

LEGISLATIVE COUNCIL

Thursday, June 22, 1967.

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

QUESTIONS

RECREATION AREAS.

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

Leave granted.

The Hon. R. C. DeGARIS: On two occasions that I know of the Treasurer has said that a certain amount of money is being set aside from the increase in land tax for the purpose of the acquisition or purchase of open spaces for recreation areas. Will the Chief Secretary supply full details of this fund, including the amount standing to its credit, and say whether any purchases of open spaces for recreation areas have been made from it?

The Hon. A. J. SHARD: I do not know what fund the honourable member is talking about; I am not sure that there is such a fund. I shall refer the question to the Treasurer and obtain a reply.

ANNUAL LEAVE.

The Hon. C. D. ROWE: We have seen the announcement that the Government proposes to introduce legislation to provide for an additional week's leave. Will the Chief Secretary representing the Premier tell us how many Government employees will be involved and what will be the annual cost to the Government?

The Hon. A. J. SHARD: I am not going to hazard a guess as to what it will cost. I have my own views on this matter. It has been stated that it will cost the Government nothing extra. A vast number of people who will be on annual leave will not be replaced. Again, a number of people will be replaced. I do not know whether an estimate can be given but I shall endeavour to find out. I believe that something like 30,000 people will be involved.

The Hon. C. D. Rowe: In the railways—9,000.

The Hon. A. J. SHARD: I think that might be substantially correct.

The Hon. R. C. DeGaris: The figure is \$2,600,000.

The Hon. A. J. SHARD: I did hear something, but I am not going to hazard a guess. I do not accept that figure. I shall try to get the information.

WATER SUPPLIES.

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

Leave granted.

The Hon. A. M. WHYTE: The Minister has been made aware of the gravity of the present water situation in the Kimba district and also of the disappointment at the deferment of the proposed Poldia main. However, at present there is a very small amount of water left in Government storage and practically none in private storage to provide supplies for 250,000 sheep. We all know the disastrous consequences to the economy of the district and the State if we have to dispose of breeding stock. If such a position is to be averted, plans must be put in operation immediately for water to be brought from an outside source. Can the Minister say what plans are in hand at present to augment the supply of water?

The Hon. A. F. KNEEBONE: I happened to be discussing this matter with my colleague, the Minister of Works, and he informed me that the matter is being watched closely by the department and all efforts to provide as much water as possible will be made.

The Hon. G. J. GILFILLAN: Can the Minister say what precise means the Government intends to use in supplying the large quantity of water that will be needed in the circumstances outlined by the Hon. Mr. Whyte?

The Hon. A. F. KNEEBONE: I prefer to get a considered reply from my colleague in this matter. I shall do this in respect of the subsequent question by the honourable member and bring back a full reply as soon as possible.

The Hon. M. B. DAWKINS: Yesterday I asked a question with reference to the position of water storages in the Midland District. In view of the seriousness of the season at the moment, I ask the Minister of Labour and Industry, representing the Minister of Works, whether he has a reply to that question?

The Hon. A. F. KNEEBONE: I have one, which I received from the Minister of Works this morning, concerning the storages in the South Para, Warren and Barossa reservoirs. The reply is as follows:

Reservoir	Capacity (million gallons)	Storage last year (million gallons)	Present storage (million gallons)
Barossa . . .	993	889.9	845.9
South Para .	11,300	3,679.1	2,989.2
Warren . . .	1,401	254.7	388.1
	13,694	4,823.7	4,223.2

CHEMICALS.

The Hon. V. G. SPRINGETT: In view of the increasing variety and complexity of chemicals being used in agricultural processes, can the Minister representing the Minister of Agriculture say what follow-up steps are being taken by the Government to expose the possible latent and side effects upon man and lower animals?

The Hon. S. C. BEVAN: I shall convey the question to my colleague, the Minister of Agriculture, and obtain a report as soon as possible.

WATER LICENCES.

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

Leave granted.

The Hon. C. R. STORY: Early in the previous session I made some inquiries regarding the question of licences for pumping water from the Murray River. No licences have been issued since January this year for additional plantings or for extensions in that portion of the Murray Valley controlled by the River Murray Commission. As the Government has instituted a departmental inquiry into the use of water from the Murray, I ask the Minister whether the committee has reported and what Government policy is regarding the future of water licences.

The Hon. A. F. KNEEBONE: The matter is being considered by Cabinet at present, and I feel sure I will be able to give the honourable member a detailed answer early next week.

APPROPRIATION BILL (No. 1).

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

The Hon. A. J. SHARD (Chief Secretary): I move:

That this Bill be now read a second time.

It is necessary for the Government to ask Parliament to consider a supplementary Appropriation Bill for \$1,360,000. Honourable members will be aware that for the purposes of Appropriation Bills variations in payments above and below estimate may not be offset one against the other. The appropriations approved by Parliament are for individual departments, and where excesses above the departmental provisions are incurred it is necessary for the Government to rely on other sources of appropriation authority. One of these sources is the section in the main Appropriation Act that

gives additional appropriations to meet increased costs due to awards of wage-fixing bodies and to meet any upward movement in costs of pumping water through the two major pipelines. This special authority is being called upon this year to cover the costs of an interim margins adjustment, a new award for members of the Police Force, and a number of smaller variations.

Another source of appropriation authority is the Governor's Appropriation Fund, which in terms of the Public Finance Act may cover the expenditure of up to \$1,200,000 in addition to that authorized by Appropriation Acts and the appropriation sections of certain other Acts. The appropriation available in the fund is being used to cover a number of smaller excesses above departmental provisions, but it is not sufficient to provide for the larger excesses. Therefore, it is necessary for the Government to ask Parliament to consider a Supplementary Appropriation Bill in which the appropriations sought are:

Hospitals Department.—The main Appropriation Act included provision of \$19,854,000 for the Hospitals Department. It is now estimated that an additional \$500,000 will be required to cover essential but unforeseen staff appointments and contingency items, primarily for the Royal Adelaide and Queen Elizabeth Hospitals. The increased costs for the Royal Adelaide Hospital include additional staffing in the dental department and increased expenditure on drugs, surgical and dental appliances. The usage of laundry services has also been greater than estimated. The increased costs at The Queen Elizabeth Hospital have mostly been associated with specialized units and laboratories, and also increased usage of laundry services.

Education Department.—The provision included in the original Act for 1966-67 was \$44,897,000. It is now necessary to provide an additional \$270,000 for several contingency lines to meet higher costs of a wide variety of items. The main causes of the increases are a revision of school bus contract rates, having regard to wage movements since the rates were fixed previously, increased conveyance allowances for student teachers, and a greater number of deaths and resignations than anticipated with consequent higher payments in lieu of leave.

Agriculture Department.—The \$2,103,000 provided in the main Act for the Agriculture Department included provision for road blocks and the normal activities to guard against importation of pests and diseases but, in view

of the fact that the State had not had a major fruit fly outbreak since the summer of 1963-64, specific provision towards meeting the costs of a fresh outbreak was not included. In January last, unfortunately, a new occurrence of fruit fly was found at Devon Park and it was necessary to take measures to eradicate the pest. The provision of \$110,000 in this Bill is to cover the costs of wages for men specially engaged for stripping and spraying trees and for disposal of fruit. The department also placed a new type of bait in properties in the quarantine area. The programme has proceeded satisfactorily and the outbreak has been controlled.

Railways Department.—The original Act included \$30,936,000 for the running expenses of the Railways Department. Additional appropriation of \$380,000 is now required to meet increased costs of a number of items. Among reasons for the increase are heavy costs incurred in track repair following floods on Eyre Peninsula and expenditure above estimate in the repair and maintenance of rolling stock.

Department of Social Welfare.—The original provision for the department was \$2,747,000. It is now necessary to provide an additional \$100,000 for public relief payments. This has been due in the main to the persistence of unemployment as the economy has failed to recover as quickly as was hoped.

I now deal with the clauses of the Bill. Clause 2 authorizes the issue of a further \$1,360,000 from the general revenue. Clause 3 appropriates that sum and sets out the amount to be provided under each department or activity.

Clause 4 provides that the Treasurer shall have available to spend only such amounts as are authorized by a warrant from His Excellency the Governor, and that the receipts of the payees shall be accepted as evidence that the payments have been duly made. Clause 5 gives power to issue money out of Loan funds, other public funds or bank overdraft, if the moneys received from the Commonwealth Government and the general revenue of the State are insufficient to meet the payments authorized by this Bill.

Clause 6 gives authority to make payments in respect of a period prior to July 1, 1966. Clause 7 provides that amounts appropriated by this Bill are in addition to other amounts properly appropriated. Except for the amount of appropriation sought, and the period covered, this Bill is the same in all respects as the supplementary Appropriation Bill passed

by the Council 12 months ago. I commend the Bill for consideration of honourable members.

The Hon. C. D. ROWE (Midland): It is usual at this time of the year for Parliament to be called together to pass the Bill presented to us yesterday and also for the purpose of passing an Appropriation Bill. The Bill before us, as the Chief Secretary has said, is in accordance with the general principles set out in previous Bills. As far as I can ascertain from a perusal of it I cannot object to the amount required of \$1,360,000. However, I think that in view of certain statements made in the press and elsewhere in recent days concerning the State's finances it is not improper for me to make somewhat more lengthy comments regarding this Bill than is usual.

I was extremely surprised and disappointed—indeed, annoyed—that the Premier should have made statements that reflected unfairly on the administration of the Treasury by the Hon. Sir Thomas Playford over a long period of time. I think that was an unnecessary statement and certainly it was an incorrect one. I register my regret that such a statement should have been made by the Premier. Because of it, I think it appropriate that some of the record of the Hon. Sir Thomas Playford should be brought before the public's notice because it is an outstanding one. I doubt whether it has ever been surpassed in Australia or any other country of the British Commonwealth.

The truth is that over a period of 24 years, from 1940 to 1964, in 11 of those years a surplus resulted in the Revenue Account, in 12 of them a deficit occurred and on two occasions the Budgets were balanced. Taking the period as a whole, total surpluses amounted to \$29,212,000 while the total deficits for the period amounted to \$26,172,000. That means the net result over the period of 24 years in the Revenue Account was a surplus of \$3,040,000. That surplus was achieved without the transfer of moneys from the Loan Account to the Revenue Account, and also by following properly approved and accredited accounting procedures.

When the Hon. Sir Thomas Playford is able to go to the public and state that over a period of 24 years he succeeded in planning his Budget resulting in an overall surplus of the amount mentioned I cannot see how anybody can conscientiously say there was any mismanagement in the Treasury during that period. That record will remain long after people who are in the limelight today have been forgotten.

Another most unfortunate reference was that during the last year of office of the previous Government it used an amount of \$2,736,000 in the Consolidated Revenue Account which amount represented the proceeds of the uranium treatment plant at Port Pirie. These were the facts regarding the uranium treatment plant: when you, Mr. President, were Minister of Mines uranium was discovered by the Mines Department in this State but it was not at that time a proposition that could be supported commercially. Commercial money was not available, and so the Government went on with the enterprise. It built the uranium treatment plant at Port Pirie and operated it.

The net result of all these operations was that, after the time had come when we could no longer sell uranium at a proper price on the market, it was necessary to close the treatment plant at Port Pirie and the mine. However, at considerable cost the treatment plant there was kept in order. After allowing for all those costs the Government had a profit on the venture of \$1,368,000. I have no objection to making a profit; I wish sometimes that the present Treasury benches were more imbued with making a profit, but they seem more concerned with creating losses. However, if a profit is made I cannot see any objection to using that profit for carrying on the affairs of the State in a succeeding year. I should very much prefer to balance my Budget by using some of the profits from the previous year than to balance it by transferring an amount of \$7,000,000 from the Loan Fund, which action did not have the express approval of Parliament. I shall deal with this matter in more detail later, but I think it is quite unfair to say that we were wrong in using the surplus from the uranium treatment plant.

Further, at June 30, 1965, there was \$38,000,000 in the trust funds held by the Treasury, so that when there was a surplus of that size on deposit with the Commonwealth Bank—\$38,000,000 is not an insignificant figure—on the same date there was also a surplus in the Consolidated Revenue Account of \$611,000. In view of those two surpluses how can it be said that the Playford Government had overspent and that there was a great hole in the bottom of the Treasury? It is completely wrong to make such a statement and I defy the Chief Secretary or anybody else to justify the statements made in this regard. If there was a hole in the bottom of the Treasury it was created after March 5, 1965, and I am quite prepared to believe that there is a gaping hole there at present.

The Hon. C. M. Hill: It has been plugged up with trust funds.

The Hon. C. D. ROWE: Yes. It was completely wrong for the Treasurer to appear on television and say that Sir Thomas Playford had left a great hole in the Treasury, because that was not the case.

The Hon. R. C. DeGaris: I think that might be right, really: his departure left a great hole in the Treasury.

The Hon. C. D. ROWE: I was delighted when I had the pleasure of seeing Sir Thomas Playford on television last night when he completely answered these charges; it was refreshing to see a man of his calibre and knowledge and experience and his understanding of Treasury figures speaking so convincingly. My only regret is that his statement has not received wider publicity, because of all the matters that have been given publicity in the last few days, his statement (which seems a most sensible statement and one that the public needed to hear) did not attract the attention it deserved. I hope that it is not too late for this to be remedied.

I think I have said enough to show that the criticism of Sir Thomas Playford's administration cannot be justified. Honourable members may think that I am not a competent person to express an opinion on these matters. However, there are people who are competent and who looked at the Treasury figures for many years during Sir Thomas Playford's administration.

These people went through the figures with a fine tooth comb; their job was to look at them and to detect any inconsistency and any improper treatment: these people were the members of the Commonwealth Grants Commission—a statutory body set up for this purpose. These people (for whose opinion we must have every respect) on numerous occasions—not an isolated occasion, but on almost every occasion—upon completion of their deliberations made a statement in these terms: "The financial control in this State of South Australia is the best in the Commonwealth." These are not my words: they are the words of people whose responsibility is to report on these matters. If the Commonwealth Grants Commission still looked over this State's Budget (I cannot say that I am sorry that it does not do so) and still had to comment on Treasury control, I think that its remarks would be in very different terms.

If I ever had the privilege of being Treasurer and I could pick up the records of the commission over 24 years in office and

read words like these—that the financial control in this State is the best in the Commonwealth—I would feel that my job in life had been worth while. The commission's remarks provide a correct summary of the situation that then existed, and that summary carries much more conviction than some of the sleight-of-hand comments that we have heard recently.

I shall not say any more regarding Sir Thomas Playford's work for three reasons: first, his record speaks for itself and I do not think it will be dulled by cheap and tawdry criticism; secondly, Sir Thomas Playford is about to leave public life after having occupied the Treasury benches during the period when the growth of the State far exceeded its growth during any other administration. It ill becomes any of us at this point of time to make a lengthy speech regarding this matter. Thirdly, there will be other occasions during the Address in Reply debate when I shall cover it in greater detail.

I shall turn now to the method by which this Government proposes to balance its Budget. Before I deal in detail with this matter, let me say briefly that, as far as I can understand, it proposes to balance its Budget by transferring \$7,000,000 from the Loan Account to the Revenue Account—in other words (to put it in language that people can understand) what the Government has said, in effect, is, "We shall go to the bank and borrow \$7,000,000 on a sort of mortgage and we shall use that money to meet our current expenses." The Government is therefore borrowing against the future. I admit that the way in which this transfer is made—by administrative act—from the Loan Account to the Budget Account is strictly in accordance with the law; I cannot assert that what the Government has done is illegal, but what I do say is that it is not in accordance with Parliamentary and democratic procedures.

The correct way, in accordance with these procedures, is not by administrative act, not by somebody behind the closed doors of the Treasury drawing a cheque and going to the bank and taking an amount from one account and putting it in another, not by a method that the public cannot understand—the proper course would have been for the Government to bring in a supplementary Budget, so that we could have debated this matter and asked questions of the Ministers on the matter. Then we could have given the public a full explanation of this transfer, because as I see it the effect of what has been done is this: last year, when we passed the Budget and the Loan Estimates,

we approved the expenditure by the Government of certain moneys for budgetary procedures and expenditure. We approved the expenditure of certain moneys to be used as Loan Fund moneys. By this transfer of \$7,000,000 from the Loan Fund to the Budget the Government is, in effect, taking \$7,000,000 which was approved for expenditure on developmental works in this State. It was for building new hospitals, for constructing new buildings and for permanent capital works. Money which Parliament said should be used for these purposes has now been taken to meet day-to-day expenditure. The Government is spending money on its day-to-day requirements, for which Parliament has never given approval. Parliament never gave approval for this \$7,000,000 to be used for increased wages and to pay, in some cases, the extraordinary amounts that the Government is incurring from day to day.

I think the procedure is wrong, and I think that in future if this kind of thing is to be done it should be done by a "little" Budget. I want the public to understand that what has happened in the last few days to the people of South Australia is that they have been faced with a "little" Budget and that \$7,000,000, which they expected would be approved and used for hospital construction, is being used to meet day-to-day expenditure. This will have some very unfortunate consequences. I hope I shall have the opportunity to go to places such as Elizabeth, Tea Tree Gully and down into the south-western suburbs to explain to the people in those areas, who have some interest in this matter, that \$7,000,000, which was approved by Parliament to enable a start to be made on a Modbury hospital, some work to be done on a south-western districts hospital, for schools and hospitals to be built in their areas, and other capital works to be undertaken, has now been transferred behind the doors of the Treasury by writing out a cheque and using the money for other purposes. The net result of this exercise is that theoretically we can say that the Budget has been balanced. At the same time we ought to say that this has been achieved by postponing still further the building of the Modbury hospital and the construction—

The Hon. A. J. SHARD: You have been going all right so far. There was nothing for a south-western districts hospital or one at Modbury.

The Hon. C. D. ROWE: I am not saying there was anything for those hospitals. I did not say—

The PRESIDENT: Order! Order!

The Hon. A. J. Shard: I am sorry to quarrel with the honourable member.

The Hon. C. D. ROWE: I do not want to say anything that is untrue. What I did say was—

The Hon. A. J. Shard: You had been going all right up till then. What you said is not true.

The Hon. C. D. ROWE: I am going well to have lasted so long. Incidentally, while talking about whether there is anything on the Estimates for the Modbury and the south-western district hospitals, it is rather interesting that the Chief Secretary should have raised this matter. I have a document in front of me, which was a rather valuable document at one time. It is headed "A.L.P. Policy" and the speech was delivered by the Hon. Frank Walsh in February, 1965. It could have been sold for a good deal of money at one time, but I do not think much would be got for it today, although it may have some use as waste paper.

The Hon. A. J. Shard: It will be used in the next election with some value. It is not waste paper.

The PRESIDENT: Order! Honourable members must realize that interjections are out of order. Exchanges of views by this means are not permitted.

The Hon. C. D. ROWE: I was talking about the Chief Secretary's interjection with regard to these two hospitals. If I understand this document correctly, one would have been led to believe that something tangible would have happened with regard to these hospitals by this time. Referring to the Speech delivered by His Excellency, I think the furthest we can say this matter has gone is that some preparatory work is being done. That is a delightful phrase, delightfully indefinite. I was wrong if I implied that money had been placed on the Estimates.

The Hon. A. J. Shard: You did not imply; you said it was.

The Hon. C. D. ROWE: That was a fond hope that existed in my mind and in the minds of the people of Modbury and the south-western districts. Now, the Chief Secretary has dashed my fond hope and says that there was nothing on the Estimates, but that preparatory work is being done. This is rather interesting, because I watch a certain television station about 6.55 p.m. on Wednesdays, mainly because the face that appears seems to be changing quite frequently—and I suggest it will change again soon. I remember seeing on this station a photograph of a very nice hospital that was to be established at

Modbury. I was rather surprised, because I did not ever remember seeing any report from the Public Works Committee approving this hospital. I saw also a rather large photograph with more colour and splendour of a new hospital down in the south-western districts. I do not remember seeing any Public Works Committee report on either of these two projects. I think one ought to be careful about advertising to the public that these things are going to happen when there are no reports from the Public Works Committee on them.

The Hon. A. F. Kneebone: That would not be the first time that occurred on the same station.

The Hon. C. D. ROWE: I am not in a position to answer that question.

The Hon. A. J. Shard: It has been going on for years.

The Hon. C. D. ROWE: These are the occasions I can remember—

The Hon. D. H. L. Banfield: We remember other occasions!

The Hon. C. D. ROWE: —and propose to keep in my memory for some months to come. This kind of thing is necessary, but I am not saying that an extravagant hospital of the kind portrayed for Modbury is necessary for that area. I think the people in that area would be much better served by a more modest hospital, as proposed by the previous Government, and if the previous Government had remained in office the hospital would be in existence today. We may find that when we get to the south-western districts hospital the Public Works Committee will do something—which it properly did with regard to the Royal Adelaide Hospital—and cut down a bit on some of these extravagances. Hospitals in these two areas are necessary, and the sooner they are there the better. Nobody argues about that, but what has happened is that \$7,000,000, which should have been used for these purposes, and which would have assisted the Loan Account, has had to be taken to balance the Budget. That means that money that should have been spent on developmental projects for the State—money which would have helped us to expand and provide work for people in the building industry—has been used for another purpose, so that we are prejudicing our future to that extent. That is something which, indeed, is very undesirable.

The people of the State in due course will have to make a decision, and it will be a very important decision as far as the future of the individual person in this community

is concerned. That decision will have to be between the Socialistic policy of the present Government (and it is entitled to its views, and is entitled to extol its policy, if it wishes to do so) and that of my Party. The people of this State will have to decide between the Government's policy and the policy of the L.C.L. Opposition, which is a policy of continued progress, continued development, continued expansion and continued prosperity. I am pleased to say that the people of this State are starting to face up to this responsibility.

The Hon. A. J. Shard: That is wishful thinking.

The Hon. C. D. ROWE: They gave an indication when the Commonwealth elections were held recently as to where their faces are turning, and I cannot see anything happening that will alter their intention of travelling along the path they trod in that connection. I consider that the Government has been unnecessarily extravagant in some of its expenditures. Much as it is desirable, and much as we all like to have holidays, I think at this point of time that to suggest granting an extra week's leave is a retrograde step. I say that not because I am opposed to giving people the very best possible conditions but because I believe in maintaining the economy on a basis where everybody can be assured of a good job and a continuing job. We must keep our costs on a basis where we can be competitive with the other States.

I expressly asked a question of the Chief Secretary this afternoon as to what this additional week's leave would cost and what additional employees would be required. Quite frankly, I expected that before the Government made a decision of this magnitude it would have had a very careful look at these factors; a prudent Government would have done so in order to see what the effect of a measure like this would be on the finances of the Treasury. It would know what its additional commitment would be, and it would know how that would affect our competitive position regarding other States. The Chief Secretary said that he could not say exactly what costs would be involved; I think he said that the exact figures had not been worked out.

The Hon. A. F. Kneebone: He said nobody could tell you because they could not work out how many people would be affected.

The Hon. A. J. Shard: I have my own opinion about what it will cost.

The Hon. C. D. ROWE: I have my opinion as well.

The Hon. A. J. Shard: I bet I am nearer the mark than you.

The Hon. C. D. ROWE: An industrialist the other day was talking to me about increasing costs. He came to me in an excited frame of mind and said: "For many years I enjoyed an excellent market for my particular product interstate; I received continual orders from many purchasers. However, because of increasing costs which have occurred in South Australia in the last two years, very largely because of continual imposts on my particular industry of increased water rates, increased land tax and increased Government charges of one kind and another, I am finding that my industry is no longer competitive." He went on to say: "One by one as my present contracts expire and they become due for renewal, I am not able to get them renewed because I am being under-cut by people from other States. I should really dismiss employees at the present time, but I do not want to do that because they have been good and faithful servants to me. But what can I do?"

The Hon. A. F. Kneebone: The things you have mentioned were increased to a greater extent in Victoria than they were here.

The Hon. C. D. ROWE: I do not know the situation in Victoria.

The Hon. D. H. L. Banfield: You can hear that from your leaders who have been over there.

The Hon. C. D. ROWE: I am talking about interstate markets generally. I am not one of those people who believe that because Victoria does something we should do it here.

The Hon. D. H. L. Banfield: That is different from what your Leader said in the other place.

The Hon. C. D. ROWE: I believe the proper thing for us to do is to keep our costs at the lowest possible level.

The Hon. D. H. L. Banfield: In other words, to give preferential treatment to a certain section.

The Hon. C. D. ROWE: Nothing of the kind. I believe that everybody should be assured of an adequate income. I was talking to a man the other day and he said to me: "Well, admittedly we have received one or two benefits from this Government, which we appreciate, but the £5 a week overtime which I used to get has disappeared and I would much rather have that back and do without those other things." By the "other things" he meant things like extra holidays. That is the opinion people are forming. Their attitude is that it is all right to have these things, such as an

extra week's leave and free school books, but that it does not make up for other things. Another person said to me: "Admittedly I have my free school books, which saves me perhaps £15 a year, but my overtime, which had amounted to £4 a week, has disappeared."

This thing goes further than that, by virtue of the fact that we have transferred moneys from the Loan Account to allow for all these other extravagances. The net result is that we do not have so much to spend on houses, which are badly needed in this community, and that is part of the reason why the housing programme is falling back. The \$7,000,000 is being used for other purposes. What I started to say was that people will have to decide whether they want these extravagances (which we cannot afford at present) or whether they want the money put into good and sound development.

The Hon. A. F. Kneebone: The things you say are extravagant are what the people voted for at the last election.

The Hon. A. J. Shard: And they will vote the same way again next time.

The Hon. C. D. ROWE: I am not worried about what the Minister says. I have made one or two decisions in my life that I have lived to regret.

The Hon. D. H. L. Banfield: We have regretted some of your decisions, too.

The Hon. C. D. ROWE: I do not doubt that. It is a good thing that the honourable member is getting into his present frame of mind, because I think that in the next few months he will regret some of the decisions that have been made. The Playford Administration's prime concern always was the development of the natural resources and the progress of this State. We said to the people, in effect, "It is a good policy for you not to be too extravagant regarding your expenditures but to conserve something for the future."

The policy has changed. I do not know whether the present Government has taken its policy from the Biblical references, but it seems to be, "Eat, drink and be merry, for tomorrow we die." We are spending money today to provide extravagances for ourselves, which money we could very well use towards the future development of this State. Let me recall one or two examples of this. When we were in Government we acquired at considerable expense land for the development of Elizabeth, and we established that city. We attracted industries there, such as General Motors-Holden's. Despite all the criticism about the Playford Government, is there a

better example anywhere in Australia than the town planning that went on with the construction of Elizabeth? It was on a pretty big scale, and it is better than anything the present Government has done. Far from doing anything very much about town planning, there are only about two subdivisions to look at, for that is about all that has been approved.

The Hon. M. B. Dawkins: We have a new Minister of Town Planning now, so things will look up.

The Hon. C. D. ROWE: We spent our Loan moneys in acquiring the land at Elizabeth and developing that city, and it is now a model envied by the rest of Australia and by the rest of the world. Today people are living in Elizabeth, and they appreciate what has been done for them and can see the value of this forward planning.

The Hon. A. F. Kneebone: So can Andrew Jones.

The Hon. C. D. ROWE: Can this Government point to anything in connection with its forward planning that is equivalent to the development of Elizabeth? Nothing is being done at present, and no plan is being followed; there is no forward future provision and no future industrial expansion in sight. This Government has nothing even remotely approaching Elizabeth.

The Hon. A. F. Kneebone: What has happened in the Lonsdale area?

The Hon. C. D. ROWE: What has happened in the Lonsdale area is a natural corollary of what went on in the time of the previous Government. What we did about the Murray River was to get the Chowilla dam project approved and well on the way.

The Hon. A. J. Shard: It was not even on the way. Don't go too far! It was not well on the way.

The Hon. C. D. ROWE: I hope that this is not allowed to slip through our fingers.

The Hon. A. J. Shard: It was not well on the way.

The Hon. C. D. ROWE: If I had dug the River Murray, I would have dug it in such a way that we would not need a dam! The development at Elizabeth is the kind of thing that protects the future of the State. Then look at the Leigh Creek coalfield: everybody knows the story of that. We all know that commercial enterprise would not do it at the time.

The Hon. A. J. Shard: Who was the main supporter of the Leigh Creek coalfield?

The Hon. C. D. ROWE: The Hon. Sir Thomas Playford.

The Hon. A. J. Shard: No, he was not. It was a Labor Government that gave you the money to do it.

The Hon. C. D. ROWE: If it was, I am indebted to the honourable member for telling me.

The Hon. A. J. Shard: You don't know the history of it.

The PRESIDENT: Order! The honourable member will address the Chair.

The Hon. C. D. ROWE: It was the energy and drive of Sir Thomas Playford that got that field under way, and even today it provides the cheapest source of power for South Australia. He was responsible for much of the progress happening in South Australia at present.

The Hon. A. J. Shard: We hope so.

The Hon. C. D. ROWE: Honourable members opposite may say that it is going on in the form of the establishment of a gas pipeline but as regards that I say, as I have said previously, that most of the work there was done under the Mining (Petroleum) Act, introduced by the former Chief Secretary, the Hon. Sir Lyell McEwin. Practically all the exploratory work had been done and all the holes for the gas determined long before this Government came into office. All it did was to tie up the loose ends. In speaking of the development of the gas pipeline, I am not taking anything from the present Government. I realize that the former Premier and the Minister of Local Government went overseas to examine this matter. I am pleased that their investigation was successful and that we had a Bill before us, which I supported wholeheartedly in this Council.

However, I still say there is no development project of any great magnitude now. We can talk about the establishment of an irrigation area and about all sorts of developments in the South-East. In the forestry development and timber mills that we undertook, the money spent was for the future benefit of the State, to ensure that future generations would have jobs for themselves and their children, but the policy now is completely changed. There is no real forward planning; there are no extensive development projects for South Australia. We are living from hand to mouth and the people in this State are finding that jobs are not so plentiful for them.

The Treasurer has said that the economy is sound, the future of South Australia is bright and everything else is going very well; yet in the explanation of this Bill we find a further appropriation of money for the Depart-

ment of Social Welfare. The actual words are:

The original provision for the department was \$2,747,000. It is now necessary to provide an additional \$100,000 for public relief payments. This has been due in the main to the persistence of unemployment as the economy has failed to recover as quickly as was hoped.

What the Minister says in his speech is different from the statements made by the Treasurer when it suits him to say something else. The people of this State are beginning to realize that this policy of taking Loan money to meet day-to-day commitments, and to have a good time while there is money "in the kitty", is not paying off; they are beginning seriously to wonder what the future of this State will be, because after all is said and done what really matters to the young man with family responsibilities is: (1) that he has a constant job and is sure that that job is there for him and his children after him; and (2) that he can be certain that he has good and adequate housing available to him. These people are not so secure today as they were previously; they are becoming really worried about the future of our economy and the security of their jobs. There is no argument about that: it is an established fact. Our housing programme has fallen to pieces.

The Hon. D. H. L. Banfield: The Government has built more houses in the last two years than were built in the previous two years.

The Hon. C. D. ROWE: The State will gradually realize that we cannot be too extravagant. We are still a State with difficulties, not endowed with great natural resources. We have made progress only by careful government, careful expenditures, careful control of the governmental costs and, above all, the examples of confidence set by the Government to the people of the community. After all, the people have to make a choice between a Socialist Government and a Liberal Government with its progressive ideas. In other words, the question is: what is to be the relationship between the Government that sits in this building on North Terrace and the people in private industry? Is it to be an association of competition, whether we can make a bit of money by running an insurance office to create opposition to the private section in that field, or do we believe in co-operation and mutual assistance? We must get together to the advantage of everyone concerned. I am one of those people who believe there is a distinct role for the Government to

play and a distinct role for private enterprise to play. They must have mutual confidence in each other and then we shall get the kind of development that we saw in South Australia under the Playford Administration.

But, when that confidence ceases and private industry wonders what the Government will do next, what additional charges will be imposed and what pecuniary methods will be adopted in the management of the Treasury, it is then that they begin to be doubtful and shelve their plans for future expansion. Then it is that we find the economy in difficulty, when we are using an extra \$100,000 to look after our unemployment position. Then it is that we see that the projects for future development of the State fall into decay. I have made these remarks, first, because criticisms were made of the Playford Government; secondly, because I believe we need a different emphasis if the future of the State is to be protected; and, thirdly, because I believe the public should know the method by which the Government has balanced its Budget.

The Hon. C. M. HILL (Central No. 2): As the previous speaker has indicated, it is necessary that each year Supplementary Estimates be passed, because appropriations made earlier in the financial year will not always come out exactly to line up with actual expenditure; so these adjustments are necessary. Generally, I support this Bill. I wish to comment on one or two points, mainly hingeing on the fact that there should be considerably more accuracy in such matters or, putting it another way, only minor discrepancies should occur in the amounts estimated at the beginning of the financial year and the actual amounts of expenditure.

If only minor discrepancies occurred I would be happy, but in clause 3 at line 10 an amount of \$100,000 is now required. That line deals with the Minister of Social Welfare and the amount of \$100,000 is required in addition to the original estimate of \$293,000. The latter figure was appropriated under the subheading "State Public Relief. Provisions, special monetary relief, medicines, drapery, clothing, reimbursement of travelling expenses, interments and sundries, \$293,000." Calculated as a percentage, it represents an increase of 34 per cent on the previous estimates on this line.

I have checked the same item of last year and find a considerable increase also occurred at that time, when Parliament was asked to pass an additional amount of \$85,000 over and above the original estimate of \$220,000. That represented an increase of 38 per cent and therefore in two successive years it has been

necessary to apply for further finance on that line. I think that discrepancy is larger than it should be.

The Hon. S. C. Bevan: The honourable member should look back to four years ago.

The Hon. C. M. HILL: I have not gone back four years, but I notice that in the appropriation at the beginning of the current financial year a lesser amount had been set down than was actually used in the previous year. That in itself was unusual because it indicated that the lesson of the previous year had not been learned; the figure proposed at the beginning of this year was \$293,000 while actual payments in 1965-66 amounted to \$306,541. There must have been some reason for this and I was interested to hear the Minister in his second reading speech comment upon it. He mentioned unemployment, and in connection with this item of public relief he said:

This has been due in the main to the persistence of unemployment as the economy has failed to recover as quickly as was hoped. He mentioned unemployment and therefore it must be connected to this line we are discussing because, although the Commonwealth Government pays unemployment benefits in the normal sense, there must be public relief given to the unfortunate people who are unemployed. In examining the subject of unemployment I find that the percentage in South Australia seems to be getting worse; that is, the percentage of those registered as unemployed compared to our estimated work force for May, or the exact percentage on June 2, was 1.9 compared with an Australian average of 1.4.

The Hon. H. K. Kemp: What about adding in the number who have gone to other States looking for jobs?

The Hon. C. M. HILL: There is no doubt that some have gone there for jobs and I have figures to prove that once such people went elsewhere they must have done well, because the Victorian figure was the second best in Australia. The South Australian figure for May was the second worst in the Commonwealth.

The Hon. A. F. Kneebone: It would not be much good anybody going to Victoria for a job at the present time.

The Hon. C. M. HILL: It will be of interest to the Minister to know that the Victorian figure was 1.2 per cent, compared with the Australian average of 1.4. It means that Victoria is better off than the average, whereas South Australia trails behind with the shocking figure of 1.9 per cent. I am

concerned with the percentage of unemployed to the estimated work force in South Australia and in Victoria, because they have both followed a pattern. If it has changed in any way in recent times then it has changed for the worse in this State. In January this year our percentage of unemployed was 2.4 against the Australian average of 1.9 per cent; in February it was 2.1 as against 1.6 per cent; in March, 1.8 as against 1.4 per cent; and in April 1.9 as against an average of 1.4 per cent.

So in every month the average of unemployment in S.A. has been higher than the Australian average, and the same position applied last year, when in each month the South Australian average was never less than the Australian average. Over the complete year our average was 1.61 per cent of unemployed compared with the Australian average of 1.29 per cent.

The Hon. D. H. L. Banfield: The South Australian figure was worse in 1961.

The Hon. C. M. HILL: If the honourable member is interested in 1961 I will be pleased to quote the figures. They reveal that in only one month (September, 1961) was the unemployment figure in South Australia greater than the Australian average. In that year the South Australian average over the complete year was 2.17 per cent while the Australian average was 2.33 per cent.

The Hon. A. F. Kneebone: That is greater than it is today, isn't it?

The Hon. C. M. HILL: The South Australian figure was 6.8 per cent better than the Australian average in 1961, whereas now our average of unemployed is 1.9 per cent as against the Australian average of 1.4 per cent. If that is taken on a percentage basis it means that we are now 35 per cent worse than the Australian average.

The problem of unemployment must be considered when looking at this line and the question is: why was this line under-estimated to this extent? The Minister has given us the answer, in effect, because he said that he hoped the employment position would better itself. That is about all the Government has been doing as far as action is concerned—hoping that the unemployment position would improve. Furthermore, the Government has not been doing much to improve relations with the private sector. I recall the Chief Secretary stating on March 9, when dealing with the private sector of the building industry:

The Government gets the blame for the downward trend in the housing position in this

State, but it is not the Government's fault—it is in the private sector.

So he is blaming the private sector in this matter. But not only has this discrepancy been caused by this proven unemployment position; it has also been caused by a factor mentioned by the Hon. Mr. Rowe, and that was the lack of forward planning by the present Government. There must have been a lack of planning for this increase to be as great as 34 per cent; there must have been a lack of planning for the percentage increase 12 months ago under the same line to be 38 per cent.

We have heard much about forward planning in the last few days. I read in the *News* only last Tuesday a statement by the Premier on this matter in which he condemned the previous Administration. He said:

The previous Government had made no forward planning for capital works—Government buildings other than schools—and had let contracts committing us to spend \$5,000,000 in 1964-65; \$8,800,000 in 1965-66; and \$11,200,000 this financial year.

Now, surely that sentence is a complete contradiction. A claim that the former Government had not carried out any forward planning is mixed up with an admission that commitments for the years to come existed at the time of the change of Government in 1965.

Of course there was forward planning, and there is a need for much better forward planning by the present Government than it has shown so far. This is particularly noticeable in connection with the State Public Service building in Victoria Square; 1,600 employees are to be housed in this building and they have been waiting a long time for the pleasure of entering that new accommodation.

The Hon. A. J. Shard: They have waited 30 years.

The Hon. C. M. HILL: They did wait for a long time, and, by forward planning, the former Government saw fit to start the project. However, this Government has only appropriated \$1,000,000 this year towards it. The contract price 12 months ago was in excess of \$6,000,000: this does not prove that the Government is interested in great forward planning. One wonders (and 1,600 public servants are wondering) when that building will be completed.

The Hon. A. J. Shard: It is ahead of schedule.

The Hon. C. M. HILL: If it is ahead of schedule, I should hate to see what the schedule is. I submit that there is a considerable lack of forward planning.

I shall touch on the matter of the trust funds, about which we have heard very little in the last few days, while we have heard much on other matters. If there is forward planning by the Government, when does the Government expect to return the trust fund borrowings to their proper place? Previously, the size of these trust and deposit accounts was \$27,300,000.

They are now only \$18,000,000, and if there is forward planning I should like to know—and many people in South Australia would like to know—what are the plans for returning this money, which was taken (in the words of the Auditor-General) temporarily. We have been waiting for 12 months to hear about plans to return this money. The following is an extract from the Auditor-General's Report for the year ended June 30, 1966:

The shortage of funds has been temporarily met from funds in the hands of the Treasurer representing trust and deposit accounts held for particular purposes at the Treasury.

So, if the Government claims that it is expert in forward planning, I am looking forward to seeing a statement on what plans are in hand to pay back this money which was temporarily used in this manner. I say again in regard to clause 3 that the sum of \$100,000, which is 34 per cent greater than that which was estimated previously in the Appropriation Act (No. 2), 1966, represents too big a discrepancy to pass without comment.

It indicates the very serious unemployment plight of people in this State, and it also

indicates bad planning by the present Government. I hope that the Government during this session will endeavour to come to grips with the causes of this discrepancy, but on general financial grounds I have grave fears and misgivings about the whole financial management of the State at present.

The new Treasurer is making exceedingly reckless statements on television and to the press; they are not statements of a responsible Treasurer. I think his claims regarding the lack of forward planning by the previous Government are completely illogical.

I had intended to speak fully on another matter concerning the recent criticism of Sir Thomas Playford, but the Hon. Mr. Rowe has covered the point in detail. However, I do say that I believe that any South Australian—let alone a Minister, let alone the Treasurer, let alone the Premier of the State—who condemns the political honesty of Sir Thomas Playford does not enjoy the confidence of the people of South Australia. By stating that Sir Thomas Playford mismanaged the financial affairs of this State, the present Treasurer has admitted gross ignorance of the State's finances and their management.

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

ADJOURNMENT.

At 3.42 p.m. the Council adjourned until Tuesday, June 27, at 2.15 p.m.