we can clear up some of the problems that have developed because of this Government's administration. These problems come home to roost with a Government that is not soundly based, and they are certainly coming home to roost now. One of the problems is the Valuation Department. Only a few years ago, it was housed in the old Legislative Council building and employed only about six valuers. But what is the situation today in the department's City Cross office? I do not know whether 200 or 300 people are working there. Different interpretations are placed on valuations by different persons, and on it goes. It is a real mess, and we must make the most of it. There has been much talk today about the superphosphate subsidy.

Mr. Keneally: Bounty!

Mr. VENNING: They call it a bounty, but I would not call it that: it is a bounty to the Treasury only. Considering the high cost of superphosphate today, the amount paid out in subsidies would represent only a small proportion of the sum involved. The greatest benefit will go to the Treasury as a result of the additional use of superphosphate, because it will increase our production and exports. Although the total cost of the superphosphate subsidy is expected to be about \$60 000 000 in a full year, the additional benefits accruing to the Treasury will probably be more than double that sum.

Today, Mr. Grant Andrews gave on the air some figures regarding the situation obtaining in South Australia. They originated not from him but from the fertiliser companies, so Government members should not say they are Mr. Andrews' figures. In South Australia, there are about 23 000 producers, 18 000 of whom would use less than 50 tonnes of superphosphate a year. Only 4 000 would use between 50 t and 100 t, and 600 growers in South Australia would use between 100 t and 200 t. Therefore, 95 per cent of this State's producers use less than 100 tonnes of superphosphate. These figures are based on a total quantity of 80 000 t of superphosphate used in South Australia.

I commend the Commonwealth Government on reintroducing the superphosphate subsidy, from which not only producers but also secondary industries and the Commonwealth Treasury will benefit. It will increase Australia's exports, which are needed so much overseas. Indeed, our grain situation has never been better. Therefore, let us make hay while the sun shines.

Mr. WARDLE (Murray): I should like to give at least one illustration concerning a certain landholder regarding land tax. Much has been said in the debate about it, and members are duty bound to speak of the difficulties experienced in their district. Although I have not brought with me my file that contains many details of the complaints I have received, I happen to have one of the relevant letters, in my bag at present. I should like to refer to these figures, resembling as they do many others in my possession. True, land tax has been considered by landholders to be a growing tax. Because

of the many other taxes that producers must pay, and because their income is declining, these people have much difficulty in coping with increased costs. I should like to refer briefly to one example. I was recently in touch with a cattle producer in my district who, about 18 months or two years ago, paid between \$150 and \$170 a head for many cattle.

The Hon. R. G. Payne: How many?

Mr. WARDLE: Between 500 and 600 and, because this man, who is about 60 years of age and who has no sons, is in poor health, he has had to sell his cattle for between \$41 and \$58 a head; he has sold about 200 head in the past week. While he may have had one calf from the cows in the meantime, he has virtually kept these cows for about two years and is now getting about a 25 per cent return on them. I again emphasise that it is increasing costs, such as land tax, that are causing many of these properties to be not viable. I quote from a letter that a constituent of mine in the Nairne area wrote to the Commissioner of Land Tax when he received his land tax assessment late last year. The letter states in part:

It is paid under the strongest possible protest as in its present form this tax is neither just nor equitable. Surely this tax would not stand a challenge under the Trade Practices Act nor would the rate of increase from one year to the next stand up before the Prices Justification Tribunal were it possible to challenge it under these Acts. It seems that sauce for the goose is no longer sauce for the gander. Unemployment is anathema to any Government, particularly a Labor Government, yet this tax is reducing the number of jobs available in rural industry. The State Planner said at least a year ago that the Adelaide Hills should be preserved in their present state yet this tax is one of the factors forcing the subdivision of an ever-increasing number of Hills properties.

The interesting details concerning this small property are that between 18 months and 24 months ago land tax was \$547.54, whereas late last year it was \$1 419.04, or an increase of about 260 per cent in about 18 months. On a property that is cattle orientated, and with what is happening in relation to cattle prices at present, it is impossible for a man in these circumstances to continue to make a reasonable living. I, together with many of my colleagues, protest strongly about land tax. I hope that South Australians will have the good judgment at the next State election to see that someone who will be responsible enough to take a good look at this encumbrance on landholders and do something practical about it will be given the responsibility for managing this State.

I next mention Monarto, which has been a major disappointment to me. Monarto is located in my district. The Ministers who have managed this side of Government activities regarding Monarto have disappointed me, because it seems that they have been loth to send me information and to inform me of what is going on. The latest complaint I have is having to read in the local paper that the Governor had been to Monarto, although the Minister did not accompany him. However, I do not believe there is any justification for the local member not to be informed of that visit.

The Hon. G. R. Payne: Are you criticising His Excellency?

Mr. WARDLE: I know the Minister better than that. He does himself no credit by making that idiotic remark, because he knows better than to imagine that of me. The Governor came to my area when Monarto was first launched and, because of the many important people present on that occasion, I was not privileged to spend any time with him to discuss the project in general. So, I have been looking for an opportunity to do that. I

thought that, when I read that he was coming, I might be given that opportunity, but that was not to be, and I regard it as disappointing not to be told of his visit or of having the opportunity to meet him and speak with him about Monarto. As I have received very courteous help from the members of the commission, I do not believe that they as individuals restrict information coming to me, as the local member. I believe that if all the Ministers in turn had been reasonably generous in doing what I believe to be their duty towards the local member, I would have had much more information volunteered to me concerning Monarto.

Regarding the canned fruit and dried fruits industry, it is incredible to think that the can manufacturers, the labour in the factory, and the people who provide the sugar and boxes and all the other items necessary for the industry are all covered by full wages, whereas the grower is asked to take a 50 per cent deposit on the produce he takes to the factory. The grower has no guarantee whether he will receive anything for the remainder of his crop. In supporting the Bill, I bring these matters to the notice of the Government.

Mr. CHAPMAN (Alexandra): Mr. Deputy Speaker, I appreciated your consideration earlier this evening in giving me the call when I was absent from the Chamber on important Parliamentary duties. I shall now proceed, with your co-operation, and I seek to support the speakers who have referred to land tax at length today. Land tax is extremely important, and I make no excuses for covering an aspect of the Land Tax Act which, I believe, is unreasonable and which does not apply fairly to the State as a whole. The provision in question is contained in section 12c of the Act, and I bring to the attention of the House the intent that I believe was behind the incorporation of this provision into the Act. It was designed to provide the Government the opportunity of proclaiming and declaring certain areas of the State to be defined as rural areas for the purposes of the section in particular, to allow that land to be identified and defined as rural producing land. The object was to identify the land clearly as being subject to rural land tax so that there was no opportunity on proclamation for that land to attract a valuation that reflected valuations of land surrounding it or about it used for other purposes. I suggest that that section of the Act breaks down miserably in a number of areas of the State. The *Government Gazette*, which has been made available to me this evening, provides information involving those areas which have been proclaimed. On November 2, 1961, the hundreds of Adelaide and Yatala, excluding the city of Adelaide, part of the hundreds of Munno Para, Willunga and Noarlunga are identified as areas proclaimed by the Governor; on August 25, 1966, a further portion of the hundreds of Munno Para, Noarlunga and Willunga were proclaimed accordingly.

In June, 1968, the city of Mount Gambier was proclaimed; on June 24, 1971, the balance of the hundred of Port Adelaide and another part of the hundred of Munno Para were declared; on June 26, 1975, that area within the Adelaide metropolitan area and suburbs, including the whole of the district council area of Munno Para, East Torrens, Stirling and Noarlunga, and also the whole of the district council area of Meadows and the municipality of Mount Gambier, was proclaimed. They are the only areas in South Australia that have been cited and proclaimed by the Governor for the purposes of what should have been the intention of section 12c of the Act.

Apart from evidence brought before the House by the member for Light, wherein he cited a court decision which failed to uphold that contention that it did enjoy the protection as obviously intended under section 12c, I suggest that the only real and fair way to provide an opportunity for landholders to apply for the protection of section 12c is that the whole of the State be proclaimed by the Governor, thereby allowing any landholders to make application to enjoy the protection of this section and, without that blanket coverage, we are segregating and selecting specific parts of the area which at the time the Government might believe attracts a municipality or suburban-type artificial valuation. I suggest that there are many areas in the outer metropolitan planning area of the State which attract artificial values. I refer to areas as far south as the southern part of my district, and even on Kangaroo Island, where land values are comparatively lower than they are over a large area of the State.

In those instances where subdivisions have been allowed, where the State Planning Authority and the respective councils have approved of such subdivisions, the land adjacent to those subdivisions reflects the artificial and unrealistic land values. I have received a request from the Stockowners Association of South Australia, which has expressed concern to me in correspondence about the irregularities which occur in the Act, especially concerning section 12c, and the unknowns, the grey areas and the areas which should be clarified and made understandable to the rural community. The association states:

Section 12c of the Land Tax Act enables the Governor to proclaim an area as a defined rural area, and any taxpayer liable to pay tax in respect of land in that area may apply to the Commissioner for a declaration that that land is used for the purposes of primary production.

They recognise that this means that the Valuer-General (section 12c (5)) shall place an unimproved value of the land as if that land were used for primary production. How ridiculous! Rural producing areas are recognised across the State. Why should section 12c and its protection not apply automatically to broad-acre areas and save this confusion about whether people are in a defined area. There is no reason why the current anomaly should be continued.

I refer again to the serious effects of subdivision adjacent to rural land in relation to the true productive value and assessment of that land. I refer to the subsequent cruel and unreasonable tax which follows such an assessment. Perhaps we have pounded the tub in relation to land tax, but this is a serious and most destructive tax. It has absolutely no bearing on the capacity of the landholder to pay. It is not related in any way to the productivity of the unit, and it does not take into account any flood, fire or drought conditions that might be experienced by the landholder, save for this recent murmur that there may be an opportunity extended to landholders in this State whereby they may apply for relief under a special form of remission.

Perhaps they will get relief, but this whole matter is being handled in the same way as other assistance to rural landholders has been handled in the past. I refer to the Rural Industries Assistance Committee, which was established to assist that section of the community which could not obtain finance or help from the trading bank structure. That scheme was a shocking disaster, and I refer especially to the way in which the committee handled the applications over a long period. I refer to the delays that were involved, the many forms and details that had to

be filled in and provided in order to determine the applicant's financial position. I refer to the beef industry assistance scheme: what a schemozzle that was. I refer also to the wool industry assistance plan of 1970.

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

Mr. CHAPMAN: Very well, if that is how—

The DEPUTY SPEAKER: Order! The honourable member will resume his seat.

Mr. ARNOLD (Chaffey): I was most interested to read today of the pay-roll tax exemptions announced by the Treasurer. While they will be of benefit across the board, I question why the Treasurer has not seen fit to go one step further as the Victorian Government did some years ago with the provision of the incentive provided under its Decentralised Industry Incentives (Pay-roll Tax Rebates) Act of 1972. If the Government is really genuine in supporting the policy or philosophy of decentralisation, it should readily accept the principle adopted by Victoria in providing an incentive to decentralise industries operating in country areas by returning their pay-roll tax. I hope that members opposite will realise that the cost of production is much higher in country areas than in the metropolitan area of Adelaide because costs are based on Adelaide prices and we have additional costs to and from Adelaide.

Pay-roll tax incentives have not been applied across the board as in Victoria, and to do that would be a genuine attempt by the Government to foster decentralisation and at the same time assist some country industries that are in dire stress at present. If one considers the canned fruit industry, the juice industry, one realises the difficulties that that industry is in and the financial problems faced by growers.

The approach that I have referred to was adopted by Victoria in 1972, and it could do much for South Australian decentralised industries if it was adopted in this State, because South Australia is a much larger State in area than Victoria and has a much smaller population. Therefore, to maintain effectively decentralised industries and promote new ones, incentives must be provided, particularly when so many industries are in financial difficulty. Although we accept the Treasurer's statement today, it still concerns me greatly that the Government has not seen fit to adopt an effective decentralisation policy.

I also wish to deal with another aspect of Government policy. That is the policy of aggregation of land, and I refer to the part of the State that I represent. Under present Government policy, if a landholder owns two or three perpetual leases and if in the fruitgrowing area a grower owns 15 hectares and wishes to purchase a further 5 ha, under the new Government policy that land will be transferred to him only if he agrees to aggregate it with his existing perpetual leases.

The effect of this is that the grower suddenly has a property, if it is aggregated and the leases are held separately, that is too large to be sold as one unit. Consequently, this downgrades the value of that property. A 5 ha unit is readily saleable in itself, but to aggregate them and have them held inseparably, whereby under Government policy a landholder must either sell them all or retain them all, means that the people involved in rural industries, primary industries, are denied the right to determine their own way of life.

I cite the fruitgrowing industry because it is extremely labour intensive, and it is the type of industry where a

young energetic man who is willing to work hard can establish himself at a reasonable cost and build up his property to a viable unit that will provide him with sufficient money to enable him to bring up a family. Since the industry is extremely labour intensive, once that family has grown up and he no longer needs that level of income, it has always been his right to sell one or two of his leases and so reduce the holding back to an area that he can work effectively. This right has been taken away from him under present Government policy and, if he wants to reduce his holding, he must sell it altogether.

Once again, that is denying the person the right to live the type of life that he has lived in the past and wants to continue to live. It is not that the units are not readily saleable: what is not readily saleable is the big unit, and I am referring to a unit of 20 ha to 25 ha or more. It is difficult to find a buyer with sufficient funds to purchase a property of that size. I have made the point that the industry is very labour intensive, and it is not a proposition to compare it to broad acre agriculture. This is where the Government has made a major mistake.

It is a policy of aggregation or farm build-up as it affects agricultural land, and, while we are to some extent creating a problem in this field, the problem is worsened in the horticultural field. The agricultural field is highly mechanised, whereas horticulture is very labour intensive, and the two should be kept completely separate. I put to the Government that it should rethink its policy in this matter, because the attitude that it has adopted has caused hardship for people in the industry.

Motion carried.

In Committee.

Police, \$500 000.

Dr. TONKIN (Leader of the Opposition): The first line, which refers to the Police Department, is not a matter of contention with the Opposition, but it is the first line and, therefore, I move:

That the line "Police" be reduced by \$100.

The Hon. J. D. Corcoran: You just supported the second reading. Are you crazy? You heard that Millhouse was going to do this, so you thought you had better do it. That's all there is in it.

Dr. TONKIN: I emphasise that the move being made is not being made against the Police Department, for which I think everyone in the community has the highest regard.

Mr. Millhouse: I think that maybe it's being made against me.

Dr. TONKIN: I think the member for Mitcham flatters himself. It is the traditional method of censuring the Government, particularly on its financial policies, and that is what we intend to do now.

The Hon. J. D. Corcoran: It's a motion of no confidence in the Government. You can speak for hours.

Dr. TONKIN: I do not intend to speak for hours.

Members interjecting:

The CHAIRMAN: Order! The Leader of the Opposition has the floor. I do not intend to have cross-fire across the floor by both sides of the Committee. The Leader of the Opposition.

Dr. TONKIN: The matters have all been ventilated in the preceding debate. This debate has been remarkably useful, as it always is, for ventilating all these things that basically concern our community. Unfortunately, it does not give members an opportunity to register a vote on these matters, and I regard this move as being the

climax of the many matters that have been raised in this debate. First, if I refer simply to headings and the high taxation that applies in this State—water rates, land tax—

The CHAIRMAN: Order! The Leader must stick to the line at all times. It is Police, and there is nothing about water rates and things like that on this line.

Dr. TONKIN: The members of the Police Force are all subject to these various taxes and gross taxation.

The CHAIRMAN: Order! I want the Leader to keep to the line "Police—salaries, wages, and related payments".

Dr. TONKIN: Nevertheless, as I have said, these matters have all been canvassed most thoroughly. It has been an interesting debate that has led up to this motion. I think every member has ventilated particular matters of concern and, for that reason, I move this motion as a mark of censure against the Government. The facts speak for themselves. We are talking about an allocation from a Budget which the Treasurer estimates as having a surplus of \$25 000 000. We cannot maintain the same level of State taxation. The facts speak for themselves and, as a result, I move this motion as a protest against the high level of State taxation in view of the present budgetary position.

Mr. MILLHOUSE: I must apologise to the Committee. I heard there was a furphy going around that I proposed to move to reduce this line. I should like to give you, Mr. Chairman, and the Leader of the Opposition, although he would not publicly admit it, the assurance that I never had that in mind at all. So, if he is doing it simply for the sake of pre-empting me, as I believe he is, it is a complete and utter waste of time.

The Hon. D. A. DUNSTAN (Premier and Treasurer): The Leader has moved to reduce the vote for the police in South Australia. He has in no way referred to the Police Force. Apparently, he is determined that it is not going to get the money provided for it in these Supplementary Estimates. Admittedly, his speech on the matter was utterly irrelevant, but that, of course, is not new to the Committee. Therefore, I have nothing to reply to in what he said.

Mr. GOLDSWORTHY: The Treasurer would be well aware of the fact that one of the means by which the Opposition can move a censure motion is to go through this procedure of formally moving for the reduction of a line. So, for the Treasurer to suggest that the Leader of the Opposition is in fact out of order or that his remarks on this motion are irrelevant is quite wrong, because I know from a perusal of past editions of *Hansard* that the Treasurer himself has many times taken this formal action of moving for a reduction in the first line, whatever that first line may have been, simply to let off steam and seek to censure the Government. So there is really no substance in what the Treasurer has said this evening. I do not quite know what the member for Mitcham was doing, whether he was seconding the motion or just letting off steam but, in case he was not seconding it, let me second the motion.

The Committee divided on the motion:

Ayes (19)—Messrs. Allison, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Rodda, Russack, Tonkin (teller), Vandepuer, Venning, Wardle, and Wotton.

Noes (21)—Messrs. Abbott, Broomhill, Max Brown, Connelly, Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hudson, Jennings, Keneally, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Pairs—Ayes—Messrs. Allen and Nankivell. Noes—
Mrs. Byrne and Mr. Hoggood.
Majority of 2 for the Noes.
Motion thus negatived.
Line passed.

[Midnight]

Treasurer, Miscellaneous, \$530 000—passed.
Minister of Lands, Minister of Repatriation and Minister
of Irrigation, Miscellaneous, \$4 200 000.

Dr. EASTICK: The Treasurer stated that a great deal of this money is to replace or supplement the previous Regional Employment Development scheme arrangement. When money was distributed by the Commonwealth in this area an indication was always given of the projects to be funded and the areas, based mainly on local government, to receive assistance. Where has the money been expended to date, and on what type of project will it be expended in future? If local government bodies, school councils, or other groups need to apply for assistance for projects, every member should know the situation to enable him to inform the organisations within his community so that they will not be left wanting when distribution is made.

The Hon. D. A. DUNSTAN (Premier and Treasurer): The money has previously been disbursed through local government organisations. It has not been just a replacement of the R.E.D. scheme organisation; that is, it has not applied to the whole area or the sorts of grant made under that scheme. The aim was to take up in employment some of the people who would have been left unemployed by the cessation of that scheme. It operated as State unemployment relief schemes previously have in relation to local government bodies and semi-governmental authorities. I do not have the details with me of the expenditure to date, but I can obtain them for the honourable member.

The moneys were expended either through local government in the metropolitan area or in those areas of the State that showed the highest levels of unemployment. For instance, money was expended in country areas, such as Mount Gambier, Millicent, Port Pirie, Whyalla, Port Lincoln, and (from memory) in the River districts. I will get details of the projects to date, although they have been previously announced. The final decisions in relation to new projects have not yet been made. The Government has been advised of the overall requirement of funds to keep the scheme going at its present level and at the peak which was reached during February of this year, and that is the amount now sought as additional to the money already announced and expended last year. I will let the honourable member have as much detail of the forward programme as I am able to get for him, and also details of what has been expended so far.

Line passed.

Public Buildings, \$500 000—passed.
Minister of Works, Miscellaneous, \$1 150 000.

Mr. GOLDSWORTHY: I wish to speak to the line in relation to school buildings.

The CHAIRMAN: We are now debating the vote Minister of Works, Miscellaneous. We have passed the Public Buildings line.

Line passed.

Minister of Agriculture, Minister of Forests and Minister of Fisheries, Miscellaneous, \$88 000; Railways, \$2 200 000; Minister of Transport and Minister of Local Government, Miscellaneous, \$190 000—passed.

Schedule passed.

Clauses 1 to 7 and title passed.
Bill read a third time and passed.

LONG SERVICE LEAVE (BUILDING INDUSTRY) BILL

Returned from the Legislative Council with amendments.

SOUTH AUSTRALIAN MUSEUM BILL

Returned from the Legislative Council with amendments.

PEST PLANTS BILL

Returned from the Legislative Council with amendments.

POLICE PENSIONS ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from February 3. Page 2029.)

Dr. TONKIN (Leader of the Opposition): We support the Bill, and do so with much pleasure. Basically, it provides for improved pensions and other benefits for members of the Police Force, their spouses and children. It is similar to the Superannuation Act relating to the South Australian Public Service but, in some respects, is a little more generous, and for good reason, because members of the Police Force are required to retire at age 60 and do not have the same option as a member of the Public Service who can opt to retire at age 60 or 65. The Opposition can find no fault with the Bill. It is a detailed Bill with several formulae. I have vivid memories of the Premier trying to explain similar formulae some time ago when he did not do a very good job. I doubt whether he could do any better now.

Mr. Jennings: You didn't understand them, either.

Dr. TONKIN: There were some difficulties, but I could understand them for a short time, and that was long enough to understand that they were reasonable formulae. It is basically a Committee Bill and I can find no fault with it. I take this opportunity to commend the work done by the Police Department, because the work and service it gives to the community is beyond compare. We are fortunate in South Australia that we have a Police Force of such calibre. It is a great credit to the people who have built up the force over the years. I pay special tribute to Brigadier John McKinna (the former Commissioner of Police), to the present Commissioner (Mr. Salisbury), and to all the officers, commissioned and non-commissioned, who have worked so well. Mr. Ralph Tremethick (Secretary of the Police Association) is extremely pleased about the Bill and is anxious to see its early passage. For that reason we support the Bill.

Bill read a second time and taken through its remaining stages.

WATER RESOURCES BILL

In Committee.

(Continued from February 10. Page 2203.)
Clause 2—"Commencement."

Dr. EASTICK: When will the Bill be proclaimed and the Water Resources Council begin functioning?

The Hon. J. D. CORCORAN (Minister of Works): As the honourable member will realise, it will take some time to establish the machinery to get the Act into operation. However, I should not think it will take too long.

Dr. Eastick: You hope that it will happen within two or three months?

The Hon. J. D. CORCORAN: Yes, and I hope that it will be less than that. As soon as I can proclaim the Act, I will do so.

Clause passed.

Clauses 3 and 4 passed.

Clause 5—"Interpretation."

Mr. COUMBE: Some difficulty has obviously been experienced in defining "watercourse", and the Government seems to have gone to some trouble to cover all aspects of the matter. One sees in subclause (2) that the expressions "bed" and "banks" are further defined, so that much trouble has been taken to put the matter beyond doubt. It is wise to do this, because of some of the experiences regarding the Torrens River which have occurred in my district and of which the Minister would be aware. The Minister will know that trouble has been experienced in two respects: first, in one area the banks have given way and part of a house property has finished up in the river; and secondly, there was trouble some years ago about titles, some of which ran to what was years ago, but not now, the centre of the river. The titles ran up to the banks and on to the adjoining properties. However, some of these matters have been dealt with. Will the Minister assure me that the operation of this legislation will not affect detrimentally the existing Acts relating to the Torrens River?

The Hon. J. D. CORCORAN: The honourable member obviously realises the problems that exist regarding the Torrens River and of the great difficulty that has been experienced in the past in establishing exactly where the banks are. In some cases, the title of certain land runs to the middle of the river, and no-one can establish clearly, because of the deterioration or destruction of the banks over the years, exactly where the centre of the river is. It is not intended that this legislation will prescribe where these banks were, should have been, or are, in relation to the laws referred to by the honourable member. If he examines the schedule of Acts affected by the Bill, the member for Torrens will see that the Acts relating to the Torrens River are not referred to. However, the banks and those things related to them are necessarily referred to. Although watercourses will be proclaimed, it does not necessarily mean that the Torrens River will be proclaimed.

Mr. Coumbe: Does the last sentence in subclause (2) cover the point?

The Hon. J. D. CORCORAN: That is the case. In other words, we will not be interfering with the Acts that already apply to the Torrens River. However, they will be taken into account when the actual watercourses are proclaimed. The honourable member is correct in drawing my attention to the final part of subclause (2). It has been made clear to me that the Bill will not transgress on the Acts to which the honourable member has referred. Indeed, it is worth mentioning that some people may have fears regarding the watercourses that may be proclaimed under the Act. They seem to be under the impression that every watercourse in the State will be proclaimed, but that is not so, as the department intends to proclaim only certain watercourses—those used, in effect, to transport water or those that are vital to a source. For instance, the Murray River is the first one of which I would think, and it will naturally be proclaimed. However, we will not be proclaiming willy-nilly watercourses all over the State and instituting controls, as some people fear. There will be good reasons for proclaiming watercourses, and the people affected by these proclamations will realise that there is good reason for them.

The CHAIRMAN: I point out an error in paragraph (b) of the interpretation of "owner"; the word "loan" should read "lease". I intend to make the necessary alteration as a clerical amendment.

Clause passed.

Clause 6—"Crown right in water."

Mr. VANDEPEER: Although I assume this clause makes all water the property of the Crown, can the Minister assure me that the Government does not intend to make a charge for the use of underground waters? I presume that many bores will be licensed, but I am concerned about whether the Government intends to charge once the licences have been issued.

The Hon. J. D. CORCORAN: Neither the Government nor the department has indicated that anyone will be charged for using water from any source he was entitled to use, except for the Murray and those areas under control for irrigation purposes.

Mr. Vandeppeer: I am concerned about irrigation bores in the South-East using large quantities of water.

The Hon. J. D. CORCORAN: The intention of the Bill is for us to control what people can do with those waters, but there is no intention to charge for the water.

Clause passed.

Clauses 7 and 8 passed.

Clause 9—"Constitution of Council."

Dr. EASTICK: I move:

Page 4—

Line 19—Leave out "twelve" and insert "thirteen".

After line 24—Insert paragraph as follows:

(ba) one person nominated by the South Australian Division of the National Water Well Association of Australia.

The members of the National Water Well Association of Australia were invited to make a submission on the legislation. No provision is made for these people, who, I am sure, are responsible for up to 90 per cent of the well drilling that takes place in South Australia. I believe that, if we are to have a complete and valid council, we require as wide a representation as possible, and that people from this organisation should be considered along with other persons who will be nominated later this evening. I believe that I express the Opposition's view that these people who play such a vital part in the overall aspect of water from underground sources would be able to contribute satisfactorily to the council, and I prevail on the Minister and the Committee to give urgent consideration to the amendments.

The Hon. J. D. CORCORAN: I am unable to accept the amendments. This matter was considered, because representation was made by this body. However, it is not considered essential that a representative of the National Water Well Association be on the council. Well-drilling interests will be provided for in the well-driller examinations that will be conducted. The Water Resources Appeal Tribunal will have representation from that body, and it is possible that the body will be represented on any regional water association.

Dr. EASTICK: I am disappointed that the Minister is unable to accept my amendments, but it is fortifying to know that due consideration has been given to the application and that the submission made to the officers drafting the Bill was highly regarded.

Amendments negatived.

Mr. WOTTON: I move:

Page 4—

Lines 25 and 26—Leave out all the words in those lines.

Line 29—Leave out "one person" and insert "two persons"; leave out "a person" and insert "persons"

Line 30—Before "in" insert "respectively"; after "viticulture" insert "and other primary production".

I believe that the amendments will give the Minister, in nominating a person experienced in irrigated horticulture or viticulture, the opportunity to call for nominations from various organisations concerned with or experienced in these fields. I ask the Minister to give serious consideration to the South Australian Fruitgrowers and Market Gardeners Association, the members of which cover a large area, most of them being primary producers who draw water from the Murray River or other streams or from underground waters.

The Hon. J. D. CORCORAN: I am pleased to accept the amendments. Mentioning a specific primary producer organisation gives rise to complaints from other recognised primary producing organisations, but it was not my intention to ignore them. I think that the amendments are a wise provision. I assure honourable members that no recognised primary producer organisation in South Australia will be ignored. The organisation that the honourable member has mentioned and other organisations will be invited to submit a panel possibly of three names that they would choose to represent them on the council. From that panel, I will select two representatives. I think that is the fairest and most equitable way to handle the matter. I appreciate the amendment moved by the honourable member, because I am certain that the sentiments that moved him are similar to my sentiments.

Amendments carried.

Mr. WOTTON: I move:

Page 5, line 22—Leave out “(c) or (d)” and insert “or (c)”.

This amendment is consequential on earlier amendments.

Amendment carried; clause as amended passed.

Clauses 10 to 78 passed.

Clause 79—“Regulations.”

Mr. ARNOLD: I move:

Page 24, after line 39—Insert paragraph as follows:

(ca) provide for the prevention of the propagation of, or the eradication or control of, any plant likely to obstruct any watercourse or otherwise injuriously affect any waters;

I have moved this amendment because I cannot stress too strongly the threat of water weeds such as water hyacinth and salvinia. Salvinia is probably a greater threat to our watercourses than is even water hyacinth, because it grows at a greater rate. The community generally is aware of this threat and is concerned that, if no reference is made to this important matter in the Bill, it will lose some of its effect, and I agree with that point.

The Hon. J. D. CORCORAN: I appreciate the motive behind the amendment, because I am just as concerned as the honourable member is (and I know that all other members are concerned) about the propagation of any weed, particularly water hyacinth, likely to block watercourses in the State, and I think the honourable member appreciates the action that we have already taken as far as the Government of New South Wales is concerned and as far as contacts with the Victorian Government and discussions with the River Murray Commission are concerned regarding water hyacinth. Recently we passed a Bill that will do the things that the honourable member is seeking to do by his amendment. The Pest Plants Bill, if it becomes an Act (and I am sure it will) will deal with this problem effectively. I am sure the Minister of Agriculture would be annoyed if I tried, in this Bill, to transgress on his area of responsibility regarding any water weed. I am sure that the matter is covered by the Pest Plants Bill and that there is no need to put a provision in this Bill, which is a good and well drawn measure. I

do not want to clutter it up with matter that is in other legislation, where it can be controlled. Not only have I followed up this problem but the Minister of Agriculture has raised the matter at meetings of the Agricultural Council, and discussions have taken place there about water hyacinth. The amendment will not do what the honourable member suggests it would do, and the matter is better dealt with in the Pest Plants Bill.

Mr. ARNOLD: One fundamental difference between this Bill and the Pest Plants Bill is that the former is binding on the Crown and the latter is not. I have never been critical of this Government's efforts in relation to water hyacinth, and the amendment has not been moved to try to be critical of past Government action. The present Minister will not always be administering this legislation, and we must take every precaution that we can in the interests of the State. I believe that the amendment is in the interest of the Bill and of the water resources of the State.

The Committee divided on the amendment:

Ayes (21)—Messrs. Allen, Allison, Arnold (teller), Becker, Blacker, Boundy, Dean Brown, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Millhouse, Rodda, Russack, Tonkin, Vandepeer, Venning, Wardle, and Wotton.

Noes (21)—Messrs. Abbott, Broomhill, Max Brown, Connelly, Corcoran (teller), Duncan, Dunstan, Groth, Harrison, Hudson, Jennings, Keneally, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Pairs—Ayes—Messrs. Chapman and Nankivell. Noes—Mrs. Byrne and Mr. Hopgood.

The CHAIRMAN: There are 21 Ayes and 21 Noes. There being an equality of votes, I give my casting vote in favour of the Noes.

Amendment thus negated; clause passed.

Schedule and title passed.

The Hon. J. D. CORCORAN (Minister of Works): I move:

That this Bill be now read a third time.

I take the opportunity, because I did not reply to the second reading debate, of thanking the members of the Opposition who participated in this debate. I am delighted to think that a number of years work has reached fruition in this Bill. It is, as I said in my second reading speech, a very important Bill that will have far-reaching effects on a most valuable resource within the State. It would not have happened without the very hard work and dedication of a number of people within the Engineering and Water Supply Department, and also of the Parliamentary Counsel.

In particular, I should like to mention the effort and work put into this measure by Mr. John Shepherd, who is currently the head of the Water Resources Branch of the Engineering and Water Supply Department, and Mr. Harold Tuckwell, the Secretary. They have done a magnificent job. I know they have been assisted by a number of people. To them I am extremely grateful for the wonderful effort, and I am delighted to think that this measure has now passed through this House. I am certain it will receive a speedy passage in another place. I am confident it will do all the things that not only I but also members on this side of the Chamber think it will do, as well as members opposite.

Bill read a third time and passed.

ADJOURNMENT

At 1.3 a.m. the House adjourned until Thursday, February 12, at 2 p.m.