

LEGISLATIVE COUNCIL

Wednesday, October 4, 1967

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

QUESTIONS

PESTICIDES

The Hon. V. G. SPRINGETT: Has the Minister of Local Government, representing the Minister of Agriculture, a reply to the question I asked on September 13 regarding the use of pesticides and weedicides?

The Hon. S. C. BEVAN: The Minister of Agriculture reports as follows:

The problem arising from the use of pesticides in agriculture has been under very extensive examination throughout Australia in recent years. In this State, extensive and regular analyses of animal and vegetable products have been carried out and restrictions have been placed on the sale of certain types of pesticides used in agriculture. Tolerance levels have been imposed by importing countries for the pesticide content of the various agricultural and livestock products, and every effort is being made to keep the levels in South Australian produce within these tolerances.

An inter-departmental committee has recently been formed to keep the local position under constant review. This committee will consolidate the information which becomes available from various sources, indicate lines of investigation considered desirable, and make recommendations to the appropriate authorities to remedy any unfavourable situation. The committee will be convened by the Agriculture Department and includes representatives from the Commonwealth Departments of Customs and Excise, and Primary Industry, and the State Departments of Health and Chemistry.

DROUGHT ASSISTANCE

The Hon. H. K. KEMP: I understand that the Minister of Local Government, representing the Minister of Agriculture, has an answer to the question I asked on September 26 regarding drought assistance.

The Hon. S. C. BEVAN: The Minister of Lands advises that until the Bill now before Parliament becomes law, no assistance can be granted under it. It is suggested that any intending applicant for advances should forward his name and address to the Secretary, Drought Relief Committee, Department of Lands, Adelaide, and an application form will be forwarded as soon as practicable.

The Hon. A. M. WHYTE: I ask leave to make a statement prior to asking a question

of the Minister of Local Government, representing the Minister of Agriculture.

Leave granted.

The Hon. A. M. WHYTE: Last year, the A.W.G.C., which is a Federal body of several stock-owner organizations, appointed a committee to study drought relief and assistance to farmers in drought-stricken areas. One of the suggestions the committee made was that country silos would retain a certain amount of wheat to be made available as fodder in the drought-stricken areas. Can the Minister say whether any such provision has been considered in South Australia and, if so, from what silos the wheat can be drawn?

The Hon. S. C. BEVAN: The whole of the answer to this question is contained in the Bill now before the Council.

QUESTIONS

The Hon. V. G. SPRINGETT: I seek leave to make a short statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. V. G. SPRINGETT: As a newcomer to this Parliament during this session, I have been most impressed and helped by Question Time. I appreciate that in the case of many questions that are asked it takes time to obtain the information before an answer can be given. Yesterday, I drew attention to the fact that I had asked a question three weeks ago of the Minister of Agriculture, through the Minister of Local Government in this Council. I can understand that it took time to obtain the answer I received today. However, I mentioned yesterday that I had heard some of this answer referred to on the radio yesterday morning. As a newcomer, I ask this afternoon: is it not correct for a member of this Council to receive even some partial information in an answer or to be informed, as a matter of courtesy, that he is being answered partially through a mass communication medium? I am not referring only to my question here, although that highlights the matter for me: I have noticed once or twice a somewhat similar delay in providing answers to questions asked in this Chamber.

The Hon. A. J. SHARD: After the honourable member has been here a little longer he will realize that it is quite impossible to keep the answers to questions intact for honourable members.

The Hon. Sir Arthur Rymill: He will realize there are other possibilities as well.

The Hon. A. J. SHARD: There was a time when we in our Party never got answers to our

questions until they had been fully exposed over the radio or television; sometimes we never got answers at all.

The Hon. S. C. Bevan: We used to read about it in the press.

The Hon. A. J. SHARD: Yes, and then we got the answer here. Therefore, this is not new. At least my colleagues and I try to give honourable members answers as fully and as quickly as possible, and I do that without going to the press and the radio first.

CONCESSION FARES

The Hon. JESSIE COOPER: Has the Minister of Transport any information concerning the question I asked on September 13 about the possibility of introducing a family concession fare for travel on the Municipal Tramways Trust services in school vacation periods, similar to the system operating in Western Australia?

The Hon. A. F. KNEEBONE: Although I have in mind what the Hon. Mr. Springett said, I have not yet been provided with a reply to the honourable member's question. I shall chase the matter up and try to get the answer soon.

PRIMARY PRODUCERS EMERGENCY ASSISTANCE BILL

Adjourned debate on second reading.

(Continued from October 3. Page 2301.)

The Hon. H. K. KEMP (Southern): In speaking to this Bill, I think it is fair to review the position of agriculture in relation to its importance in this State and the position that we are in today, because the whole aim of this Bill is the relief of farmers who are now in a very distressed position indeed through the lack of rain which is unfortunately our lot this year.

I do not think many people appreciate the greatness of our agricultural industries and their importance in South Australia. We are often told about our large factories, such as Chryslers and Holdens, oil refineries and this sort of thing. However, agriculture as a whole is by far our greatest industry, and directly or indirectly it employs a large proportion of the population. Even those industries which have grown up in the last few years are in their turn largely dependent on the prosperity of the farmer. This has always been the case in South Australia.

It has decreased to some extent with the establishment of these big and important industries concerned with merchandise and

production, whether motor cars or clothes lines, with oversea, interstate and other markets, but a large market for all of them is the agricultural community. So a condition of distress in agriculture is much more widely felt and is much more serious in that community than difficulty in any of our secondary industries, no matter what its nature is. It is not necessary to labour this point to people who think it is obvious that this must be so. It must always be so in South Australia.

Unfortunately, we seem to be poorly endowed in many respects. For instance, our mineral deposits are limited, although we hope that other resources will be uncovered in the future; but there is no possibility, as far as we can see, of uncovering within the boundaries of our State such rich assets as have recently been discovered in Western Australia and Queensland.

This being so, the condition of agriculture in South Australia must concern every individual in the community, and today it is serious. Most of the State is in a precarious position. No farmer, even in the best and most favoured areas of South Australia, is today sure of the harvest ahead of him. If we get rain in time, some farmers may still be able to harvest a reasonable crop, but many of them in areas like the northern Mallee, the Murray Plains, the Lower North and a great section of the West Coast have no hope of making a worthwhile profit, and large areas of our farming land face great hardship. For instance, it will be difficult to carry forward livestock for a period of 12 months to a time when it is hoped that the land can be rehabilitated if we get a normal season.

In fact, today it is only in the lower South-East that there is much prospect of a normal season: the position for most of the State is that, if we get good rains, we may have some sort of a year but for these large sections of land that I have mentioned even the heaviest rain will bring no measure of relief. In those districts many farmers suffered a poor crop last year (and, indeed, for the two preceding years) when their industry brought them no return. They have been living on greatly reduced incomes, so that their credit is completely exhausted.

I do not think I exaggerate the position—in fact, I am sure I do not. It is worth reiterating that these areas so badly affected have no prospect of a harvest and have the greatest difficulties ahead of them in carrying forward sufficient livestock to help in their

recovery next year and, for some of these areas, this is the third year of crop failure. In other words, many farmers have completely exhausted their resources and, if they are to remain in their present occupations, they must have considerable assistance very soon. Indeed, it is no exaggeration to say that some farmers have run so short of liquid assets that today they cannot afford even to drive their cars into the town to do their shopping.

This Bill is designed to relieve this position. These agricultural disasters have occurred in the past and we have had a mechanism for dealing with them different from that provided in this Bill. It is not only designed to deal with disasters such as this year's drought but it brings within its ambit drought, fire, flood, frost, animal and plant disease, insect pests, or other natural calamity: it is all-embracing.

In the past very effective and quick relief has been provided when such things as floods and bush fires have occurred. I am sure all honourable members are familiar with the mechanism that has been used. I believe the last case was the bush fire that occurred at Clare, which devastated a considerable area; the case prior to that was known as "Black Sunday", when tremendous damage was done in the Adelaide Hills. Another such disaster was that of the Murray River floods.

In these cases the Government made a grant without any strings attached, which was to be administered by a body set up in nearly every case under the leadership of a magistrate, or some other highly respected member of the community. Aid was provided for the farmers quickly and effectively, and it was increased because there was an understanding with the Commonwealth Government for many years that for every dollar found by the State Government the Commonwealth would provide a subsidy of a dollar.

This traditional means of dealing with the problem is being completely altered in this Bill, and I do not think such an alteration should be lightly made. However, it is being done and, because of the emergency, we must treat this Bill as an urgent matter so that help will be given to the farmers in distress.

The Bill provides that the drought relief committee, set up by the Minister of Agriculture and consisting of four experienced men who have been looking at this problem, shall become the agency through which aid will be given to farmers. Through this committee will go not only the money that the State Government proposes to make available but also all

money provided by or authorized by the Commonwealth Government.

It is proposed that money shall be drawn from the Marginal Lands Improvement Account, one of the deposit and suspense accounts held in the Treasury, details of which may be found in the Auditor-General's Report. In addition there is the Primary Producers Assistance Account and clause 3 (b) sets out the amounts to be drawn from the two funds, each fund having strict limitations placed on the amount of such withdrawal. I understand that a sum not exceeding \$150,000 may be drawn from the Marginal Lands Improvement Account and that the total withdrawal is limited to \$350,000 from the two accounts. I would like further information from the Minister concerning limitations on the amount of withdrawals.

In view of the calamity faced by the people concerned, I consider the total amount allocated to be a meagre sum as a grant to people who have already been rubbed out, although I believe the Government may allocate more money with the authority of Parliament. Does the Government consider that the sum proposed to be allocated is sufficient? Most of the State is badly threatened by drought and no matter how optimistic a view is taken of the present bad conditions, it is a serious matter.

In a statement last weekend the Minister of Agriculture said that grain growers this year must expect an income reduction of about \$40,000,000. I think that is a most optimistic statement when livestock losses are also taken into account, and I believe that the figure will be much larger than that.

The Hon. G. J. Gilfillan: Is that gross income?

The Hon. H. K. KEMP: Yes. Even in the most favoured districts farmers are desperately short of stock feed, and although wheat crops are probably looking better than any other section of agriculture this year, their condition is bad enough. The main concern of most farmers today is how to feed livestock because of the complete absence of paddock feed in many districts. That is of greater concern to them than loss of income from grain crops.

Another problem concerning me is that I understand that the Marginal Lands Improvement Account and the Primary Producers Assistance Account both have strings attached to the expenditure of their funds. I understand that the former obtained its funds wholly from the Commonwealth Government many years ago soon after the Second World War

and that the money was allocated to help increase productivity in the Murray Mallee and other marginal lands through the purchase of land and the consolidation of plant. It was most effective when proper use was made of it. It was specifically issued to the State with the condition that it should not be expended to relieve the State of its revenue expenditure. I believe that condition still attaches, and I believe that it also attaches to the Primary Producers Assistance Act in a somewhat similar way.

These funds are in deposit and suspense accounts, because they are special moneys that can be used only on expenditure along the lines for which they were originally devised. At present there is \$332,478 in the Marginal Lands Improvement Account. In the Primary Producers Assistance Fund, the debt adjustment fund at present amounts to \$804,636 and the Farmers Assistance Fund amounts to \$211,364—over \$1,000,000 in those two accounts, which together with the \$332,478 in the Marginal Lands Improvement Account makes a total of about \$1,400,000, but to handle the calamity (and it can be referred to as nothing less than a calamity) a total allocation of only \$350,000 is proposed.

This is a very niggardly provision, indeed because, no matter how optimistically the present drought situation is viewed, a very serious loss is inevitable. If the drought continues for any length of time a large portion of the State will be in a similar position.

It must not be forgotten that the heaviest and most bountiful rains will not relieve the position one iota over much of these areas. There is another point I query. These funds may not be used on any expenditure that relieves the General Revenue Account: this was the condition under which the money was advanced to the State by the Commonwealth Government. In other words, these moneys can be used by the farming community or in a limited way by the Government, but certainly there is reason to question whether, if the moneys are used, there is any obligation on the Commonwealth Government to subsidize drought relief in South Australia in the way it has in the past and in the way relief is currently being granted to New South Wales and Queensland and, I believe, Victoria. I hope I will be given clear answers by the Government on the points I have raised.

The Hon. R. C. DeGaris: The Commonwealth Government could be restricted to lending money to the State under the measure. That is a possibility, isn't it?

The Hon. H. K. KEMP: I prefer not to answer that question at the moment, because I think it will be answered when the Bill is examined in Committee. Clause 5 causes me some concern. It details the purposes for which the Minister of Lands, after consideration of reports and recommendations, may make money available from the fund to primary producers in necessitous circumstances as a result of drought, fire, etc., and payments towards the cost of fodder or water for starving stock, including the cost of transport, etc.

Under the Bill, moneys for this purpose can be advanced to a farmer in need only through the committee, which comprises civil servants answerable to the Minister. The advance is to bear interest at the rate charged by the State Bank of South Australia in respect of overdraft loans. No advance is to be made unless the Minister of Lands is satisfied that the primary producer is in necessitous circumstances. That seems fair enough, but the Minister of Lands is charged with the responsibility of taking a mortgage, bill of sale, lien, assignment or such other charge as he thinks fit.

What this means is that the Government is refusing to help farmers directly: it will help them with their own money taken from these accounts. The Government wants bank interest for the money it gives, and it wants a mortgage or lien on the farmer's assets before it will give assistance. Under the Bill, once assistance has been given to a person he is completely answerable to the Minister for the way in which he runs his farm and for anything he does on it. If the Minister is not satisfied in any way (and this is a civil service administration, not the farmers'), he may demand repayment of the advance without notice.

The Bill puts a weight around the farmer's neck, as the Government's stated policy is that it will not give any assistance until the farmer has received all he can get from his bank, his stock firm and his own industry bodies. When he has reached the stage at which he can no longer obtain help from his bank or stock firm, the Minister may then advance him money, which will bear the full mortgage rate of interest and for which a mortgage, lien or bill of sale over his assets is required.

The Hon. Sir Norman Jude: Probably he will be allowed money for funeral expenses!

The Hon. H. K. KEMP: All the money, whether from the Commonwealth Government

or not, must go through the committee. The money from the Commonwealth Government does not have strings attached to it, but apparently the Government proposes to charge interest and take liens on it. This position should be examined.

The Bill is one of the biggest confidence tricks that has ever been put over farmers. Without any doubt, it is for that purpose only. Can any honourable member think of anything worse for a man who has exhausted all the credit available to him, whose bank and stock firm consider that if he is given more credit he has no chance of recovery, and who then asks for drought assistance being told by the Government, "Yes, here is the money, but you must pay interest on it and you have to give an agreement or bill of sale." This could mean that these people would have no hope of recovery. Subclause 5 (d) provides:

With the concurrence of the Treasurer and after due inquiry the Minister of Lands may remit part or the whole of any interest on or part or the whole of any advance made under this Act.

But what a difference in the way of doing it! We have had in the past a clean, quick and effective method of bringing assistance to primary producers who are in trouble from any of these disasters, but it is discarded and a cumbersome method like this is put forward, making the farmer completely and utterly answerable to civil servants who are not farmers and who have no idea of the stresses and difficulties a farmer faces in a season of distress.

Mr. President, can you wonder that I call this a Bill that is completely and utterly designed to pull the wool over the eyes of farmers who are now desperately looking for help in so many parts of this State? I propose to move an amendment to clause 5 so that it will at least be possible for the Commonwealth money that is likely to come forward (if there is no contrary interpretation of the marginal lands agreement and the primary producers' agreement) to be dispensed to farmers without the State Government's getting its pound of flesh, which it seems to be seeking. For the State Government to propose to charge interest, and thereby take from a farmer in dire distress at present the money that he hoped to get free, just leaves me without words to describe what should be said about these people.

This Bill must go forward without delay, but I think every farmer in South Australia must know the position in which the Bill is going to put him. Apparently there is no

intention by the Government to do anything else but what is provided for in this Bill. We have had that clearly put to us this afternoon in the answer given to a question that was asked on September 26. I do commend the Bill for a speedy passage through this Council, because there is no other help that we can bring to these men under the present Government except to pass the Bill and thus enable action to be taken on it as soon as possible.

The Hon. L. R. HART (Midland): I endorse the Hon. Mr. Kemp's remarks that in this State few people realize the dire straits in which the primary producers in many parts of the State find themselves at present. This situation is brought about largely by the severe drought that is now embracing the larger part of this State.

The effect of the drought has been that cropping programmes have been completely upset. In addition, there is the lack of feed throughout the greater part of the State where large numbers of stock are carried. Of course, the primary producer, besides facing these problems, has the added disability of low prices in the wool market and a glut on the stock markets.

In most years producers are able to carry their stock through and regulate the supplies that come on to the market, but at this stage, through the lack of feed, producers are being forced to market their stock and in consequence a very low price is now being obtained for stock, a price that is such that the producers of this stock cannot do other than lose money on this aspect of their production.

Over recent years we have been able to encourage producers to spread their production throughout the season and so enable a continual flow of lambs, particularly on to the local market, with the result that there has been a fairly steady and remunerative price for lambs over most of the year. However, at present we are faced with a glut in the market, and the result is that the lambs are being virtually given away.

In addition, we are facing a problem in finding sheep for some of our export markets, particularly Kuwait. That is a specialized market that takes many of the fat and over-fat types of sheep we produce in this State in a normal season. These stock are not now available to the exporters to Kuwait; consequently, we are losing income through the loss of this market.

The stock that would normally go to this market are being sold at present as store stock, and as nobody has any feed a very low price is obtaining for store stock. All this must add up to the fact that the spending capacity of the rural sector of the community is being considerably reduced, and the effect of this on the economy of this State will be disastrous. This is an unfortunate fact of life that we must face at present: we are running into a period when there is going to be a down-turn in the economy of this State.

We have heard much in recent months about an uplift or an upturn in the economy. Perhaps that is so at present, but the full effect of the present drought is not yet being felt by the economy in this State. I do not want to be the bearer of gloom tidings, but I think this is the situation with which we must come to grips. In the coming months there will be many people in the rural sector whose spending power will be considerably reduced, and this must have an undesirable effect on the economy of this State.

I must commend the Government for introducing the Bill, for it does place on the Statute Book a piece of permanent legislation that can deal with a national or natural calamity. We must realize that in this State we are prone to disaster. Droughts are things that we face every few years. In addition, we can have very severe bush fires, and there have been times when we have had severe attacks by grasshoppers. Other forms of calamity are provided for in this legislation. However, at present we are concerned mainly with drought.

One wonders whether we need this rather cumbersome piece of legislation to deal with the particular situation that we are now facing. I notice that in Victoria there is provision for the State Government to render assistance in times of drought. Victoria does not have any Act: it is done there merely by an authority under which the State Cabinet makes a decision on whether a drought exists. If the Cabinet decides that there is a drought, the Premier issues a press release stating that a certain area of the State has been declared a drought area, and there is no other notification in the *Government Gazette*.

In Victoria no financial assistance is given as a straightout grant, but there is a concession of 20 per cent on freight rates on fodder brought into the area by rail. Also, the Government forgoes the permit fees that are imposed by the transport regulation board on the cartage of fodder, and possibly the same thing applies to the cartage of stock.

However, in that case the assistance is given early in the piece, and it is given when people perhaps are most in need of it. The Victorian Government does not wait until a person gets into such dire straits that possibly he has no hope of recovery, much less of an early recovery.

This legislation is urgent, as we appreciate. There should be no attempt to delay its passage. However, this Bill was introduced in another place on August 29 and after it had been debated for one day it was adjourned to September 28. If there is an urgency for drought assistance (which no-one denies) why did the Government adjourn this Bill for one whole month? It is undoubtedly playing politics, which is something we have come to accept from the Government.

The Hon. D. H. L. Banfield: To accept or to hand out—playing politics?

The Hon. L. R. HART: We have accepted that the Government endeavours to play politics wherever it has an opportunity to do so.

The Hon. D. H. L. Banfield: And the Opposition has never joined in?

The Hon. L. R. HART: In this case the Government is playing politics. A misfortune has come upon a certain section of the community through no fault of its own, yet the Government, which has stated that this is a matter of urgency, was prepared to adjourn the Bill for one whole month.

The Hon. A. F. Kneebone: You are doing a good job of playing politics.

The Hon. L. R. HART: In addition, we find that the spokesmen for the Government, the Premier being one of them, have criticized the Commonwealth Government for not assisting the State Government to fight the effects of this drought. Let us examine the history of the Commonwealth Government's actions in cases of national calamity. The Commonwealth Government has always given aid when requested, if circumstances warranted it. The history books are studied with examples of the Commonwealth's assisting the States in cases of national calamity. For instance, recently there was a severe drought in New South Wales and Queensland.

The Hon. A. F. Kneebone: What is it doing now?

The Hon. L. R. HART: If the Minister will allow me to continue, I will point this out to him.

The Hon. A. F. Kneebone: I see.

The Hon. L. R. HART: There was a severe drought in New South Wales and Queensland. It will interest the Council to learn just what assistance the Commonwealth gave those two States, which were prepared to help themselves and make assistance available to alleviate drought conditions. This was recognized by the present Government and by the Minister of Agriculture (Hon. G. A. Bywaters), who said this:

During the drought in New South Wales the State Government had to give help before the Commonwealth would do so, and I guess the same will apply in South Australia. So the Government recognizes that before it can seek help from the Commonwealth Government it must give some evidence that it is prepared to assist itself.

The Hon. S. C. Bevan: Do we have to carry out a survey on this before we can get any Commonwealth assistance?

The Hon. L. R. HART: That, too, is interesting. We were discussing yesterday a survey in connection with another matter connected not with drought assistance but with the improvement of the State's economy. However, we are now dealing with a different matter and I do not wish to pursue that. It is interesting to see what the Commonwealth Treasurer had to say when he introduced into the Commonwealth Parliament the States Grants (Drought Assistance) Bill, 1966. He said this:

The fact that the Bill specifies certain amounts for payment in 1965-66 does not mean that the Government has placed any limit on the assistance to be made available to the two States (New South Wales and Queensland) for drought relief purposes.

This was the Commonwealth Treasurer speaking on behalf of the Commonwealth Government. He continued:

We have made it clear that we will continue to assist the States to finance their drought measures as far as necessary and for as long as necessary. Accordingly, the Bill provides for the payment of such further amounts of assistance as Parliament shall, from time to time, appropriate. Clearly, further assistance will be needed next year, although at this stage we cannot predict how much will be required. We will, I expect, be making provision for payment of further assistance in the annual Appropriation Bill.

That is the situation as far as the Commonwealth Government is concerned; that is its attitude. It clearly states it is prepared to lend assistance. The Commonwealth Treasurer continued:

The assistance provided by the Commonwealth to the States of New South Wales and Queensland will take the form of outright

grants except in cases where the funds are used by the States for making repayable loans. In terms of the States' estimates of their requirements in 1965-66, nearly \$10,000,000 will take the form of outright grants and just over \$15,000,000 will take the form of repayable advances. The Commonwealth will make these advances available on an interest-free basis, repayable over a period of 10 years but without any repayments in the first two years. The States will be charging interest at concessional rates on their loans but they will be meeting the administrative costs and, within reasonable limits, any losses which may arise. If, however, such losses prove to be beyond the financial resources of the States at the time, the Commonwealth has undertaken again to come to their aid.

I should like to reiterate that the Commonwealth, without question, is prepared to help the State but in the meantime the State must give evidence that it is prepared to help itself. What is this State doing to assist in financing the Farmers Assistance Fund? It is resorting to what has become a usual practice for this Government: it is making use of trust funds. It is taking from the Marginal Lands Improvement Fund \$150,000 and it will also make use of the Farmers Assistance Fund, established under the 1943 Act, to the extent of \$200,000. I do not criticize the Government for using these funds for this specific purpose (possibly, that is what these funds should be used for, particularly at a time of natural calamity) but what I want to make quite clear is that there is no provision in the Budget for an allocation to the Farmers Assistance Fund. The Government is contributing no money of its own. There will be no budgetary deficiency because the Government has not contributed to this fund. Therefore, this State will not qualify for Commonwealth reimbursement because, as I understand the Financial Agreement, to qualify for financial assistance from the Commonwealth there must be a State budgetary deficiency. That is not the situation at present; nor is there any provision in the Budget for assistance. However, we do find in it provision for other forms of expenditure; there is provision for \$1,750,000 to provide for the cost of an extra week's annual leave for certain Government employees.

The Hon. R. C. DeGaris: That would be for a full year.

The Hon. L. R. HART: Yes, but we do not know how long the drought will last. Also, there is a provision to cover the extra cost of long service leave, and we must remember that equal pay will be another charge on the Budget. One could go on and name a number

of these extra charges that are at present being imposed on the State, yet the Government cannot find money of its own to give assistance to primary producers.

Regarding the availability of finance for people suffering from the effects of the drought, we should consider who will qualify for drought relief. Clause 5 (2) (b) states:

No advance shall be made unless the Minister of Lands is satisfied that the primary producer is in necessitous circumstances mainly because of the effect of drought, fire, flood, frost, animal or plant disease, insect pest, or other natural calamity, that the advance is necessary for the primary producer to continue in the business of primary production, that the primary producer has no other source of funds available to him for that purpose and that given the advance the primary producer has a reasonable prospect of being able to continue in the business of primary production.

A short time ago the Minister referred to a survey that was being made. I have heard a report from a Treasury official who apparently made a survey, particularly among the banks of this State and the other money-lending institutions. He reported that the State managers or senior officers of all the banks operating in South Australia have provided or expect to be asked to provide reasonable carry-on finance for their customers whose incomes and finances have been affected by the drought. I have been assured that any such person who can show that, with the provision of some additional finance, he will be able to carry on until he is able to re-commence earning income and then will be able to proceed, with normal seasons, to rehabilitate his position, will receive sympathetic treatment from his bank in respect of requests for carry-on finance.

That is the attitude of the banks to the people who are at present seeking assistance, and the stock firms have given similar assurances. However, it appears to me that under this Bill, in order to be able to qualify for assistance, a person would have to be in a position that would enable him to obtain money from other sources. One wonders what the Government proposes to do under this Bill. What assistance does it propose to give to the primary producer? We have seen that a primary producer must be able to carry on and, as the Bill says, to have a reasonable prospect of being able to continue in the business of primary production, if he is to qualify for assistance, but when he has that qualification he is able to obtain assistance from other sources. Clause 5 (2) (e) states:

Without in any way affecting the rights of the Minister under any security given for an

advance under this Act, where the Minister of Lands is satisfied that any person to whom any advance has been made is not making reasonable efforts in carrying on his business of primary production or has no prospect of ultimate recovery he may demand repayment of the advance and realize on any security taken in respect thereof.

If that situation arises and the Government decides to realize on the person's securities, I ask the Minister whether the Crown's claim takes precedence over any other claims that there may be over those securities. A man would undoubtedly have other claims on his assets.

When a producer is unable to meet these requirements and he is more or less forced off his land, what happens to him? He is forced through the insolvency court. This will undoubtedly happen unless the Government takes a more sympathetic attitude. If a primary producer is forced through the insolvency court, what are his prospects then? He has no future other than to go on unemployment relief. We should consider whether this person should be settled in some other way, perhaps in some other district, because his situation may not be of his own making.

There may be other factors that have forced him into the situation. He may have been living on too small an area: he may have been living on what the Labor Party terms "a living area". Most of the people who will need assistance under this legislation will undoubtedly be people on small areas who have been unable to accumulate enough assets to tide them over the drought period. A primary producer may have managed his property satisfactorily but nevertheless he has been unable to cope, and consequently he has needed assistance. Under the Bill the type of accommodation he will require will not be available to him.

There are other factors, too. The question of rail freight rates was before us last year. When freight rates were increased it was pointed out to the Government that these increased rates would have a detrimental effect on the primary producers in many of the areas now affected by drought. These rates are a burden on these people. In addition, there are other State charges that are continually rising. So, it is not only the drought that is forcing many of these people into this situation but also continuing increases in costs that have been imposed upon them by the present Government. Then, of course, succession duties must be considered because many people are placed

in a position where it is necessary to sell portion of their property in order to meet such duties.

They may require assistance under this legislation simply because they have had to pay succession duties; perhaps they have had to pay them more than once, in fairly quick succession, over a short period, and that alone has forced them into a difficult situation. It could be such circumstances and not only the present drought that is forcing people to make application for assistance. Therefore, I believe the State Government has an obligation to grant assistance to such people and not merely assist them through the provision of trust funds that were probably made available by the Commonwealth Government in the first place. In addition, it is probable that the primary producers themselves have also contributed to these funds.

The situation is thus reached where the Premier found it necessary to write to the Prime Minister setting out the conditions faced by the State because of the drought. He then criticized the Commonwealth Government for not giving a satisfactory answer, even though nowhere in his letter did the Premier state what action the State Government was prepared to take. How could the Commonwealth Government be expected to state what it was prepared to do until it knew what the State Government intended doing? That was clearly set out in the Prime Minister's reply, when he stated:

The Commonwealth's general policy towards natural disaster relief is that, if State Governments—which of course have the primary responsibility for natural disaster relief—do not have sufficient financial resources to provide the assistance required in the case of any particular natural disaster, the Commonwealth is normally prepared to assist in meeting the cost of such relief measures. This is where the disaster is of a limited nature requiring only a small expenditure on relief measures and we looked to the States to provide the necessary finance from their own resources. Where, however, the disaster is on a large scale and requires relatively large relief expenditures, as in the case of the drought in New South Wales and Queensland and the bush fires in Tasmania, we are prepared to assist State Governments in financing such expenditures.

There is a clear indication that the Commonwealth Government is prepared to assist in financing the present drought relief. Naturally, it requires some assurance from the State Government that it is prepared to help; if it is not prepared to use its own finances in order to assist in the present situation, how can the Commonwealth Government be expected to

render assistance? As I stated previously, the only indication in this Bill of money being made available for this purpose is in the mention of the two trust funds though, of course, clause 3 (c) mentions such other moneys as may be provided by Parliament for giving financial assistance to primary producers affected by the drought.

No provision is made in the Budget for Parliament to make any contribution under this Bill, and I think this is a factor that the present Government must appreciate. It must realize that, until it is prepared to contribute, it is unreasonable to expect assistance from the Commonwealth Government. The amount of money provided by the two trust funds mentioned is so negligible and insufficient that little relief could be given. All honourable members realize that in the event of a natural disaster of this kind huge sums of money are required, as was the case in Queensland and New South Wales when the sum of \$35,000,000 was provided in one instance together with a further \$10,750,000 provided as a non-repayable grant.

I have said that big money is involved and I point out that the amount of money allocated by the present Government will be completely inadequate in satisfying the needs of the people affected. Or has the Government made the conditions so stiff in this legislation that it does not expect many people to qualify for assistance? I am not satisfied that the Government is making a genuine effort to assist in the present calamity faced by the State. It is not prepared to put up a sum of money that will adequately provide for the needs and claims that will arise under this legislation, and I believe the Government will realize this when the claims start to come in.

I suggest that the Government should give genuine, sympathetic consideration to the plea to make funds available from the Budget to meet this necessary assistance. After all, the Bill deals with more than drought: it deals with fire, flood, frost, animal or plant disease, insect pest, or other natural calamity. If we unfortunately meet other natural calamities then we shall have more than the present drought to face. That brings me to the question of whether the Bill cuts across other Acts, particularly those that provide for the payment of compensation. Recently we had an instance concerning the Cattle Compensation Fund where provision was made for that fund to be used for other purposes. A cattle primary producer would probably qualify under the

Cattle Compensation Fund for certain assistance, but, having done so, could he also qualify under this Bill? The answer, of course, is "no", because the Bill states that such a person can qualify only if he cannot obtain funds from another source.

I question whether it is necessary to bring the other categories into the Bill, because the main disasters we have to deal with in this State are drought, occasionally fire, and very occasionally flood. However, I realize that this is an emergency measure and I do not intend to delay the Bill any further at this stage. I am prepared to support the second reading.

The Hon. G. J. GILFILLAN secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2)

The House of Assembly intimated that it had agreed to the Legislative Council's amendments.

OIL REFINERY (HUNDRED OF NOARLUNGA) INDENTURE ACT AMENDMENT BILL

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

TRAVELLING STOCK RESERVE: LACEPEDE

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:

That the travelling stock reserve adjacent to sections 423, 523, 522 and 520, hundred of Lacepede, as shown on the plan laid before Parliament on March 14, 1967, be resumed in terms of section 136 of the Pastoral Act, 1936-1966, for the purpose of being dealt with as Crown lands.

MENTAL HEALTH ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from October 3. Page 2319.)

The Hon. A. J. SHARD (Minister of Health): I wish to say a few words in closing the second reading debate on this Bill and personally thank honourable members for the reception and attention they have given it. It is an important Bill and I hope that the remarks I shall make will not be misunderstood. It is necessary for me to say this, because the officers of my department are concerned. Much has been said about who should get the credit for bringing down the Bill. This Bill would have come before

Parliament had not one word been said in Parliament previously on this matter. I think everybody should be clear on that.

Regulations were prepared to do, in effect, what the Bill provides before one word was said in Parliament in connection with the Bill. I have no quarrel about that, but I wish to make that point clear on behalf of my officers who put in a tremendous amount of work on this subject long before it was mentioned in Parliament. The Crown Law Department took the view that the regulations were contrary to the Act and suggested that the Act be amended. The Government took action to do that, but it was only 48 hours later that anything was said. It was recommended that this Bill was the best way to overcome this difficult problem. I wish it to be known that the department was taking appropriate action before the subject was ventilated in this Council. I do not care two hoots who claims the credit or who gets the credit for introducing the Bill. My main concern is the unfortunate people in the community who need the help and attention they can get in a hostel of decent standards where there is humane feeling and proper care and attention.

I understand that the Hon. Mr. Hill has raised three questions, one of which can be dealt with without an amendment to the Bill. Another of his points dealt with a matter that I do not wish to go into, but there are two ways in which it could be approached. His third question was in connection with a defence to an offence. I shall move an amendment on that matter. Honourable members will have the opportunity to say how they want local government to come into this matter. I shall be perfectly happy whichever way it goes. I have discussed this with my officers and I have certain views on it.

I am grateful to the Hon. Mr. Hill and other honourable members for raising these matters and I appreciate all the kind things that have been said about me and the ready response the Bill has been given. It will be a pleasure for me to be able to tell my officers that the Council has accepted the Bill in the way we thought it would be accepted. The responsibility will be on the Government's shoulders and on the shoulders of its officers to see that the intent of the Bill is given effect to in the community.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6—"Repeal and re-enactment of Division V of Part IV of principal Act."

The Hon. C. M. HILL: I move:

In new section 87 to insert the following subsections:

- (5) Where—
- (a) the premises referred to in paragraph (a) of subsection (2) of this section are situated or proposed to be erected within the area of a council; and
- (b) the number of persons, it is proposed will receive care in the premises, will exceed five,
- then the Minister shall not grant a licence under subsection (1) of this section in respect of those premises without the written consent of that council.

(6) For the purposes of this section—

“area” means a municipality or district as defined in the Local Government Act, 1934-1967, and includes any area in relation to which any body corporate is, by virtue of any Act, deemed to be, or vested with the powers of, a municipal or district council as defined by that Act; and

“council” means a municipal or district council as defined in the Local Government Act, 1934-1967 and includes any body corporate which is by virtue of any Act, deemed to be, or vested with the powers of, such a municipal or district council.

Hostels that will house more than five people are, of course, commercial establishments and will be set up by people who enter business of this kind just as a person enters business when he establishes a private hospital or a rest home. Just as local government has some say in the siting of establishments such as rest homes, private hospitals and other commercial enterprises, so these hostels should be approved by the local council concerned. That is the effect of my amendment. The intent of the amendment is not to force these hostels into areas where it would be undesirable for them to be established—commercial, industrial areas, etc.

Local government can be trusted to see that the hostels will be permitted within their areas where local residents will accept them. There is no purpose in one of these hostels being established in a residential area where the local residents will shun these people. We want the residents and those accommodated in the hostels to live in close and happy relationship and harmony.

I think the obligation can be accepted by local government, and that local government will fulfil that obligation with the responsibility that we surely all know it possesses.

The Hon. JESSIE COOPER: I am not going to vote for the amendment, because I

agree with the Government that this matter has to be handled with extreme urgency. Unlike the Hon. Mr. Hill, I fear that if the amendment is carried some delay will take place. No matter how responsible they are, local government bodies are made up of individuals, and the average individual still has a great prejudice against mentally-ill people. This prejudice is based on fear, and fear is based on ignorance. The idea of Mental Health Week, which is this week, is to teach the public that mental trouble is not something to fear; it is right throughout our community, and it is something for which we must take responsibility.

I therefore consider that the Government, the Director of Mental Health and his officers are the ones to decide this matter and that it should not go back to local government. We should at least see how this works. The Bill is a step in the right direction, and I am afraid that this amendment could cause trouble and delay.

The Hon. A. J. SHARD (Minister of Health): I have no great quarrel with the principle expressed by the Hon. Mr. Hill. However, after discussing the matter with various people I think the proper place for the amendment is in the Local Government Act. The Hon. Mr. DeGaris said he would want some assurances that we would not override local government. I have discussed this aspect with the Director of Mental Health, and we have agreed that we will not license these places without first notifying the local authority and discussing the matter with it. I should like to see that point of view accepted. Next session it will be somebody's responsibility to see that the amendment suggested by the Hon. Mr. Hill is placed in the Local Government Act, along with all the other provisions.

The Hon. C. M. Hill: Section 550.

The Hon. A. J. SHARD: Yes, I think that is the appropriate place. We would be in difficulties if we had one provision in this Act and another provision somewhere else. I give a personal assurance that before any of these places are licensed the matter will be discussed with the local government authority concerned. I think we have licensed three such establishments during my term as Minister, and we have had no complaints about them. One such place that the Hon. Mr. Rowe would know about could not be distinguished from an ordinary house. I think that next year the amendment could be inserted

in section 550 of the Local Government Act without any difficulty and without hurting anybody.

Amendment negatived.

The Hon. A. J. SHARD: I move:

In new section 88 to insert the following subsection:

(3) In proceedings for an offence that is a contravention of subsection (1) of this section it is a defence for the person charged to satisfy the court before which he is charged that he did not know and could not by the exercise of reasonable diligence have been expected to ascertain that the person in relation to whom it is alleged that the offence was committed was a patient permitted under section 86 of this Act to reside in a psychiatric rehabilitation hostel.

I think this amendment is self-explanatory. The Government considers it desirable, and I think it will be acceptable to the Committee.

Amendment carried; clause as amended passed.

Remaining clauses (7 and 8) and title passed.

Bill reported with an amendment. Committee's report adopted.

APPROPRIATION BILL (No. 2)

Adjourned debate on second reading.

(Continued from October 3. Page 2313.)

The Hon. C. D. ROWE (Midland): I support the Bill. I congratulate you, Mr. President, on the excellent way in which you are maintaining the dignity and carrying out the responsibilities of your position. It is a great satisfaction to me to know that you enjoy (as we all expected you would) the affection and esteem of us all. It is obvious that you enjoy the respect of this Council and that you bring dignity and efficiency to your office. I believe that traditions and dignity must be observed in our Parliamentary institutions. I am sure we are all very grateful to you for the way you carry out your duties.

It will probably be necessary for me to refer to water, because that seems to be a matter that attracts the attention of Ministers. If I think that interest is lagging, I may have to return to that subject. We have now had two and a half years under the present Government, and we are beginning to see the pattern that is developing as a result of its administration. As I assess the position, the problem we are up against today regarding the development and progress of our State is that we have an Administration which is Socialist, which admits it is Socialist and which adheres to Socialist policy.

The Hon. A. F. Kneebone: Democratic Socialist.

The Hon. C. D. ROWE: I do not mind adding that word, although I could use some other adjectives. It appears to me that the Socialist, because of his beliefs, has an inbuilt incapacity to appreciate the value of private industry, because basically he is opposed to its establishment and extension. Consequently, we have a Government in South Australia that is committed to the socialization of our various means of production, distribution and exchange. Whilst it is committed to that and believes in that policy, at the same time it has to try to impress people with the idea that it really has some confidence in private enterprise and that it would dearly like to see private industry established.

The Hon. A. F. Kneebone: You did not give the full wording of the policy.

The Hon. C. D. ROWE: I do not know the whole thing off by heart. Looking at the history of the Labor Party in this State, we see that it has from time to time shown in clear terms its opposition to private industry. I was reading for my own information from *Hansard* of 1955 the motion moved by the late respected Leader of the Australian Labor Party in this State, Mr. O'Halloran. In 1955 he moved that the State Government should take over the assets of the Broken Hill Proprietary Company Limited in South Australia. It is interesting to read the comments of various gentlemen who were in another place at that time, one of whom now occupies, for the time being, the position of Premier and Treasurer. If we read those statements, we realize something of what he really thinks about successful private enterprise. When a Government has this kind of thinking and belief and has actually moved in another place to take over the assets of one of our most successful industrial concerns and this percolates through to people who are thinking of establishing in South Australia or expanding their industry here, we can appreciate the Government's difficulty in trying to sell the idea to the public that it favours the development of private enterprise.

The Hon. A. F. Kneebone: Your Government took over the assets of a certain company in South Australia at one time.

The Hon. C. D. ROWE: But there were peculiar circumstances relating to that matter.

The Hon. A. F. Kneebone: There always are.

The Hon. C. D. ROWE: Nobody suggests that we need two electricity lines running down the same street. I admit that, by their very

nature, such things as electricity supply, water supply and railways are probably the responsibility of, and should be run by, the State; but that does not apply to certain other business undertakings. This is the problem facing the State Government at present. Private industry recognizes and appreciates that we have a Government in power which is basically opposed to it and which does not understand its problems. Because of that, we find ourselves in our present position.

I had the privilege last year of travelling overseas, and I am indebted to the Government for the help it gave me in that connection. Whilst overseas, I was in England for some time; I was there when the British Government was in almost as much financial trouble as our State Government is. The pound sterling was in a delicate position.

The Hon. S. C. Bevan: It was the result of the policies of previous Conservative Governments.

The Hon. C. M. Hill: You always blame someone.

The Hon. S. C. Bevan: That is what your Party keeps doing.

The Hon. C. D. ROWE: It was the result of the Labor Government's own policy. I was just going to mention that, because that highlights the distinction between the position there and here. The position there could not have been the responsibility of the previous Government; but our present financial position does not arise from the policy of the Liberal Government. A different example was set by the Playford Government. It is a pity that that was not followed. However, around the world wherever Socialist governments are in power, there is a falling away in the economic development and expansion of the country in question. In Great Britain people are wondering what the future holds for them; they have lost confidence in this type of Administration. In the other democratic countries that have got away from the Socialist idea there is tremendous progress and expansion. We shall never have progress and expansion in South Australia while we have a Government basically opposed to private enterprise.

The Hon. S. C. Bevan: Is that why the Commonwealth Liberal Government ran away from its responsibilities in the Commonwealth sphere during the years of the Second World War? It got out while the going was good.

The Hon. C. D. ROWE: Whatever the Commonwealth Government may have done in the war years is now history. For a long time since the war years the people have

been keeping the Liberal Government in office in Canberra. If honourable members read the results of last November's election, they will find that my statement is true. The Socialist idea and principle may be satisfactory if everybody is perfect and uses his talents and ability without needing some incentive; but we have not yet reached that stage in our development, and everybody needs some incentive or reason if he is to give of his best and use his talents for the benefit of the community.

One of the things that has given me most satisfaction during the course of my work as a solicitor is to look at people who started off in a small way, in some small business enterprise or on a small farm, and who by hard work and by labouring for more than 40 hours a week and giving of their best to their work have gradually created around themselves a successful business, farm or enterprise of some kind. It is something to which they can look back as the crowning achievement of their life's work. While we encourage that type of thing and people feel that the taxation and general laws of the country encourage them to do this, they will continue to do so; but when we have a Government which is against the establishment and advancement of private enterprise and which says, "If you make a success of this we shall take it away by way of succession duty", at that point of time people lose initiative and incentive and say, "Why should we be involved in all this type of activity when we shall be denied the fruits of our labours and there is no future for us?" That is what many people in this State at present think and believe, and that is the difficulty confronting this Government in its attempt to attract industry to South Australia in an endeavour to advance our State. That is why Dr. Forbes, a Commonwealth Minister, said that we in South Australia were in a sea of stagnation when the rest of Australia was in a world of plenty—or words to that effect.

The Hon. A. F. Kneebone: Not many people take much notice of what Dr. Forbes says.

The Hon. C. D. ROWE: What I have said is, basically, the problem with which this Government is confronted. It is not that the Ministers are not trying to do their jobs or are not conscientious. They are, and they are giving of their best of their abilities, but it is not much good if they are travelling on the wrong road and do not know where they are going. In other words, there is rapid motion but no progress.

The Hon. S. C. Bevan: How do you explain the expansion of the rubber industry and the motor car industry in the State if we are stagnant?

The Hon. C. D. ROWE: I shall have a little more to say about expansion in a minute. Secondly, in general terms, I criticize the Government in that the most important matters requiring urgent decision and action by the Government are being shelved and not being tackled with the energy and enthusiasm that the Government should show. The first matter is our transport policy. Before the last election the Labor Party in its policy speech referred to the need to get our transport policy into line. However, when the Labor Government took office it found it was in difficulties in respect of its promise to exempt Eyre Peninsula from the provisions of the ton-mile tax.

It was in connection with this matter that I experienced one of the most humorous afternoons I have had in this Council. We had waited for some months for the Labor Party's policy to be implemented, and then one honourable member asked when it would carry out its promise. The Chief Secretary picked up his copy of the *News*, which sometimes is described by a different name, and read it with alacrity. The Minister of Transport looked furtively at the Minister of Roads, who produced a crumpled piece of paper and said, "We have now decided that we cannot do it." Since then the question of getting our transport situation ironed out has not been attended to, and nobody knows what the policy is. This is inhibiting the industrial growth in this State.

The Hon. A. F. Kneebone: There is a Royal Commission in progress.

The Hon. C. D. ROWE: That may be so, but we still do not know what the answer will be, and it is urgent that we get on with this matter.

The Hon. A. F. Kneebone: We do not give the answers to Commissions, as the Playford Government may have done. We wait until they make decisions.

The Hon. Sir Arthur Rymill: You did with the Licensing Royal Commission.

The Hon. C. D. ROWE: The Labor Government adopted its own interpretation in respect of that Commission. It is interesting to note that the thing in which the Government is most interested is railways. Let us consider what has happened to the Railways Department over the last 12 months. It increased freight rates by 10 per cent on

August 1, 1966, and it increased suburban passenger fares by 15 per cent on October 1. Also, country passenger fares and some other charges were increased by 10 per cent on October 1, 1966.

Consequently, there has been an increase of between 10 and 15 per cent in fares and freights. Also, during this period the department's working expenses increased by \$1,580,000, and it is interesting to note that the largest proportion of this increase was taken up by salaries and payroll tax, which absorbed \$1,239,000. The net result is that, notwithstanding that its fuel bill was less, there was an increase of 4.85 per cent in the department's overall running costs. We are told from time to time that the increases that this Government has imposed are marginal, but I do not regard increases in charges of between 10 and 15 per cent and an overall increase of 4.8 per cent as marginal. If we must bear that kind of increase every year we will lose our cost advantage in relation to other States.

Included in these figures is the sum of \$654,000, which was earned by the Railways Department in connection with the transport of commodities to the Chowilla dam site. Of course, these earnings will not be repeated this year. So, the net result, notwithstanding the increases in fares, is that the railways incurred an operating deficit last year of \$9,578,974. In the previous year they incurred a deficit of \$9,010,752. So, in spite of the increases in freights and fares, the department's deficit increased by \$568,000: it went backwards by more than \$500,000. This increased deficit will ultimately be an additional charge on revenue.

I was interested to find that, notwithstanding last year's loss and notwithstanding that last year was a fairly good year, it is expected, according to this year's Budget, that the department will receive about the same amount by way of freight charges as it received last year. In his Financial Statement the Treasurer said:

The estimate of \$30,440,000 for cash receipts from fares and freights of the railways services is \$356,000 above the actual receipts of last year. An increase of about \$300,000 will flow from the operation for a full year of increased book rates which came into force last year, and about \$330,000 will be due to the fact that no further increase in outstanding accounts is expected in 1967-68, whereas 1966-67 cash receipts were reduced because of a temporary increase in outstanding accounts at the year's end. There will undoubtedly be a number of variations as between the two years 1966-67 and 1967-68 in the volume of carriage of various commodities and in special contract rates, and the net effect of these variations

could be to reduce revenues by almost \$300,000. Overall then, cash receipts are expected to increase by \$356,000.

From the viewpoint of accurate budgeting and in the light of the events that have happened (and I do not blame the Government for not knowing in advance what kind of season we would experience) unfortunately we must expect a considerable falling off in freight receipts for wheat, barley and wool. The Railways Department's loss increased by \$500,000 last year, and unfortunately we must expect another equally great, if not greater, loss this year.

I think this has not been adequately provided for by the Government in the Budget. This will mean that there will be a short-fall in the amount of revenue that will ultimately be received and that some other avenues of obtaining this revenue will have to be found.

The third matter that needs to be emphasized is that the Government particularly the Treasurer, appears to have an inbuilt inability to drive a really hard bargain on important matters that should be brought to a conclusion. I do not wish to canvass all the arguments regarding this State's water supply and the Chowilla dam. Everyone knows about the dam's importance and history. However, it should have been obvious to a keen politician and to a keen Treasurer at the moment he received the tenders for the dam and found they were much higher than was earlier expected that there would be trouble with the River Murray Commission and with the Premiers of the other States in implementing the plans for the dam.

I think the Treasurer should at that time have taken the question up with the other States as a matter of urgency and should have done much ground work to ensure that, when it was handled by the River Murray Commission, people would know where they were going and what was likely to happen. However, once the tenders were opened they were left lying on the Cabinet table and nothing was done about them until our representative attended the meeting of the commission. Apparently he was without any instructions concerning his attitude, he was faced with a suggestion for a postponement of the work and he had to telephone the Treasurer.

As I understand the situation, when he got in touch with the Treasurer he was given the nebulous reply, "Use your own judgment". I understood that the responsibility of a Minister was to give a lead in these matters, and I

think that that was bad management as far as the Treasurer or Minister of Works was concerned. What should have happened was that we should have objected to the adjournment of the construction of the Chowilla dam, but instead of that our representative on the commission was, unfortunately, left on his own, used his own judgment, and he agreed to the adjournment.

Then came this remarkable statement by the Treasurer—and this is the criticism I make about the Government not appreciating the seriousness of this major issue—and it was his first comment when he heard of the position that had developed, and when everybody else realized the seriousness of it. I read the report of the Premier's statement in the press. It was, "We will be in trouble in 10 years' time with regard to our water supply." The point realized by everybody is that it will not trouble us in 10 years' time, but trouble us now. I cannot understand how any responsible Minister can satisfy his conscience, let alone satisfy the people of South Australia, when he makes a statement that this is a matter that can be solved in 10 years' time. I repeat the third point I make: the most important matters regarding the development of this State requiring immediate attention and action as well as decision by the Government are being shelved. I do not want to labour it because it has been mentioned in this Chamber before, but I do not think we received as satisfactory a deal as we might have received regarding offshore oil rights between Victoria and South Australia. If we had stuck to our guns we could have driven a much better bargain.

The fourth point I make is that there appears to be a complete lack of budgetary control and almost a complete lack of any cost control of financial affairs in this State. I realize that the Government has got into a difficult situation, but I was astounded when I read the Financial Statement produced by the Treasurer to this Parliament regarding the financial situation. I shall read merely the relevant portions of it. The Treasurer said:

The Government has already presented its Loan works and borrowing proposals, and these have been approved by Parliament. It has proposed to recover the earlier over-spending of some \$1,206,000 and to secure by June next a close balance in Loan Account without any diversion of borrowed money to finance a revenue deficit. Indeed, the Government believes it would not be proper and in the interest of employment and progress in the State to make any such diversion.

Now follow the important words, and I hope everybody in South Australia will understand them:

Accordingly the only recourse open to the State is to finance its proposed deficit by some further utilization of balances held in its trust and deposit accounts.

In other words, that is the only alternative that faced the Government. We have reached the stage of a Cabinet meeting one afternoon; and an item has arisen on the agenda which I have previously called "finance, shortage of". The Treasurer is then placed in the position of having to say to Cabinet, "Accordingly, the only recourse open to the State is to finance its proposed deficit by some further utilization of balances held in its trust and deposit accounts." That is to say, we have reached the stage where, if we are to continue to pay our wages when they fall due, we have to borrow from the trust and deposit accounts.

I never imagined that I would live to see the day when our State finances would be in a position where the Treasurer would be forced to go to Parliament and in his Budget statement place on record for all to see that the only way the State could carry on and meet wages bills was to have recourse to the trust and deposit accounts. For any Government to get its finances into that state of affairs is most reprehensible and it is certainly deserving of some criticism from the public. The public is entitled to know what these deposit and trust accounts consist of. I quote further from the Budget speech of the Treasurer, as follows:

On June 30, 1967, as a result of having secured a current balance on Revenue Account and a reduction of outstanding deficit on Loan Account, the Treasury had used for temporarily financing deficits \$6,711,000 . . .

Therefore, the Government has taken from trust funds, in order to help the situation temporarily, the sum of \$6,711,000.

My first question is: what does the word "temporarily" mean? What period of time is involved? What does the Government propose to do about putting that money back? I cannot see anything in this year's Budget that shows where these moneys are to be replaced, and it is obvious that this is going to be left in the lap of the next Government.

The Hon. C. M. Hill: This is the second year it has happened.

The Hon. C. D. ROWE: Yes, it is becoming chronic. What I object to is the Treasurer's presenting the Budget to Parliament and saying that he had borrowed temporarily from these accounts without then making any pro-

posal or suggestion as to how those moneys should be replaced. That is my first criticism. My second criticism is: if these moneys were to be borrowed, then it would have been at least courteous if the people from whom they were to be borrowed were advised that such moneys were to be taken and told the basis on which they would be taken.

When looking through the schedules of the Auditor-General's Report it is interesting to note some of the people to whom these moneys belong. For the record, I would like to quote from that report, and I am using information available in statement H attached to the Auditor-General's Report. The money that the Government has borrowed to pay wages to the extent of \$6,711,000 comprises, in part, the following organizations:

	\$
Commissioners of Charitable Funds	1,243,000
Crippled Children's Association	58,000
Legacy Clubs	33,000
Police Pensions Fund	156,000
Anzac Remembrance Appeal	135,000
Sailors' and Soldiers' Distress Fund	112,000
State Children's Own Moneys	19,000
World War II—Services Welfare Fund	145,000

They are the people financing the State and enabling it to pay its wages. Statement F deals with deposit accounts, and some of the moneys to be used from that source concern:

	\$
Country Secondary Industries Fund	31,000
Government Insurance Fund	609,000
Housing Loans Redemption Fund	118,000
Primary Producers Assistance Department—Debt Adjustment Fund	804,000
Farmers Assistance Fund	211,000

Those are the people whose moneys are being taken to pay our wages and the wages and salaries of public servants. They were not communicated with in order to obtain approval for using such funds, nor is there any suggestion when the moneys will be repaid.

Fortunately (or unfortunately, depending on the way the matter is looked at) this Chamber is supposed to be a House of Review and consequently it is not possible for honourable members to introduce a money Bill. However, if I were in another place I would introduce a Bill that, where the Government proposes to use any of the money in trust or deposit accounts, it must first obtain the written consent of the people in the organizations concerned before attempting to take it away.

I think honourable members can see the financial position in which the State could be placed, and it is not a satisfactory position. The unfortunate thing is what is likely to happen to our railway revenue because of the bad season we are experiencing. I have mentioned what is happening as a result of the increases in costs in this State which we have been told are marginal increases. However, when I look at the Chowilla dam project I am not persuaded that they are marginal increases. When we realize what is happening to costs and when we regard to the season, we can see that the truth is that the Budget will never be attained and the figures will never work out in the way the Government hopes they will.

By May next the Government will be looking for another \$4,000,000 or \$5,000,000 to balance the Budget. If the Treasurer then is the same as the one we have now and he gets to the situation where he says, "The only way we can balance the Budget is to have another lash at the trust funds", we will be in great difficulties. Although what the Treasurer has done in trying to balance the Budget is legal, by then something should be put on the Statute Book to say that the Government cannot eat into the deposit funds to any further extent without the approval of Parliament and without the express approval of the organizations concerned.

I do not know what is a safe figure, but I have reason to believe that the Treasurer has gone as far as he could go in this matter. I can see that there will be three or four difficulties confronting this Government or the Government that succeeds it in April. The first is that there will be a deficit of between \$4,000,000 and \$5,000,000, and the only way the Government can get out of that deficit is to resort further to the trust funds.

The Hon. R. C. DeGaris: Is that over and above the Budget?

The Hon. C. D. ROWE: Yes. I do not think the Government will achieve the figures set out in the Budget. It will fall behind, for that has been the experience of this Government. If there is any alternative it must be further steep increases in taxation. I do not see how that can be avoided. It will be disastrous to the State, because whatever happens between now and the end of the year it will not be a good year from the primary producers' point of view or from the point of view of earning export income. The State's revenue from all sources will be down. Under those condi-

tions, to set about imposing further increases in taxation would be calamitous as far as the State is concerned.

With all the good will and generosity in the world I do not think the situation is as rosy as we have been led to believe. I think the State is being led up the garden path. When one considers the kinds of increases the Government can embark on, one shudders to think of the fields that the Government will enter. Undoubtedly it will have another attempt at increasing succession duties, which hit the man on the land harder than anybody else because he must have a big capital investment to enable him to carry on his operations. Consequently, he is the man who gets hit the hardest. I shudder at the thought of going into country areas where people have just experienced a severe drought and, on top of that, telling them that the Government is imposing additional succession duties, land tax and freight charges. That will be the story, and that must be looked at seriously.

Regarding the operations of the Housing Trust during the last 12 months, at June 30, 737 houses had been sold and occupied by purchasers who were awaiting finance from lending institutions. Included in that figure are 171 houses that had been repossessed. In addition, \$14,000 was overdue by purchasers of sale-type houses who were required to pay only a nominal rent while awaiting finance from a lending institution. At June 30, there were 737 houses in respect of which no satisfactory financial arrangement had been completed, and there were 637 houses awaiting sale, which represented a capital investment of \$6,463,000 and which was not earning any interest at that time.

If an asset is not earning income for a long time it must have a serious effect as far as the financial arrangements are concerned. During the year the trust's income was up by 7 per cent but its expenditure was up by 8 per cent, so unfortunately the trust, which has always been the envy of other States as a housing authority, is getting itself into the position where its rate of expenditure is increasing faster than its rate of income. That position cannot continue indefinitely. The trust cannot continue to spend more than it earns and remain in business. If the trust continues in this way its operations must be looked at very seriously, and either rents must be increased or expenditure must be curbed if it is to carry on.

I wish to mention the report on the operations of the Electricity Trust for the year.

Although I do not want to go into all the figures, some homework needs to be done regarding the future of this organization. The surplus on the 1965-66 operations was \$954,000 and the surplus on the 1966-67 operations was only \$518,000. The surplus that the trust was able to earn was reduced by almost 50 per cent in the last 12 months. If that happens in the next 12 months (and it may very well happen, when the trust will have to face increases in charges and other expenses), it will mean that at June 30, 1968, the trust will only just balance its budget. With an organization of the size of the trust, with the efficiency with which it is run, with the increasing demands on it, and with the importance it is to the economy of the State, the trust must be kept on a strong financial basis at all costs.

The trust will not be able to do that if it cannot show any surplus on its operating activities. Consequently, this is further evidence I produce to show that, while the Government is continually saying that increases in costs are only marginal, as far as the trust is concerned the increases in costs have absorbed its profit. I think that, unless something unforeseen happens, the State will be at the point of having to stand up to increased electricity charges for light and power in South Australia, and that will be disastrous to its economy. This is another evidence, if any is needed, that the Treasurer's statement that cost increases are only marginal is something that really needs examination.

Regarding hospitals, I notice in the report that the amount outstanding to the Royal Adelaide Hospital in respect of motor vehicle accident cases at June 30 was \$601,000. This is something that is causing us very great concern. It does happen in the nature of things that motor vehicle accident cases sometimes take up to two or three years before they are brought to conclusion, and in the meantime the hospitals have to stand the responsibility of carrying these debts.

I think shortly after this Government came to office the Chief Secretary was having a look at this matter to see whether some scheme could be devised whereby we could arrange to pay the hospital out of some fund and so avoid this wastage of money. I do not know what progress has been made in that matter, but I would like to see a real attempt made to tackle this problem. I notice that hospital benefits are not paid to patients in mental hospitals, and I cannot understand why that should be so. There must be a reason for it.

The Hon. A. J. Shard: They do not even get their pensions: the Government takes it away from them.

The Hon. C. D. ROWE: That is so. If this is a criticism of the Commonwealth Government—

The Hon. A. J. Shard: Irrespective of who is responsible, it is not just.

The Hon. C. D. ROWE: I think that is something that ought to be looked at.

The Hon. A. J. Shard: I can assure you it is looked at every year.

The Hon. C. D. ROWE: I accept the Minister's assurance on that. I cannot see any difference between patients suffering from physical disability and patients suffering from mental disability.

The Hon. A. J. Shard: I cannot see the difference between a patient in the Royal Adelaide Hospital and one in the Glenside Hospital, but the Commonwealth Government apparently can.

The Hon. C. D. ROWE: I agree with the Chief Secretary on that matter, and I think it is something that ought to be taken up. The other thing I want to say about hospitals is this: as the Chief Secretary knows (it is a matter on which he has given some sympathetic consideration), we have a problem regarding the Aborigines from Point Pearce who are patients in the Maitland Hospital. Unfortunately, they do not pay their accounts, and the amount owing to the hospital by these people has been an embarrassment to the hospital in connection with its financial affairs. I am pleased to say that the Chief Secretary is giving (I think) favourable consideration to this matter and that he has some proposal regarding it.

I think that most of the people who are at Point Pearce are employed by the Government and are doing work for the reserve, and I think there ought to be deducted from the amounts paid to them a fee which would be necessary to enrol them as members of the Mutual Hospital Association. If that were done, they would be insured and this difficulty would be overcome. Those people would then know that they were assured of hospitalization if and when they became unwell. I believe the Government has some objection to that procedure. However, there are many people throughout the State who arrange for these amounts to be deducted from their wages, and I cannot see any objection to this solution. I sincerely hope that what I have suggested will have favourable consideration.

I am indebted to honourable members for the courtesy they have shown during my speech, which has been longer than I had intended. I have not dealt with the question of water quite as fully as I might have done, because the Ministers seemed reasonably interested in what I was saying without my having to throw out that particular bait. The future of this State is something that concerns us all, and it is something which is very much in all our minds at the present moment. I think the matters I have raised need careful consideration if we are to develop as we all sincerely hope we will.

The Hon. G. J. GILFILLAN (Northern): I commend the previous speakers for the very constructive attitude they have taken towards the problems which face the State and which are highlighted in not only the Auditor-General's Reports of the last two years but also in the financial proposals for this coming year. On studying these documents in detail, I find a number of conflicting statements. It is very obvious that the Government, despite having been in office for more than two years, is still not getting down to basic principles in trying to solve the problems which have beset this State ever since it came to office.

When we look at the Government's first year of operations (1965-66) we find that it budgeted for a deficit of \$3,082,000, whereas the actual deficit was \$6,834,136, and that was in a year when we had a near-record wheat crop in South Australia. We have a near-record production in many fields, both primary and secondary. In 1966-67, the year just completed, the Government budgeted for a deficit of \$2,316,000. We find that at the close of the financial year there was a change in the financial practice and that obligations that were previously met out of Consolidated Revenue were transferred to the Loan Account. The Auditor-General's Report states:

In 1966-67, due to changes in financial policy, some capital grants for university and advanced education buildings (net payment \$1,900,000) and non-government hospital buildings (\$5,002,000) were met from the Loan Fund. In addition, \$100,000 was provided from the Hospitals Fund for payment of subsidies to institutions and a hospital. Further, an amount of \$1,000,000 was recovered from the Highways Fund in accordance with section 31a of the Highways Act.

This in total is about \$8,000,000. I consider that a Budget is balanced in actual fact rather than in theory when expected revenue is sufficient to meet the expected expenditure. By "revenue" I refer to money coming from charges, taxes and Commonwealth reimburse-

ment. We have here a total of some \$8,000,000 against an estimated deficit of \$3,082,000, again in an almost record year of primary production in South Australia.

Now in the Budget before us for 1967-68 we have an estimated deficit of \$3,967,000. We find a contradiction here. We have the following statement from the Treasurer regarding the current year's programme:

The estimates of receipts have been compiled with some modest anticipation of improved revenues from an improving economy.

This is in a year which, as our Ministers are fond of saying when referring to the water shortage, is one of the driest on record. As has been stated by previous speakers, we face a year of depressed incomes throughout most of the State; many farmers will suffer great reductions in their income—in fact, many will receive no income at all and will be working at a loss; possibly, they will have to live on borrowed money for at least another 15 to 18 months until returns are received in early 1969. This is a position of near-calamity, if it does not rain almost immediately. Even with good rains now, we shall still suffer greatly reduced State production. Yet this is the sort of statement we have from someone who should be responsible, the Treasurer of the State, who said that the estimate of receipts had been compiled with some modest anticipation of improved revenues from an improving economy.

In conjunction with the Budget and the financial provisions for this year, we must also consider legislation, both passed and proposed, for the year. In introducing this Bill, the Chief Secretary stated:

In framing its financial proposals for 1967-68, the Government has had regard to the necessity of encouraging a clearly improving economy and avoiding any action that might inhibit increased activity in industry, commerce and employment.

That is similar to statements made by the Treasurer, both on television and in the press on several occasions, paying lip service to an interest in maintaining a low cost structure in this State and making South Australia more attractive to those wishing to settle here. Yet at the same time we have a legislative programme that directly increases the costs to any enterprise wishing to establish here. There are these increased costs and at the same time there is this statement that tends to create the impression that it is not intended to increase costs. In this Budget provision is made for increased Government expenditure, increases that will apply also to the whole economy of the State.

The general picture has been covered capably by the Hon. Mr. Rowe and other speakers. I hope the Government will come to grips with the situation, particularly in considering drought relief, for which no provision is made in this Budget; and that it will look again at some of the foreshadowed legislation, because our financial position is deteriorating. This Budget will ensure that it deteriorates further. We must remember that at the end of this year there will be another large influx of young people from school seeking employment. The Government should change its policy and whole outlook in view of these seasonal and economic emergency measures that we now face.

I shall not refer in detail to matters already covered by other speakers but I turn to local government and its future. It plays a vital part in our Parliamentary system. It lives close to the people and deals with matters of local interest more efficiently than any centralized authority could. However, local government costs are increasing rapidly for reasons beyond its control. An increasing responsibility is being placed on local government by Parliament. For instance, there are two such matters before this Council at the moment, in the form of regulations. One is a regulation dealing with building inspectors, laying down the qualifications that must be held by anyone acting for a council as a building inspector. The other one deals with accounting procedure. I do not suggest that this is not necessary, but it does add to the cost of local government.

Recently, we passed a Bill (and later regulations) placing a heavy extra cost burden on councils administering the weights and measures legislation. Also, many councils in the last few years have discovered that their contributions towards matching grants from the Highways Department are increasing substantially. In fact, some councils interested enough to compare figures over the years have found that this increase is alarming. A further problem, probably bigger than any I have mentioned, is that so much of the work of sealing of main roads in district council areas is now handled by the Highways Department. Once the work is done, the Highways Department takes full responsibility for ensuing maintenance. The councils are finding that the lengths of road within their areas for which they are responsible are diminishing and the grants for these roads are no longer available to them. I hope the Minister will look at this closely. I do not doubt his good will towards local government but in many ways his hands are tied.

The Hon. S. C. Bevan: Can you name some councils?

The Hon. G. J. GILFILLAN: I could name several councils but I do not wish to publicly.

The Hon. S. C. Bevan: Would you name one?

The Hon. G. J. GILFILLAN: I have no doubt that the Minister is well aware of district council areas where this problem occurs. In fact, one council in particular has a main Highways Department depot within its boundaries. This position will undoubtedly become worse as time goes on.

My remarks are not intended as a reflection on the Minister's interest in local government. I realize that there has been a big drain on the Highways Fund, which was brought about by the way in which the Treasurer balanced his Budget in 1966-67. We must take into consideration the repayment of \$1,000,000, plus the many new bridge works and the new Highways Department building which, in the past, would have been partly financed by Loan funds, but now must be paid for out of the Highways Department's revenue fund.

I took out some figures from the Auditor-General's Report, and it is interesting to see how the amount of money invested in highways plant and machinery has increased over the last two years. In 1963 the plant and machinery of the Highways Department was valued at \$7,073,420; in 1964, at \$7,063,428; in 1965, at \$7,094,450. In other words, the value remained more or less constant over those years. However, in 1966 we find a sharp increase to \$7,801,744, and in 1967 another steep increase by \$916,000 to \$8,717,407.

The new purchases for 1966-67 amounted to almost \$3,000,000, but after trade-ins and allowances have been taken into consideration this figure is reduced to an increase of \$916,000. It is interesting to note that in the same year the advances to councils and corporations for roadworks and plant (I am speaking of advances, as distinct from grants) were down to \$1,091,000 from \$1,376,000—a decrease of \$285,000. So, we find that on the one hand the plant and machinery of the Highways Department is being used to a considerable extent but on the other hand loans to councils for this purpose are falling.

The Hon. S. C. Bevan: The councils do not replace new machines every year, do they?

The Hon. G. J. GILFILLAN: They do not replace them, but when we consider the average situation for all the councils in South Australia, I believe that this figure would not vary very much. The figure for advances to councils and corporations is lower than it was in 1962-63; in fact, the present figure is the lowest that we have seen over the last five years, as revealed by the Auditor-General's Report. I repeat that I do not intend this to be a criticism of the Minister. However, I do hope that in the interests of local government he will watch this trend in his department, because I believe that in many instances councils can do the work equally as well as the Highways Department, and in most instances a good deal more cheaply.

The Hon. R. A. Geddes: And they keep people in the district employed.

The Hon. G. J. GILFILLAN: As the Hon. Mr. Geddes has said, the councils employ people who are virtually permanently stationed in the district, as against the "floating" employees we find on Highways Department projects. I think my remarks about construction works apply equally to the question of maintenance. We find Highways Department gangs travelling 40 or 50 miles to do minor road repairs, and their working time is consequently cut to perhaps four hours a day, whereas this work could be done by district councils right on the spot much more economically. I could give instances of this but I do not wish to specify particular areas. This point should be closely considered in the interests of maintaining the position of local government in our administrative structure.

In view of the points raised during this debate I hope the Government will have a second look at some of the legislation proposed for the remainder of this session and devote its energies to finding a real solution to the problems besetting this State, which have been brought about through the adverse season and through the disastrous effect of the Labor Government's handling of financial affairs over the last two years. I support the Bill.

The Hon. V. G. SPRINGETT (Southern): After looking through the mass of figures submitted in the Budget, I have found that throughout these figures there are human and personal impacts upon individual people in this State. The highest amount of expenditure is for the Education Department, the next highest amount is for the Railways Department, and the third highest amount is for the Hospitals Department. Naturally, I make no apology

for directing my attention more especially to this last department.

I link with the Hospitals Department the Public Health Department, because the bulwark against disease and infection in any community is its public health services. It has been found throughout the ages that hospitals are really repair shops. Preventive medicine has probably done more for the good health of communities than all the hospitals put together. Until public health measures controlled mass infections, hospitals were akin to charnel houses; they were places that people dreaded to enter. The following are examples of public health services that must continue in order to prevent dreaded diseases striking again: tuberculosis diagnosis, preventive services, poliomyelitis immunization, clean potable water, adequate drainage, and efficient garbage disposal.

The sum of \$1,006,654 is provided for the Public Health Department. For that sum we get in addition our school health services, our poliomyelitis immunization campaigns, the control of communicable diseases and many other benefits, including clean food handling, wrapping of food, and maintenance of standards generally; we get all that for just over \$1,000,000. Yet public health cannot be separated from hospitals; the two go hand in hand. The Hospitals Department has been allocated \$22,150,233. I do not begrudge a cent of that sum, but is the State's thinking geared to the modern needs in planning for hospitals and health services?

Little more than half a century ago hospitals were regarded as places for the dying and the people in need of terminal care. Other people kept out of hospital if at all possible, but accident cases had to be admitted. To no small degree hospitals must still be used for terminal care, but nowadays, as the result of the creation of an increased degree of health consciousness, more sophisticated health services, control of infection in hospitals, and more complete and even personalized services, people have lost their fear of hospitals. Some people would go to hospital probably as readily as, or even more readily than, they would go to a hotel.

This change of attitude towards hospitals has led to bigger and better emporia of healing—hospital A has such and such, so hospital B must have the same. Antibiotics and allied drugs have removed the worry from hospitalization that used to exist. In many cases it is possible that hospitals have grown and developed in sophistication not just to meet

a need but to keep pace with an increasing demand for more and more care and attention. Has the day perhaps not come when we must ask ourselves where we are going in relation to some hospital buildings? Is there an economic limit to our ability to meet this need, or is there no ceiling? In becoming emotional about our hospital needs and services, do we tend at times to confuse desirability with need based on economy? What is our yardstick? I understand that the cost of building a hospital in Australia in 1950 was about \$3,375 a bed; in 1960, it was nearly \$12,500 a bed; and, in 1966, it was about \$22,500 a bed.

The Hon. C. D. Rowe: Is that figure for general hospitals?

The Hon. V. G. SPRINGETT: Yes, and I understand the figure will soon rise to \$33,750 a bed; in other words, 10 times greater than it was in 1950. Is there an economic limit to this? It does no harm to the community as a whole; in fact, it does it good. The problem with hospital buildings is that of catching up with the arrears of events. A hospital is put in a place and designed for what has happened or what the community needs, based on past experience. That is all one can do with most buildings, but the problem with medicine is that research is constantly looking and thinking ahead, so buildings cannot be planned until research has been put into practice. This is a world-wide problem. I ask again: do we need bigger hospitals? Can we afford too many small hospitals?

Building costs have soared and departments have multiplied. In addition to the increased costs of construction, there is the cost of maintenance, which has also soared. In the United States of America, which has reached a degree of sophistication both professionally and medically that has caused it to be used as a yardstick by many parts of the world that envy its luxuriant capacity for absorbing these costs, in 1954 the wages represented 56 per cent of the cost structure and, in 1964, 61 per cent. In 1954, to keep 100 patients in hospital required 207 general staff and, in 1964, 247 general staff. This is not in spite of but because of technical advances.

Hospitals and hospital services are victims of technical revolution, which brings tremendous benefits to the sick community but which creates problems. In most industries, such as the automobile industry, most technical advances are accompanied by a drop in the number of working staff required; more can be produced by fewer people; but it is exactly the reverse with hospitals, as every major

advance brings about the need for more and better trained employees and technicians. Heart-lung machines, vascular surgery, neurosurgery, linear reactors and cobalt bombs all require more staff, not fewer. It has been said that one x-ray machine of 2,000,000 volts used in cancer therapy can require up to 15 people of varying grades to keep it effective. I read just recently (and this was a world authority speaking at a congress in Europe) that one in nine girls would have to take up nursing in the future if the health service structure was not to break down. Where does it all lead us?

The Chief Secretary has stated that the State is short by 130 trained and 70 trainee nurses in 59 of the State's hospitals. The State is also short of doctors. In a few years the State will need 45 more doctors a year, allowing for death, retirement and other removals from the active sphere of the profession. A new hospital is to be built at Modbury, although for obvious reasons no provision has been made for this. A new teaching hospital is to be built near the Flinders University. Are these vital to the State? As far as the teaching hospital is concerned, most definitely, because it will produce more doctors, and as far as the hospital at Modbury is concerned I am sure it is desirable to fulfil an election promise.

No community or people in a country such as ours should be without every life-saving technique available, but that does not mean reduplication everywhere—a professional form of keeping up with the Joneses. Perhaps the time is not too far distant when the traditional concepts of hospitalization, hospital finance and hospital equipment will have to be jettisoned completely. The first essential is not bigger and better hospitals necessarily, and not just hospital services: it is more doctors and more manpower.

Here we come, of course, to the old, old story that there are not enough doctors. We must train more doctors. Therefore, I make no apologies for repeating that Modbury, valuable as it will be even as an annex to the Royal Adelaide Hospital for teaching purposes, is no solution. Until we can get a hospital associated with the Flinders University we shall have to go step by step with a shortage of doctors and a shortage of manpower. Our resources are inadequate for training at the moment, and although we are to spend \$22,000,000 on hospital services we are not getting our fullest value out of that money for the benefit of the greatest number of people.

I intended to mention other things, but they have been mentioned earlier. I should like

to re-emphasize one point made by the Hon. Mr. Rowe regarding the non-payment of hospital benefits to the people in mental hospitals. This is something that both professionally and as an ordinary citizen I have never understood, and I hope the day is not far distant when this policy will be changed.

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

CONTROL OF WATERS ACT

Adjourned debate on the resolution of the House of Assembly.

(For wording of resolution, see page 2041.)

(Continued from October 3. Page 2317.)

The Hon. R. C. DeGARIS (Leader of the Opposition): This resolution can bring practically every facet of South Australia's water problems into focus. No matter whether we start with the control of water in the area south of Mannum, with the supply to the metropolitan area of Adelaide, or with Chowilla, we can say that each one of these issues is tied to the other.

I congratulate the Hon. Mr. Kemp and the Hon. Mr. Story on the contributions they have made to this debate. I have listened to many debates in this Council, and I would say that the contributions made by these two honourable gentlemen (particularly the Hon. Mr. Kemp, if I may single out one) were amongst the most effective I have heard, for they really hit this whole problem on the head, so to speak.

Since the Hon. Mr. Kemp first entered this Chamber some four or five years ago he has continually drawn the attention of the Council to the growing problem of salinity in the Murray River. Indeed, he has constantly drawn attention to the overall problem of water in this dry State. In fact, in his maiden speech in this Council he dealt with the questions of pollution and salinity, and I think that at that stage he said that at some time in the future we would come face to face with this problem.

This problem is facing us this year. Not only has Mr. Kemp drawn our attention to Murray River water but he has also drawn our attention to the utilization of underground water supplies, on which many parts of this State rely. As I have said, this year we have come face to face with things about which the honourable member has warned us in this Chamber over a period of years.

South Australia's normal entitlement from the Murray River is about 1,250,000 acre-ft. I think every honourable member realizes that south of Mannum there are no controls

on the use of water. As pointed out by the Hon. Mr. Kemp, normal riparian rights exist in that area. While our allocation is 1,250,000 acre feet, we also face in the area south of Mannum (which includes two large shallow lakes) an annual evaporation rate of 770,000 acre feet. Indeed that figure could be conservative.

Having listened to the speeches made by the Hon. Mr. Kemp and the Hon. Mr. Story, I should like the Government to explain to me what this resolution will achieve. If I understand the contention of the Hon. Mr. Kemp (and I am certain that the Minister in this Council listened very keenly to the views he put forward), the control of water south of Mannum will not preserve one extra drop of water to this State. The honourable member's reasoning in coming to this conclusion was very sound.

The Hon. Mr. Kemp came to the conclusion that this resolution could possibly assist one honourable member politically. This may or may not be so. However, I should like the Minister in his reply to say exactly what this resolution will achieve in relation to the preservation of any water supply to South Australia. I should like him also to say whether this control will guarantee a supply of water to those people it brings under control. Also, will it guarantee any quality of water to those persons drawing water south of Mannum?

I think the Hon. Sir Norman Jude made a very worthwhile point when he said that water south of Mannum was not firsthand water but secondhand water. Indeed, we can go much further and say that that water could be third, fourth or even fifth-hand water. One can see that with the evaporation potential in Lakes Alexandrina and Albert the quality of water this year south of Mannum could reach the stage where it would be unsuitable for irrigation purposes.

Can it be said that this extension of the Control of Waters Act to the body of water south of Mannum will assist in any way? Some of the reasons put forward by the Minister of Labour and Industry to justify this control indicated to me that the Government had not fully grasped the essentials of this matter. The question of the quality of water that will come down the Murray in this dry year was dealt with very thoroughly by the Hon. Mr. Kemp, and I think everyone in this Council appreciates that the honourable member did not exaggerate the position.

In order to protect the very small reserves of reasonable quality water that we now have in the metropolitan reservoirs, I think there is a need to introduce restrictions now. As the year progresses it may not be necessary but, as the Hon. Mr. Kemp suggests, the Government is still taking a gamble on this matter by not introducing restrictions now. "Gamble" may not be quite the right word: perhaps I should say "calculated risk". I do not think the Government will solve any problem by this resolution. I am sure it will not preserve one extra drop of water for this State.

To try to understand the whole problem, in the last few days I have done extensive reading on the Tennessee Valley Authority scheme in the United States, which is, I believe, a parallel case to ours. I am not able at this stage to deal fully with the concept of the Tennessee Valley Authority but I think from a study of that authority lessons are to be learnt that could well be applied to our thinking on the Murray River and its tributaries. I make the following suggestions, to be dealt with urgently. The powers of the River Murray Commission should be extended to allow it control over all the tributaries of the Murray, to enable it to control the salinity and pollution of the whole Murray River system, and to allow conservation to be properly supervised by one authority, along the lines of the Tennessee Valley Authority. Expert advice should be sought at Commonwealth level on the maximum economic usage of water of the Murray valley and on the disposal of saline effluent and other polluting influences in the Murray valley.

Yesterday, in the Budget debate I had the opportunity to deal with the Chowilla dam. That matter has been fully covered by previous speakers but I re-emphasize that Chowilla is of vital importance to this State. Further, the idea of placing weirs in all the drains constructed in the South-East should be examined, and the diversion by natural flow of all the water in the Eastern Division of the South-East, which at present finds its way directly to the sea through wide channels to Lake Albert, should be investigated. This may not be practicable (I do not know) but some figures I have seen indicate that in a wet year in the South-East about 100,000 acre feet of water finds its way quickly to the sea. It is not practicable to shift the water from the Western Division of the South-East because there is such a low head to start with, but in the Eastern Division the water could be moved slowly through to Lake Albert, with probably

immense benefit not only to the supply of water further north but also to the existence of a large body of water in the South-East for the re-charging of underground waters there. There is a need to investigate fully the whole problem of water supply, and the multiple uses of the Murray River. I ask seriously: can we continue using the Murray River as both a distributor of irrigation water and an effluent disposal channel? If we continue much longer using it for both purposes, the river, especially in South Australia, will eventually be "killed".

This general deterioration has taken place over recent years for three major reasons: first, the surface drainage of salted areas finding its way into the Murray River; secondly, irrigation seepage from high land irrigation; and, thirdly, the natural inflow into the Murray of ground water. This makes an interesting study. From Marraboor southward the level of the river is below ground water level. It flows from Marraboor southward below the level of ground water from saline areas. During times of high river the inflow of this ground water is of not much consequence but in times of low river, when the river drops, the inflow to the river south of Marraboor is greatly increased by very saline waters. From the source of the Murray down to Marraboor the salinity of the river reaches a maximum of about 50 parts to the million. From this point to the South Australian border, this salinity multiplies 10 to 20 times, for two reasons: salt seepage from irrigation areas and a flow of salt ground water into the river.

It is not possible for us to continue much longer using this river for its present dual purposes—as a distributor of irrigable water to this State and parts of Victoria and New South Wales and, almost indiscriminately, as a disposal channel for our saline effluent. Before this problem can be properly investigated and controlled, the River Murray Commission must be clothed with wider powers to control the use of the Murray and its tributaries. I know that this is a big subject but this year we are facing a growing problem concerning the life-line of this State. The Hon. Mr. Kemp has often drawn the attention of this Council to this problem since he has been in Parliament. However, I cannot get very excited about this resolution. If it was a conscientious attempt to come to grips with our problems, I would support it wholeheartedly. I do support it but I believe it will in no way solve the problem facing us. I am forced to agree with the Hon. Mr. Kemp's contention that possibly the only

reason for this resolution is a political one to assist one particular person.

The Hon. R. A. GEDDES secured the adjournment of the debate.

TRAVELLING STOCK RESERVE: YONGALA

Consideration of the following resolution received from the House of Assembly:

That the travelling stock reserve immediately west of the town of Yongala, as shown in the plan laid before Parliament on September 19, 1967, be resumed in terms of section 136 of the Pastoral Act, 1936-1966, for the purpose of being dealt with as Crown lands.

The Hon. S. C. BEVAN (Minister of Local Government): I move:

That the resolution of the House of Assembly be agreed to.

In doing so I draw the Council's attention to the fact that this reserve comprises about 73½ acres and is the residue of the original travelling stock reserve between the towns of Yongala and Yatina, which was set aside as a route for the travelling of stock when survey of this area was carried out during 1871 and 1872. With modern methods of transport, the need for this land has largely disappeared. It is proposed to license this small remaining part of the reserve to the District Council of Peterborough so that the council may manage it for the grazing of local stock. The Stock-owners' Association of South Australia has not

raised objection to the proposal for resumption, which has been recommended by the Pastoral Board. In view of these circumstances, I ask members to support the motion.

The Hon. G. J. GILFILLAN (Northern): I support the motion. This portion of land is the residue of a much larger area that traversed a large part of the State. Some years ago most of the stock reserve between Yongala and Yatina was resumed and allocated to adjoining landholders, as it was found that this very wide road was no longer required for travelling stock. In fact, the number of travelling mobs of sheep that have passed along this road has been negligible for many years. It was also found that a very wide road of this nature was a source of weed and vermin infestation. I believe this road is subject to Lincoln weed infestation, which can be controlled to some extent by grazing. Consequently it would benefit the district if this area was fenced and grazed. It is to be allotted to and controlled by the District Council of Peterborough. The resumption of this land will most certainly be in the best interests of the district as a whole.

Resolution agreed to.

ADJOURNMENT

At 5.34 p.m. the Council adjourned until Thursday, October 5, at 2.15 p.m.