

LEGISLATIVE COUNCIL

Wednesday, June 29, 1966.

The PRESIDENT (Hon. L. H. Densley) took the Chair at 2.15 p.m. and read prayers.

ASSENT TO BILLS.

His Excellency the Lieutenant-Governor, by message, intimated his assent to the following Bills:

Supply (No. 1),
Appropriation (No. 1).

QUESTIONS

HANSARD INDEX.

The Hon. Sir LYELL McEWIN: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. Sir LYELL McEWIN: Yesterday I directed a question to the Chief Secretary regarding the availability of an index to Parliamentary debates last session. I am in receipt of certain advice that the Government Printer has provided something that will overcome the problem. As my question was directed to the Chief Secretary, I think it is appropriate that he should inform the Council of what has been done.

The Hon. A. J. SHARD: First thing this morning one of my officers rang the Government Printer, and whether it was as a result of that call or the initiative of the Government Printer himself, I am not sure, but the Government Printer, Mr. W. L. Hawes, telephoned this morning to say that the first two of four volumes of *Hansard* for 1965-66 would be delivered to honourable members today and that he was forwarding six copies of the annual index for use by the Council pending the arrival of the third and fourth volumes.

The six copies of the index will, subject to my approval (which I give), be placed as under: three copies in the Chamber—one on each of two files of the weekly copies on either side of the Chamber and one copy on the table; one copy in the offices of the Clerk, the Clerk Assistant and Clerk of Papers, for the convenience of honourable members. With the first and second volumes in the hands of honourable members, each member will have access to the annual index, personally, in the Chamber and through officers of the Council. I understand that the same treatment will be afforded another place.

I take the opportunity to express, on behalf of all honourable members, our appreciation of

the prompt action of the Government Printer. We all know that he has been under very heavy pressure for the last 12 months; I know his problems. To pick up the question from the copy that goes over to him and so readily agree to such prompt action is only in keeping with the practice of the Government Printing Office. On behalf of all honourable members, I express my sincere appreciation to the Government Printer, Mr. Hawes, for his prompt action in meeting our request.

PARINGA SOUTH AREA.

The Hon. C. R. STORY: I ask leave to make a statement prior to asking a question of the Minister representing the Minister of Works.

Leave granted.

The Hon. C. R. STORY: For a number of years the settlers in the Paringa South area (known locally as the Pike and Mundic Creek areas) have been seeking a better water supply. After some negotiation the Minister of Works agreed to set up a committee to investigate improvements to the irrigation water supply and to endeavour to find some equitable rating system so that the scheme might be acceptable to the settlers in the area. Can the Minister give me any information about the progress of the inquiry by the committee?

The Hon. A. F. KNEEBONE: Yes. I have been informed by the Minister of Works that a report has been completed. The Minister expects to have it in his hands in a few days. He added that he believed that an alternative scheme was to be or might be submitted to the committee.

BEDFORD PARK BLASTING.

The Hon. C. M. HILL: I ask leave to make a statement prior to directing a question to the Minister representing the Minister of Works.

Leave granted.

The Hon. C. M. HILL: Work has commenced in regard to the new teachers college at Bedford Park, near the corner of Sturt Road and Shepherds Hill Road. Extensive excavation work is being carried out, and rock blasting connected therewith is taking place. Nearby residents, particularly those across Sturt Road in Burbank, are complaining that this blasting is causing their houses to crack. Will the Minister investigate this matter to see whether the department has been approached by the residents and, if not, will he have inquiries made in Burbank with a view to protecting, if necessary, the interests of these householders?

The Hon. A. F. KNEEBONE: I am sure that my colleague will be pleased to investigate the matter. I will convey to him the information that the honourable member has given me and bring back a reply as soon as possible.

R.S.L. GROUP.

The Hon. R. C. DeGARIS: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. R. C. DeGARIS: In recent months in South Australia—indeed, I think throughout the Commonwealth—there has been an increase in organized disruption of public meetings, protest marches, and footpath displays of banners, all of which, generally, have inconvenienced the public. We have seen many such demonstrations that seem to have been based solely on emotion. There has been the organization of a group of people at the University of Adelaide, who have adopted the title "R.S.L.". I have no doubt that the selection of words to suit the letters took some time. I assume it was this group that refused to stand for the National Anthem at the Adelaide Town Hall recently.

I want it made clear that I do not object to any group proclaiming its belief, but certain aspects of the cases I have mentioned have disturbing features. I know the depth of feeling many people have for this country and its ties with the Monarchy, and any person would be justified in having a feeling of deep disgust at these tactics. Will the Government recognize the fact that these elements are deliberately, in my opinion, playing on emotional issues, and will the Government instruct the police to see that the general public are not inconvenienced by the inconsiderate actions of this element in our society?

The Hon. A. J. SHARD: It must be obvious to the honourable member that the question deals with a matter of Government policy. Whilst normally I would answer the question, because of the verbiage used by the honourable member I have no alternative but to ask him to put the question on notice.

PORT WAKEFIELD CROSSING.

The Hon. L. R. HART: I ask leave to make a statement prior to asking a question of the Minister of Transport.

Leave granted.

The Hon. L. R. HART: Over a number of years applications have been made for the erection of warning lights at what is known as the Port Wakefield crossing. I believe that

such lights are erected at the expense partly of the Highways Department and partly of the Railways Department. It is either that, or the Railways Department erects the lights and the Highways Department assists in meeting the cost. Because the Railways Department has only one gang available for the erection of this type of warning signal, it has apparently been necessary to institute a system of priorities. Will the Minister indicate the present position regarding the priority of the Port Wakefield crossing and when it is expected that warning lights will be erected?

The Hon. A. F. KNEEBONE: I am unable to give the honourable member the priority of the crossing concerned. I know that in the past approaches have been made and, as the honourable member said, there is a system of priorities arranged by a committee comprising representatives of the Minister of Transport and the Minister of Roads. The committee examines the priorities for all types of crossings, but I am unable to indicate the priority of the crossing mentioned.

The Hon. L. R. HART: Will the information eventually be made available to this Council?

The Hon. A. F. KNEEBONE: Yes, I shall find out the priority and whether this proposal is on the priority list.

LAND AGGREGATIONS.

The Hon. G. J. GILFILLAN: I ask leave to make a statement prior to directing a question to the Minister of Roads representing the Minister of Lands.

Leave granted.

The Hon. G. J. GILFILLAN: Land in South Australia is held under various systems of tenure, various leasehold titles, and as freehold land. In much of the State there is leasehold and freehold land in the same districts. This sometimes presents a difficulty to people with small holdings who wish to buy more land in order to make provision for their sons to go on the land at some future time. At times these decisions have to be made at short notice before the sons are old enough to hold land in their own names, because land is generally available only at certain times and not always at the most convenient time. This often presents a difficulty for people who wish to buy additional land that is held under Crown lease. Section 225 of the Crown Lands Act states:

Subject to subsections (2a), (3) and (4) of this section no recommendation or consent shall be given under this section if the unimproved value of the land comprised in the lease or agreement referred to in subsection

(1) of this section and the unimproved value of all other lands, if any, held under any tenure by the proposed transferee or sublessee would together exceed twelve thousand pounds. The Government announcement that it would not, as policy, allow leasehold land to be freehold, together with the new assessment of unimproved land values, has caused a real problem in some districts, both for people who want to sell and for people who want to buy. Although I am not against the principle of some restriction on the area of land held, as contained in the section of the Act, can the Minister representing the Minister of Lands say whether, in view of the recent increase in the assessment of unimproved land values, the Government will at an early date bring in a Bill to increase the amount of £12,000 in section 225 to a figure proportionately in keeping with the increased assessment?

The Hon. S. C. BEVAN: As the honourable member has mentioned policy enunciated by the Government and as he has asked whether the Government will do certain things, I ask that the question be put on notice.

PORTS INVESTIGATION.

The Hon. R. A. GEDDES: Will the Minister representing the Minister of Agriculture make available to honourable members the report to the Government by the committee appointed to examine future deep sea ports in South Australia?

The Hon. S. C. BEVAN: I shall refer the question to my colleague and obtain a report as soon as possible.

POLICE POWERS.

The Hon. C. R. STORY: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. C. R. STORY: Just prior to the last election and during the election campaign itself it was, I think, the printed policy of the Labor Party that something should be done about section 62 of the Lottery and Gaming Act, which is the section that allows the police to move people on. As I understand the position, the police are not fully clothed with the powers under any other Act, and the policy at that time was that the Police Offences Act would be amended in order to give the Police Force the necessary power. In view of certain incidents that have taken place in the city and the State, does the Chief Secretary consider that the police are sufficiently armed with all the necessary powers to deal with these types of disturbances?

The Hon. A. J. SHARD: My mind was wandering away in another direction when that question was put, but I think the section referred to under the Act is wide enough for the police to control the situation. There is no doubt in my mind that that power is very wide and I know the Police Commissioner is quite content so long as that is not removed.

GAWLER SEWERAGE.

The Hon. M. B. DAWKINS: I ask leave to make a statement prior to asking a question of the Minister representing the Minister of Works.

Leave granted.

The Hon. M. B. DAWKINS: My question has to deal with the subject of sewerage in the Gawler area. In common with other members, over the period that I have been in this Council I have been making representations with regard to sewerage for Gawler and the surrounding areas, which are rapidly being built on. About 18 months ago I was informed by the then Minister of Works (Hon. G. G. Pearson) that it was expected to start on the provision of sewerage for Gawler and the surrounding areas immediately being built on in 1968. Since then the only information I have been able to obtain is that this scheme will probably be delayed until at least 1970. I ask the Minister representing the Minister of Works whether in the last 12 months or so this sewerage project has been put off by two years.

The Hon. A. F. KNEEBONE: I will convey the honourable member's question to my colleague the Minister of Works and obtain a reply as soon as possible.

DENTAL SERVICES.

The Hon. R. A. GEDDES: I ask leave to make a statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. R. A. GEDDES: It is claimed that some people who cannot afford private dentists' fees have to wait up to two years for a new dental plate, and it is also claimed that in some cases children who wish to have teeth straightened will never get the treatment they require. I ask the Chief Secretary whether it is possible to make available more dentists to treat urgent cases in order to catch up on the backlog of this work.

The Hon. A. J. SHARD: I would dearly love to be able to answer that question in the affirmative, but I cannot. There is an insufficient number of dentists available in this

State. I have given much thought to this problem and I have taken certain steps that will correct it as far as children are concerned in a matter of two or three years. Next year we hope to open a dental nurses' school in Adelaide which should be in operation about two years from then. I regret this problem, but you just cannot solve it if you have not the tools to do it. As far as orthodontists are concerned, I have received letters on this question and I am endeavouring to find out what it would cost to do something in this direction. I understand that the delay at the Adelaide Dental Hospital runs into years, and it is possible that by the time treatment is available the patients needing attention could well be in need of dental plates. Had this dental nurses scheme been commenced 10 years ago, it is likely that these problems would not be so great.

AGRICULTURE DEPARTMENT.

The Hon. L. R. HART: I ask leave to make a short statement prior to asking a question of the Minister of Roads representing the Minister of Agriculture in this Council.

Leave granted.

The Hon. L. R. HART: Recently there was a press announcement stating that it was the intention of the State Government to provide a building at Northfield to house all of the Department of Agriculture staff, totalling about 200. The announcement stated that this building would be adjacent to the present research station at Northfield. I ask the Minister representing the Minister of Agriculture whether it is the intention of the Government that all of the staff of the Department of Agriculture, including the Director and various heads of sections within the department, will be stationed at Northfield when this building is completed.

The Hon. S. C. BEVAN: I will refer the question to the Minister of Agriculture and obtain a reply as soon as possible.

ADDRESS IN REPLY.

Adjourned debate on motion for adoption.

(Continued from June 22. Page 36.)

The Hon. Sir LYELL McEWIN (Leader of the Opposition): I rise to support the Address in Reply to the Speech that was delivered by the Lieutenant-Governor at the opening of Parliament. I also congratulate the mover and seconder of the Address in Reply upon their speeches, while at the same time I have sincere sympathy for them in regard to the

material that was available to them. However, they made the best use of this in a way that we would expect when moved by the Minister of Transport, who has had long experience and whose cool and unruffled demeanour in carrying out his responsibilities is respected by every member of this Chamber. I think that he and the other Ministers have worked hard and adapted themselves to their portfolios, and we appreciate and respect the treatment and courtesy we get from them in this Chamber. The seconder, Mr. Banfield, has settled down quickly into the atmosphere of this Council and has already earned the friendly goodwill of every member of the Chamber, and I congratulate him on the progress he has made.

I join with the mover and the seconder in their reference to the visit by the Queen Mother. Her dignity and charm always attract a spontaneous response of love and affection from the people of this State. I am proud to believe that any expressions to the contrary belong only to irresponsible persons who should be pitied, for they have been spoiled by the very freedom that the monarchy symbolizes. They have not been compelled to exist under the tyranny of dictators where loyalty is of the kind enforced at the point of a bayonet. I join also with the expressions of appreciation of the Lieutenant-Governor, who opened Parliament again, for the eighth time, in the absence of the Governor. Sir Mellis Napier has a splendid record of service as Chief Justice and Lieutenant-Governor over a long period. We honour him as a South Australian and wish him well. His Excellency and Lady Bastyan will soon return from their well-earned respite from official duties, and we can assure them of a very happy welcome on their return.

I join my Party in the tributes to the members of Parliament who have passed on during the recess. First, there was our own sitting member of this Council, Sir Frank Perry. We have paid a tribute to him previously for his long Parliamentary career, his contribution in the industrial field and as an employer, and the very humane attributes that he possessed. We all respected him for that. Sir Richard Butler was, of course, a past Premier who rendered signal service to the State. Mr. Bert Thompson was a member of the House of Assembly and later a member of the House of Representatives. He was well known to us all and rendered considerable service to his country and electoral district. Mr. E. J. Craigie may not be so well known to some members, but he was a spokesman for the Henry George League and the principles that that league

represents, which were always expounded at every opportunity by Mr. Craigie. I used to tease him about being inappropriately in the wrong place, but he always stuck to his argument about single taxation. When he was out of Parliament he continued to debate rating systems and made his opinions felt in a number of different areas. Mr. Craigie was loyal to the Henry George League principles but, apart from that, he was a popular member amongst members of Parliament. To the members of the families of all these people we extend our sympathy.

The mover of the motion referred to the amount of legislation dealt with last session as being a record. I do not know whether he, like the Pharisee, thinks we are appreciated by over much speaking. I rather think that by our works shall we be known. Legislation can be overdone and become irksome. People cannot keep informed on continuous legislative amendments and they become upset when they find they unwittingly offend against the law. The mover's speech laid great emphasis on the welfare programme of the Government. That is a phase that any Government must seriously consider to the maximum of its economy. Everybody favours improving the welfare service of the State so long as it is within reasonably economic limits. It is also a subject that must take into consideration the reactions if carried to excess. We see a reference in this morning's paper to the Leader of the Opposition in the Commonwealth Parliament who states as the policy of his Party that he would increase taxation to enlarge the social services. So long as the taxation is within limits and does not interfere with the economy of the country, there must be some merit in it; but I point out that history records its effects, which brought about the downfall of two empires. It is something to which we have to give serious consideration.

Only two days ago I read in the paper a speech by Mr. Quintin Hogg, an ex-Minister in the British Parliament, which I thought merited some attention and thought. So I intend to quote from Mr. Hogg, because I think it is something that is well worth our consideration. The report states:

Mr. Quintin Hogg, home affairs spokesman for Britain's Opposition Conservative Party, gave the nation a rousing broadside yesterday for its shortage of honesty, craftsmanship, patriotism, thrift and purity. Lack of these ideals, he said in a fiery speech to party members, was costing Britain her sense of greatness and direction, and had left her people slowly

destroying themselves. Mr. Hogg, 58, is a colourful, controversial politician who was one-time contender for the Conservative leadership and a former Minister of Education.

At Rhuddlan, in Flintshire (Wales) he declared: "Can anyone who looks with understanding at what is going on, deny that the British people are in the act and process of destroying themselves, and will surely do so if we go on as we are at present?"

"A nation that does not think and plan higher than welfare will not survive as a nation—even to enjoy welfare. We give more to the unskilled factory worker than to a doctor qualified after seven years' hard training or to a policeman, a fireman, a priest or a social worker with a degree.

"What has gone wrong is that as a nation we are deliberately preferring fantasy to facts. We prefer enjoyment to responsibility. We have deified security and canonised mediocrity. We like to pretend that what goes on east of Suez is no concern of ours. We like to think that loyalty to our union or our class is more important than loyalty to our country. We like to think we can live indefinitely on borrowed money and borrowed time. We plead poverty. We say that we have not enough money to spend on advanced aircraft or space projects or on our peace-keeping technologists. But we have plenty of money when it comes to spending on ourselves—on television sets, on motor cars, on washing machines, on holidays in Spain, on betting and bingo, on drink and tobacco, on pop singers even.

"Can we blame the young because crime and drug-taking and sex and violence are increasingly popular? It is surely natural that a nation which has lost its ideal and its self-confidence should turn to pleasure and excitement and self-interest. I tell you a nation or a party without ideals—above all without the ideals of service and loyalty—of honesty, craftsmanship, patriotism, thrift, and purity will pay in the hard currency of tears and blood until the time comes when its old learn once more to dream dreams and its young to see visions."

They are very challenging remarks but I think so much is contained in that statement that we could all individually analyse it and apply its reasoning to our own living. I want particularly to refer to paragraph 11 of the Lieutenant-Governor's Speech, which reads:

My Government continues to pay attention to provision of adequate hospital services throughout the State, particularly in the field of mental health. Consideration is being given to the drafting of a completely new Mental Health Act designed to bring administration and practice in this field up to date.

They are comforting words, but they amount to only a vague promise of consideration. We need more than a promise of consideration: we need action. Our hospital and medical services are fast heading for an early crisis. I do not apologize for using the word "crisis", which has been used by so many people in

recent months in connection with anything that may not be going well. I regard this as a crisis; and certainly our hospital development is not going well. We have seen many things pointing in the direction of a crisis. The shortage of trained doctors has now become acute, particularly in country areas, and the Queen Elizabeth Hospital is turning patients away. The need to establish teaching facilities is acute.

I now refer to some statements made by the present Premier in his policy speech. One statement was:

I want to make it quite clear that the promises that were made by Sir Thomas Playford last night as election bait are mostly administrative decisions which will be honoured by a Labor Government. For example—the Queen Elizabeth Hospital extensions, which are essential, have already been agreed upon because of the need to provide training facilities for more doctors, . . .

That statement was made on February 19, 1965; it is now June 29, 1966. Sixteen months have elapsed, and there is still only a promise. I believe a proposal regarding the Queen Elizabeth Hospital has been submitted to the Public Works Committee. I regret that the Minister had to tell me last week that all his time had been used up and that the original architects for the hospital had not been called in for consultation. On more than one occasion when a proposal has been made and plans prepared a further examination by someone else has resulted in something better being achieved. This Council sits as a House of Review, and it is recognized by everybody that our contribution in many ways is important; a second look at a proposal often brings about improvements. Last session I suggested to the Minister that the original architects be consulted. I believe it should have been done because, from what I read in the press, the present plans will result in completely destroying one of the main features of the Queen Elizabeth Hospital, and this should be avoided if possible.

If it is not possible to make an alteration, and there are no better plans for the provision of the 270 beds approved as being necessary, no alternative plans can be expected, then we must accept the position. However, I think it will be a shame to destroy the look of our most modern and best hospital. It is a most attractive building, and its features will be destroyed if the proposed building is to be annexed to the existing buildings rather than to be taken up by raising the height of the existing buildings. I am sorry that opportunity has not been taken to obtain another opinion, because that would satisfy me

and the many other people who are not in a position to speak on the subject. It is a matter for regret that there should be any intrusion on the open area now existing at the hospital. It was never intended to be the site for a new building. It will mean destroying a feature of the hospital that gives patients a fine view of surrounding areas. From Woodville Road the proposed building will make it appear that there is one continuous building, with the patients' outlook disfigured. This should be avoided in view of the large sum of money being spent.

A matter of interest to me is the criticism at election time that the hospital cost \$15,000,000. The addition of the 270 beds, as against the 500 originally planned, will cost another \$8,250,000, so it would seem that the original cost was not so bad, particularly as the hospital has been so satisfactory. Returning to the policy speech, I again quote:

The Playford Government has been most neglectful in its duty to the people of this State concerning the provision of hospital treatment and has failed to provide a co-ordinated plan for the future. You, of course, realize that it is entirely wrong to expect sick people to be moved from such places as Modbury and Tea Tree Gully to the Royal Adelaide Hospital or from such other parts as Christies Beach and beyond, and it is only reasonable to expect that a decentralized plan for general hospitals would have been implemented.

My first comment is that the present consideration in regard to hospitals is just the opposite. Centralization is being spoken of all the time, and we are even told that some country hospitals, situated 40, 50 and 60 miles apart (I think of three such hospitals in particular), are considered unnecessary and that a system of aerial transport may be introduced to bring into being a centralized hospital. All I can say is—go out and try to sell that to the people concerned! Sick people need urgent attention and the provision of such attention is often a matter of life or death. It is complete fiction to say that no planning had taken place. A plan approved by the previous Government would have been sufficient for the State, and in his policy speech Sir Thomas Playford envisaged an expenditure of \$84,000,000 in three years. How much has been spent by the present Government? All we now hear is the plea of poverty. I suggest that if our Party had been returned it would certainly have carried on as it had always done previously. Everything promised in a policy speech was given effect to. A Government would not be likely to make promises, with no intention of carrying them out, if it expected to continue in office.

The Hon. C. R. Story: Isn't it quiet here today!

The Hon. Sir LYELL McEWIN: One cannot escape the truth and I am measuring facts against what has happened since the election. I knew quite well that the Government's first responsibility was the provision of teaching hospitals, and that the next priority after the enlargement of the Royal Adelaide Hospital (which was already in progress) was for additional beds at the Queen Elizabeth Hospital. That was for the sake of speed, if for no other reason. It was easier to add 270 beds than to erect a new hospital, as well as to provide nurses' accommodation and all other ancillary buildings.

The next priority was a new teaching hospital to serve the Flinders university and it was known that it would be necessary to have facilities there by 1970. However, 1970 is approaching and there is nothing definite in regard to that. Land had been purchased many years before as the site for a hospital in that area, but the town planners got to work and found that a convenient place for a freeway would be through that land. Instead of being a park-like area, with a creek running through it, the land is to be used for a freeway. It was necessary to plan ahead, yet we are accused of not having had a plan.

However, the land that the Government holds today as the site for a hospital was negotiated for when it was known that the other land was to be taken for a freeway. The papers regarding these negotiations were on the Cabinet table awaiting decision when the election took place. The provisions of these hospitals had a priority over the establishment of a Government hospital at Tea Tree Gully. However, arrangements had been made for the building of a community hospital there in the same way as hospitals were established at Elizabeth and Salisbury. There would have been a hospital at Tea Tree Gully serving the area now but for the interference of the Government when it assumed office. The following is another extract from the Premier's policy speech:

Labor's proposals provide for a general hospital at Tea Tree Gully of 500 beds, and a teaching hospital for the south-western districts of 800 beds—this must be at or near the university area at Bedford Park—and to provide for sufficient doctors this teaching hospital must be erected without delay. Sir Thomas Playford wanted the Marion, Glenelg, Unley, Mitcham and West Torrens corporations and the district councils of Meadows and Noarlunga to establish a community hos-

pital almost the size of the Queen Elizabeth on a £2 for £1 basis and now on the eve of the election he is looking for a new site . . . That is the only admission, that we were looking for a new site. The Premier went on:

. . . and, as Labor have contended, they are minus a co-ordinated plan for the future. Labor will insist on the establishment of regional hospitals as already mentioned.

It is apparent that the Government has already changed its mind in favour of a much smaller hospital at Tea Tree Gully. No thought had been given to the population to be served, or the staffing of the hospital. However, these things must be appreciated in the development of hospital services, because nothing can be brought into operation suddenly. It took some time to bring the Queen Elizabeth Hospital into operation. We opened one floor, and then another, in a gradual process, because the staff had to be trained.

It is completely false to say that the former Premier demanded something from the councils and corporations concerned. That is complete fantasy. These bodies asked for a Government hospital and, because of the priority I have mentioned, the Government was committed to the projects. We did not make promises that we could not carry out, and the local authorities who attended the deputation were told that, if they wished to proceed, they could have the same consideration as applied to the Queen Elizabeth Hospital, which had been working satisfactorily. There was no suggestion that they had to build a hospital of the size of the Queen Elizabeth Hospital, or that they had to build one at all. It was purely a matter of replying to a request from those organizations.

I repeat that, so far as the Government was concerned then, as this Government should be now, teaching hospitals took priority over everything else. If the Government had taken advantage of what had been agreed to, Tea Tree Gully would have a hospital such as Elizabeth enjoys today. Does the Government propose to take over the community hospitals, including those at Elizabeth and Whyalla? There must be some consistency in policy. The Government cannot do something for one place and not for another. If regional hospitals in country areas are to become Government hospitals, perhaps the Government will overcome the difficulty complained of, as suggested in the following extract from Labor's policy speech:

The lack of practical achievements by the Playford Government is best illustrated in the following schedule, which gives a comparison

of the number of public hospital beds available per 10,000 population:

Then followed figures showing that South Australia had a higher figure than Victoria; that is, we had more beds a unit of population than Victoria. Our figures were lower than those for other States. Also, an expenditure table showed South Australia as being a few shillings a head below New South Wales and Victoria. Our figure was about 18s. below that for New South Wales, and about 12s. below that for Victoria. This result was obvious, because our system of country hospitals is unique. Victoria is a small, compact area with large towns, whereas South Australia has scattered communities, with the need to travel long distances. The next statement in the speech was:

Undoubtedly you are aware of the many sectional taxes of the Playford Government and hospitalization comes within this category.

Further on, it said:

. . . it has also had a discouraging effect on people who needed hospital treatment and are not in the position to pay for same. Labor will so administer the regulations under the Hospitals Act that hospital charges will be remitted in cases where people cannot pay them without hardship.

There is nothing new about remitting charges to those who cannot pay, but it is rather satirical to find that on April 1 this year the Government increased the charges by \$1 a day in our public hospitals. This shows how misleading (wilfully or otherwise) were the Labor promises made to people before the election.

The cheapest bed in any public hospital on April 1 became \$7.50 a day, when the charge was raised by \$1, yet we have all these statements about "living better with Labor" and getting reduced charges. This is the answer—within 12 months the Government has raised the charge by \$1 a day, and yet it criticized the previous Government for having charged at all. It is all inconsistent with what had been promised.

The position in regard to mental health is rather interesting, too. On this question, paragraph 11 of the opening Speech said that "The Government is now considering". I thought it had considered the matter before the presentation of the policy speech, which said:

A comprehensive report was compiled by Messrs. Stoller and Arcscott for the Commonwealth Government in 1955 dealing with mental health facilities, which was a complete condemnation of the treatment provided in this State.

Further on, it said:

The plans that are now envisaged for Reynella and Hillcrest are so very long overdue that the Reynella project is still awaiting the consideration of the Government.

The speech also said:

Labor will:

- (1) Immediately increase Government infirmary accommodation, and
- (2) Subsidize the erection and running of small cottage district infirmaries in co-operation with voluntary organizations which have already indicated their willingness to help in such projects.
- (3) Immediately speed up the re-housing of mental hospital patients in modern buildings adequate for their needs.

We know how much of this has been done—nothing.

Let us consider the Stoller report. First of all, who is Mr. Stoller? He was the Chief Clinical Officer, Mental Hygiene Department, Victoria. Mr. Arcscott is an administrative officer of the Commonwealth Department of Health. What did they say in the report, and was it a complete condemnation of the treatment provided? The only answer to that is to go to the report, and see what they did say. It is rather interesting to start off with New South Wales. The report said:

The Mental Hygiene Department in New South Wales has lagged behind world developments in psychiatry. It has been so starved of essential moneys, even for adequate maintenance, over so many years, that its outlook has become somewhat restricted. Attempts have periodically been made to raise standards, but these have invariably failed, because of the lack of introduction of appropriate personnel training programmes.

I will not quote all of it, because that is sufficient. I do not know whether that was a complete condemnation. Regarding Victoria, what Mr. Stoller had to say is rather interesting, because that is his own State:

Victoria was, in our view, the best-equipped State in the Commonwealth, both in regard to mental health facilities and to planning, but even so, fell far short of desirable standards. It was not a bad start. I suppose he did not want to offend his superiors, so he watered it down a little bit.

Tht Hon. A. J. Shard: You reckon he wasn't fair dinkum.

The Hon. Sir LYELL McEWIN: I do not know about that. Regarding Queensland he said:

There was a need to decentralize mental health activities. Brisbane Mental Hospital was too large and it could well be split into several different units, each with its own function, with personnel developing skills accordingly.

Things needed to be done in Queensland. Then we come to South Australia. I cannot say there was complete condemnation. Of course, this was a report written in 1955, at a time when considerable development in mental treatment had taken place. The report said:

South Australia has been, as a State, relatively backward in its psychiatric development. The only psychiatry of any consequence, until the post-war period, was purely mental hospital psychiatry and this was very isolationist. Private psychiatry had advanced quite a bit since the war and was beginning to make an impression on general medicine. The mental hospitals, although they had improved considerably recently, needed more and better professional staff.

We knew all these things and we were trying to overcome them. This was 1955. We had had a war for six years up to 1945 and many things were needed in that period. I could quote more about Western Australia but I will not weary members. To say that nothing had been done was untruthful because improvements were taking place progressively. These were improvements to old buildings, where some tidying up was necessary. On many occasions I had to use my own personal endeavours and pressures on the Public Buildings Department in order to get something done. It always had so many other things to do, and it was necessary to watch the docket or things would get farther and farther behind. The new buildings were put there by Dr. Birch, and they were good buildings, and are still recognized as such. Progressively the whole atmosphere at Parkside has been changed, apparently to the satisfaction of the Government of the day, because it has forgotten all about the things it was going to do.

A number of clinics had been opened and hostels established for patients able to leave. These things were being done by us and it is completely untrue to say that nothing was being done.

One of the problems we had was staff and that, I think, was contributed to by the fact that we lacked some medical teaching. There was no Chair of Psychiatry at the university, and in consequence our medical students were not being attracted and trained in the field of mental health in any way. The staff we had comprised mostly people who had retired from private practice and had not made a life's work of psychiatry. Whilst in England in 1957 I inquired about the possibilities of obtaining staff and discussed the matter with a Dr. Lewis, a former Australian. He was not able to offer much assistance; the best assistance he was able to give was when

we appointed a new Director. That was how Dr. Cramond came to South Australia. Then, of course, Dr. Cramond was immediately put on to planning, which he did. It took some time to make a survey and decide what was the best policy for the future. Out of his examination of our hospitals there came the proposal for the two training centres at Elanora and Hillcrest. Hillcrest was the first that was submitted to the Public Works Committee.

The Hon. A. J. Shard: Hillcrest or Strathmont?

The Hon. Sir LYELL McEWIN: Elanora and Strathmont—that is right. Strathmont was to be the basic plan for the training centre. The only difference was the site and the landscaping for the site at Elanora. I had every promise that the funds would be available as soon as our project was reported on by the Public Works Committee and that that work would proceed as it was urgent, because the third subsidy from the Commonwealth Government was to expire in 1967. That is why I was asking the Minister whether or not an arrangement had been made for that money to be available, because the Act provided this money at the request of the State. It arose out of requests from conferences of Ministers that more money should be made available. That Bill was passed by the Commonwealth Government, and the Act expires in 1967. That is important because, if we lose that one-third subsidy, we shall be in a much worse position as a result of inactivity than we would otherwise be.

I now come to the promises of the Labor Party that immediate action (and those were the words used—"immediate action") would be taken. The Labor Party said, "We will do all the things that have been approved and that the Public Works Committee has recommended. We will do these things immediately"—in other words, much more quickly than the previous Government. I think the answer is in the Minister's reply of two days ago when I asked when the work would proceed at Strathmont, the answer being that the Director was going abroad and they were going to wait because he might see something while he was away and come back with some other ideas. However, we were told 18 months ago that the Labor Party had a policy and had decided on these things and would do what the previous Government was going to do; yet 18 months afterwards we are told that we shall have to wait and see: the Director will decide when he returns whether or not this work should proceed. It is purely

a policy of procrastination; nothing has been done.

The Government was either insincere or irresponsible when it gave the undertaking it did. I do not suppose Parliamentary language would permit me to go farther than that. But, whichever it was, it is most disappointing to a public who have, through education, become co-operative in assisting this interesting phase of health work and the development of psychiatric treatment. I repeat that the Government has not stood up to its election promises and stands indicted for the drift in hospitalization for the people. The Public Works Committee has furnished reports on which the Government promised immediate and speedy action, but this has not been effected.

I appeal to the Minister and his Government for urgent action to relieve the existing condition. Many matters are included in the opening Speech to which one could refer, but I shall restrain myself today. There will be other opportunities. One thing that came from the Minister today, to which I would refer before I resume my seat, is the reply he gave in regard to dental treatment, that action should have been taken 10 years ago. I see that the Minister is shaking his head, but he said it should have been Government policy 10 years ago. I point out that in 1950 I was trying to pursue the system of dental nurses used in New Zealand. I pursued that for about three years, and all the time I was directly opposed by the Australian Dental Association and its South Australian branch. It was not until a few months before the election that I was informed of a change of heart and that now it was prepared to support me.

The Hon. S. C. Bevan: You allowed them to dictate your policy, did you? They opposed its introduction?

The Hon. Sir LYELL McEWIN: They were opposed to it.

The Hon. S. C. Bevan: In spite of their opposition you accepted it and did nothing about it; is that the position?

The Hon. Sir LYELL McEWIN: The Minister has made a definite statement. I did not tell the public I was going to do it. I was trying to prepare the ground, but the Minister belongs to a Government that has made promises but has not done a thing. All it can say today is, "We are waiting to see." The Minister has been away to look at things overseas, and we will see what he does now he has returned.

The Hon. S. C. Bevan: I will show you!

The Hon. Sir LYELL McEWIN: I do not know whether or not the Minister will impose tolls on the new bridge over the River Murray to help along the Government's finances. However, I am talking about not putting policy into operation today.

The Hon. R. C. DeGaris: According to the Hon. Mr. Banfield, 90 per cent of the Government's policy has been fulfilled.

The Hon. D. H. L. Banfield: I said 70 per cent; you were not listening.

The Hon. Sir LYELL McEWIN: I realize that there is a problem with dentists. Let me tell honourable members of some of the problems in that regard. That was professional, too. It took about eight years from the start to the finish before there was any agreement reached on what the dental hospital should be and its needs. The one project we pushed on with without professional advice was the Queen Elizabeth Hospital, and we got a good hospital without any fooling around. The scheme for the new dental hospital was finally agreed to by the Public Works Committee. Then the professor went abroad at the time. It was just about ready to go ahead and a cable came that delayed it until he got back: there was something he wanted to look at. A dental hospital was started at last. Then came a change in Director, and the whole plan was found to be wrong. It is just about as bad as buying a new house. It is a wonderful house while it is being built, with the best architect and much money to spend on it. Then somebody else comes along and the whole thing is humpty-do; the doors and windows are all in the wrong places and one cannot get the bed in the right place.

That sort of thing happened with the dental hospital. Foundations were put in and another stage completed, and that was wrong. If it had not been for a considerate tenderer, goodness knows how the Government would have got out of it! I hope that after a further attempt has been made during the building of that place it will be satisfactory when it is completed. I can sympathize with the Minister in these problems but I am speaking today of existing problems. I am glad that the Minister of Roads will assist the Minister of Health, because he wants action. If he is prepared to help him and establish a policy in defiance of everybody else I will not mind because I am asking for

action. This is the Minister's opportunity to make a name for himself and that is all I ask him to do.

The Hon. C. M. HILL (Central No. 2): I support the motion for the adoption of the Address in Reply. I add my support and join in the sentiments expressed in the many complimentary remarks made by the mover and seconder and those of today made by my Leader in their introductory remarks. It was at the end of the last session of this Parliament that I was elected and I take the opportunity of thanking members on both sides of this Council for the encouragement and assistance that they have given me since I have been here. I have appreciated the help so generously given and, similarly, I am appreciative to the members of the staff who have helped me on many occasions.

I make special reference to my illustrious predecessor, the late Sir Frank Perry. Whenever and wherever I move throughout Central District No. 2 people praise him and speak in glowing terms of the manner in which he served them and served South Australia. I feel humble although honoured to echo those same sentiments in this Council in this my first Address in Reply speech. Sir Frank Perry was indeed a fine statesman, a great industrialist and one of South Australia's most distinguished sons.

The main point I wish to make today centres around paragraph 17 of His Excellency's Speech, but before doing so I shall comment on paragraph 5, a section that cannot be overlooked. It reads:

The Premier's Department has actively pursued the Government's policy for the attraction of new industries to the State and the expansion of existing enterprises. The recent decision of Chrysler (Aust.) Ltd. to erect a multi-million dollar plant near Port Stanvac and inquiries from other sources are evidence of the success of this policy and of the confidence which industrial and commercial interests have in the prosperity of the State.

I do not mind being generous and giving the Government some credit regarding Chrysler (Aust.) Ltd; whether it is entitled to such credit is questionable because it is known that the main new Chrysler operation was established in Tonsley Park during the reign of the former Government. It could be reasonable to expect that some further expansion would occur, as has occurred with other motor car production plants, and we have now heard the news that such further expansion is to take place a little farther south from Tonsley Park.

That being so, I cannot help thinking that the picture as painted in paragraph 5 is not correct when it is claimed that inquiries from other sources are evidence of the success of Government policy. When the Government claims inquiries from industrial and commercial interests of the State I can only say that actions speak louder than words.

This State is crying out for new industry and new blood in the industrial scene. I think it is simply kite flying when the Government claims success for its policy to attract new industries to the State; it is a false claim. The Government's record as far as the introduction of new industries is concerned over the 15 months since it took office is pathetic, and if it cannot introduce new industries or assist in their introduction it will be to the detriment of South Australia. The last Government proved it could do it. It is well known that unless we have a constant and regular flow of industry into South Australia the State will not be able to hold its place on the Australian scene.

Paragraph 17 of His Excellency's Speech deals with the South Australian Housing Trust and its expectancy to complete about 3,150 houses during the current financial year. In its report of last year the trust stated that it had completed 3,082 homes; therefore its target this year is above last year's, and last year's figure was the best, I think, since 1954. I have no quarrel with that section of paragraph 17 dealing with the production of low-deposit housing. That was part of the policy of the Labor Party at the election; it is being carried out, and I am not criticizing it. It is also commendable that attention is being given to some houses being designed and built for handicapped people.

However, from that point I move to speak of a peculiar position existing today in South Australia regarding home-purchase finance. It is a position in which a great number of young people are involved who have purchased homes and who cannot obtain long-term finance within a reasonable time in order to complete the purchase of a home. Such young people have been forced to accept what has now come to be termed "temporary finance" and they have been forced to live under those conditions for some 12 or 18 months until long-term housing finance has been arranged.

I call the position peculiar because previously, or up to about five years ago, this state of affairs was not known in South Australia. Only a few weeks ago I discussed this problem with people in the real estate business

in other capital cities and to my surprise I found that we appear to be the only State in which this position as to temporary finance exists. It is surprising to find that in a city such as Brisbane, comparable in size with Adelaide, such a position does not exist and young people, provided they have the necessary deposit, can obtain finance within a month or two in the usual way, through the usual channels, and so buy their home. My proposition is to see if some endeavour can be made to overcome this backlog, provide normal long-term mortgages and dispense with temporary finance.

The Hon. R. A. Geddes: Is it something that legislation could help?

The Hon. C. M. HILL: No; I think it comes to the point that I am going to mention: that is, more money will have to be allocated—not found, incidentally—from existing funds to help the position for a year or two. I am hopeful that, when the backlog has been overcome, that position will not occur again. There are many unfortunate features of this position regarding temporary finance. The buyers are forced to borrow money in this way. In many cases they must borrow from finance companies and the usual rate of interest for such finance is 12 per cent, which is high.

Young people have to find much money when they are establishing their houses and they are understandably committed to large outgoings. This is a great burden on them. Of course, there is no principal being paid at the same time; this is purely interest and is distinct from housing loan repayments, which include some principal and some interest. Apart from the financial burden, risk is involved. The buyer accepts transfer of the property and signs a mortgage for this temporary finance. In some cases, he gives a second mortgage after that, but I am not concerned with that matter at present.

The buyer must wait until the financing institution receives funds, inspects the property and approves the loan. Risk is involved, because the lending authority may change its policy. Conditions may arise that result in the loan not being forthcoming. This temporary finance may have to be repaid in 18 months. In the meantime, the buyer desires to change the property from a house to a home and provides such things as concrete paths rather than live in an unsatisfactory way. One can well imagine the serious problems that can arise.

These people, whom I would like to see helped, are mostly people with limited means. Those with considerable money available do not face this difficulty. They can arrange satisfactory finance because they have larger deposits. In some cases, properties are purchased for cash. The difficulty flows on to the matter of contracting. I understand that the Attorney-General has the matter under review. He talks in public about land agents and their activities at every opportunity and is bringing forward special clauses considered necessary in contracts.

However, what is a buyer supposed to do if he wants a house (indeed, he has to have a house) other than take a chance that ultimately this long-term finance will be available? He cannot contract subject to receiving finance from, for example, the State Bank. In those circumstances, he could not get the deal through and could not get possession of the house, because the bank would not be interested for about 18 months. To the many people with small means in the metropolitan area, this is a very unsatisfactory state of affairs.

There are other unsatisfactory aspects, too, such as the tying up of much capital simply to provide loans of this nature. In some cases, the buyers cannot pay the rate of interest required by the finance companies and builders are forced to carry the finance themselves. By so doing, they limit funds available for new ventures and cannot continue the building programme that is in the best interests of the State.

Even from the finance companies' point of view, it is not a particularly profitable proposition. They may receive 12 per cent interest, but we know that most of them pay about 8 per cent or 10 per cent in dividends and about 6 per cent or 8 per cent to debenture holders. They have administrative costs, too, and they have to pay interest and dividends on money held in the bank pending loans being made. Their degree of risk is high. The cost of collection of interest payments enters the picture. Some people overstep the mark when they first go into a house and, although they may pay eventually, they sometimes slip behind for a week or two in their repayments. This is not profitable to the finance companies, because about \$6,000 a client amounts to much money overall, and this money could have been lent for the purchase of household appliances. Such lending would keep many industries going because of the turnover of products. So, there are many unsavoury aspects of this problem.

As I said in reply to an interjection, insufficient money is available at present and it is necessary to look at some of the institutions that lend to young people on a long-term basis for the purchase of houses. The South Australian Savings Bank has limited funds available. It lends to special categories of its clients relatively easily, provided they have appreciable deposits. Some people are fortunate to obtain loans from that bank, but other people who are not clients and who have small deposits (and these are the people with whom I am concerned and I have little doubt that the Government is concerned about them too) have been told that, if they rely entirely upon the South Australian Savings Bank to advance money, they might have to wait about four or five years to obtain a long-term housing loan.

Then, the savings banks of the various trading banks have not large sums of money available for this purpose. They limit their advances, generally speaking, to applicants who may have a trading account with them or who may be able to introduce certain business to them. I do not criticize them for this.

The Hon. R. A. Geddes: They prefer short-term loans to long-term loans.

The Hon. C. M. HILL: Generally speaking, they do. Unfortunately, very few people are able to get help from these banks.

Then we come to the State Bank. I have nothing but praise for the State Bank and for the manner in which it acts in relation to housing loans. Of course, it is very short of money for this purpose, but it is an excellent institution. It is courteous to people who inquire and moderate in its valuation and other fees, and once loans are eventually granted mortgagors find it excellent to deal with in every respect. In the year 1964-65 the State Bank advanced 1,894 loans, and I think the number for the financial year just ending will be about the same. It is difficult to find out how many people are genuinely waiting for loans from an institution of this kind, as many applicants place their names with various banks and institutions. I know from people who have applied for loans that the present waiting time for loans from the State Bank is about 16 or 17 months. That is a long time for people who sometimes have to pay temporary interest to wait for a long-term loan. The bank lends for housing principally from what is known as the Home Builders Account, which is an account into which Commonwealth-State Housing Agreement funds, other than the proportion that goes to the South Australian Hous-

ing Trust, are channelled. From this account \$11,522,788 was advanced in 1964-65 compared with the very small advance of \$746,270 through the Advances for Homes Act. The latter, of course, is State money, so the vast proportion of the money being lent comes from the Commonwealth to the State under the Commonwealth-State Housing Agreement.

The Commonwealth Savings Bank, generally speaking, lends to its own clients. The deposits it requires vary from time to time. This bank helps to some extent. Co-operative building societies out of their limited funds help wherever they can, but they require rather bigger deposits than some banks require. I am not being critical but I am putting forward what happens to the people I want to help. Since Commonwealth-State Housing Agreement money has been forthcoming, under the Home Builders Account, \$44,000,000 approximately has been advanced through the State Bank compared with just over \$6,000,000 provided and lent through co-operative building societies. These figures are as at June 30, 1965.

In a very small way the Housing Trust helps in relation to long-term housing finance through its media of rental purchase houses, as a buyer of this type of house obtains his finance, in effect, immediately he makes his purchase.

A solution to the problem narrows down to the story around the Commonwealth-State Housing Agreement. I will comment on this agreement, as it is the principal source of funds controlled by the State for housing finance. The Commonwealth Government lent to this State in the year 1964-65 under this agreement \$20,500,000, of which \$10,000,000 went to the Housing Trust and \$10,500,000 into the Home Builders Account, from which it went to the State Bank and the building societies for distribution. In 1965-66 there was an original grant of \$19,000,000 and a supplementary grant in March of this year of \$2,057,000, making a total of \$21,057,000. Under the agreement reached in Loan Council the other day, in the forthcoming year it is proposed that \$20,750,000 will be made available to this State for housing. Although there is a slight variation, in general terms it is fair to say that we are getting the same each year for housing purposes. These purposes are twofold. I am not questioning whether this money is being allotted to its appropriate objective, as the agreement states that the money can be allocated for the erection of houses by the State and for financing

house builders through the Home Builders Account. I understand that this money has been available since 1955, and the total liability of this State to the Commonwealth under the agreement is \$142,607,888, of which about \$92,000,000 is the Housing Trust's liability and about \$50,000,000 is the liability of the Home Builders Account. Again I am quoting from figures as at June 30, 1965.

I shall deal now with the role that the Housing Trust plays in this story and comment on the immense capital involved in this gigantic building undertaking. In its annual report the trust states that at June 30, 1965, it had employed funds totalling \$187,788,792, of which about half came from funds under the Commonwealth-State Housing Agreement. A building operation that employs about \$200,000,000 in capital is a vast undertaking. Its size can be evidenced by the fact that it provides about 25 per cent of this State's housing. Indeed, in its report it is stated that it provides slightly over 25 per cent of the housing. In the House of Representatives in March of this year Mr. Bury said that on an Australia-wide basis similar instrumentalities (housing commissions and so on) produced about 20 per cent of the total housing. From this it can be seen that the South Australian Housing Trust produces a greater percentage of the total housing in this State than similar instrumentalities in other States produce. A large proportion of its allocations must be used to purchase land for future operations and for what may be called fixed assets, such as rental houses, flats, shops, factories, plant, and things of this kind. I make a plea that for a limited time (perhaps two years) advances under the Commonwealth-State Housing Agreement, lent to the Housing Trust, be decreased and that this sum be given to the State Bank so that the mortgage problem could be relieved and possibly overcome. Once this problem is caught up with, I do not think it will recur. The waiting time has been relatively constant for some years. It might vary from 12 to 18 months, but there has not been a great difference in the waiting time, so if the backlog could be overcome I do not think on that basis that it would occur again. If such a policy was considered, the trust would be confronted with a changed scene, but the trust can borrow from other sources. It is not completely dependent on this money under the Commonwealth-State Housing Agreement; indeed, in its 1965 balance sheet it shows Loan funds of \$56,897,680, and it shows

Loans secured by debentures of \$25,303,246, and these Loan funds do not include any of the money from the Commonwealth-State Housing Agreement.

The Hon. F. J. Potter: It has not had a debenture issue for many years.

The Hon. C. M. HILL: I do not know when it had its last issue, but when we consider the period of its operations \$25,000,000 borrowed is not a large amount.

The Hon. F. J. Potter: I think it was many years ago when the trust had such an issue.

The Hon. C. M. HILL: I do not think it would favour borrowing by debentures. If it did, the interest rate would be high, and a worry. I notice in its report that it expresses appreciation to some institutions for their generosity in advancing loans at reasonable interest rates. I think it has the ways and means, and it is a splendidly administered organization. I think it has the management and the direction to borrow at rates that would not be burdensome to it. It is not my intention to criticize the trust at this moment, nor do I want to force a reduced production rate by this proposal.

I point out, and it is obvious, that all building undertakings, whether they be large or small, whether they be only a one-man building operation or a large Housing Trust, tend to base their record upon their production rate, and if they can complete more houses this year than last year they claim that as one of the highlights of their success. I know that but, nevertheless, I am not advocating a reduced production rate. I realize that if the trust had to go outside and not rely so much on this Commonwealth money its interest rates on borrowing would be higher. The interest rate at which the trust obtains the money under the State-Commonwealth Housing Agreement is 1 per cent lower than the normal long-term bond rate, and the State, by agreement with the Commonwealth, passes money on to the trust at the same rate. The State does not pass the money on at the same rate to the State Bank or to building societies, but at $\frac{1}{2}$ per cent higher. Apparently, this is in the agreement between the Commonwealth and the State.

Possibly for a limited time this changed financial problem of the trust could be absorbed. The higher interest rate might be met; it might be met out of the trust's income. It is well to remember that the trust's income as at June 30, 1965, for the year ended at that date was \$11,279,252. I am not asking the Government to find more money than

it is now obtaining; it is a matter of the re-allocation of funds. If the trust's building rate did suffer as a result of this proposal, let the reduction be in its more expensive houses built for sale, but not in its low-deposit house construction selling programme, about which the present Government is most enthusiastic. It was part of its policy, and it is being carried out. If a reduction must occur it could well happen in this sector of the trust's activities in which it is building and selling quite expensive houses by normal suburban standards. Private enterprise could take care of the higher-priced new house sector and find its own funds for its construction operations.

Another facet enters this interesting picture. There is a hopeful sign, in regard to the Housing Loans Insurance Corporation, which is a Commonwealth instrumentality set up throughout the Commonwealth. This organization has now opened an office in Adelaide. The H.L.I.C., as we are beginning to call it, is based on the famous F.H.A. system of finance in America. In America the F.H.A. system is a tremendous success. Second mortgages have disappeared; lenders are insured against loss; minimum deposits are, therefore, required by buyers, and it is a very satisfactory state of affairs from the whole United States' point of view. The Commonwealth is endeavouring to introduce this scheme here and, through this office which has now been opened in Adelaide, people can have their mortgages insured and lenders can insure against loss for a relatively small amount of money.

It will take a long time for this new proposal to have an effect in South Australia, because there is limited investment capital

here, and that which is here might not be channelled in any great quantity into housing in a short time. It will take perhaps two or three years before the real benefits of this new Housing Loans Insurance Corporation can be realized. If we can overcome this backlog, all the new funds that will come into housing finance from this Commonwealth Government instrumentality will help to keep the position on an even keel from then on.

Therefore, if the financial allocations are reconsidered by the Government during the coming financial year, and when general measures are discussed for the welfare of all sections of the community, it is my earnest hope that this unfortunate position can be investigated and possibly rectified. In South Australia we have one of the highest ratios of house ownership in the world. Even if it means a slight reduction in the building rate at a time when there is an ample supply of completed and unsold houses, it will be a lasting tribute to the present Government if a sophisticated approach to the rationing of housing finance was adopted. The finance backlog could be caught up and once again young South Australians could complete their house-purchase arrangements by the normal and proper methods of contract and settlement without being forced into procedures that involve risk, worry and high interest rates. I support the motion.

The Hon. C. R. STORY secured the adjournment of the debate.

ADJOURNMENT.

At 4.15 p.m. the Council adjourned until Thursday, June 30, at 2.15 p.m.