

**LEGISLATIVE COUNCIL.**

Thursday, October 5, 1961.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2.15 p.m. and read prayers.

**BULK HANDLING OF GRAIN ACT AMENDMENT BILL.**

His Excellency the Governor, by message, intimated his assent to the Bill.

**RAL RAL DIVISION DRAINAGE.**

The PRESIDENT laid on the table the final report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Drainage of Ral Ral Division of Chaffey Irrigation Area.

**QUESTION.****TANTANOOLA CAVE.**

The Hon. A. C. HOOKINGS: I ask leave to make a statement prior to asking a question. Leave granted.

The Hon. A. C. HOOKINGS: Recently I was told of a newly discovered cave, near the Tantanoola Cave, that has not been opened up to the public, and which has caused much interest in the Tantanoola and Millicent area. The interest is aroused because not only is the cave, in the view of many people, one of much beauty for tourists, but in the bottom of it is a lake of very clear water, the depth of which has not yet been ascertained. Will the Minister representing the Minister in charge of Tourist Bureau activities ask for an investigation into the possibility of opening up the cave to tourists, because at present it is somewhat inaccessible?

The Hon. Sir LYELL McEWIN: I will refer the question to the Minister concerned.

The Hon. A. C. HOOKINGS: Will the Minister representing the Minister of Works arrange for an investigation to be made regarding the volume and quality of the water in the lake and the possibility of its being supplied to the town of Millicent?

The Hon. N. L. JUDE: I will refer the matter to the Minister of Works.

**SURVEYORS ACT AMENDMENT BILL.**

Read a third time and passed.

**ADELAIDE PARK LANDS ALTERATION BILL.**

Adjourned debate on second reading.

(Continued from October 3. Page 985.)

The Hon. A. J. SHARD (Leader of the Opposition): I support the Bill, which must

commend itself to members. I read the Chief Secretary's second reading explanation and I agree with it entirely. Nothing more need be said, for this is a Bill that corrects a position in relation to a footpath and land that was not dealt with when the matter was considered earlier. The Adelaide City Council must be commended for so willingly agreeing to care for the footpath and the land. I do not think we need labour this question and I have pleasure in supporting the Bill.

The Hon. Sir FRANK PERRY (Central No. 2): I agree with the purpose of the Bill, because the Adelaide City Council, through its engineering services, has greatly improved the park lands surrounding Adelaide. I pay a tribute to the council for the work it has done and for the improvements it has effected. Under the Bill this land adjoining the Parade Ground will be handed over and I believe that is the correct thing to do because the land may well be entrusted to the council. I do not know whether this additional land will greatly add to the area, but in the River Torrens area and throughout the park lands generally the City Council has been worthy of the trust placed in it and has extensively improved the land. It is to be commended for the work it is doing.

Bill read a second time and taken through Committee without amendment. Committee's report adopted.

**BRANDS ACT AMENDMENT BILL.**

Adjourned debate on second reading.

(Continued from October 3. Page 994.)

The Hon. R. R. WILSON (Northern): This Bill amends section 70 of the principal Act. In 1955 the Brands Act was discussed in this Council and it then applied to registered brands only. Black paint was not to be used. This Bill provides that black paint must not be used in any way for the purpose of sheep branding. It has been the practice in the industry for some producers to use figure brands on sheep besides registered brands. Many breeders use no brands at all but rely on ear marks for recognizing their sheep. They have not used brands because they realize that the value of the sheep would be depreciated if they were branded with any kind of paint at all. The Commonwealth Scientific and Industrial Research Organization has experimented with different paints and has now evolved red, green and yellow colours that are proving satisfactory for branding purposes.

An amount of £2,000,000 was lost in Australia, when wool was at its peak price, through unscourable wool and we have reached a stage where we must present wool in a saleable condition and make it attractive to the purchaser. Vegetable tar is described in the dictionary as consisting of acetic acid, chloroform, benzol, and pit coal. That spreads rapidly over the area where it is applied on the sheep. Tar is an old remedy used for the purpose of dressing wounds on sheep. Not long ago black paint consisting of 55 per cent tar was used as a remedy for wounds and other purposes.

I am afraid that unless we have extensive publicity bringing home to people that it is an offence to use black paint or any form of paint for branding we will have many people who will be quite ignorant of the law. Many wool producers live in sparsely settled areas of the State and have no newspapers or radios and they do not know what legislation is passed. I am opposed to the term of imprisonment provided for a first offence. No objection can be taken to a penalty of £25 because that is the maximum, but I do not believe it is the intention that a first offender may be imprisoned for three months. I hope that point will receive consideration in the Committee stage. Those people who have had experience in wool producing realize the importance of this Bill and not many would wish to break the law, but through ignorance they may render themselves liable to a term of imprisonment if they use tar in any form on sheep. I support the Bill.

The Hon. E. H. EDMONDS (Northern): I support the Bill although I have some misgivings about its ultimate effectiveness. This is a matter that must be taken up, if not on a Commonwealth-wide basis, at least on a States-wide basis to achieve co-operation between the States. My doubts on this question arise because in at least one State—Victoria—I understand there is no legislation at all covering the branding of wool or sheep. Branding is somewhat restricted in Western Australia although the position is better there than it is in Victoria. Western Australia provides for the use of one product that has been evolved by the C.S.I.R.O., which was mentioned earlier by the Hon. Mr. Wilson. That may be used in various colours, except black.

Objections of overseas manufacturers of woollen products have always been against Australian wool; not against South Australian

wool, Victorian wool or the wool of any one particular State. Therefore, it seems to me that any State which is lax in the matter of branding and does not take necessary legislative action similar to that in operation in this State reflects adversely on South Australia, because when the wool is bought by the operators in a mixed quantity from the various States the States which are neglectful offset any benefit that might accrue to South Australian woolgrowers who are governed in this matter by our legislation on proper branding. Ultimately action will have to be taken in a wider sphere, because it is important to the economy of this country to have a satisfactory article marketed and free from disadvantages that it has had in the past so that a higher price may be obtained.

I am informed that this is one of the main objections of manufacturers, that some of the branding material used is not satisfactory and does not scour out properly in the scouring process and, in consequence, the cost of production has to be averaged between the cleaner wool and the wool from States which are not so particular. As the Minister knows, shearing in most districts has recently been completed and a large number of the flocks have been branded, many with black branding oil. What will be the position, if this Bill is passed, of those people who have already branded in this way? Will the proclamation of the Act be postponed for, say, 12 months until the next shearing, because the brand remains until that time, otherwise these people will be liable under this amendment? I hope that something will be done so that there will be a good, uniform article and one that will be known and generally acceptable to the manufacturers and the purchasers of our wool. I support the Bill.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Further offences".

The Hon. G. O'H. GILES: I move:

In new paragraph (da) to strike out all words after "otherwise" and insert in lieu thereof the following subparagraphs:

- (i) any tar, paint or any substance that is black in colour; or
- (ii) any substance whatsoever, other than raddle, grease crayon or a substance prescribed as a scourable substance or as one with which a paint brand may be made; or

I do this because it seems to me that the whole of the new paragraph in the Bill is not clear and may not be understood by laymen

for whom this Bill has its implications. Interpretation of the Bill will be assisted by sectioning this paragraph. I had intended to move another amendment but thought that it would make the compilation of the Act rather a difficult matter, but with my suggested amendment it can now be read in a straightforward manner.

The Hon. Sir ARTHUR RYMILL: I do not agree with my colleague in this matter. The honourable member is endeavouring to alter the only part of this clause that is completely comprehensible, and I think he should devote his thoughts more to the later portions of it. It seems to me that the portion with which he is concerned is perfectly clear to anyone accustomed to reading legislation. It is impossible for everything to be comprehensible to a lay reader because there are many people who could not understand an Act of Parliament at all, even if they read it. The part that could be improved is the last part which, unless read carefully and a number of times, is very difficult to comprehend—"or a substance prescribed as a scourable substance or as one with which a paint brand may be made". I emphasize the last word because a paint brand may, in a sense, be made with anything, that is, any substance whatsoever. I understand it to mean that it is "one with which a paint brand is permitted to be made" under the other provision of the Act. That would be a possible amendment to that part. I think that the honourable member's paragraphs (i) and (ii) should be inserted in that part and then the section would read:

- . . . or a substance prescribed  
 (i) as a scourable substance or  
 (ii) as one with which a paint brand may be made; or

I consider that the word "may" could be ambiguous. I do not propose to support the amendment because I think it is unnecessary.

The Hon. G. O'H. GILES: I appreciate the honourable member's point of view. He is trying to qualify the position, depending on the words "or a substance prescribed". Surely, the more important qualification appears earlier where it is provided, "whether for the purpose of branding or otherwise." That is where the differentiation starts.

The Hon. Sir LYELL McEWIN (Chief Secretary): In order that honourable members may have the opportunity to clarify their thinking, I ask that progress be reported.

Progress reported; Committee to sit again.

#### POLICE OFFENCES ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

#### LOCAL GOVERNMENT (CITY OF ENFIELD LOAN) ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

#### APPROPRIATION BILL.

Received from the House of Assembly and read a first time.

Second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary): I move:

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

Estimated payments from Consolidated Revenue Account for the year 1961-62 total £91,544,000, while estimated receipts total £91,547,000, giving a nominal budgeted surplus of £3,000. Before dealing with the appropriations proposed in the Bill, I shall comment briefly on last year's experience and on anticipated receipts for this year. The original estimate for 1960-61 was for a surplus of £312,000, but the actual result for the year was a surplus of £1,188,000, after making a special grant of £1,000,000 to the Electricity Trust. Receipts at £86,279,000 were £451,000 in excess of the estimate of £85,828,000. Payments at £85,091,000 fell £425,000 below the estimate of £85,516,000.

The principal variations from estimate were for the Railways Department and the Harbors Board. Following the excellent season the railways carried record loadings of wheat and barley. Carriage of general merchandise was also above estimate, but passenger traffic and the movement of Broken Hill ores were somewhat below estimate. The final result was that cash receipts from rail traffic were £31,000 above the estimate, but this figure would have been higher had it not been for the fact that several large remittances were in transit on June 30, 1961, and thus not brought to account until the beginning of July. While carrying this heavy traffic, the railways administration continued to watch costs carefully and to effect economies where practicable, and the final payments for the year were £398,000 below estimate.

Harbors receipts were also increased by the very good season. Receipts both from bulk handling and from outward wharfage on wheat and barley were well above estimate. While receipts from all sources exceeded the estimate

by £200,000, expenditures were well controlled and kept £33,000 below estimate.

For the Hospitals Department, receipts were £185,000 above estimate. This was due largely to more widespread health insurance in the community, with a consequent increased ability to meet reasonable hospital fees. Fines, fees and charges for services of law courts were higher than anticipated to the extent of £63,000. The largest decline below estimate was for stamp duties, which were buoyant in the first half of 1960-61 but then fell away as the effects of the Commonwealth's counter-inflationary measures were felt. The final figure was £125,000 below estimate.

For payments, Interest and Sinking Fund showed a saving of £298,000 on the estimate. This was due mainly to the selection of interest dates which determine what proportion of a full year's interest the State may be called upon to pay in the first year in respect of new borrowings or conversions. The difficulty of recruiting suitably qualified staff was responsible for savings against the original estimate for the major social service departments, hospitals and education.

For Engineering and Water Supply Department there were savings due to the decreased need for pumping from the River Murray following good winter rains, and for Agriculture Department savings against estimate arose from the absence of fresh outbreaks of fruit fly.

Within the estimated total of £91,547,000 for receipts for 1961-62 the main items of interest are as follows. State taxation receipts are estimated at £12,497,000, an increase of £784,000 over last year. Within this group the largest variation is in the estimate for receipts from land tax, which, at £2,000,000, are expected to be £600,000 greater than actual receipts in 1960-61. The reason for this is the new quinquennial assessment of land values which becomes effective for tax payable in 1961-62. Concessions and exemptions proposed in legislation now being considered are for:

- (a) The reduction of the scale of taxation by a half-penny in the pound for taxable values ranging from £5,001 to £100,000.
- (b) Exemption for land used for primary production ranging from complete exemption at an unimproved value of £2,500 through partial exemptions decreasing to nil at an unimproved value of £6,250.
- (c) An effective exemption of urban land up to an unimproved value of £320.

- (d) Concessions for certain lands used for primary production in defined areas which would otherwise be assessed at values based on urban use.

The cost to Revenue of these concessions and exemptions is difficult to determine accurately, but is expected to be about £400,000 a year. Taking into account the new assessment and the proposed concessions it is expected that land tax receipts will be £2,000,000 in 1961-62.

For stamp duties the estimate of £2,334,000 is £113,000 less than actual receipts for 1960-61. For many years there had been a steady and continuous upward movement in receipts from stamp duties but in 1960-61, whereas the first half of the year was buoyant, the second half of the year saw stamp duty receipts fall away, particularly in respect of hire-purchase transactions and conveyances of land. The lower level of receipts in the latter half of 1960-61 has continued into this financial year and an estimate based upon current levels of activity would be lower than that now set down. It is expected, however, that there will be a general upward movement in the South Australian economy later in the year, and the estimate for stamp duties is on that expectation.

The lower level of economic activity has also had its effect in recent months in reduced valuations for purposes of succession duties, but to a lesser extent than for stamp duties. A nominal increase of £8,000 to £2,410,000 is estimated for receipts from succession duties for 1961-62.

Motor vehicles taxation receipts are being maintained at a reasonable level despite the generally reduced activity, and on the expectation of an improvement later in the year receipts for 1961-62 are estimated at £4,574,000, an increase of £217,000 over last year. This will have no net effect on the Budget as the proceeds of motor taxation, less the costs of Motor Vehicles and Highways Departments, are transferred to the Highways Fund for road purposes exclusively.

Receipts from public works and services are estimated at £44,442,000, an increase of £1,968,000 over last year's actual receipts. The increases are expected to come from the operation of public undertakings £792,000, recoveries of interest and sinking fund £737,000, and other departmental fees and recoveries £439,000. The largest increase for public undertakings is expected to be for the Engineering and Water Supply Department. New extensions and connections, and re-assessments for country lands and for the City of

Adelaide, are expected to bring in additional rates of £516,000, carrying the total receipts of the department to £6,785,000.

Railway receipts are estimated to total £13,838,000 exclusive of special Treasury transfers towards working expenses and debt charges. This estimate is £452,000 in excess of actual receipts from freight and passenger traffic last year. The freight to be carried will depend largely on the outcome of the present season, but the indications are that grain carriage may maintain the high level of 1960-61, whilst there may be an increase in livestock but some decline in Broken Hill ore tonnage. Overall it is likely that variations in traffic and the reduction of outstanding accounts will result in increased cash receipts to the Budget of the order of £452,000.

Harbors Board receipts will tend to follow railway freight receipts as the grain and ores which are moved to the seaboard pass over the board's wharves when exported. Receipts from charges for goods moving outwards are expected to be almost up to the very high levels of last year, but, with a reduced flow of imports, there has lately been a decline in inward wharfage, and taking all factors into account it is expected that Harbors Board receipts will decline by about £30,000 to a total of £2,670,000 in 1961-62.

The increase of £737,000 in recoveries of interest and sinking fund will take the total of such recoveries to £9,061,000 in 1961-62. The annual increase stems mainly from the additional Loan funds borrowed by the State and then made available to the Electricity Trust and to the Housing Trust.

Within the category "Other departmental fees and recoveries" the major movement is in Education Department receipts. The expected increase of £360,000 to a total of £1,682,000 for such receipts is due primarily to the increased moneys to be made available by the Commonwealth Government for university purposes. It is the practice to take the Commonwealth assistance into Revenue and to appropriate from Revenue the total of State and Commonwealth grants. Members will be interested to know that for the University of Adelaide for the academic year 1961 the total running expenses will be of the order of £2,450,000, and the sources of funds in order of magnitude will be State Government grants £1,330,000, Commonwealth assistance £830,000, fees and other income of the University of Adelaide £290,000.

The amount to be received from the Commonwealth as taxation reimbursement is expected to be £33,200,000, which is £2,473,000 in excess of the figure for 1960-61.

Estimated payments in 1961-62 on purposes for which appropriation is contained in existing legislation are £24,890,000, of which the main items are:

	£
Interest on sinking fund in respect of the public debt of the State	19,756,000
Transfer to the Highways Fund of the net proceeds of motor taxation . . . . .	3,490,000
Contribution by the Government to the South Australian Superannuation Fund . . . . .	1,130,000

The difference between total estimated expenditure for the year and payments already authorized by special Acts is £66,654,000, which is the amount to be appropriated by this Bill. Details of the requirement for each department to carry out its normal functions for the year are shown in clause 3. I shall now give a brief outline of the major appropriations sought to continue and expand these activities during 1961-62.

Police Department, £2,864,400.—This is an increase of £310,000 over the actual amount spent during 1960-61. The increased provision is required mainly for salaries and wages, for which an additional £217,000 is provided. This will permit further strengthening of the force.

Sheriff and Gaols and Prisons Department, £524,754.—This provision exceeds actual payments made last year by £47,000. The Government has provided funds for the payment of a new award for prison staff and for the appointment of additional staff, including a psychologist and an education officer.

Hospitals Department, £6,255,111.—An increase of £500,000, or 9 per cent, over last year's actual expenditure is proposed. Of this increase £193,000 is for the Royal Adelaide Hospital, £90,000 for The Queen Elizabeth Hospital, £116,000 for the recently opened Mount Gambier Hospital, and £88,000 for mental hospitals.

At the Royal Adelaide Hospital the new east wing is nearing completion and this, as honourable members know, is the first phase of the rebuilding programme for the hospital. New buildings such as the east wing attract the attention of the public but what is less well known, though more important, is the advance in methods of treatment, and it is here that the Royal Adelaide Hospital deserves

particular recognition. Great advances have been made in the fields of cardiac surgery and cardio-vascular investigations. Key personnel have been trained overseas and special items of equipment such as the heart lung by-pass have been provided. The results achieved in cardiac surgery have compared favourably with those achieved by other Australian and overseas teams. In the treatment of cancer the radiotherapy department, with two cobalt therapy units, a linear accelerator and other equipment, is in a position to give a wide range of treatment. The funds provided will enable the Royal Adelaide Hospital to continue to expand its specialist services.

The Queen Elizabeth Hospital is now well established not only as a general hospital, but also as a teaching centre for both undergraduate and post-graduate work. An increasing number of professors and other distinguished men and women from overseas and within Australia are being attracted to the hospital to lecture and to perform clinical demonstrations. In the last year the final three wards in the general wing were opened bringing the number of staffed beds in that block to 368, which, with 97 in the maternity block, gives a total of 465 staffed beds now available at the hospital. In the twelve months to June 30, 1961, the number of in-patients treated in the general section of The Queen Elizabeth Hospital was almost 12,000, the number of casualty and outpatient attendances was over 63,000, and 5,300 operations were performed. The average bed occupancy throughout the hospital during the year was maintained at almost 86 per cent, which is very high, particularly for a teaching hospital.

Children's Welfare and Public Relief Department, £910,000.—An additional £114,000 is estimated to be required this year above actual expenditure incurred last year for the upkeep of the schools, homes, training centres and other institutions under the control of the department, for the payment of relief to widows, deserted wives and pensioners with children, and for assistance to families in serious need through continued sickness or unemployment. Commitments for salaries and wages of staff will rise by £56,000 this year, while the cost of provisions, equipment, clothing, fuel and other expenses of the department, will increase by some £58,000.

Department of Public Health, £319,000.—This year's provision is £62,000 in excess of payments for 1960-61. Two aspects of the department's programme are of particular

interest. The first is poliomyelitis immunization, and I am pleased to inform honourable members that almost all the population under 14 years of age, and about half the total population, have now been immunized. There is a renewed public interest in immunization and the department will arrange for the wide distribution of vaccine as soon as sufficient quantities are received from the Commonwealth Serum Laboratories. The other aspect is the progress of the school medical services. More than 60,000 school children will be medically examined this year, and this service is playing a valuable part in the early detection of defects, particularly of vision and hearing. Increased funds are provided for the department to continue the services of the tuberculosis branch, the inspection of food preparation and sales, and the general programme to protect the health of the community.

Chief Secretary—Miscellaneous, £2,725,500.—The sum of £2,299,000 is proposed for medical and health services, an increase over last year's expenditure of £388,000. There are four main categories under which this provision may be considered. Grants to hospitals, institutions, etc., total £1,732,000. Provision has been made for maintenance, and for new buildings, alterations, additions, and equipment required by larger organizations such as the Adelaide Children's Hospital, the Home for Incurables, the Institute of Medical and Veterinary Science, the Mothers and Babies' Health Association, and the Queen Victoria Maternity Hospital. Grants for a number of country and community hospitals are also included in this section.

Subsidies to institutions, etc., are estimated at £185,000. The main provisions under this heading are subsidies to Kalyra sanatorium and Minda home. Conditional subsidies to hospitals, where the amount paid by the Government is conditional upon the hospitals themselves raising a certain part of their operating requirements from fees and other revenues, will this year require £178,000. Provision is made for payments to be made to 49 country hospitals.

Special subsidies to hospitals for additions, alterations and equipment, are expected to amount to £147,000. Subsidies are proposed for 45 hospitals, the larger proposals being for Angaston, Jamestown, Millicent, Murray Bridge, Naracoorte and Strathalbyn. Also included in the provision of £2,299,000 for medical and health services is £53,000 for ambulance services in both the metropolitan and country areas.

Publicity and Tourist Bureau and Immigration, £286,263.—In addition to provision for the maintenance and improvement of national pleasure resorts, and for advertising the tourist attractions of this State, proposed expenditures include a grant of £16,000 towards the Adelaide Festival of Arts, £25,000 for subsidies to municipal authorities for the development of tourist resorts, £26,000 for subsidies towards the construction of swimming pools, and £16,000 for subsidies towards the provision and development of recreation areas.

Treasurer—Miscellaneous, £6,137,641.—Variations in items which appear on both the revenue and expenditure sides of the Budget are the main movements in the appropriation sought under this heading. The contribution to the Commonwealth of principal and interest in respect of moneys borrowed under the terms of the Commonwealth-State Housing Agreement is estimated at £1,386,000, which is £254,000 in excess of last year's payment, but this will be fully recouped to the Budget by the South Australian Housing Trust. The transfer to the Railways Department is to be reduced by £200,000 to £4,100,000 this year. This transfer is designed to reduce the prospective deficit in the railways account to a figure which could possibly be eliminated by further achievements in reducing expenditure or attracting revenue.

Lands Department, £898,000.—This amount is required to meet expenses associated with land development and settlement, surveying, mapping and recording, and the collection of revenue due to the Crown under leases, etc. It includes provisions for the State to meet part of its share of the cost of war service land settlement.

Minister of Lands—Miscellaneous, £214,879.—This provision includes £95,000 for salaries and grants for the Botanic Garden, £25,000 for grants to the National Park Commissioners, and £22,000 for grants to the Royal Zoological Society of S.A. Inc.

Engineering and Water Supply Department, £4,169,200.—This provision compares with £3,587,000 actual payments in 1960-61. If from these figures the provisions for power for pumping and for South Australia's contribution towards the maintenance of River Murray works were excluded, it would be seen that the provision for normal departmental maintenance and operation is £3,500,000 in 1961-62 as compared with £3,244,000 in 1960-61, that is, an increase of £256,000, or 8 per cent. The necessity to provide for power for pumping varies widely from year to year according to

seasonal conditions. The cost of power to pump water through the Mannum-Adelaide main, through the Morgan-Whyalla main, and from bores, reached the very high figure of £922,000 in 1959-60 because of the particularly dry season, whereas in 1960-61, following a very good season, the cost fell to £275,000.

The present holding of reservoirs is well below the desirable level for this time of the year and at the moment it appears certain that the maintenance of adequate water supplies will require much more pumping from the Murray than was necessary last year. The Bill includes provision for the expenditure of £575,000 for power for pumping through the Mannum-Adelaide main and from bores in the Adelaide Water District and through the Morgan-Whyalla main.

Aborigines Department, £525,546.—Expenditure for the welfare of aborigines has risen steadily from £64,000 in 1949-50 to £428,000 in 1960-61, and a further increase of £98,000 to almost £526,000 is proposed this year. The proposed payments are to provide better accommodation for aborigines, grants in aid and other assistance to church missions for the improvement of living conditions and physical welfare, supplementary ration scales and medical supervision, and for the development of reserves where tribal people, and particularly their children, may be encouraged, but not forced, to take a real interest in our way of life. An amount of £47,000 is included in this provision for taking over the Gerard Mission and operating it as a State reserve.

Public Works, £1,485,100.—This provision is mainly to meet the cost of repairs and maintenance of government buildings, furnishings, and the cost of replacement furniture. The appropriation sought exceeds last year's actual payments by £76,000. The main provisions are:

£594,000 for school buildings, an increase of £40,000 over expenditure in 1960-61;

£476,000 for hospital buildings, a rise of £40,000;

£69,000, for police and courthouse buildings, an increase of £1,000;

£302,000, or £11,000 more than last year, for other government buildings.

Education Department, £12,739,381.—This is an increase of £1,221,000, or 10½ per cent, over last year's expenditure which was almost 12 per cent greater than expenditure in 1959-60. Salaries and wages are expected to increase by £1,007,000 to an amount of £10,207,000, and contingency lines by £214,000 to £2,532,000. Having regard to the fact that population is increasing at an annual rate of about 2¼ per

cent, and the general price level at about 3 per cent, and that in the absence of special measures State Government revenues tend to rise naturally more slowly than such increases, that is, at present at no more than 6 per cent per annum, honourable members will appreciate the problem to be faced when one of the major spending departments, Education Department, requires annual increases of the order of 10 per cent or more. The Government has found and is finding the funds necessary to effect continuing improvements in the extent and standard of school accommodation, the ratio of teachers to pupils, and the standard of instruction.

Libraries Department, £246,000.—This provision includes the salaries and wages of library staff, a transfer of £49,000 to the Libraries Board to be spent at its discretion on books or services, and £42,000 towards the establishment and operation of libraries by local government authorities.

Minister of Education, Miscellaneous, £3,377,175.—The appropriation sought is £656,000 greater than the amount actually spent last year. Grants to the University of Adelaide, additional to the £44,000 to be paid under the authority of special legislation, are estimated at £2,650,000, which is an increase of £550,000 over last year's payments. Grants to the South Australian Institute of Technology are estimated at £400,000, which is £50,000 greater than for 1960-61. Other grants included in this section are:

	£
Kindergarten Union of South Australia . . . . .	171,400
Institutes Association of South Australia . . . . .	24,000
National Fitness Council of South Australia . . . . .	12,000
South Australian Oral School . . . . .	6,500
Townsend House School for deaf and blind children . . . . .	21,000

Department of Agriculture, £847,014.—This year's provision exceeds last year's payments by £137,000. Provision has been made for improvements and general working expenses at the various research and experimental centres operated by the department, for the purchase of livestock and equipment required at these centres, for the continuance of information and advisory services, for the control of diseases and pests, including fruit fly, and for the expansion of artificial insemination services.

Agriculture, Miscellaneous, £420,126.—This provision is £54,000 greater than actual payments made in 1960-61. The proposed grant

to Waite Agricultural Research Institute of £340,000 will exceed last year's grant by £20,000. This grant forms part of the State's contribution to the University of Adelaide and is determined at the same time and under the same conditions as the main grant to the university which I have already mentioned. Estimated expenditures on demonstrations and research conducted by the Bushfire Research Committee with the aim of introducing bush fire prevention and control measures is estimated this year at £35,000, which is an increase of £14,000 over the amount spent last year.

Department of Lands, Irrigation and Drainage, £483,825.—The proposals for the normal operation and maintenance of irrigation and drainage works are £23,000 in excess of last year's actual payments.

Mines Department, £684,172.—This is £65,000 greater than actual expenditure in 1960-61. The Mines Department has played a big part in fostering, encouraging and assisting the development of the State's mineral resources and will continue to do so. The extent of that development may be gauged from the fact that the value of mineral and rock production in South Australia now exceeds £27,000,000 annually, having risen from a figure of £9,000,000 in 1955. This present value places mineral production next to wool and cereals as the State's third most valuable primary industry. The discovery of a production oil or gas field has been an ambition of long standing for the Government and for the public of South Australia. The Government has given support and assistance to all genuine attempts at exploration, and has undertaken some work on its own account. The Mines Department has purchased the most modern seismic equipment obtainable and is making this available to assist private exploration work.

It is the Government's opinion that everything possible must be done to speed up the oil search in this State, and with this in view funds have been allocated to enable the department to establish a second seismic operation. At the present stage this appears to be the most practicable means available to encourage and assist private exploration activities, and it is expected that target areas will be defined for detailed examination and testing by the exploration companies concerned. This year's provision will enable the department to continue the work of exploring, testing and recording the mineral resources of the State.



Harbors Board, £1,580,800.—This provision exceeds last year's actual payments by £93,000. The increase is mainly to meet requirements for wharf maintenance, dredging of channels and general working expenses of ports, including the costs of operation of bulk loading installations.

Railways Department, £14,735,397.—This is an increase of £517,000, or about 3½ per cent in excess of actual payments for 1960-61. Of this proposed increase £320,000 is due to higher wage and salary rates, while only £197,000 is provided to cover increases in all other commitments. The larger part of the economies to be achieved from the changeover from steam to diesel traction have now been realized, and the Department will not be able to use the additional diesel units to be introduced to effect such spectacular economies as the earlier units. Nevertheless there are still some potential savings to be made. Apart from the change to diesel power the railways administration has been successful in achieving economies by paying close attention to the methods of carriage of various goods, and by entering into special contracts and arrangements to encourage freighting in full truck loads. Every effort will continue to be made to effect all reasonable economies and the administration is to be commended for its proposals to contain expenditures within a total very little in excess of last year's figures.

Highways and Local Government Department, £566,978.—This year's provision exceeds last year's payments by £70,000, but has no impact upon the Budget, for costs associated with the department are deducted from motor vehicles taxation receipts in determining the amount to be transferred to the Highways Fund in accordance with the Highways Act. The main reason for the increase in appropriation sought is the proposed strengthening of the staff of engineers, surveyors, draftsmen and other technical officers.

Turning now to the clauses of the Bill, clause 2 provides for the further issue of £48,654,000, being the difference between the amount authorized by Supply Act (No. 1)—£18,000,000—and the total of the appropriation required in this Bill. Clause 3 sets out the amount to be appropriated and the details of the appropriation to the various departments and functions. This clause also provides that increases of salaries or wages which become payable pursuant to any return made by a properly constituted authority may be paid, and that the amount available in the

Governor's Appropriation Fund shall be increased by the amount necessary to pay the increases. It further provides that if the cost of electricity for pumping water through the Mannum-Adelaide main and from bores in the Adelaide Water District, and through the Morgan-Whyalla main; should be greater than the provision included in the Bill, the Governor may authorize the additional expenditure, and the amount available in the Governor's Appropriation Fund shall be increased by the amount of such additional expenditure.

Clause 4 authorizes the Treasurer to pay moneys from time to time authorized by warrants issued by the Governor and provides that the receipts obtained from the payees shall be the discharge to the Treasurer for the moneys paid. Clause 5 authorizes the use of loan funds or other public funds if the moneys received from the Commonwealth and the general revenue of the State are insufficient to make the payments authorized by this Bill.

Clause 6 gives authority to make payments in respect of a period prior to July 1, 1961, or at a rate in excess of the rate in force under any return made by the Public Service Board or any regulation of the South Australian Railways Commissioner. Clause 7 provides that amounts appropriated by this Bill are in addition to other amounts properly appropriated. Earlier, we passed a Supply Bill for £18,000,000, which will carry on the functions of the State until next week. I ask honourable members to give prompt consideration to the Bill so that it can be passed next week.

The Hon. A. J. SHARD secured the adjournment of the debate.

#### LAND TAX ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 3. Page 993.)

The Hon. S. C. BEVAN (Central No. 1): Recently there has been a re-valuation of land based upon unimproved land values and this has increased valuations by about 189 per cent over-all during the last five years. This has resulted in further heavy taxation being imposed on the whole of the community. Since the State became a mendicant State, and even before that, the Government has continually increased taxation and, at the same time, has been very vocal in decrying inflation. I submit that its last action in increasing land tax has surely seriously strained its vocal chords. If it were only a matter of increased land

tax it would not be so bad, but we find councils immediately adopting the new assessment of the increased land tax by increasing their own rates. We also find that the Engineering and Water Supply Department does likewise. These continual increases in taxes add considerably to the heavy burdens already carried by the taxpayer.

There has been considerable activity in land sales for subdivisive purposes and at highly inflated prices, and it appears that the Government has taken advantage of this inflationary trend in this latest assessment, taking the prices obtained as the basis of assessments for the whole area. We know that that has been done continually. I submit that this has considerably inflated values, especially in the older settled areas, to such an extent that people will be unable to meet the additional impost without severe sacrifice and hardship, as very few of them will be exempted.

The Hon. G. O'H. Giles: You said subdivided lands.

The Hon. S. C. BEVAN: If the honourable member listens he may learn something by the time I have concluded my submissions. I said that because of the considerable activity in subdivided lands the prices paid had been reflected in the older established areas. I will attempt to prove to the honourable member that that is so. Unfortunately, most of this impost will be met by people in the metropolitan area and surrounding districts (the small landholders) which I think is unjust. When the Treasurer first announced the increases in land taxation it was estimated that State revenue would benefit by about £1,000,000. That is not a correct figure. It was then found that the primary producers immediately went on the war path because of the increased taxation on their holdings; so much so, that we now find we have amending legislation before us that will considerably benefit one section of the community, the concession amounting to about £400,000. This means that State revenue will be increased by about £600,000. Clause 4 repeals section 11 of the principal Act and inserts a new section. Section 11 said that the unimproved value of any land shall be the taxable value of that land, but under other provisions there were exemptions. The new section 11 provides for further exemptions. One exemption is related to cases where the unimproved value of land does not exceed £2,500 when used for primary production purposes. The exemption gradually diminishes until the value reaches £6,250. Then it disappears entirely. I do not

complain about the primary producers getting concessions, but any concessions granted should apply to all people, and I am concerned about those who are getting no concessions under this Bill. Clause 5 sets out the amount of the land tax.

I will make a comparison between the position under the present table and the one in section 12 of the principal Act. I stress that in making this comparison I have gone to the limit in each case. For instance, when dealing with the range from £5,000 to £10,000 I have taken the figure of £10,000. Under the Act where the taxable value did not exceed £5,000 the amount of tax was  $\frac{1}{2}$ d. for each £1. Where the taxable value exceeded £5,000 but not £10,000 the tax was £15 12s. 6d., plus  $\frac{1}{2}$ d. for each £1 over the £5,000. Under the Bill the excess tax is reduced by  $\frac{1}{2}$ d. in the £1 over £5,000. Up to £10,000 there was a saving of £10 8s. 4d. In the range from £10,000 to not exceeding £20,000 under the Act the tax amounted to £46 17s. 6d., plus  $2\frac{1}{2}$ d. for each £1 in excess of £10,000. In the new table the tax is reduced to £36 9s. 2d., plus 2d. for each £1 over £10,000, so there is a reduction of about £10. The total reduction is £31 5s. In the range from £20,000 to not exceeding £35,000, under the Act the tax was £151 0s. 10d., plus  $3\frac{1}{2}$ d. for each £1 in excess of £20,000. The Bill reduces the amount to £119 15s. 10d., and for the excess over £20,000 the rate is 3d. for every additional £1. That gives a total reduction of £62 10s.

Under the Act for the range from £35,000 but not exceeding £50,000 the tax was £369 15s. 10d., plus  $4\frac{1}{2}$ d. for each £1 in excess of £35,000. Under the Bill the tax is £307 5s. 10d., plus 4d. for each £1 pound over £35,000. Here the total reduction is £93 15s. For the range exceeding £50,000 but not exceeding £65,000 under the Act the tax was £651 0s. 10d., plus  $5\frac{1}{2}$ d. for each £1 over £50,000, but under the Bill £93 15s. less. In addition there is a charge of 5d. for each £1 over £50,000. The total reduction here is £125. In the range from £65,000 to not exceeding £80,000 under the Act the tax was £994 15s. 10d., plus  $6\frac{1}{2}$ d. for each £1 in excess of £65,000. Under the Bill that tax has been reduced by £125, which, together with the reduction of  $\frac{1}{2}$ d. in the excess rate, gives a total reduction of £156 5s. The Act then provides for a value exceeding £80,000, where the tax was £1,401 0s. 10d., plus 7d. for each £1 in excess of the £80,000. Under the Bill there is a new range, £80,000 to not exceeding £100,000. Here the tax is £1,244 15s. 10d.,

plus 7d. for each £1 over £80,000. This represents a reduction of £156 5s. from the tax under the Act for a value exceeding £80,000.

It seems that the higher the valuation the greater is the reduction under the new scale when compared with the scale in the Act. If the Bill were consistent with the Act the first item—that not exceeding £5,000—would have contained some reduction, too, because, on the figures I have given, it won't be long before many suburban blocks are valued at £5,000 when we consider how land is selling today. It is hard to purchase a building block in a good settled locality for less than £1,000, and, in many cases, the price is far in excess of that figure.

The Hon. L. H. Densley: That would only represent £3 tax, which is not much.

The Hon. S. C. BEVAN: That may be all right for the honourable member, but I am speaking for the small people, not the large landholder. The small people have been considerably affected by this legislation, and a reduction of one farthing should have been allowed in their case.

The Hon. Sir Arthur Rymill: They are not the people that are suffering: it is those further up.

The Hon. S. C. BEVAN: I have received various letters complaining about the increase in land tax, but I do not wish to quote them. The Hon. Sir Arthur Rymill said the small people are not the ones that are suffering. However, assessments in the metropolitan area are high and the people will suffer considerably. If the man I mentioned had been paying tax under the present table and under his present unimproved value he would be paying double what he will be called upon to pay under the proposed table. I had occasion to approach the Treasurer in one case in an effort to obtain some relief for a taxpayer who would suffer under this legislation. The method adopted to arrive at unimproved land values for taxation purposes is based solely on an assumption of what the land will sell for. One of my constituents, who approached me, bought a house seven years ago for £2,500. The unimproved value of the property on which he paid last year's tax was £520. This year the assessed value is £2,280. He is one of the small men Sir Arthur Rymill says is not affected.

The Hon. Sir Arthur Rymill: What I said was that you do not understand.

The Hon. S. C. BEVAN: This man came to me because he had objected to the assessment. His objection was rejected and he then

appealed, but his appeal was dismissed. I approached the Treasurer setting out in writing my constituent's case. The Treasurer referred the case to the Commissioner of Land Tax and I have the Treasurer's reply which, with the concurrence of the Council, I will quote. The letter adds weight to my statement that this assessment is based on assumption and, therefore, it is not sound because we should start on a sound basis when assessing for tax purposes. The letter I received, dated August 31, 1961, states:

I refer to your letter of the 25th August, 1961, in regard to the land tax assessment on property owned by Mr. A. of Hilton Road, Hilton. I took up this matter with the Commissioner of Land Tax who has now forwarded to me the following report:—

“Details of the land referred to in the letter from the Hon. S. C. Bevan are:— Pt. Lot A, Hilton Road, Hiltonia 57ft. x 150ft. 1960 Assessed Unimproved Value £2,280. The land, having dimensions greater than those stated in the letter is situated in Hilton Road between the Hilton Bridge and the South Road. Being on a main road, within one and a half miles of the G.P.O., adjacent to the Mile End goods yards, and in a locality in which commercial use is permitted by the City of West Torrens, the most economical use of the land would be for commercial purposes. This opinion is substantiated by the continuing change from residential to commercial use of sites on both Hilton and South Roads.

Although the owner is occupying the land residentially its unimproved value must be assessed in accordance with the definition in the Land Tax Act on the assumption that the improvements on the land have not been made. Prices paid for sites for commercial development in the locality (up to £130 per foot frontage) indicate that there is a considerable margin between the department's assessed value (£40 per foot frontage) and the current market value of this land unimproved. In these circumstances no reduction could be made on the taxpayer's objection to the assessed value.

The taxpayer purchased the property in 1954, seven years ago, for £2,500 and an adjacent property of approximately the same size purchased in 1954 for £2,400 has been sold recently for £4,900. The adjoining corner site, referred to in the letter, measures 27ft. x 150ft. and not 50ft. x 150ft. as stated, and due allowance for the very narrow frontage has been made in its assessment.”

My information was that the frontage of the block was 50ft. and not 57ft. It is all very well to talk about the value of this land for commercial uses, but what about the taxpayer's home? The corner block was assessed at £800 as against £2,280 for my

constituent's block. The reply from the Commissioner indicates that the assessment was based on the assumption that this land could be sold for £2,280 if it were sold as an industrial site. However, that is problematical. This man bought the property for £2,500 as a home for himself and his family and it should be assessed accordingly and not on the assumption that a certain amount could be obtained if it were sold for another purpose.

That is what is happening today with our land taxation and the assessments that all taxpayers have received. They are based on the assumption that if land were sold for subdivisional or some other purpose it would bring a certain figure. The whole system is wrong. In the case I have referred to the land should be assessed on its value when used for residential purposes and not on some fictitious price it may bring as an industrial site. If a person urgently requires a site on which to build a factory, shop or showroom he is not greatly concerned about what he pays for it. He wants it, he has the money, and he is going to have it; therefore, he will pay a highly inflated price for it. Immediately that happens, that is the price that is taken as the value of land in that area and that governs the taxation. The system is wrong and should be reviewed so that the small people can get some concession. In the recent inflated assessment the three-farthings should have been reduced, but perhaps not to the extent of others where they have been reduced by a ½d. in the pound over a given figure. The minimum range should have been £2,000 to £5,000.

The Act makes provision for absentee land tax, but under this Bill that is to be abolished because it has been stated it has not amounted to much. It may not have, but it was an additional tax and its removal will allow overseas speculators to put money into land because they will now only have to pay the ordinary tax. If that concession is to be abolished why cannot some concession be given to the smaller landholder?

The Hon. L. H. Densley: Doesn't the small landholder have some concession in that he gets a higher wage to meet the increased cost?

The Hon. S. C. BEVAN: I do not know whether he gets an increase in wages to meet increased taxation. He received a higher wage because of the increase in the cost of living, but that does not take taxation into account.

The Hon. F. J. Potter: This is a capital tax?

The Hon. S. C. BEVAN: Not for the worker, to whom the Hon. Mr. Densley referred. He never had capital on which to be taxed.

The Hon. Sir Arthur Rymill: You are not quarrelling with the amendment; you are quarrelling with the basis of the Act?

The Hon. F. J. Potter: You are saying this is a theoretical capital gains tax?

The Hon. S. C. BEVAN: What I am saying is that the amount of taxation imposed by the legislation is far in excess of what it should be.

The Hon. F. J. Potter: Isn't it a theoretical capital gains tax?

The Hon. S. C. BEVAN: Yes, it is. Clause 12 gives power to the Commissioner to postpone collection of the tax where hardship exists. This allows the Commissioner to continually postpone it, and it then becomes a first charge on the estate. If a person is in such circumstances that he cannot pay the tax, the Commissioner should have power to cancel it. I see no reason why he should not, because if in the future the taxpayer was able to meet his commitment then he should be asked to do so. If he cannot do so, then the Commissioner should still have the power to cancel it. I do not know whether this clause would conflict with the power of councils, because they have power to do the same thing with council rates. As I understand the position, any deferred payment of council rates becomes a first charge on an estate. Now apparently there will be another charge on the estate because this legislation will over-ride any power the council may have.

As an example, there could be two old age pensioners who had during their lifetime obtained a property and had paid commitments on it, but found themselves in such a position that they could not pay the land tax. They appealed to the Commissioner and he postponed the payment. The property was held in one name, and that person died. What happens then? Under this Act the Commissioner has first charge on that estate which has to be sold so that he can recover the postponed land tax. What would the remaining person do if the property were sold?

The Hon. C. D. Rowe: The Commissioner still has power to postpone payment.

The Hon. S. C. BEVAN: He could, but the property might be sold to recover the tax. It is possible, of course, that the property could become a burden to a beneficiary who was not able to get a home during his lifetime but had a property left to him.

The Hon. L. H. Densley: Surely you are not objecting to these concessions? These are concessions that are being given!

The Hon. S. C. BEVAN: If the honourable member thinks they are concessions, I do not agree with him. I am stating the effects that the so-called concessions can have. To make them concessions the Government should cancel payment altogether. The Commissioner has power to investigate, and if he found a person in circumstances which prevented the payment of tax, he should have the power to cancel the debt so that the commitment would not carry on from year to year until finally someone had to pay it or sell the property so that the taxation could be paid. I hate to think the Government would penalize anyone under these circumstances, and I consider that it is not a concession at all. It is purely and simply a postponement. That is all it means and all it says. Under those circumstances this legislation should have provided that the Commissioner could suspend altogether any attempt to collect it.

I support the second reading because I agree wholeheartedly with the concessions given to the primary producers, but I also think that concessions should have been provided for every landholder. I hope that before the Bill is passed it will be amended to give further relief to the people I have referred to. I know that this is only wishful thinking on the part of members of my Party, but other honourable members may agree with the sentiments I have expressed.

The Hon. JESSIE COOPER (Central No. 2): I rise to support the Bill, which is designed to give some concessions, notably to primary producing areas, and in this I believe that the Government is well justified. Over the years, there have been various reasons for levying taxes on the use of land. The one normally accepted by legislators is that taxes on land should be intended to force those not fully using land to transfer it to others who wished and were able to use it: in other words to discourage the holding of land for no good reason. Of course the other reason, adopted frequently by Governments, is that taxes should be imposed on land on the principle that those who have land can afford to pay for it.

As the Government has so ably balanced its Budget recently, I hope that, in the near future, it will give some satisfactory concessions to those who use land in the urban areas. I say this for two reasons—firstly, people in urban areas are paying high

rates in land tax, not because the land is not being used, but because it is being used, and therefore has now an exceedingly high value; secondly, because urban areas appear, by all available figures, to be paying about three-quarters of the whole State land tax. I quite realize that the increase in the rates of land tax in some metropolitan areas is due to a very rapid rise in valuations, which naturally comes about in a city that is developing so rapidly; but I ask the Government to give early consideration to further concessions in land tax, particularly in industrial and urban areas.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

#### PUBLIC ACCOUNTS COMMITTEE.

Adjourned debate on the motion of the Hon. K. E. J. Bardolph:

That in the opinion of this House it is desirable that a Public Accounts Committee be established to—

- (a) examine the accounts of the receipts and expenditure of the State and each statement and report transmitted to the Houses of Parliament by the Auditor-General pursuant to the Audit Act, 1921-1957;
- (b) report to both Houses of Parliament, with such comments as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) report to both Houses of Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) inquire into any question in connection with the public accounts which is referred to it by either House of Parliament, and to report to that House upon that question.

(Continued from September 20. Page 800.)

The Hon. Sir LYELL McEWIN (Chief Secretary): The motion is one that has been debated on at least three occasions in this Council. One, I think, was in 1953, the motion being moved by the late Hon. Mr. Condon, and another in 1959 moved by the Hon. Mr. Bardolph, who has again moved a similar motion this year; so, it would appear to be a biennial. Therefore, it is a matter on which honourable members are reasonably informed. On this occasion I will be taking the same attitude as previously and will oppose the motion, not that I disagree with the

motive expressed by the honourable member that Parliament should be in control of expenditure and should be properly informed, as he has said, to see that we get 20s. value for every pound of expenditure. I agree with all that, although I cannot agree with all that the honourable member said, including his statement that this responsibility cannot be discharged satisfactorily without a Public Accounts Committee.

The efficient functioning of any large organization depends on more than one factor. Firstly, there must be a satisfactory balance between resources, the time and effort expended in getting things done and in hand checking, by means of audit, inspections, and specialist consultation, etc. The problem of how best to employ resources is not peculiar to Governments, but it is clear that, because of the responsibility of Governments to spend large sums of public money in ways which are not subject to the private enterprise test of profitability, there must be a greater measure of checking and auditing. However, we must ask ourselves now, "To what extent do measures already exist to ensure a careful review and check of the expenditure of public money in South Australia?"; and, "Would the appointment of a Parliamentary Public Accounts Committee add anything to the safeguards that already exist?" The answer to the first question, as I shall show in a moment, is that a large number of checking and reviewing procedures already work very satisfactorily; and the answer to the second question is, "In the Government's view a Public Accounts Committee would not improve the existing safeguards".

Members are aware of the very detailed manner in which proposed appropriations on both Revenue and Loan Account are put before Parliament each year, and that those appropriations are subject to close scrutiny by Parliament and to question by any member. This afternoon I submitted an Appropriation Bill to the Chamber and went to some trouble to give honourable members information both as to how the moneys were expended last year and how they will be expended this year. Further, information is also supplied in the Auditor-General's annual report. Under this system all appropriations are subject to the closest scrutiny by members. The Appropriation Bill, which we had before us earlier today, was considered line for line in another place.

I point out that the scope for variations in appropriations is limited. For Revenue purposes the Governor's Appropriation Fund allows £400,000 for excesses on lines beyond the amount agreed to by Parliament. Of that sum only £100,000 may be used for new purposes not listed in the detailed appropriations placed before Parliament. The total of £400,000 is less than two-thirds of 1 per cent of the revenue appropriation sought from Parliament. There is little scope for any straying of allocations made by Parliament. For Loan works the Treasurer may seek authority by warrant to extend payments beyond the amount provided by Parliament under the Public Purposes Loan Act, but in such cases the excesses must be submitted to Parliament in the next Public Purposes Loan Bill, when there is the opportunity for full questioning and discussion by members. In the actual expenditure of money there is a particularly close control by the Treasurer and by officers under the Auditor-General. Audit regulations provide that no payment above £50 on any item may be made without the authority of the controlling Minister.

When contracts are involved an even firmer control is exercised. For instance, the purchase of public stores is subject to the control of the Supply and Tender Board, which makes every effort to purchase on terms most favourable to the Government. For contracts not subject to control by the board Ministerial approval is required in excess of £50, and Cabinet approval in excess of £1,000. All items of expenditure are closely scrutinized before any money is spent. Whilst detailed control of all expenditure is an important function it is the view of the Government that the most worth-while way of getting value for money is to have a thorough examination made of large proposed expenditure before any commitment. It is in this field that the Public Works Committee and the Land Settlement Committee have done and are doing much valuable work. Whereas the work of these two committees takes place before the expenditure of public money, the work of a public accounts committee would follow the expenditure, and it would be like trying to decide something after the event. It would not contribute anything towards the prudent expenditure of public money. Therefore, the Government is convinced that such a committee could not add anything to what may be achieved by an annual review by the Auditor-General, and close interest and attention by members. In moving his motion Mr. Bardolph said:

Often we have had to consider Estimates without having the Auditor-General's report to enable members to scrutinize the expenditure of public money in the previous year.

I have had taken out a statement covering the last 12 years showing the date on which the Auditor-General's report was received each year and the date on which the Budget speech was delivered. In only two of those years was the Auditor-General's report not available when the Budget speech was delivered, but it was only a matter of two or three sitting days on each occasion. In 1950 the dates synchronized, October 10.

The Hon. K. E. J. Bardolph: I mentioned the Loan Estimates, which we have before the Revenue estimates. We do not have the report then.

The Hon. Sir LYELL McEWIN: That may be so, but I have indicated that if there is any variation in the expenditure on any line in the Loan Estimates it must be included in the following Public Purposes Loan Bill. Members are then able to have the latest information, as late as if there were a public accounts committee. In 1951 the report was available on the same day as the Budget speech was delivered, October 16. In 1952 the report was available on October 8, and the speech was made on October 21. In 1953 the report was distributed on September 24, and October 8 was the date of the speech. In 1954, October 13 was the date when the report was distributed, and the speech was made on October 26. In 1955 the two dates synchronized, October 18. In 1956 the report was available a few days after the Budget was presented, the two dates being October 3 and September 25. In 1957 the two dates synchronized, September 17. In 1958 the Budget was presented two days before the report was distributed, the dates being September 23 and September 25. In 1959 and 1960 the dates synchronized. In 1961 the report was distributed on September 19 and the speech was delivered on September 20. It can be said that the Auditor-General's report is available for perusal by members when the Budget speech is delivered. We should remember that the Auditor-General is not a Government employee. In effect, he is an officer of Parliament and his annual report is made to Parliament, not to the Government.

The Hon. K. E. J. Bardolph: I said that he was in a similar position to the judges and could be removed from office by resolution of both Houses of Parliament.

The Hon. Sir LYELL McEWIN: I am delighted that the honourable member and I

can agree on this important point. As an officer responsible to Parliament his functions are not limited as are those of the ordinary commercial auditor. He has far greater power than the ordinary auditor. As was pointed out, once he is appointed he can be removed from office only by resolution of both Houses of Parliament. He has nothing to fear from any criticism he makes if he considers there has been a wrong action. We know that this type of criticism has occurred not in South Australia but in other places. Section 40 of the Audit Act provides that:

The Auditor-General, in such yearly report or in any special report which he may at any time think fit to make, may recommend any plans and suggestions that he may think fit to be adopted for the better collection and payment of the revenue and other monies as aforesaid, and the more effectual and economical audit and examination of the public accounts and any improvement in the mode of keeping such accounts, and generally to report upon all matters relating to the public accounts, and such plans and suggestions shall be considered and dealt with by the Governor.

That constitutes an independent authority which, possibly, has more powers than those indicated in the motion. Certainly, they are powers placed in independent hands to report to Parliament, and they amply cover what the honourable member has suggested should be given. South Australia has been well served by its Auditors-General, who have always put clearly before Parliament all the necessary information to enable members to discuss any financial matter they may wish to consider in this Council. The final responsibility of using this information which we have in such an efficient form provided by the Auditor-General's report must remain with the individual members of Parliament.

The presentation of the public accounts of this State has always been of a very high class and has drawn commendation from prominent people. I remember that South Australia's accounting system was commended by no less an authority than the Grants Commission.

The Hon. K. E. J. Bardolph: I said that Prof. Bland (Chairman of the Commonwealth Public Accounts Committee) adopted the South Australian system.

The Hon. Sir LYELL McEWIN: That all goes to indicate that there is no necessity for the establishment of separate investigation by a Parliamentary committee to carry out work that has been so effectively done in the past. Honourable members have unlimited opportunities to ask questions of Ministers and

it is fair to say that information sought, whether in relation to financial matters, the Auditor-General's report, or matters of a more general nature, is given as quickly and as clearly as possible. As far as this Government is concerned I assure members that that situation will continue. Summarizing, it is the Government's view that the present financial procedures, the presentation of clear accounts to Parliament, and the lively interest of all members are, in combination, the best safeguard for the wise use of public moneys in South Australia.

I know that in much larger Parliaments this type of committee is appointed, particularly in national Parliaments where much wider and,

perhaps, more complex systems function. In those cases public accounts committees have done some good work, but under our system and conditions and with the assistance of the audits and the committees that we have to consider expenditure before it is made, I think every safeguard is taken. Therefore, I do not support the motion to appoint a public accounts committee and I shall vote against it.

The Hon. F. J. POTTER secured the adjournment of the debate.

ADJOURNMENT.

At 4.31 p.m. the Council adjourned until Tuesday, October 10, at 2.15 p.m.