

## LEGISLATIVE COUNCIL

Thursday, June 10, 1976

The PRESIDENT (Hon. F. J. Potter) took the Chair at 2.15 p.m. and read prayers.

### QUESTIONS

#### LAND TAX

The Hon. R. C. DeGARIS: I seek leave to make a brief explanation prior to directing a question to the Minister of Lands.

Leave granted.

The Hon. R. C. DeGARIS: Yesterday, I listened carefully to the Minister talking about land tax and land valuations in the Adelaide Hills area. I have also read his views concerning his efforts to promote tourism in South Australia, and I am familiar with his views on the importance of Hahndorf as expressed in a recent publication of the South Australian Division of Tourism. Yesterday, the Minister said he was concerned that land tax valuations could force long-time residents from their century-old homes to make way for those who can supposedly afford the resultant high taxes, namely, commercial interests, thus destroying the main attraction that the town has to offer. As the Minister has indicated that he is aware of the situation, can he tell this Council what steps have been taken, or will be taken, to preserve Hahndorf, the oldest surviving German settlement in Australia?

The Hon. T. M. CASEY: The Leader of the Opposition has raised several points dealing with land tax. In his question he did not distinguish between rural land tax as opposed to normal land tax. The settlement of Hahndorf is located outside the planning and development region. I am sure the Leader would be the first to say that one should not interfere with private enterprise, as honourable members opposite always advocate. This is the bone of contention in considering what has happened to Hahndorf until this time. The Government is well aware of the situation. It has a report compiled by one of its officers, who undertook extensive studies on the situation applying in Hahndorf. I can assure the Leader that the Government is aware of the situation existing there and whether steps can be taken to do something that will benefit Hahndorf is problematical at this stage. I can assure the Leader that the Government is looking closely at this matter, but nothing has been decided at this time.

The Hon. N. K. FOSTER: I seek leave to make a short statement before directing a question to the Leader of the Opposition in this Council.

Leave granted.

The Hon. N. K. FOSTER: In view of the question just asked by the Leader, especially that part of the question I heard as I entered the Chamber, having been delayed slightly on the telephone, I heard that the Leader expressed concern regarding the situation applying in Hahndorf. Much publicity has been given to the situation applying in respect of the old town of Hahndorf. The Leader will recall that on several occasions in this Council I have expressed an opinion that the only way to resolve the problem obtaining at this settlement was through the use of retrospective legislation. I refer to some of the older town planning Acts, and especially the period of the old Torrens title days. Areas of land not far removed from the city (certainly not so in this day and age) were set out as town lots. Those lots are still valid as subdivision areas, and I believe there should be some form of retrospective legislation passed to ensure the preservation of this settlement. Therefore, I ask the Leader of the

Opposition in this Council whether he will consider supporting the passage through this Council of retrospective legislation in the interests of the preservation of the areas I have named today and yesterday.

The Hon. R. C. DeGARIS: My view on retrospective legislation is well known to this Council, and I cannot comment until I know exactly what is the retrospective legislation involved.

The Hon. N. K. Foster: I just told you, it concerned the Hills area.

The PRESIDENT: Order!

The Hon. J. C. BURDETT: I seek leave to make a brief explanation prior to directing a question to the Minister of Lands.

Leave granted.

The Hon. J. C. BURDETT: Yesterday the Minister blamed escalations in land tax charges on the actions of speculators. My question is twofold. First, does the Minister believe that the increase in land tax charges in one year on a property on Greenhill Road still used as a residence from \$287 to \$4 419 is due to the action of speculators in that area? Secondly, will the Government consider a variation in the scales of land tax?

The Hon. T. M. CASEY: As a contributor to the *Advertiser*, I would advise the honourable member to read Mr. J. L. Frame's statement this morning, which only confirms what I said yesterday. The question I was asked yesterday was whether I believed that rural land tax had any effect on the escalation of land prices. I said "No", because I believe it is land speculation.

The Hon. J. C. Burdett: I am talking about land tax.

The Hon. T. M. CASEY: The Opposition has a bad habit of trying to talk about land tax, including rural land tax, but they are totally different things, because the rural people are exempt up to \$40 000, which I mentioned yesterday. On Greenhill Road there is a different set of circumstances.

The Hon. J. C. Burdett: I asked you a question; you answer it.

The Hon. T. M. CASEY: I cannot answer the question, because it is impossible to do so.

The Hon. J. C. Burdett: You cannot?

The Hon. T. M. CASEY: I do not think you can, either. You have got your own theories about it, but the whole matter of land tax is being looked at constantly by the Government. I assure the honourable member that the point he has raised today will be taken into consideration.

#### WORKMEN'S COMPENSATION

The Hon. R. A. GEDDES: I direct a question to the Chief Secretary, representing the Treasurer. One of the factors crippling employers in South Australia is the well-known high cost of workmen's compensation. In this morning's press, it is stated that the New South Wales Government has announced cuts of about 20 per cent right across the board, and in some instances as much as 50 per cent, which it is admitted will mean a saving to the employers of about \$80 000 000 a year. Will the Government review the Workmen's Compensation Act of this State so that employers may receive reductions in workmen's compensation premiums in the next financial year?

The Hon. D. H. L. BANFIELD: I am not too sure that is a matter of reviewing the Workmen's Compensation Act as regards this measure that the New South Wales Government has taken to reduce premiums. I do not think it was the Workers Compensation Act as such but I gather that the honourable member's main point is that it may be done in some other way. I will confer with my colleague and bring down a reply.

## TIMBER

The Hon. ANNE LEVY: I seek leave to make a short statement before directing a question to the Minister of Agriculture and Fisheries.

Leave granted.

The Hon. ANNE LEVY: In opening Parliament this week the Governor referred to South Australia's timber industry and commented on the quality of the radiata pine being produced in the South-East of the State. He mentioned that this indicated the availability of much high quality structural timber that would assist in containing the cost of house building in this State. However, I recall that only a week ago representatives of the timber industry in this State were saying that we had a shortage of radiata pine and that the Woods and Forests Department was aggravating the situation by exporting timber, thus increasing the price. Would the Minister care to comment on this situation? Is there in fact a shortage of radiata pine in South Australia, and what are the plans for future production?

The Hon. B. A. CHATTERTON: It is important to remember that South Australia is not self-sufficient in radiata pine and we import large quantities of softwoods from Canada and the United States. The price of these imported timbers has risen considerably in recent months, and at times that timber is not readily available. The combination of these events has caused an increased demand for our pine timber, which has marked advantages in terms of price and quality. This is what has caused the shortage of structural timbers in South Australia. I should like to emphasise that there is no shortage of non-structural timber and it is still important to export that timber to other States to get rid of these grades. The Woods and Forests Department must continue to have interstate markets to ensure that the non-structural timbers are disposed of. The department and companies as well that are involved in forestry operations are trying to improve the supply of timber by upgrading the mills and improving the through-put, and particularly are trying to improve the yield of timber from logs.

The Hon. R. A. GEDDES: I seek leave to make a short statement prior to directing a question to the Minister of Agriculture and Fisheries.

Leave granted.

The Hon. R. A. GEDDES: In view of the Minister's reply to the Hon. Anne Levy concerning radiata timber and the price paid for oregon and other timbers imported from the west coast of Canada and the United States, the price of which has increased considerably in recent months, I would appreciate it if the Minister could tell me by how much, or by what percentage, the price of timber imported into South Australia from those countries has increased. Can he say what is the price of standard building timber produced from radiata pine forests in South Australia? I would like to obtain a comparison of prices between our local radiata pine, as used in the local building industry, and timbers imported from the western seaboard of America.

The Hon. B. A. CHATTERTON: I do not have those figures with me, but I will try to obtain that information for the honourable member and bring down a reply as soon as possible.

## MEAT

The Hon. R. A. GEDDES: I direct a question to the Minister of Agriculture and Fisheries. Will the matter of meat classification come up at the next Agricultural Council meeting, which I expect the Minister will be attending,

and would the Minister care to express his views on the Government's attitude towards meat classification?

The Hon. B. A. CHATTERTON: Yes, the subject of meat classification will be on the agenda for the next Agricultural Council meeting, which is to be held in Queensland, and I certainly will be involved in those discussions and will be supporting the introduction of meat classification in Australia. At present the South Australian Department of Agriculture and Fisheries is involved in several studies about the advantages to producers and other people involved in the meat industry, mainly wholesalers, retailers and consumers, that the classification and description selling of meat in general would bring in regard to a more efficient marketing system. It is too early yet to say what the result of these studies will be, but I think the indications are that the classification of meat has considerable advantages in cost for all people involved in the meat industry, and I sincerely hope that the proposal is adopted throughout Australia and on a uniform basis.

## FINANCIAL POSITION

The Hon. N. K. FOSTER: I seek leave to make a short statement before asking a question of the Leader of the Council.

Leave granted.

The Hon. N. K. FOSTER: I draw the attention of the Council to this great South Australian tribune, the *Adelaide Advertiser*. If I may quote briefly from the editorial in that newspaper this morning, I mention that it states:

The time for sweet talk about federalism and the sharing of growing revenues is now past. Today's conference marks the time for hard decisions and the reaching of a realistic basis for a new long-term Federal-States relationship. It would be well if the Premiers could refrain from squawking too loudly about not getting everything they wish for. The new federalism concept is basically sound.

The Hon. R. C. DeGaris: Hear, hear!

The Hon. N. K. FOSTER: Apparently, we have started to learn what it is about, having regard to the interjection by the Leader of the Opposition. The editorial continues:

It involves the proposition, uncomfortable though it may be for Premiers accustomed to blaming Canberra for all their financial woes, that politicians who spend public money should accept the responsibility for raising it. And it should eventually place the States in a sounder position than they have enjoyed for many years.

The Hon. R. C. DeGaris: Hear, hear!

The Hon. N. K. FOSTER: Put another way, the editorial states that, if the elected Prime Minister wants to dodge his financial responsibility to the people as constituents in the federal concept, that is a better way of putting it. If the Council will bear with me for a short time and if I may quote, I will put the real question to the Leader. The *Adelaide Advertiser* obviously supports the making of cuts.

The Hon. R. C. DeGaris: Hear, hear!

The Hon. N. K. FOSTER: The *Advertiser* thinks that people should not have a basic control any longer. The cuts are:

Social Security, \$30 000 000.  
Environment, housing and community development,  
\$30 900 000.  
Australian Industry Development Corporation,  
\$75 000 000.  
Childhood services, \$9 000 000.  
Aboriginal Affairs, \$7 000 000.  
Industry and Commerce, \$5 000 000.

So much for the *Adelaide Advertiser's* faceless editorial writer. The transport total is \$17 000 000. For immigration and ethnic affairs the figure is \$854 000. For the Overseas Telecommunication Service it is \$11 000 000, for

the Postal Commission \$4 200 000, for the Australian Broadcasting Commission \$8 300 000, for Science \$3 360 000, for the Northern Territory \$5 000 000, and for the National Gallery \$3 000 000. On and on it goes. I wanted to itemise each matter, but I would need an extension of time to do that.

The PRESIDENT: Order! I think the honourable member must come to the asking of his question.

The Hon. N. K. FOSTER: Will you allow this document to be incorporated in *Hansard*?

The PRESIDENT: The honourable member can ask leave to have the document incorporated in *Hansard*.

The Hon. N. K. FOSTER: Very well, Sir. I seek leave to have the whole document incorporated in *Hansard*.

The Hon. R. C. DeGARIS: What is the document?

The Hon. N. K. FOSTER: The document from which I have just quoted and on which I have done some research. You must be dense.

The PRESIDENT: Order! The honourable member must not use those expressions in the Chamber.

The Hon. N. K. Foster: What expressions?

The PRESIDENT: About honourable members being dense.

The Hon. N. K. Foster: They must be dense. For God's sake, let's be truthful.

The PRESIDENT: Order! Honourable members may have their own opinions about who is and is not dense. I must call on the honourable member to cease using these expressions, because they are reflections on honourable members. Yesterday, he used the expression about honourable members having thick heads.

The Hon. N. K. Foster: No, I didn't. I said they had shallow minds.

The PRESIDENT: The honourable member used the term "thick in the head".

The Hon. N. K. Foster: No, I didn't. I said—

The PRESIDENT: Order! The honourable member will not argue with the Chair. I was in the Chair and I heard him, although I did not take him up at that time because he leapt ahead of me. The use of these expressions "having a thick head" and "being dense" must cease.

The Hon. N. K. FOSTER: I find it difficult, Sir. It would be much easier if I belonged to your profession. I seek leave to have the document incorporated in *Hansard* without the carrying-on of members opposite. If they want to object, let them object in the proper manner.

The PRESIDENT: Order! Has the honourable member asked his question?

The Hon. N. K. FOSTER: I have sought leave to have this document incorporated in *Hansard*.

The Hon. R. C. DeGARIS: On a point of order, Sir—

The Hon. N. K. Foster: Look, you—

The PRESIDENT: Order! A point of order has been taken. Will the honourable member please resume his seat.

The Hon. R. C. DeGARIS: I do not mind things being incorporated in *Hansard*, but will the Hon. Mr. Foster please tell the Council what he wants incorporated in *Hansard*?

The PRESIDENT: Will the Hon. Mr. Foster tell me what he wants incorporated in *Hansard*? It must be relevant to the question that he intends to ask.

The Hon. N. K. FOSTER: I want to have this document incorporated in *Hansard* so as to save the time of this august Chamber, and to save me the trouble of having to read the whole document. Honourable members opposite must think that it is a socialist type of document, but that is not the case.

The Hon. C. M. Hill: It is probably written by one.

The Hon. N. K. FOSTER: I wish it were. That may or may not be. If I am not granted leave, I will have to seek an extension of time to read through this document. I refer, for instance, to the following cuts:

Social Security: Total \$30 000 000.

Postponement to April of C.P.I. increase on pensions \$29 000 000.

Funeral benefits to means tested pensioners abolished: (proposed and defeated in the Senate) \$1 700 000.

Henderson commission reports not to be published \$132 000.

Abolition of Social Welfare Commission \$2 300 000.

Inquiries terminated:

Advisory panel of architects on aged persons homes, Social Security Advisory Council.

What a thing to boast about!

The PRESIDENT: Order!

The Hon. N. K. FOSTER: I do not want to go through all these things.

The PRESIDENT: Order! The honourable member must ask his question. What is the question?

The Hon. N. K. FOSTER: I ask the Leader of the Government whether this is a true statement regarding the cuts that have been made by the Commonwealth Government. Can the Minister tell the Council how these cuts will affect the great social measures that the present Commonwealth Government promised it would leave intact just before the last election and after it assumed office?

The Hon. D. H. L. BANFIELD: I do not for a moment doubt the figures to which the honourable member has referred regarding the cuts that the Commonwealth Government has made. I was amazed to hear the "Hear, hears" coming from members opposite, indicating that they approved of these cut backs. Let those Opposition members get up and say whether they believe there should be cuts.

The PRESIDENT: Order! The Minister must answer the question, not debate it.

The Hon. D. H. L. BANFIELD: As I understand it, the Hon. Mr. Foster asked what would be the effects on the social programmes as a result of these cuts. The simple answer, of course, is that they will be disastrous. These programmes, set up with the agreement of the Australian Government, will either be completely cut out or cut back considerably, and this is not in the best interests of the average working-class person. However, there is no cut-back in the superphosphate bounty, which benefits Mr. Fraser and his type.

The PRESIDENT: Order! The Minister is running away from answering the question.

The Hon. M. B. Dawkins: Answer the question.

The Hon. D. H. L. BANFIELD: I shall act in accordance with instructions from the President, not from the honourable member, who does not like being reminded that honourable members opposite said "Hear, hear!" when reference was made to the cut-backs. It is a disastrous thing not only for this State but for every State. Whom does the cut-back in Medibank benefit? When the Commonwealth Labor Government proposed a 1.35 per cent levy, the Liberal Senators then in the Opposition rejected the proposal, but the Liberals now want to double the levy. They propose a cut-off point where some people will pay into the fund about \$300 a year. The person who does not earn \$8 000—

The Hon. J. C. BURDETT: I rise on a point of order, Mr. President.

The Hon. F. T. Blevins: In other words, the rich can get the same benefits and pay only \$300. They don't have to pay 2.5 per cent.

The Hon. J. C. BURDETT: My point of order, Mr. President, is that the Minister was talking about Medibank, but that point was not raised in the question.

The Hon. N. K. FOSTER: It was in the document.

The PRESIDENT: We have not seen the document. We have heard only a portion of it read. Erskine May lays down that a question shall not be asked of a Minister which he cannot satisfactorily answer. In other words, matters that are well outside his portfolio must not be the basis of a question of a Minister. In this case, I originally thought that the Hon. Mr. Foster was talking about the Commonwealth Parliament, but in the finish it appeared that he was asking about the effect on the State Budget of the alleged cut-backs. Although the Minister represents the Treasurer in this Council, I do not think he is in a position to answer each and every matter that the Hon. Mr. Foster raised.

The Hon. D. H. L. BANFIELD: I can indicate how the matters affect my department. These matters were raised by the honourable member in his question. The Commonwealth Minister for Health says that he will cut back expenditure in the health area, excluding Medibank, by about \$100 000 000; obviously, this must affect this State, because there is no way that we can cut back health services. As a result of the chants of "Hear, hear!" from members opposite, I hope that, if and when it is necessary to increase taxation as a result of the Commonwealth Government's action and as a result of the burden thrown back on the State Budget to find this amount, we will get support from members opposite, who are evidently so pleased to hear of these great cut-backs made by the Australian Government. In his news release, the Commonwealth Minister for Health (Mr. Hunt) sets out the various things that are being cut back. First, there is a cut-back of \$100 000 000 in the health area, excluding Medibank. Further, he has cut back the hospital development programme to the extent that he has not increased the allocation to allow for inflation; this is effectively a 15 per cent cut-back, which someone has to find if we are to maintain the standard that has applied in the past in connection with our hospital building programme. I hope the Leader will say, "Hear, hear!" if we have to increase taxation to make up that amount. In addition to the cut-back of \$100 000 000, there will be a cut-back in relation to community health services and facilities. The sum of \$81 000 000 will be allocated for community health services and facilities, a reduction of \$24 000 000. Mr. Hunt goes on to say that this reflects the importance that his Government attaches to the development of a comprehensive programme of health services at the community level. If a reduction of \$24 000 000 reflects the importance that the Commonwealth Government attaches to the development of health services, no-one can understand it. We can see what their attitude is. It is then stated that this situation reflects the importance given to health care, despite the reduction of \$200 000 000 or \$300 000 000 on health expenditure. True, that does reflect the importance attached to health services!

The Hon. N. K. FOSTER: I should like to ask a supplementary question. I thought that the Minister's reply was right—

The PRESIDENT: Order! Does the honourable member want to make a statement prior to asking a question?

The Hon. N. K. FOSTER: No, Mr. President. I think I have made enough statements. My question concerns this morning's editorial in the *Advertiser* supporting the concept of federalism.

The Hon. J. C. Burdett: What's the question?

The PRESIDENT: Order! Will the honourable member repeat his question.

The Hon. N. K. FOSTER: Does the Minister of Health agree with the concept of Fraser federalism as expressed by the faceless editorial writer in this morning's *Advertiser*?

The Hon. D. H. L. BANFIELD: I think it was probably Fraser himself who wrote that editorial and, for that reason, I cannot possibly agree with him.

The Hon. R. C. DeGARIS: I wish to direct a question to the Chief Secretary in his capacity as Minister of Health. Does the Chief Secretary agree that in the administration of his health portfolio one of the most damaging factors in reducing the provision of health services to the community has been the 12 per cent inflation rate over the last three years? Does the Minister not also agree that Government expenditure is important in the creation of inflation in Australia?

The Hon. D. H. L. BANFIELD: One must get one's priorities right. The fact remains that there has been inflation during these years. True, as a result of inflation increased wages and salaries have been paid, and this has resulted in additional taxes being collected, and this additional sum should come back to us. From whom are these funds being taken? As the Commonwealth Government has collected additional taxation as a result of inflation, it should hand it back for expenditure which has been committed on projects which have been proceeded with.

Later:

The Hon. N. K. FOSTER: May I now take the opportunity to seek leave to have inserted in *Hansard* this document, which is already in the possession of the Clerk and yourself, Mr. President? The document has come into my hands, and at the bottom of it we see "Australian Union of Students", with which most honourable gentlemen opposite, as well as you yourself, Mr. President, may have been associated when gaining tertiary education. I seek leave to have the whole of the document dealing with the subject matter of the question I asked earlier inserted in *Hansard*.

The PRESIDENT: The honourable member has sought leave to have a document cited earlier and prepared by the Australian Union of Students inserted in *Hansard* as part of his statement before asking a question. Is leave granted?

The Hon. R. C. DeGARIS: No.

The PRESIDENT: There is a dissenting voice. Leave must be unanimous.

The Hon. N. K. FOSTER: Is it in order to seek a division on that to identify the feelings of honourable members in this Chamber?

The PRESIDENT: No; leave must be unanimous. As there are dissenting voices, leave is not granted.

The Hon. N. K. FOSTER: I ask under what Standing Order.

The PRESIDENT: No. 1.

Later:

The Hon. N. K. FOSTER: I was not able to contest, if I may use that word, the matter raised as a result of the refusal of this Council to have inserted in *Hansard* a document to which I had made passing reference in asking a question. I ask you, as President of this Chamber, whether, to meet the requirements of each member of the Chamber, you will observe the following:

1. In all cases not provided for hereinafter or by sessional or other orders, the President shall decide, taking as his guide the rules, forms and usages of the House of Commons of the Parliament of the United Kingdom of

Great Britain and Northern Ireland in force from time to time so far as the same can be applied to the proceedings of the Council or any committee thereof.

This is an absolute disgrace.

The PRESIDENT: Order! The honourable member has asked me a question.

The Hon. N. K. FOSTER: I have not finished it.

The PRESIDENT: The honourable member is proceeding to make a comment about my previous ruling.

The Hon. N. K. FOSTER: No, I did not.

The PRESIDENT: Order! I will have to name the honourable member if he persists in arguing with the Chair. I will give the honourable member a reply to the question. A copy of Erskine May is at all times on the desk of this Chamber and the honourable member may look at it.

The Hon. N. K. Foster: Is May's name spelt "Maze"?

The PRESIDENT: According to the usages and practices of the House of Commons, the leave required by the honourable member would have to be given unanimously. It was not given unanimously, because there were dissentient voices. Another option that the honourable member had, if he wanted to adopt it, was to read the document from beginning to end, and then he would have got it in *Hansard* if it had been relevant to his question, and I presume it would have been. The third option that the honourable member had would have been to move that Standing Orders be suspended to enable him to move that the document be inserted in *Hansard*, so the honourable member is not without remedy.

The Hon. N. K. FOSTER: I seek leave to make a statement prior to asking a question of the Leader of the Council, Minister of Health, and Chief Secretary, and Minister representing the Minister of Labour and Industry, the Minister of Community Welfare, and the Minister of Prices and Consumer Affairs.

Leave granted.

The Hon. N. K. FOSTER: I do so to draw the attention of the Minister to the following:

Social security—

I am dealing with the cuts made by the Fraser Government, as referred to in a report in this morning's *Advertiser*.

The Hon. C. J. SUMNER: Pursuant to Standing Order 453, I call for the document from which the honourable member is reading.

The Hon. N. K. Foster: Where does that leave me? I don't trust it if it goes up there.

The PRESIDENT: The document from which the honourable member has been quoting has been called for by another member and therefore must be tabled.

The Hon. N. K. FOSTER: Does that mean that it will go into *Hansard*?

The PRESIDENT: No. Standing Order 453 states:

A document quoted from in debate, if not of a confidential nature or such as should more properly be obtained by address, may be called for at any time during the debate, and on motion thereupon without notice may be ordered to be laid upon the table.

I doubt that this is a debate. Therefore, I think that at this stage I will overrule myself in regard to my requiring the honourable member to lay the document on the table. In any case, laying it on the table would not achieve what he wanted. Is the honourable member proceeding with his leave to make a statement prior to asking a question?

The Hon. N. K. FOSTER: I sought leave and the Council granted it. Otherwise, I could not proceed. In doing so, I wish to quote from the document, which is relevant to the question. For social security the amount of \$30 000 000 is provided.

The Hon. J. C. Burdett: Question!

The PRESIDENT: "Question" has been called and the calling of "Question" terminates the leave.

The Hon. N. K. FOSTER: If I now proceed with the question, do I deny myself the right to quote from this document? May I proceed to quote this document under the terms of the leave that the Council gave me?

The PRESIDENT: No. The honourable member must ask his question.

The Hon. D. H. L. BANFIELD: I take it that the honourable member is asking me a question. He has already asked whether I believe the figures that he is about to quote. Surely, I need to know what those figures are before I can reply to his question. The honourable member is not reading a document but is asking me a question about certain cut-backs by the Australian Government.

The PRESIDENT: Order! The honourable member must now ask his question. If he is clever enough to incorporate the whole of that document in a question, good luck to him.

The Hon. N. K. FOSTER: That is almost a threat, Mr. President.

The PRESIDENT: Order! There is no need to make comments.

The Hon. N. K. FOSTER: My question to the Minister of Health relates to the postponement of the April consumer price index increase of \$29 000 000 for pensioners. This matter falls within the Minister's responsibility of representing the Minister of Community Welfare in this place. I also ask whether it is true that the Commonwealth Government has proposed—

The Hon. J. C. BURDETT: I rise on a point of order, Sir.

The PRESIDENT: Order! A point of order has been raised.

The Hon. J. C. BURDETT: My point of order is that that is not a question.

The PRESIDENT: I think the Hon. Mr. Burdett may be correct. Is the Hon. Mr. Foster proceeding to ask his question?

The Hon. N. K. FOSTER: Yes, when you have resumed your seat, Mr. President. I cannot, otherwise. I plead with the Chair that it shut up members opposite so that they can hear whether or not I am asking a question.

The PRESIDENT: Order! The Hon. Mr. Foster must ask his question.

The Hon. N. K. FOSTER: I ask the Minister whether or not the April consumer price index figure, representing an increase of \$29 000 000 for pensioners, has been laid aside by the Commonwealth Government. I further question the Minister regarding the authenticity or otherwise of the sum of \$1 700 000 proposed to be withheld from pensioners in connection with funeral benefits. I refer also to the Henderson commission's report, which comes within the Minister's portfolio area. Although this report was to be published, the Commonwealth Government has refused to do so. Will the Minister say whether or not the Social Welfare Commission is to be abolished as a result of the—

The Hon. J. C. BURDETT: I rise on a point of order. It does not seem to me that these matters come within the Minister's knowledge.

The Hon. N. K. Foster: What are you talking about? It's common knowledge.

The Hon. J. C. BURDETT: These matters relate to the Commonwealth Government. My point of order is whether these are proper questions to be asked of the Minister, and whether they can properly be within his knowledge.

The PRESIDENT: I think the point of order should be upheld. I should point out to the Hon. Mr. Foster and to all honourable members of this Council that the purpose of Question Time is for honourable members to question Ministers of the Crown about the work of their portfolios and of the portfolios of the Ministers in another place whom they represent. It is not the purpose of Question Time for honourable members to ask Ministers questions about Federal policies, so that those Ministers can get up and make gratuitous comments about the work of another Parliament. I therefore rule the question out of order.

The Hon. N. K. FOSTER: I disagree with your ruling, Mr. President.

The PRESIDENT: The honourable member can so move.

The Hon. N. K. FOSTER: Very well. I move:

That the President's ruling be disagreed to.

I do so on the basis of your own statement, Mr. President, from the Chair, inasmuch as you have said that it is the right of an honourable member of this place to direct a question to the Leader of the House or to any Minister in this Council not only in relation to their own immediate portfolio area but also—

The PRESIDENT: Order!

The Hon. N. K. FOSTER: If I may continue for half a minute—

The PRESIDENT: Order! I am looking at the clock, and the Hon. Mr. Foster has exactly half a minute to go.

The Hon. N. K. FOSTER: That may well be so. The clock has no more respect for democracy than have some of the forms relating to this place.

The Hon. M. B. Dawkins: You take most of the time.

The Hon. N. K. FOSTER: And I intend to keep doing it. You haven't seen anything yet.

The PRESIDENT: Order! The Hon. Mr. Foster has said that he disagrees with the ruling of the Chair. If he does so, he must put up the reasons for that disagreement in writing and bring it to the table—

The Hon. M. B. Cameron: Forthwith!

The PRESIDENT: —forthwith.

The Hon. N. K. FOSTER: That's impossible, and it is all because they don't want to hear the truth about what Fraser has been getting up to in the last few months.

The PRESIDENT: Is the honourable member proceeding with his disagreement to my ruling?

The Hon. N. K. FOSTER: Just a minute, Mr. President. I have a pencil, Sir.

The PRESIDENT: While the honourable member is preparing his reasons for disagreeing to my ruling, I point out to the Council that Question Time has expired. So, after dealing with the matter of disagreement to my ruling, Question Time will cease and the business of the Council will be called on.

The Hon. R. C. DeGARIS: Should I seek an extension of Question Time at this stage, Sir, because I have further questions to ask?

The PRESIDENT: No.

The Hon. D. H. L. Banfield: Don't you want an extension of Question Time? If that's what you want, you won't get it that way.

The Hon. M. B. Dawkins: It doesn't worry me.

The Hon. D. H. L. Banfield: That's all right, but it might worry your Leader.

The Hon. C. J. SUMNER: Would you, Sir, do me the courtesy of directing my attention to the relevant Standing Order?

The PRESIDENT: Yes, it is Standing Order 205.

The Hon. N. K. FOSTER: You don't need any: you only need to have Standing Order No. 1 in this place.

The PRESIDENT: Order! I think perhaps I ought to recapitulate, for the benefit of honourable members, what has happened in the last few minutes. I ruled out of order a question which the Hon. Mr. Foster was asking, on the ground that it was not relevant to the portfolio of the Minister to whom it was directed. I point out that at page 327 of *Erskine May* the following appears:

A question may not be asked which deals with the action of a Minister for which he is not responsible to Parliament. Later, it states:

It is not in order to put to a Minister a question for which another Minister is more directly responsible.

Later it states:

(11) Questions which cite individual incidents in relation to which the Minister has no administrative responsibility or powers when asking for legislation are inadmissible.

The Hon. Mr. Foster has disagreed to my ruling, and his reason is that he claims that his question was addressed to a Minister relating to his own portfolio and to those portfolios for which the Minister has responsibility in this Council. The honourable member states that his question was directed to the Leader of the Government in this Council as Chief Secretary, Minister of Health, Premier, Treasurer, and Minister of Community Welfare. I presume that the honourable member means that the Minister of Health represents some of those portfolios. Standing Order No. 205 provides:

An objection having been taken and the motion having been moved, it will be required to be debated on the next day of sitting unless the Council decides that the matter shall be dealt with forthwith.

First, I call for a seconder to the motion.

The Hon. C. J. SUMNER: I am a little confused about one or two aspects of this matter. Before considering my position on the matter, I should like some further explanation. Your explanation, Mr. President, in defence of your ruling indicated that a question may not be asked of a Minister in an area for which he is not responsible. It seemed to me that the matters that the Hon. Mr. Foster was putting to the Leader of the Government in this Council, while not directly relevant to his positions of Minister of Health and Chief Secretary, dealt pertinently with the portfolios that he represents in this Council. The first part of your reasons for the ruling indicates to me that we would be on dangerous ground in asking questions of Ministers in this Council representing Ministers in the House of Assembly. I wonder whether you, Mr. President, could consider that aspect.

The PRESIDENT: The usual form is for the honourable member asking a question to ask the Minister the question as representing a Minister in the other place; that is the normal way in which the question is put. It seemed to me that the Hon. Mr. Foster was not proceeding to ask a question at all, because a question had been called for and he was proceeding to ask a question or make a statement, the form of which indicated that he would ask a question concerning cuts in expenditure made by another Parliament.

The Hon. J. E. DUNFORD: So that I am not confused—

The PRESIDENT: Before we have a further debate on this matter, can we have a seconder to the motion?

The Hon. C. J. SUMNER: I second the motion pro forma.

The PRESIDENT: The motion having been moved and seconded, the Council must now decide whether this matter should be dealt with forthwith.

The Hon. M. B. CAMERON moved:

That the matter be dealt with forthwith.

Motion carried.

The PRESIDENT: The Hon. Mr. Foster has moved to disagree to my ruling. Because I do not think he has addressed the Chair on his motion, I shall allow him to do so, but his remarks must be relevant to his objection.

The Hon. N. K. FOSTER: For a moment, Mr. President, I will transgress your request. With all due respect, I point out that the note that I sent through the Clerk to you pointed out the portfolio areas of the Leader of the Government in this Council. You drew the attention of this Council to the events that have occurred, and you did so in a manner that was not appropriate to the true course of events that transpired here during the last hour or so. You, Mr. President, may recall that, prior to my disagreement to your ruling, you had said that I could proceed in three different ways, and that I could proceed in one of those ways if I was "smart enough". I object to the tone in which that remark was made.

The PRESIDENT: Order! I think all this trouble has arisen from the fact that the honourable member was not smart enough.

The Hon. N. K. FOSTER: Is that so? The President does not have to be smart to quote from Standing Order No. 1.

The PRESIDENT: Come on!

The Hon. N. K. FOSTER: Never mind "Come on". You, Mr. President, are not talking to someone out in the street. Have respect for your office, and I say that with respect. I have quoted from this document in connection with a cut in a Health Department welfare programme of \$17 000 000. I have made a mental note of the areas in the document to which I would not refer.

The PRESIDENT: Which Health Department?

The Hon. N. K. FOSTER: The Health Department in the Federal sphere affects constituents of the Minister in this Council who is the Minister of Health. In other words, it affects the whole of the population of this State. People mean something. Parliaments are not so important, and outdated rules and procedures mean nothing when people are being deprived of benefits.

The Hon. C. M. Hill: I challenge the figures.

The PRESIDENT: Order! The motion before the Chair is that my ruling be disagreed to.

The Hon. N. K. FOSTER: I am pointing out that you ruled me out of order on false premises.

The Hon. M. B. CAMERON: I rise on a point of order, Mr. President. As I understand it, remarks on a motion to overrule what you have already ruled must relate to whether or not you made that ruling with the proper backing of Erskine May or any other authority. It is a question not of the substance of what the honourable member was asking but whether or not your ruling was correct. We are going right off that aspect altogether. If, under Standing Orders, the honourable member cannot prove that he was wrongfully ruled against, the matter lapses.

The PRESIDENT: That is the whole purpose of the exercise. The Hon. Mr. Foster is seeking the support of the Council for a motion to disagree to my ruling. He is making some sort of attempt to justify that motion. The Hon. Mr. Foster.

The Hon. N. K. FOSTER: You, Mr. President, would have accepted the document if I had not said it was from the Australian Union of Students.

The PRESIDENT: That is not the subject matter of the motion.

The Hon. N. K. FOSTER: Why not? When you addressed yourself to this Chamber and you were going to overrule the matter, you said (and I suggest that the Hon. Cameron hear this—

The PRESIDENT: Order! "The Hon. Cameron" is not a mode of address adopted in this Chamber, and I will not permit it in the future.

The Hon. N. K. FOSTER: I have been called worse.

The PRESIDENT: Never mind.

The Hon. N. K. FOSTER: You, Mr. President, gave as one of your principal reasons, did you not, that the question was not within the portfolio area of the Leader of the Government in this Council? I was very careful to ensure that I read from a section dealing with the Health Department and the postponement of areas of the Consumer Price Index, which comes within the portfolio area of the Leader of the Government in this Council. He represents the Minister of Labour and Industry. The c.p.i. was not used by the Government; it was withheld from pensioners. This matter comes within the portfolio of the Minister.

The PRESIDENT: Order! The honourable member's question referred to a Commonwealth matter.

The Hon. N. K. FOSTER: I give up—it's hopeless.

The Hon. M. B. CAMERON: I seek the support of the Council in having your ruling, Mr. President, upheld. Concerning the Hon. Mr. Foster's position, I have been through a similar process myself. The Hon. Mr. Foster came to this Council having been already to the Commonwealth Parliament, and it is difficult for him to come back to this arena and accept that he is in a State Parliament. It is time the honourable member realised that Ministers of this Parliament represent State portfolios and not Commonwealth portfolios. It is time the honourable member realised that debates in this House are on a State basis.

The Hon. N. K. FOSTER: I rise on a point of order. If what the honourable member has said is right this Council should not comment on reports of Attorneys-General.

The PRESIDENT: That is not a point of order.

The Hon. M. B. CAMERON: Any meeting of a number of Governments is just that: a meeting of a number of Governments. It is time the honourable member accepted that he is a member of a State Parliament, and not the Commonwealth Parliament. It is about time that his statements in the Council were at that level. I believe that your ruling, Mr. President, was correct and that wherever possible honourable members should put questions on that basis. I do not know how we will convince the honourable member that this is the position, but I hope that one day this will get through. I urge the Council to uphold your ruling.

The Hon. D. H. L. BANFIELD: I wish to make my position clear. I do not agree with the way in which the Hon. Mr. Foster has been treated regarding this document. There were ways and means whereby he could have had the document incorporated in *Hansard* but for the attacks of the Opposition. Regarding whether or not we disagree to your ruling, Sir, is another matter, and I believe that your ruling was in accordance with Standing Orders and was correct. I ask honourable members to uphold your ruling, because I believe that you made it in accordance with the provisions of Standing Orders. This does not mean that I favour the treatment that has been meted out to the Hon. Mr. Foster by members opposite. But I believe that if this Council works outside of Standing Orders it will find itself in turmoil. For that reason, and for that reason alone, I support your ruling.

The Hon. R. C. DeGARIS: I, too, support your ruling, Mr. President, and I am pleased that the Chief Secretary has seen fit to speak as he has done. I wish to comment on the situation surrounding the incorporation in *Hansard*



of the document at issue. The question was asked and the reply was given by the Chief Secretary, but I believe that both the question and the reply were outside the role of this Council. The question of the incorporation of the document in *Hansard* then arose. No question had been asked at that stage concerning that incorporation of the document in *Hansard*. I believe, rightfully, that honourable members objected at that stage. If the Hon. Mr. Foster wants—

The Hon. N. K. Foster: I don't need you to tell me, sport.

The PRESIDENT: Order! The expression "sport" is not to be used in this Chamber.

The Hon. R. C. DeGARIS: This afternoon there will be debates on various financial matters, and the honourable member will have every opportunity to have incorporated in *Hansard* anything he likes. I believe it is incorrect in Question Time to seek to incorporate such documents in *Hansard*. Therefore, I have made clear my position on this situation and the comments made by the Chief Secretary. I support your ruling, Mr. President.

The PRESIDENT: When the Hon. Mr. Foster speaks he will close the debate.

The Hon. N. K. FOSTER: The remarks of the honourable member who recently reformed his principles and rejoined the Liberal Party were quite unfair. I have never in my time in Federal or State politics viewed a person or a problem having regard to whether it was a State or Commonwealth problem. People have problems, and it matters not whether they be State or Commonwealth matters. Indeed, the very Chamber from which the Hon. Mr. Cameron came is supposed to be a States' House, and the honourable member would do well to reflect on that point. Having regard to the time and to the Government's responsibilities I should like to point out only that I took a point to a test, and I am never afraid to do that. When the time comes when one cannot take a point to the test then the community can properly regard Parliament and its members as being gutless.

The Hon. M. B. Cameron: You should include the word "relevant" before "point".

The Hon. N. K. FOSTER: What I have said I firmly and sincerely believe. Certainly, when one can no longer take a point to test in a Parliament, the community will know that Parliament has become gutless. I seek leave to withdraw my motion.

Leave granted.

#### INCOME STABILISATION

The Hon. J. R. CORNWALL: I seek leave to make a brief statement prior to directing a question to the Minister of Agriculture and Fisheries.

Leave granted.

The Hon. J. R. CORNWALL: I understand that during the week the United Farmers and Graziers of South Australia contacted the Commonwealth Minister for Primary Industry, Mr. Sinclair, asking the Australian Government to implement the decisions contained in the Industry Assistance Commission report on farm income stabilisation. I believe the report was released about a year ago and, according to the U.F. and G. General Secretary, Mr. Andrews, implementation of the recommendations will greatly assist primary producers, particularly from a taxation point of view. Does the Minister support the U.F. and G. in its efforts to have the recommendation of the report implemented? Will the Minister take appropriate action himself if he is in favour of the proposals?

The Hon. B. A. CHATTERTON: Yes, I support the U.F. and G. Certainly, I believe there is a need for greater stability in farm incomes. This has been South Australian Government policy and, in fact, the major recommendations of the I.A.C. report on rural income fluctuations are identical to those recommendations advanced by my own department. The major recommendations include the retention of the present system of tax averaging, the removing of the present upper limit to the eligibility for tax averaging, and the introduction of income equalisation deposits. I will take up the matter with the Commonwealth Minister at Agricultural Council later this year. I am concerned as to whether the Commonwealth Government will implement these recommendations. Earlier in the year we saw the introduction of a superphosphate bounty to gain popularity amongst farmers for the Government, but since that time we have seen a reduction in the tuberculosis and brucellosis campaigns; we have seen a cut-back in the programme of soil conservation, and I am concerned whether such expenditure, which is of great importance, will receive the attention that the Commonwealth Government should give to it.

#### PAMPHLETS

The Hon. N. K. FOSTER: I direct a question to the Minister of Health representing the Minister of Labour and Industry. There is no preamble and no leave is sought. Doubtless, the Minister observed the waste of taxpayers' money by the Fraser Government in the printing of pamphlets to try to acquaint the public with Medibank changes. Is it not a fact that considerable public saving could have been attained if the trade union movement through specific trade areas had taken action to prevent such a waste of a public resource?

The PRESIDENT: I do not know whether the Minister can answer that question.

The Hon. D. H. L. BANFIELD: I know that some action has been taken to prevent the distribution of such pamphlets. True, the Government did bring out a pamphlet, but it is just as well that it has not been distributed, because it would be more confusing than ever. However, I believe this matter is one to be dealt with by the Minister of Labour and Industry. I am aware that action was taken, and I believe it was the right action in the circumstances. The Commonwealth Government is changing its mind from day to day and, until it settles down and finally determines its policy in this matter, it should not be wasting taxpayers' money until it has made a final decision.

#### FISH

The Hon. J. R. CORNWALL: I seek leave to make a brief explanation prior to directing a question to the Minister of Agriculture and Fisheries.

Leave granted.

The Hon. J. R. CORNWALL: I make it clear that I am asking this question in response to a direct approach and some expert political pressure from my 12-year-old daughter, representing the year seven class at her school. The class recently did a trip to the Riverland and, as a result of their "in depth studies", they pose the following questions: (1) Why are the callop dying at Lock 4 near Loxton on the Murray at this time of the year? (2) Why are there dead fish all around the shores of Lake Bonney?

The Hon. B. A. CHATTERTON: I will try to obtain an answer for the honourable member as soon as possible from the research staff of the Fisheries Branch of the Department of Agriculture and Fisheries.



## CO-OPERATIVE TRAVEL SOCIETY

The Hon. N. K. FOSTER: I seek leave to make a short explanation prior to directing a question to the Chief Secretary.

Leave granted.

The Hon. N. K. FOSTER: On two or three occasions, the Hon. Mr. Burdett has raised in this Council the matter of the Co-operative Travel Society, which has offices in Tasmania and South Australia. I do not expect that the Minister will be able to answer the question now, but will he ask the Attorney-General whether the company has been under any form of investigation since the matter was raised in this Council and since subsequent comments in the newspaper by the Attorney-General?

The Hon. D. H. L. BANFIELD: This company is under investigation by the Attorney-General.

## KANGAROO ISLAND

The Hon. R. C. DeGARIS: As yesterday I asked a question with some urgency of the Minister of Lands about land settlement on Kangaroo Island, has he a reply to the question before this part of the session ends?

The Hon. T. M. CASEY: No, but I assure the Leader of the Opposition that I know exactly how important this matter is to the settlers on Kangaroo Island. I have already had discussions with my departmental officers about this matter, and I assure the Leader that this will be discussed in Cabinet next week.

## CATTLE DISEASES

The Hon. R. A. GEDDES: I seek leave to make a short statement before directing a question to the Minister of Agriculture and Fisheries.

Leave granted.

The Hon. N. K. FOSTER: I rise on a point of order. Earlier, I asked a question as to which Standing Order prevented me from having a document inserted in *Hansard*.

The PRESIDENT: Order! Does the honourable member wish to raise any point of order concerning the Hon. Mr. Geddes?

The Hon. N. K. FOSTER: No; I want to raise—

The PRESIDENT: The honourable member was refused leave, and he will resume his seat. I have called upon the Hon. Mr. Geddes. The Hon. Mr. Geddes.

The Hon. R. A. GEDDES: In the reply that the Minister gave earlier, he said there were insufficient funds from the Commonwealth Government for the control and eradication of tuberculosis and brucellosis in cattle. How much more money does the department require to control these two diseases in the cattle industry? In the same answer that the Minister gave, he said that the Federal Government had cut back on the amount of money for soil conservation. How much money did the Federal Government give to the State for soil conservation in the last financial year, and how much is to be given for soil conservation in this financial year?

The Hon. B. A. CHATTERTON: For soil conservation, the funds provided by the Federal Government run out at June 30 of this year, and so far we have had no indication that there will be any continuation of those funds, which have been responsible for significant soil conservation programmes in South Australia. There are four officers in my department who are paid from the funds that we obtain from the Federal Government for soil conservation. We have also been able to make grants to farmers to carry out soil conservation work as planned by those officers, and this has been a valuable programme. There are no indications at present that these funds will continue into the next financial year, and the matter of whether in future

the State will be able to fund the salaries of those officers and carry out the soil conservation programmes that have been operating in the past is causing considerable concern. This has not been made clear to us by the Commonwealth Government.

The Hon. R. A. Geddes: But it has not actually cut us back yet?

The Hon. B. A. CHATTERTON: No, but it is leaving it very late. It makes it difficult for us if we do not know what plans there are for the future. As far as the tuberculosis and brucellosis campaign and the funds we have available are concerned, I am sorry I cannot quote the exact figures for the honourable member but they will result in very much a holding operation rather than an expansion of the campaign, which will mean, of course, that it will be difficult, if not impossible, to achieve eradication of the diseases by the target date of 1983, which was hoped and planned for. The amount of money that has been made available by the Commonwealth Government to the States is about \$8 000 000 or \$9 000 000 less than the figure that the States considered at their joint meeting was necessary for this type of campaign. That money that the Commonwealth Government is making available, of course, is not really Commonwealth money anyway. Much of it has come from producers in the form of levies for this campaign. However, the Commonwealth Government should have increased its expenditure in that area, because the sooner tuberculosis and brucellosis are eradicated the cheaper it will be for the Australian community and the more effective the campaign will be. The slaughter of reactors will certainly be of great benefit to the beef industry, which is at present suffering from depressed prices.

## LOCAL GOVERNMENT FINANCE

The Hon. M. B. DAWKINS: I seek leave to make a short statement prior to asking a question of the Minister of Lands, representing the Minister of Local Government.

Leave granted.

The Hon. M. B. DAWKINS: Yesterday I asked a question of considerable urgency regarding local government, with reference to setting up a State Grants Commission for the purpose of distributing money from Federal sources. This matter has created much disquiet in local government circles, in that I have been told that this State is the only one that has not yet set up the machinery to distribute the money. The Minister of Agriculture and Fisheries told the Hon. Mr. Geddes a short time ago, when replying to a question by that honourable member, that the Commonwealth Government was leaving the matter very late. I assure the Minister of Lands that people in local government believe that this State Government is leaving it very late to set up the necessary machinery that will distribute this money, which will soon be available. Has the Minister obtained from his colleague a reply to the question I asked yesterday?

The Hon. T. M. CASEY: No. As the honourable member would realise, it would be virtually impossible to get a reply to a question that had been asked on the previous day, because the question would not have come to the department concerned until (in this case) late this morning, when the *Hansard* proofs became available. I ask the honourable member to bear with the Minister of Local Government regarding formulation of the reply. I assure the honourable member that, although he will not get a reply in the Council, he will get one by letter as soon as possible.

## KINGSTON HOSPITAL

The Hon. R. C. DeGARIS: Last year I asked a question of the Minister of Health concerning the Kingston Memorial Hospital. In the Loan Estimates for 1975-76 there was a line dealing with extensions and renovations to that hospital. I have received a letter from the hospital secretary seeking my support to have the alterations included in the Estimates for 1976-77. Has the Minister any comment to make on this matter? Will he see whether the Kingston Memorial Hospital extensions can be proceeded with in the 1976-77 year?

The Hon. D. H. L. BANFIELD: As a result of the cut-backs by the Australian Government in the actual amounts of money allotted for hospitals, we shall now have to look at the actual amounts allotted, as they do not allow for inflation increases. We must now have another look at the whole hospitals building programme in the State. We had a representation from the people at the Kingston hospital two or three weeks ago and we undertook to have a look at their proposition. We appreciate it is desirable for an allocation to be made for extensions to the Kingston hospital; we are looking at this and, if it is possible, we will allow money for it in this year's Estimates.

## APPROPRIATION BILL (No. 2)

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

The Hon. D. H. L. BANFIELD (Minister of Health): I move:

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

I remind honourable members that advance copies of the second reading explanation and the Supplementary Estimates have been placed on honourable members' desks today. I do not propose to read the Treasurer's second reading explanation to the Council and ask that it be incorporated in *Hansard* without my reading it.

Leave granted.

## EXPLANATION OF BILL

This Bill comes before the Council at a time when the outlook for the Australian States is grim. The Federal Government is systematically setting out to abdicate its responsibilities in numerous areas while at the same time attempting to cajole or coerce the States into taking over the functions that Canberra is abandoning. The choice facing the States is unpleasant: either try to make up from State revenues the deficiencies caused by Federal Government cut-backs or see the development of the States set back and the real standard of living in the community fall. The Federal Government is obsessed with cutting back services, regardless of the real economic or social cost.

Even the Liberal Premier of Victoria, Mr. Hamer, has strongly criticised the cut-back mentality of his Party colleagues in Canberra. I will quote his words to honourable members opposite. Mr. Hamer told the Victorian Parliament that he had a "more fundamental concern" about the Federal Government's action other than the reductions in money available to Victoria. He said:

The thrust of the Commonwealth Government's measures is to transfer resources from the public sector to the private sector. My concern is that this should not go so far, so fast, as to ignore the vital interdependence between the private sector and the public sector, or that public sector expenditure is reduced before the private sector becomes able to take up a correspondingly greater share of the economy.

Mr. Hamer went on to say that a great deal of private sector activity depended on Government activity, and that he was particularly concerned at the impact of Federal cut-backs on major industries such as the construction and building industries.

The South Australian Government has consistently stressed the interdependence of private and public sectors. We have warned that the Federal Government's moves would create more unemployment and cause confusion and uncertainty in the community. The other Premiers are now agreeing. The impact of Federal policies on South Australia is disturbing. When I introduced the Appropriation Bill No. 1 earlier this year, I said that the State faced many economic unknowns and that the consequences of those problems would greatly influence our budgetary situation. It would be pleasant to be able to tell the Council that the country now has a clearer idea of the Federal Government's policies and that State Governments were now better able to plan their future commitments. Unhappily, it is not possible to say that. Confusion surrounds almost every aspect of Federal Government policy, be it Medibank, wage indexation, education spending, Aboriginal affairs or urban development.

Medibank is to be changed for medical services, and the Federal Government is trying to force the States to agree to changes in the Medibank Hospitals Agreement. Funds for the school dental care programme have been cut, and the threat of no funds at all for that scheme has been made. Public transport funds have been drastically reduced, water filtration funds put under threat, education given a niggardly increase in real funds, and hospital funds given no increase at all. The result of these and many other cut-backs both known and anticipated is that the State's financial resources will have to be used to support these programmes. This means that our healthy revenue surplus and reserves will be used to continue providing services previously funded partly by the Federal Government. Without a surplus and a strong level of reserves, it would be difficult for us to continue to provide welfare schemes, hospitals, roads, schools, and the other services that the people of the State rightly expect from their Government.

The good Budget position in which we find ourselves is the envy of the other States. The Revenue Budget presented to the House on August 28 last forecast the possibility of a balance of operations for the year 1975-76. This forecast took into account an estimated increase in the level of average wages of about 21 per cent as advised by the Commonwealth Treasury for the purposes of financial assistance grants. After taking into account the provisions built into departmental estimates of payments as a result of the carry-over effect of wage and salary awards which came into effect in 1974-75, it was calculated that a further round sum allowance of \$82 000 000 would be required to give safe cover against new awards which could come into effect during 1975-76. Because increased salary and wage rates could be expected to be accompanied by higher prices for supplies and services, it was desirable for a round sum allowance to be provided for this purpose also and, accordingly, the Budget included a provision of \$16 000 000.

In February, it became necessary to ask Parliament to consider Supplementary Estimates to provide appropriation in order to cover changed circumstances in a number of areas, and I gave an explanation of the main financial trends which had occurred during the first seven months of the year. At that stage it was clear that there would be a great improvement in the year's Revenue Account result, and it appeared that a surplus of as much as

\$25 000 000 could occur. There were five main reasons for that broad estimate. First, wage indexation had been working well, and there had been a responsible approach in the community in the area of wages and salaries. The net benefit of this factor to the Budget, that is, the excess of savings in cost over reductions in formula grants and other revenues, was expected to be about \$4 000 000.

Secondly, the differences in timing in wage awards (particularly in 1974-75) have meant an absence of consistency between wage movements in State Government employment and those in the Australian community as a whole. The favourable effect of this factor was thought to be about \$10 000 000. Thirdly, the favourable effect of wage restraint flowed over into prices for goods and services which, combined with careful expenditure control in departments, suggested savings of some \$10 000 000. Fourthly, improved State revenues in some areas indicated that receipts as a whole could be, perhaps, \$5 000 000 above estimate. Fifthly, these four favourable effects were expected to be offset by net increases in payments of about \$4 000 000. The estimate which was derived from these five major factors was for a surplus of about \$25 000 000.

I have given only the briefest of summaries of what was explained more fully in February. For those members who may wish to refer again to that explanation as background to an understanding of the present situation, I point out that it may be found at pages 2203 to 2207 of *Hansard*. Now, in early June, it is clear that the estimate of surplus made in February was a significant understatement and that on recent trends we may expect a surplus as high as \$50 000 000. This is rather surprising. The cumulative figures to the end of each month in 1975-76 had shown marked variations from those of the previous year for the period up to the end of January, and it was in this period that a very great improvement over 1974-75 had occurred. The cumulative surplus of \$31 600 000 for the seven months to the end of January, 1976, compared with a cumulative deficit of \$27 500 000 to the end of January, 1975.

Given that no new or increased taxes had become operative during the course of 1975-76, that the petrol franchise tax had been repealed and that, on the cost side, a rather large wage indexation movement (6.4 per cent) became effective in February, the reasonable expectation then was that the last five months of 1975-76 would show a less favourable financial trend than the corresponding period of 1974-75. In the event, the pattern in monthly results since January has been more favourable in 1975-76 than it was in 1974-75. Until the final figures for 1975-76 become available and have been analysed, it is not possible to give a reliable break-up of the main components of the further improved result. This analysis will be carried out, of course, and, in my Budget speech for 1976-77, I intend to give a full explanation.

At the moment, perhaps I could sum up by saying that it seems that all of the favourable influences to which I referred in February are turning out to be even more favourable than was forecast then, and that many State revenues have been very buoyant despite a general slackness in the economy. One other factor is that the net benefits of the Medibank arrangements for Government and subsidised hospitals are likely to be more favourable to the Budget this year than was expected. This surplus of, say, \$50 000 000 is emerging at a time when there is great uncertainty about the future of State finances and when there is the possibility of dislocation in many areas which have been the subject of assistance by way of specific purpose grants and loans from the Commonwealth Government. The availability of the 1975-76 surplus and

of the reserve of \$25 000 000 built up on operations to June 30, 1975, will enable the Government to go a long way in avoiding or minimising the dislocation and disruption that would inevitably have occurred in the absence of these reserves. Members will recall that I have spoken before about the dangers of being bound too firmly to the rather artificial period of a financial year, and about the desirability of longer-term planning. The present circumstances certainly illustrate the wisdom of that approach, and I am now able to say to you that, because we have adopted a responsible and planned approach to Budgets, because we have set ourselves longer term targets, and because we have avoided the easy short-term solutions, we are now in a much stronger position to cope with the uncertainties of the next few years.

I do not wish to go into any detail yet about prospects for 1976-77 and our possible approaches to the problems of that year, but I do believe it is both possible and appropriate to give a few broad indications. In three areas my comments have a bearing on the provisions in the Supplementary Estimates. My major comment is that we must continue to look at the overall financial situation and seek to make the most effective use of all the funds available to us. It is neither sensible nor really effective to look at Revenue and Loan Accounts separately and to disregard the links between the two. The common situation in the past has been one of great pressure on Revenue Account because prospective taxation and other revenues have appeared inadequate to cover the cost of essential services. This has carried with it the need to hold Loan funds in reserve to cover possible revenue deficits. At the moment, with Loan Account likely to be in deficit at the end of June to the extent of about \$7 000 000, the situation is reversed, though perhaps only temporarily, and we see that the greatest pressures are in the areas of capital works with the possibility open to us of giving some support to essential works from the Revenue Budget.

As to the prospective Revenue Budget situation in 1976-77, I believe that it will be possible to achieve a balance without the necessity to increase taxes. Charges for services, of course, will need to be kept under review as in the past. The new tax-sharing arrangements introduce a new element of uncertainty into next year's Revenue Budget forecast but, as far as can be foreseen at this stage, the arrangements should be more favourable to the States in 1976-77 than the old formula would have been. It follows, then, that there is not likely to be the requirement to call on our Revenue reserves of, say, \$75 000 000 (that is \$25 000 000 built up to June 30, 1975, and \$50 000 000 in 1975-76). Therefore it would be practicable to call on these reserves to a significant extent to support the capital programme and other areas of special need in the near future. Accordingly, the Government intends to appropriate in the Supplementary Estimates and in this Bill a sum of \$55 000 000 for the following purposes—

|   | \$<br>Million |
|---|---------------|
| Urban public transport . . . . .                | 20            |
| General support of the Loan programme . . . . . | 20            |
| Unemployment relief works . . . . .             | 10            |
| Special electricity and road works . . . . .    | 5             |
|   | <hr/> 55      |

Urban public transport is the area hardest hit by the decision of the Commonwealth Government to cut previously planned expenditure heavily.

We have entered into contracts for the supply of urgently needed buses in the expectation that the special urban

public transport programme would continue and that the State would be able to attract two-thirds of the cost of those buses in accordance with the established arrangements for that programme. Under the main contracts (those for the purchase of 310 Volvo bus chassis and bodies) the total outlay will be over \$20 000 000. In addition, it is unavoidable that the Government should upgrade and add to the fleet of suburban rail cars at a cost of over \$10 000 000. Other works are also urgent.

Whereas there is a total of almost \$8 000 000 of Commonwealth grants available to us in 1975-76 and we had sought an allocation of \$16 000 000 for urgently needed transport projects in 1976-77, the latest advice is that grants of only \$1 300 000 will be available. While an allocation as sought would still have left a difficult situation on Loan Account, it is impossible now for Loan Account to make up the short-fall in special funds without great dislocation in other capital programmes. Accordingly, the Government has decided to provide \$20 000 000 of State grants to the State Transport Authority to minimise the potential problems over the next two or three years. The bus and tram division of the Authority (the previous Municipal Tramways Trust) operates as an autonomous body outside the Revenue and Loan Budgets. We have decided that, with the transfer of the non-metropolitan railway system to the Commonwealth, the accounts for the metropolitan rail system should be taken out of the Revenue and Loan Budgets and combined with those of the bus and tram division and the head office administration. The expenditure of the State grant of \$20 000 000 and of such advances as may be made from Loan Account will then be handled through the separate accounts of the Authority.

The Commonwealth Treasurer's recent financial statement and the Prime Minister's letter to me about the implications for specific purpose loans and grants were less explicit about areas other than urban public transport. However, it seems clear that we will receive less than is urgently required to carry out planned building programmes in schools, hospitals, and so on. There is considerable uncertainty regarding what is to happen about finance for housing, and the future of special water treatment and sewerage works is clouded. In these circumstances the Government has decided that it will transfer \$20 000 000 of the Revenue surplus to Loan Account to avoid dislocation in those programmes. I hope that at Premiers' Conference further information will be forthcoming about these matters and that I will be able to give an indication after that conference of the ways in which the \$20 000 000 may be used most effectively.

Because of its concern about the unemployment situation the Government has approved special allocations in 1975-76, first to extend the period of special schemes using Commonwealth grants and then for State projects. The schemes have been financed by allocations of up to \$2 000 000 at a time and this has allowed planning for only relatively short times ahead. We are concerned now that the immediate effect of cost cutting exercises announced by the Commonwealth Government will be to accentuate the unemployment problem and we believe a continuation of State schemes of works to provide jobs is necessary. There would no doubt be advantages in planning and in more effective use of resources if sufficient funds for a longer period could be assured. Therefore, we have decided to appropriate out of the surplus a sum of \$10 000 000 to be transferred to a special deposit account and to be used from that account to finance works to provide jobs through the first six months or so of 1976-77. The smaller appropriations for special electricity and road works are dealt with later in the departmental explanations.

**Appropriation:** Turning now to the question of appropriation, members will be aware that early in each financial year Parliament grants the Government of the day appropriation by means of the principal Appropriation Act supported by Estimates of Expenditure. If these allocations prove insufficient, there are three other sources of authority which provide for supplementary expenditure, namely, a special section of the same Appropriation Act, the Governor's Appropriation Fund, and a further Appropriation Bill supported by Supplementary Estimates.

**Appropriation Act—special section 3 (2) and (3):** The main Appropriation Act contains a section which gives additional authority to meet increased costs resulting from any award, order or determination of a wage-fixing body, and to meet any unforeseen upward movement in the costs of electricity for pumping water. This special authority is being called upon this year to cover part of the cost of the Revenue Budget of a number of salary and wage determinations with the remainder being met from within the original appropriations. It is not available, however, to provide for the costs of leave loadings and other special decisions of that nature. Where these cannot be met from the Governor's Appropriation Fund, Supplementary Estimates must be presented.

**Governor's Appropriation Fund:** Another source of appropriation authority is the Governor's Appropriation Fund which, in terms of the Public Finance Act, may cover additional expenditure up to the equivalent of 1 per cent of the amount provided in the Appropriation Acts of a particular year. Of this amount, one-third is available, if required, for purposes not previously authorised either by inclusion in the Estimates or by other specific legislation. As the amount appropriated by the main Appropriation Act rises from year to year, so the extra authority provided by the Governor's Appropriation Fund rises but, even after allowing for the automatic increase inherent in this provision, it is still to be expected that there will be the necessity for Supplementary Estimates from time to time to cover the larger departmental excesses.

**Supplementary Estimates:** The main explanation for this recurring requirement lies in the fact that, whilst additional expenditures may be financed out of additional revenues with no net adverse impact on the Budget, authority is required nonetheless to appropriate these revenues. Also, the appropriation procedures do not permit variations in payments above and below departmental estimates to be offset against one another. If one department appears likely to spend more than the amount provided at the beginning of the year, the Government must rely on other sources of appropriation authority, irrespective of the fact that another department may be underspent by the same or a greater amount.

Further, although two block figures were included in the August Budget as allowances for salary and wage rate and price increases, these amounts were not included in the schedule to the main Appropriation Act. Where these are the reasons for seeking further appropriation, the Council is being asked to make specific allocations for part of a figure shown as a general allowance in the original Budget for the year.

The appropriation available in the Governor's Appropriation Fund is being used this year to cover a number of individual excesses above departmental allocations; this is the reason why some of the smaller departments do not appear on Supplementary Estimates, even though their expenditure levels may be affected by the same factors as those departments which do appear. It is usual to seek appropriation only for larger amounts of excess expenditure

by way of an Appropriation Bill supported by Supplementary Estimates, the remainder being met from the Governor's Appropriation Fund.

#### DETAILS OF THE SUPPLEMENTARY ESTIMATES

With these authorities in mind then, the Government has decided to introduce Supplementary Estimates totalling \$61 340 000. The reasons for this additional expenditure are detailed in the explanations that follow.

**Premier—Miscellaneous:** The requirements of the Adelaide Festival Centre Trust this financial year have been increased by the need to meet certain capital costs associated with the plaza and car park projects for which semi-government borrowing authority is not available currently. To permit the trust to meet these costs now \$500 000 has been included in the Supplementary Estimates. A corresponding reduction will be made in the proposed grant to the trust in 1976-77, when additional borrowing authority will become available.

**Police:** Salaries and wages payable by the Police Department are expected to exceed the estimate made in August last by more than \$3 200 000. The majority of this excess falls within the provisions of section 3 (2) of Appropriation Act (No. 2) 1975, which, as I explained earlier, gives appropriation authority for certain wage and salary increases. However, the final pay period this year for members of the Police Force ends on June 30. When the Estimates were prepared in August last, the department mistakenly treated this as a 1976-77 payment. As a result, **appropriation** is required now for one additional pay amounting to about \$1 300 000. The sum of \$1 000 000 included in the Supplementary Estimates is made up of this figure, less savings in other areas of about \$300 000. Price increases affecting many of the operational items of the department necessitate the provision of a further \$200 000 for administration expenses and amendments to the Police Pensions Act, which have increased the Government's contribution this financial year and require a further \$130 000. The total provision in the Supplementary Estimates for the Police Department is therefore \$1 330 000.

**Treasurer—Miscellaneous:** Earlier in my remarks I outlined the Government's intention to provide a contribution of \$20 000 000 from Revenue Account to Loan Account to avoid disruption of certain capital programmes. This is included in the Supplementary Estimates. Provision is made in the Estimates each year for payments to the Electricity Trust to subsidise the supply of electricity to country areas. The provision for 1975-76 of \$1 216 000, \$836 000 in the Budget and \$380 000 in Supplementary Estimates presented in February, is insufficient to meet costs incurred by the trust, and a further amount of \$20 000 has been included in the Supplementary Estimates for this purpose. The growth in this subsidy payment in recent years has demonstrated the need to consider ways of containing it in the future. In consequence, the Government has decided to provide \$3 000 000 for capital works in the western areas of Eyre Peninsula as far as Streaky Bay and Ceduna.

At present electricity is supplied at Port Kenny, Poochera, Streaky Bay, Wirrulla, and Ceduna from local diesel power stations operated by, or under contract to, the district councils concerned. Because of steep increases in oil prices and wage rates, the cost of this local generation has risen considerably during the last few years, and it would now be more economic to supply these places from the Electricity Trust's transmission system. This extension, which has been requested by the councils concerned, will enable local generation to cease. The savings in costs of

electricity supply that this will achieve will result in substantial reductions in future Government subsidy payments.

Appropriation is also required to cover transfers to the Government Insurance Fund, which provides fire insurance cover on Government buildings. Claims on the fund as a result of Government and school buildings destroyed or damaged by fire have already exceeded the revised estimate made in February last and the indications are that a further \$220 000 will be required. The total provision in the Supplementary Estimates for Treasurer, Miscellaneous is therefore \$23 240 000.

**Lands—Miscellaneous:** I have already mentioned the need for continued involvement in unemployment relief projects during the first six months or so of 1976-77. In March, Cabinet approved an additional allocation of \$1 500 000 for unemployment relief, bringing the total approved for this purpose in 1975-76 to \$6 500 000. It is expected that \$6 000 000 of this total will be required to meet expenditures to June 30, 1976. Therefore appropriation of \$1 000 000 out of the last approval of \$1 500 000 is included in the Supplementary Estimates together with the \$10 000 000 for the ongoing support of unemployment relief programmes as previously outlined, making \$11 000 000 in all. When presenting Supplementary Estimates to the House in February, I spoke of Cabinet's decision to extend the State's unemployment relief programmes to include both metropolitan and non-metropolitan areas. The provision in this set of Supplementary Estimates is intended to further extend the authority granted by this line in order to allocate funds for expenditures in 1976-77. This will be done by means of a transfer to a special deposit account from which payments will be made as required next year.

**Public Buildings:** In February, Cabinet approved additional expenditure on previously deferred maintenance works on school, hospital, and other Government buildings. This work consisted mainly of contract maintenance (repairs and painting) and contract civil works in country areas throughout the State. Such maintenance works are labour intensive and Cabinet considered the work would give a significant stimulus to employment and to smaller contractors in country areas. The sum of \$1 500 000 was approved for this work and about \$915 000 is expected to be spent by June 30, 1976.

A further approval was given by Cabinet on March 22 to charge certain minor works and equipment, incurred by the Hospitals Department, to Revenue Account rather than Loan Account. This decision was taken in line with changes to the Medibank arrangements under which the Commonwealth Government recognises revenue expenditure up to \$50 000 on individual minor works and equipment for cost-sharing purposes. It is estimated that \$800 000 will be required for this purpose in 1975-76. Whilst no additional expenditure will be incurred through this transfer, appropriation authority is required to increase expenditure on Revenue Account. An amount of \$1 715 000 is included in the Supplementary Estimates under Public Buildings Department to cover these requirements.

**State Supply:** During the year attempts have been made to stabilise the work force employed at the Port Lincoln freezing works by maintaining a more constant level of activity. In pursuance of this objective, the Produce Division of the State Supply Department has been successful in obtaining export contracts through the South Australian Meat Corporation up to June 30, 1976. The increased processing has generated earnings for the department which will be reflected in revenue receipts. However, the associated costs were not included in the original Estimates and

appropriation is now required to meet salaries and wages of \$350 000 and contingencies of \$50 000. Accordingly, \$400 000 has been included in the Supplementary Estimates for the State Supply Department.

**Agriculture:** Expenditure associated with the eradication of fruit fly included in the Estimates each year covers the costs of staffing road blocks, setting and monitoring of traps and the general ongoing campaign to control the spread of the pest. If a serious outbreak occurs, involving stripping fruit from trees and spraying, it is necessary to seek separate appropriation authority for the costs incurred. There has been a number of outbreaks this year, and the employment of contract labour for work connected with them is expected to cost about \$380 000. This amount has been included in the Supplementary Estimates under the Agriculture Department.

**Transport—Miscellaneous:** In accordance with the provisions of the Cooper Basin (Ratification Act) 1975, an undertaking was made that, within 24 months of operation of this Act, the State would remake or upgrade the Strzelecki track between Lyndhurst and Moomba to enable normal vehicles to use that road. In addition, the State would try to ensure that the road is reinstated within eight weeks after the passage of the peak of a flood which cuts the road. If the Strzelecki track were to be rendered impassable for an extended period so that the producers were unable to transport plant, equipment and supplies, gas supplies to Adelaide and Sydney could be placed in jeopardy.

In conformity with these requirements, the Highways Department, on behalf of the Government, commenced the works in March, 1976. The estimated cost is \$2 400 000. As road funds available to the Highways Department are fully committed during the period in which this work must be completed, the Government has decided to provide appropriation by way of a transfer to the Highways Fund and has included \$2 400 000 in the Supplementary Estimates for this purpose. In my remarks earlier, I outlined the need for substantial Government assistance with urban and public transport projects, and \$20 000 000 has been included in the Supplementary Estimates for this purpose. The total amount included in the Supplementary Estimates under Minister of Transport and Minister of Local Government is thus \$22 400 000.

**Community Welfare:** As part of the Government's welfare programme, we have contributed to the deficit incurred by the South Australian Housing Trust in welfare housing for Aboriginal peoples. In this current financial year costs of administering the scheme and maintenance of houses are expected to exceed rental income by almost \$500 000. Negotiations are proceeding with the object of obtaining a Commonwealth Government contribution towards the loss and to establish a basis on which future years losses may be shared. It will be necessary this year, however, for the State to contribute up to \$375 000 for this purpose, and this sum is included in the Supplementary Estimates under "Minister of Community Welfare—Miscellaneous".

The clauses of the Bill give the same kinds of authority as in the past. Clause 2 authorises the issue of a further \$61 340 000 from general revenue. Clause 3 appropriates that sum for the purposes set out in the schedule. Clause 4 provides that the Treasurer shall have available to spend only such amounts as are authorised by a warrant from His Excellency the Governor, and that the receipts of the payees shall be accepted as evidence that the payments have been duly made. Clause 5 gives power to issue money out of Loan funds, other public funds or bank

overdraft, if the moneys received from the Australian Government and the general revenue of the State are insufficient to meet the payments authorised by this Bill. Clause 6 gives authority to make payments in respect of a period prior to the first day of July, 1975. Clause 7 provides that amounts appropriated by this Bill are in addition to other amounts properly appropriated.

The Hon. C. M. HILL: First, I stress the point that the Government's legislative programme is far too brief, and I think it is an insult to the people of this State. How can this Council, in its principal role as a House of Review, give full consideration to Bills that are brought into this Chamber at a quarter to four in the afternoon and must be passed the same day? The real tragedy is that the people of this State suffer because they do not get the best possible legislation through this Parliament. Let us look at the record of this Government as far as its willingness to work and to call parliament together more often is concerned.

The Hon. C. J. Sumner: You are not on this again, are you?

The Hon. C. M. HILL: Yes, I am, because it is important. The honourable member may not agree with me, but people outside do. They expect the Government of the day to sit for an adequate period so that the best possible legislation can go through Parliament.

The Hon. N. K. Foster: You sat for 30 hours in three years once—10 hours a year.

The Hon. C. M. HILL: No. In the last session of this 42nd Parliament, Parliament sat for 43 days. It was the least number of sitting days in the past 12 years. That was the first session of this Parliament, which prorogued on February 19.

The Hon. C. J. Sumner: When did it start?

The Hon. C. M. HILL: It started on August 5, 1975. Parliament met on that day: it was adjourned on November 14, 1975, and we sat again on February 3 of this year. Then we prorogued on February 19 of this year. Now, the Government has deigned to call Parliament together for three days and we are told we shall not sit again until July 27. It will mean that, of the preceding 255 days, as at July 27 of this year, Parliament will have sat for 12 sitting days. What a record for a Government! It is a shameful state of affairs that a Government in this day and age, when so much legislation needs to be amended, when so many laws need to be improved affecting the affairs of the people of this State, is bringing Parliament together for 12 sitting days of 225 days.

I told honourable members what happened in the last 12 years. Last session we met for the least number of days during that period and I am sure that, at the rate we are going, this second session of the 42nd Parliament will bring a further record still. When we pause to seek the real reasons for this state of affairs, we must go back and consider the purpose of this second Chamber and the need for review. We realise that we cannot review in haste: it takes time. One might look further at the reasons why this Government has adopted this procedure.

First, I think it is another means of bringing this Council into public ridicule. Obviously, we cannot do our job properly in this restricted time because we cannot review, so honourable members opposite, who openly advocate the abolition of this Council (one honourable member did that yesterday on the floor of this Chamber), never cease to take every possible opportunity to try to bring us into ridicule.

The other reason for the Government's attitude is the simple reason of survival. Let honourable members

opposite deny that. They know that their situation in another place is such that they are in office only with the blessing of an independent member and they know the risks involved while Parliament is sitting, so the minimum period of sitting, of course, reduces the risk. So, in the interests of their own survival, this State is suffering this quite ridiculous state of affairs of Parliament sitting for only 12 days in a total period of 255 days.

The Hon. C. J. Sumner: How is the State suffering?

The Hon. C. M. HILL: I said that distinctly: the State will suffer until it is served by the best possible laws.

The Hon. C. J. Sumner: Quite so.

The Hon. C. M. HILL: It is all right for the honourable member to think that he is fashioning the best possible laws in the Caucus room, but that is the way in which the British system of democracy should not work.

The second reason, I stress, for this brief period of sitting is this Government's need to survive. When I see what the Government is doing to the Speaker in another place to ensure his support, I think it is a scandalous state of affairs.

The Hon. C. J. Sumner: What happened to the Hon. Mr. Cameron? He has just joined your lot again.

The Hon. C. M. HILL: I am referring to a subject that has been talked about, and I noticed that Mr. Max Harris made some points about it.

The Hon. T. M. Casey: Who is he? Is he a friend of yours?

The Hon. C. M. HILL: I do not know the gentleman, but I read his report published in the newspaper last Sunday, with interest. In the report he stated that the people of South Australia believed that it was nothing short of political bribery for the Government of the day to send the Speaker in another place and his entourage around the world, and he was a guest at Westminster. I say that I am criticising not the person but the Government.

The Hon. C. J. Sumner: Where did you go in the recess?

The Hon. C. M. HILL: I went overseas, too, but at my own expense. The apprenticeship that the Speaker of the House of Assembly should be doing to learn his job should be carried out in the House of Assembly, not at Westminster. When the people of the State start counting the amount of money allocated for a trip like that, simply so that the Government could try to cement the holding of office in this State, they will see that it is a scandalous state of affairs.

The Hon. C. J. Sumner: How many times did Tom Stott go?

The Hon. C. M. HILL: I cannot recall, but the Hon. Tom Stott certainly did not occupy the Speaker's Chair on the day when he entered Parliament.

The Hon. T. M. Casey: He made sure he got there at the end, though.

The Hon. C. M. HILL: He was Speaker. I hope that the Government will reconsider its programme and that Parliament will sit in future for a fair and reasonable period. I hope that we will not have a state of affairs similar to what we have at present, whereby Bills extremely important to the people of this State are coming to the Council in circumstances in which it is impossible for the Council to review them adequately. However, while this Government remains in office, one must do one's best in such haste and such limited time to make that review.

I do not oppose the Bill before us, because it is a money measure. I strongly criticise the two or three pages at the beginning of the Minister's explanation. They contain nothing but blatant political propaganda, and later we get

down to the nitty gritty of the measure. Obviously the Treasury officers, whom I commend for their work in this State, have filled out the remainder of the explanation and given us fair and reasonable information on the measure. The first few pages, however, reek of nothing but pure rubbish.

The Hon. C. J. Sumner: Would you like to point out some of this alleged rubbish?

The Hon. C. M. HILL: I will do that soon. I will go further and say that it is little short of garbage. Apart from that point, I stress that the Government, by this measure, is showing no signs whatever of taking an attitude of wanting to combat inflation in this State. It is not showing any signs of really assisting the unemployment problem, either.

The Hon. C. J. Sumner: There's \$10 000 000 for unemployment.

The Hon. C. M. HILL: It is all very well to assist those who are unemployed, but I want the Government to get to a situation where those people will not be unemployed.

The Hon. T. M. Casey: You ought to talk to the Commonwealth Government, then.

The Hon. C. M. HILL: The State Government is showing no signs whatsoever that it intends to reduce expenditure. That does not surprise me, because this afternoon we have heard the Government's attitude, as expressed by honourable members opposite, in apparently being against any policy of restraint. Mr. Fraser has recommended that measures should be taken to contain expansion of the Public Service. Unless the Government of this State joins in some form of co-operative federalism with the Commonwealth Government, the situation will be getting worse for a long time.

The Hon. C. J. Sumner: Will the honourable member give way?

The Hon. C. M. HILL: No. The honourable member will only try to draw red herrings, and he can speak in this debate in the same way as any other honourable member can. There is need for taxation relief for the people of this State and we want restraint, in keeping with the leadership shown by the Commonwealth Government, so that the State and the Commonwealth can move together to cope with and overcome the tragic deficit of about \$4 500 000 000 facing the Commonwealth Government. Equally, we want this Government to tackle the problems of inflation and unemployment.

The Hon. C. J. Sumner: And to reduce taxes as well?

The Hon. C. M. HILL: Yes. If the honourable member wants evidence that our taxation has been too high, he can find such evidence. I refer now to the paragraphs in the explanation that I claim to be rubbish. The Hon. Mr. Sumner asked me to quote them, and the first one states:

The Federal Government is systematically setting out to abdicate its responsibilities in numerous areas, while at the same time attempting to cajole or coerce the States into taking over the functions Canberra is abandoning.

This policy of the Federal Government is the very policy that we on this side, and the majority of people in South Australia, want to have in operation. We do not criticise the Commonwealth Government because it has decided to give up some of its powers and to work in more co-operation with the States. We are grateful for that policy. The Minister continued:

The choice facing the State is unpleasant: either try to make up from State revenues the deficiencies caused by Federal Government cut-backs, or see the development of the States set back and the real standard of living in the community fall.



That is complete and utter rubbish. First, the choice facing the States is not unpleasant. As I have said, the States should welcome the leadership that they now have from Canberra. The people have spoken on that issue. As far as the development of this State is concerned, I want to know what development the Government is referring to. The Minister talks of the standard of living in this State falling, but it will improve once we have taken medicine and get on the road to recovery. These policies that the Federal Government has implemented are meeting with some success.

The Hon. B. A. Chatterton: What evidence have you of that?

The Hon. C. M. HILL: I will quote from the *Financial Review* of June 4 this year. I think the Minister will agree that that is a responsible publication and the report states:

The March quarter national accounts go a considerable way to supporting the Government's belief that the Australian economy is on the road to recovery.

Another quotation in the same issue substantiates my point that we should be co-operating with the Federal Government, not knocking it at every turn. That quotation states:

While there are questions as to priorities in public spending the general proposition holds good that States, as well as the Federal Government, should cut-back their rate of growth in public spending as a major tactic in tackling inflation.

The Hon. C. J. Sumner: Is the honourable member giving way?

The Hon. C. M. HILL: No, I am not. The honourable member would not give way at all. He was opposed to the idea when it was introduced, and he wants everything his own way. That is the only way in which he can be satisfied. It hurts when someone else adopts the same tactic. In the Treasurer's speech an effort was made to gain some advantage from what Mr. Hamer had said. The following statement must have come from the propaganda machine that nestles around the State Treasurer up there in his office, which is run at the people's great expense.

*Members interjecting:*

The Hon. C. M. HILL: Why do honourable members get upset when I mention the entourage that nestles around the Treasurer? In his second reading explanation, the Treasurer said:

The Federal Government is obsessed with cutting back services, regardless of the real economic or social cost.

That is entirely wrong. The Federal Government is cutting back services where it believes this must be done in the overall economic interests of this country. That Government is looking at the former waste, extravagance and over-spending that occurred from 1972 until the change of Government this year. Consequently, the Federal Government is exercising restraint.

When I heard members opposite today support the Leader of the Government in the Council, who criticised the Prime Minister for exercising restraint, I was dumbfounded. It is incredible to think that members of the South Australian Government are still linked with the Whitlam philosophy of "spend, spend, spend, and do not worry about tomorrow." They are pleased and satisfied with the Federal Government's deficit of \$4 500 000 000, and seem to disregard the fact that the greatest economic problem we are facing is that of inflation. It amazes me that they are thinking in the way in which the Labor Party in the State and Federal spheres was thinking during the period of the Whitlam regime. Later in his second reading explanation, the Treasurer said:

The South Australian Government has consistently stressed the interdependence of private and public sectors.

The only time it stressed that was when it had to cut the painter from Mr. Whitlam a few days before the last election in order to save its own political soul. The South Australian Government has elevated the public sector in all its economic thinking ever since it has been in office. It is far more interested in that because basically, as we know, it is a socialist Government, and for its members to have the audacity to come into this Chamber and say that they have consistently stressed the interdependence of private and public sectors is hypocrisy in the worst possible form. On page 3 of his second reading explanation, the Treasurer says:

The good Budget position in which we find ourselves is the envy of the other States.

That statement in itself might have some truth in it. However, I do not think it is the envy of the people of South Australia. They are the people who concern us, and they want to know how this state of affairs came about. The Government's surplus has arisen because of the high taxation that it levies in this State.

The Hon. C. J. Sumner: Are our taxes any higher than those in the other States?

The Hon. C. M. HILL: Yes.

The Hon. C. J. Sumner: They're not, and you know it.

The Hon. C. M. HILL: There is evidence of this, despite the Hon. Mr. Sumner's saying that this is not so. I will quote one example.

The Hon. C. J. Sumner: Is this overall taxation?

The Hon. C. M. HILL: I hope this will satisfy the Hon. Mr. Sumner and that he will continue making notes in preparation for his contribution to the debate, to which I look forward. I deal with this question as it applies to those in the lower income group or, as Government members would say, the workers. Let us look at the position of those people, whom the Government says are its prime consideration.

The Hon. F. T. Blevins: We have the lowest unemployment of any State. We take good care of the workers.

The Hon. C. M. HILL: Let us examine the situation of the worker when he comes to buy a house in this State. This is something that I think Government members should encourage their constituents to do, because home ownership generally is a good thing. In fact, I heard in the corridors that the Hon. Mr. Blevins has diversified in recent times and had made a small investment in real estate, for which I commend him.

The stamp duty payable in South Australia by a couple who purchase a house worth \$35 000 (which, I think all honourable members would acknowledge, is a fairly low-priced house on today's market) is \$810. The Hon. Mr. Sumner said a moment ago, "You know that you cannot quote any examples where our rates are higher than those in other States."

The Hon. C. J. Sumner: I said that taxation overall in this State is no higher than it is in the other States.

The Hon. C. M. HILL: The Hon. Mr. Sumner knows what I am going to say. A couple buying a house of the same value in Tasmania would have to pay \$587.50 stamp duty, and in Western Australia the figure is \$500. In Victoria it is \$700. In Queensland the sum of \$600 would have to be paid, and in New South Wales \$613 would be payable. Here, the figure is \$810, yet this State has a \$50 000 000 surplus.

The Hon. M. B. Dawkins: They've gone quiet now.

The Hon. C. M. HILL: I am merely saying that the Government should examine some of these areas and give relief to the people of South Australia whom it claims it represents and to whose interests the Government says it gives top priority. Can the Hon. Mr. Sumner say why

a South Australian couple should have to pay \$222.50 more than a Tasmanian couple for stamp duty? Why should a Western Australian couple have to pay \$310 less than South Australian couple, and why, in comparison with Victoria, should a couple in South Australia have to find an extra \$110? It is not a tax deduction or anything of that nature.

I am, of course, referring to a house valued at \$35 000. Honourable members could well imagine what the figures would be if I was referring to a house worth, say, \$40 000, \$50 000 or \$60 000. They could imagine what the rip-off would be then.

The Hon. C. J. Sumner: The land agent's commission is the trouble.

The Hon. C. M. HILL: The Hon. Mr. Sumner can do better than that. In New South Wales, they pay \$197 less than is paid in South Australia. The comment, made by way of interjection, that our taxes are, in effect, lower than those in other States is not correct. The Government is slugging young couples an extra few hundred dollars, compared with charges in other States; that extra sum builds up the Government's surplus. Rather than following the leadership given in Canberra and rather than saying that we must exercise restraint, the Government is channelling the surplus so that it can maintain its old, high order of public spending. The Government believes that that is the best policy in the interests of the State, but it is wrong.

The Hon. C. J. Sumner: Will you compare other areas of taxation in this State with those in other States?

The Hon. C. M. HILL: I should like to satisfy the honourable member, but I do not have with me the interstate comparisons. However, I shall give him the increases in tax revenue in this State that have occurred since the Labor Government came to office in 1970.

The Hon. C. J. Sumner: Will you compare the increases with those in other States?

The Hon. C. M. HILL: No; I do not have that information, but I should like the honourable member to supply it.

The Hon. C. J. Sumner: There was a series of articles in the *Advertiser* showing that the taxation level here was no greater than that in other States.

The ACTING PRESIDENT (Hon. R. A. Geddes): It would be appreciated if the honourable member who has the floor could have the chance to make his contribution to the debate.

The Hon. C. M. HILL: The funding of revenue money to Loan Account at this time and in this financial situation is monstrous. It is probably the first time in the history of this State that revenue surpluses have been funded in this way, simply to maintain this Government's expenditure policies. The State Government has disregarded the Federal Government's restraint principles, which are being implemented with some success in the interests of the nation as a whole. For this State to go it alone and to take the people's revenue money simply to maintain capital works to the extent of \$20 000 000 is grossly irresponsible. The extent of State taxation can be gleaned by examining taxation increases that have been imposed since the Labor Government came to office in 1970. I shall compare the actual figures for 1969-70 with the estimated revenue for 1975-76, taken from Budget documents presented earlier this financial year.

In 1969-70, motor vehicle licence and registration fees amounted to \$14 497 000, while the estimated figure for the current year is \$32 800 000; land tax in 1969-70 was \$7 595 000, while the estimated figure for the current year is \$19 350 000; stamp duties (excluding betting tax) in

1969-70 were \$20 635 000, while the estimated figure for the current year is \$55 000 000; succession duties in 1969-70 were \$8 312 000, while the estimated figure for the current year is \$16 500 000; gift duty in 1969-70 was \$611 000, while the estimated figure for the current year is \$1 300 000; pay-roll tax (which became a State responsibility in 1971-72) has increased from \$23 436 000 in that year to an estimated \$126 000 000 in the current year; business franchise taxation, which was first taken into account in 1974-75, is estimated to amount to \$12 100 000 in the current year; liquor tax in 1969-70 was \$3 090 000, while the estimated figure for the current year is \$7 500 000; racing taxation in 1969-70 was \$948 000, while the estimated figure for the current year is \$2 635 000; hospital rating in 1969-70 was \$465 000, while the estimated figure for the current year is \$900 000; transport licences in 1969-70 amounted to \$41 000, while the estimated figure for the current year is \$70 000; other forms of taxation in 1969-70 amounted to \$259 000, while the estimated figure for the current year is \$1 328 000.

Total taxation in 1969-70 amounted to \$56 453 000, which is 16.7 per cent of total receipts, while the estimated figure for the current year is \$275 483 000, which is 26.2 per cent of estimated total taxation. One can see from those huge increases what burdens are placed on those paying taxation. When people see that the State Government has a surplus of \$50 000 000, they are surely entitled to ask for news of some relief in the years ahead, but that news has not been forthcoming.

The Government has taken the attitude expressed by Government members here earlier today; they are against restraints and cut-backs. No matter where they get the money, they will continue on their merry way, even though that is not the policy endorsed by the people of Australia last December and despite the fact that some benefits are now appearing as a result of the Fraser Government's policies.

In connection with water rating, there has been an increase in the charge for water from 7.7c a kilolitre in 1972 to 14c a kilolitre. In some cases, land tax has increased 40 times or 50 times. Industry is facing the burden of unrealistic workmen's compensation legislation, which is not helping the unemployment situation; some business men are closing their doors because they cannot afford all these outgoings. Who really suffers as a result of this? It is the retrenched workers and their families. This Government has been highly skilled in taking more money out of the private sector indirectly by way of painless extraction. In 1974-75 the Dunstan Government imposed a 5 per cent levy on sales of gas by the South Australian Gas Company. The levy goes into the State Treasury.

The Hon. R. C. DeGaris: Did other States put a tax on gas?

The Hon. C. M. HILL: I do not know of any State that compares with this State in regard to that item.

The Hon. C. J. Sumner: Which one is that?

The Hon. C. M. HILL: I am referring to the South Australian Gas Company. There is then the matter of the levy on the Electricity Trust of South Australia. This levy was increased from 3 per cent to 5 per cent in 1973-74. This money also goes into the Treasury, but it comes out of the pockets of individuals. We saw the Government's legislation passed in 1974-75 requiring 50 per cent of the profits of the Savings Bank of South Australia to be paid to the State Treasury. Moreover, that provision was backdated to obtain \$525 000 in 1973-74, and \$370 000 in the past financial year. These are the ways

in which the Government is getting at people's money and getting at it in such a way that the people do not realise exactly what is the true position.

Heavy increases in taxation have been experienced by motorists, a group for whom the Government has never had much respect. Even honourable members opposite know of the frustrations of motorists who, as a result of road congestion in outlying metropolitan districts, are caught on our roads early in the morning or late in the evening during the winter months. I refer to the complaints we hear about what the Government is really doing to overcome traffic congestion and to improve traffic flow throughout the State. Such criticisms cannot be refuted. At the same time the Government has increased fees for driving licences from \$2 in 1970 to \$5 in 1976, and now it is talking about the need for a further increase soon. Naturally, registration fees have increased. I am proud that the State Liberal Government between 1968 and 1970 did not increase drivers' licence fees or registration fees in its term of office.

Whether we take as examples young people or elderly people, we find that the same set of circumstances obtains. I refer to the situation facing elderly people, who have spent their life making arrangements and budgeting for their own house, to make provision to be independent and to maintain their own affairs. Such people are being hit by the rapid escalation of rates, taxes and charges, and they have every right to complain bitterly. The land tax position has been aired fully, although one cannot help but mention some of the extreme cases. Certainly, I hope that the Government is doing something to relieve unfortunate landowners of these savage increases.

At Morphettville, land tax increased from \$28.23 to \$13 752.50. In the Lower North, at Auburn, land tax increased from \$320.80 to \$4 785 in the following year. At Victor Harbor land tax increased from \$30 to \$781. I refer to the situation closer to home. Much publicity has been given to the case concerning Greenhill Road, where I understand the assessment increased from \$241 to \$8 334. Finally, I refer to the land tax charged on Rowley Park Speedway. This position should be of much interest to the Minister of Tourism, Recreation and Sport, but that charge has jumped from \$770 to \$6 308.

The Hon. M. B. Cameron: The speedway left those premises.

The Hon. C. M. HILL: I am not surprised that that is the case, because many people are being forced to leave many places because of these increases. How did this situation develop? The answer to that question lies in the fact that it is the policy and approach of the Dunstan Labor Government to introduce an equalitarian society. A few years ago we heard of the Treasurer's famous statement that he intended to cut the tall poppies down to size. It is the escalation of the scale of taxes that is having this effect. While this takes place, nothing is occurring to improve the situation regarding inflation, and the unemployment situation worsens.

I believe that this Government will be forced at some stage to give more consideration to the business interests concerned with the employment of South Australian people. The Government will be forced to give greater consideration to the small business man in South Australia, whose lot is difficult indeed because of these high imposts. Greater consideration should be given to higher income families, that is, the families where both the husband and wife work and where a high income and a subsequent high expenditure is involved in the family budget. Such people have been disregarded by the present Government. Their income and capital is being soaked up by the present State

Government and the system on that basis will not work. Currently, there are serious signs of economic decline in South Australia because of the policies of the Dunstan Government. I stress that the State Government should join with the Commonwealth Government to make modern federalism work.

We should accept the policy of the Commonwealth Government and reverse the thinking that has been recently expressed from the Government benches in this Council. We should reverse this thinking totally, we should exercise restraint and give some relief to South Australians, who are being so harshly hit and who suffer unfairly through these escalating rates of taxation. The Government should change its narrow thinking and try to give some reward to people willing to work hard, willing to save, willing to work long hours, willing to work overtime, and willing to hold the work ethic high in their ideals and in their social priorities.

These are the people who will get South Australia going again. It will not be the Commonwealth Government, alone, and it will not be the people on a lower income, who cannot afford to pay much taxation. It is the people who can afford to provide income for the Government who will get South Australia going and who will allow finance for welfare measures and other payments to be met. It is these people the Government should consider, because these people are willing to make an extra effort, especially if they are given some incentive. It is these people who should be praised by our Government. They should not be rubbished and hit with high taxation. They must be given extra incentives as a reward for their effort. They should not be cut down to size by this present socialist State Government.

Looking generally at our overall future, the picture for this State is in the hands of these people and other sincere South Australians who recognise that they are fed up with this Government, its high taxation and other imposts. When they see \$50 000 000 available, they expect to hear from the Government how it will give them some future relief. I stress that this incentive, whether it be through a reduction in the rate of land tax or a variation in the rate of stamp duty, or whether it be through the scale of succession duties or similar charges, will help solve the problem of unemployment, because job opportunities will appear when those who can employ people are given sufficient incentives to make it worth their while. This is one of the best ways open to tackle the problem of inflation.

I conclude by saying that the State Government's abuse of Mr. Fraser and the Federal Government's economic measures brings no credit whatsoever upon the Treasurer and his Labor Government. I believe the people of this State want the Treasurer to make every effort to make co-operative federalism with Canberra work, and work successfully. At this time, faced with a \$50 000 000 surplus—

The Hon. C. J. Sumner: We have spent it.

The Hon. C. M. HILL: I know, but what if it comes along next year? The Treasurer will spend it again.

The Hon. C. J. Sumner: Are you saying we should not have had the new buses?

The Hon. C. M. HILL: The allocation for the new buses was cancelled by the Whitlam Government, anyway. Secondly, if the honourable member thinks that the transport situation in this State will be secured because we put \$20 000 000 worth of new buses on the road—

The Hon. C. J. Sumner: I did not say that; I asked whether you were opposed to the new buses.

The Hon. C. M. HILL: —it is too laughable. The new buses must be viewed in the light of the overall needs of this State. If we have to wait another 12 months for new buses, we should wait, because in the interim unemployed people may get jobs. In the meantime inflation may be checked and some real benefit may accrue to this State. Overall priorities must be looked at. It is no good playing politics and screaming about new buses.

The Hon. C. J. Sumner: Have you read the articles that appeared in the newspaper while, I think, you were away?

The Hon. C. M. HILL: I know that articles appeared in the Adelaide papers during the period I was away. Finally, I believe the people of this State want the Treasurer to make every effort to make co-operative federalism work, and work successfully. At this time, faced with this \$50 000 000 surplus, the Government should have announced proposals to give relief from State taxation, rates, and other imposts. This should have been done on a review of the high escalating scales of taxation applying in such areas as land tax, stamp duty, and succession duties. The Government should look at pay-roll tax and give genuine relief there, not that kind of hypocritical relief it has claimed to give, by an amending Bill last year, following which I have not found one instance of an employer being able to pay less money in pay-roll tax as a result of that, because the small amount of relief that was given by some clauses of the Bill was reversed by other clauses where all the group companies were lumped together.

That was scandalous political hypocrisy, of no benefit at all. Pay-roll tax is still heavy; it is a scandalous state of affairs. The major economic issues of inflation, high unemployment, and high interest rates can be attacked in South Australia only by co-operation between the Dunstan Government and the Fraser Government. The Dunstan Government must accept that fact, whether or not it likes it. If the Treasurer cannot work to achieve a better South Australia in this way, the people of this State will not enjoy the real standards of living they deserve, and the blame will rest squarely on the shoulders of this State Government.

The Hon. R. C. DeGARIS (Leader of the Opposition): I congratulate the Hon. Mr. Hill on the summary he has made of this Bill. I want to touch on some matters that the honourable member has referred to, but in a slightly different way. The Australian economy has passed through a period of serious imbalance in economic management, the effects of which are still being felt throughout the nation. If we look at the results of that period of imbalance, we can observe two things.

The Hon. J. C. BURDETT: I call to your notice, Mr. President, the state of the Council.

*A quorum having been formed:*

The Hon. R. C. DeGARIS: We can observe (1) a wasteful under-utilisation of our resources, with manpower, industrial capacity and natural resources contributing below potential; and (2) the twisting of the economy out of shape by a mixture of policies that has resulted in a lack of drive in the private sector, with a rapid expansion in the public sector. There has been over three years a significant movement of resource utilisation from the private to the public sector. Whilst the second reading explanation refers to Mr. Hamer, the Victorian Premier, exactly the same viewpoint, only taken further to the extreme, has been expressed by the Treasurer himself. My point is that the Treasurer has said, in expressing concern about the private sector, that it depends upon expenditure in the public sector.

It is partly true, of course, that Government expenditures give support to private sector activity, but at the same time the way in which that variation is made can cause dramatic changes in the structure of resource use and in the areas of activity into which the resources are directed. One of the real dangers of such a change can be recognised in the policies of the past three years: that is, that replacement of private expenditure by public expenditure tends to build into the system a structure of resource use in which too much of what the economy can produce is absorbed in current consumption, of one form or another, and too little is available for investment and new capital.

For example, in 1974-75, Federal expenditure increased by nearly 50 per cent with a Budget deficit of \$2 500 000 000. One may note also that in this period private employment fell by 4.3 per cent and Government employment rose by 7.8 per cent. The argument of certain State Premiers, therefore, who keep hammering on Canberra's door for more and more money for the State public sector, with the cry that such increased expenditure will be a stimulus to the private sector, can be seen to be largely fallacious. This applies even more so when one considers the attitude of this Government to such matters as day labour in much of its public expenditure.

One of the pressure points for continued expansion of the public sector is the annual confrontation between the State Premiers and the Prime Minister and his financial advisers. During Question Time in this Council today, we saw the ground being laid for what the Treasurer will say when he comes back from the Premiers' Conference. This annual match exhibits all the characteristics of irresponsibility, political manoeuvring and Party-political exploitation, without facing economic facts.

Until we can produce a realistic system whereby the States can raise their own taxation, where the taxpayer can see who is taxing him and understand what he is getting from his taxing authorities for his tax dollar, then the annual Premiers' Conference can be no more than a Party-political manoeuvre. I compliment the *Advertiser* on its editorial this morning. Much of it has been quoted in the Council today, and when it was being read I said "Hear hear" and I meant it. Unless some reality comes into the position of Government expenditure and public expenditure, as well as in relation to taxation levied (whether by the Federal Government, the State Government, or local government), we will have no hope of dragging ourselves out of the situation of the economic mismanagement that we have had over the past three years.

I believe that one of the factors that have led this country into economic difficulties lies in this area, where Premiers can exploit a position where they are not responsible to the people for tax raising but can, with wounded pride, criticise the Federal Government for not making more funds available to the States from the public purse. The Federal Government's intentions with its federalism proposals deserve support, because I believe that, with greater responsibility being placed upon States to raise their own taxes, it will place a greater responsibility on the States in the use of those funds.

The basic cause of inflation is excessive Government expenditure and, of course, the excessive taxation or budgetary deficits that go with it, and inflation will not be halted unless these are reduced. In my opinion, the best way to reduce the pressure on excessive public expenditure is to ensure that the authority spending funds should also be responsible for raising funds. Colin Clark,

in an article in *Quadrant* in 1945, drew attention to what he termed the safe upper limit for taxation as being 25 per cent of the gross national product.

The Hon. F. T. Blevins: Colin Clark was a fascist, too. How shocking he was when he was in England!

The Hon. R. C. DeGARIS: I do not know about that, but I know that he had a high reputation in the field of economics.

The Hon. F. T. Blevins: Colin Clark had a shocking reputation.

The Hon. R. C. DeGARIS: I can produce a letter from Professor Vickers, Professor of Economics at the University of Western Australia, in which the professor tends to agree with much that Colin Clark has said. In his report in 1945, Colin Clark stated that, if taxation went above 25 per cent of the gross national product, inflation resulted. If one draws a graph of taxation related to the gross national product and the inflation rate, one sees the direct relationship between the two. Therefore, there is a good case to be made out for Colin Clark's being correct, because of the direct relationship between the taxation extracted from the people and the gross national product.

From 1971-72 to 1974-75 all taxes in Australia increased from 32.2 per cent of the gross national product to 36.2 per cent. In this period, our inflation rate averaged about 12 per cent a year. If we want to destroy the economic viability of people on fixed incomes, wages, and pensions, the way to do it is through inflation. Inflation does not affect the extremely wealthy to a large degree but it has a dramatic effect on those in the lower-income group. From 1971 to 1975 the inflation rate was about 12 per cent and in the same period the taxation rate rose dramatically to more than 36 per cent of the gross national product.

It is clear to most Australians that there must be a reduction in public expenditure. It is probably clearer to the Australian public than it is to politicians! An important part of any programme to reduce public expenditure must be the handing over of functions, powers and responsibilities from Federal to State Governments and from State Governments to local governments. It is also necessary that each level of Government should have to finance its expenditures by taxation which it has to impose on its own electors.

If State Governments and local government were given this share of responsibility, without having a political whipping horse to blame, public expenditure at State level would be more realistic. I hope that the Fraser Government pursues this responsible line, and I hope both State Governments and local government are prepared to accept their responsibilities in a programme that will make a significant contribution to the alleviation of one aspect of inflationary pressure. Not only that: it would make a significant contribution to a better understood system, with greater individual participation in the democratic process.

I hope that the people of this State understand clearly that, unless there is a reduction in Government expenditure, there will be no way that this Government can get itself back on to a reasonable economic footing. I agree with the Hon. Mr. Hill's statement that the opening remarks in the second reading explanation are most misleading and designed to have a political effect. The realities of the situation are largely overlooked.

The Hon. J. C. BURDETT: I support the second reading. The second reading explanation was strangely inconsistent. The first two pages dealt with the Commonwealth Government financial policies and alleged that the States would be much worse off because of them. Then,

on page 5 of the explanation, the tone changed. On page 6 we find the statement that the Commonwealth financial arrangement should be more favourable to the States in 1976-77 than the old formula would have been. The first part of the explanation complains of the effect on the State of the Commonwealth Government's financial arrangements, yet on page 6 it is stated that the formula should be more favourable to the States than the old formula would have been. It would seem that two different authors prepared the explanation and that they did not consult one another. On page 2, we find the following:

This means that our healthy revenue surplus and reserves will be used to continue providing services previously funded partly by the Federal Government.

On page 6, the following appears:

It follows, then, that there is not likely to be the requirement to call on our revenue resources of, say, \$75 000 000, that is, \$25 000 000 built up to June 30, 1975, and \$50 000 000 in 1975-76.

That is the exact opposite. The first three pages are blatant propaganda against the Federal Government, whereas the remainder is a much more businesslike approach to the State's finances. The next matter referred to in the second reading explanation is urban public transport, it being stated that it may not be possible to purchase some air-conditioned buses. In this regard, I point out that the Government should be embarking on a real effort to solve the metropolitan transport problem. This is a considerable problem, and air-conditioned Volvo buses will not solve it.

As the proposed appropriations are largely made out of tax revenue, it seems appropriate to refer to the taxes that have raised that revenue. There have been monstrous increases in land tax assessed against many individual taxpayers. I considered it disgraceful to hear the Minister of Lands yesterday trying to throw all the responsibility for this on to speculation. Speculation has not been the major cause of increased values across the board.

The Hon. T. M. Casey: You want to talk to some of your primary producers and see what they have got to say.

The Hon. J. C. BURDETT: Even if it had been—

The Hon. T. M. Casey: Are you changing your tune, now?

The Hon. J. C. BURDETT: No, I am not. Not one scintilla of evidence has been produced by the Minister to show that speculation has been a major cause of increasing values across the board. But, even if it had been, the responsibility for tax equity rests fairly and squarely on the Government, and on no-one else. It is the Government that imposes the tax, and it is its responsibility to make it apply fairly.

The Government could easily have done this. It would have been easy, at the very least, partially to have cured the problem by a simple revision of the rates. As the Hon. Mr. Hill said, that would have given a substantial relief, in view of inflation and of increased values. In particular, the savage tax progression should be remedied. I will refer to one example on Greenhill Road, because speculation did not influence the values there. Those values were increased because the area was used for commercial purposes, and that was under the Government's control.

Commercial purposes are a legitimate use of the land there, in any event. An example I use is a property still being used as a residence. The land tax payable on that property increased from \$287 in one year to \$449 the next year. It should be noted that the values have not increased by anything like the percentage by which the tax has increased. So, neither speculation nor the

increase in value is the problem. The problem is that the scale needs to be reviewed as a result of inflationary increases in values. The savage progression particularly should be eased. This is solely the Government's responsibility, and it is disgraceful for a Minister of that Government to try to throw the whole of the blame on to speculators.

The Government should, at the very least, do something about land tax, and do it now. I suggest that the Government should also examine capital taxation generally. Capital taxation in this State started in the 1870's, when the land was about the only thing that could be taxed. It was about the only form of wealth. There was also a suggestion that the build-up of large estates should be stopped and that those estates should be broken up. That has long since happened. Now, we have a more equalitarian society, and, as we have such a society, we should spread the tax burden more equally, in the same way as the wealth is spread more equally.

In the last financial year the amounts claimed from taxpayers from capital taxation amounted to \$116 000 000. Omitting water, sewerage and drainage rates, which can be claimed as a charge for a service rendered, it means that about \$19 000 000 is collected from a limited number of taxpayers. The Government should look carefully at the whole question of capital taxation.

I return now to the first two pages of the Treasurer's second reading explanation, to which I referred previously. They are devoted mainly to allegations about Federal Government cuts in taxation. I wonder whether these things have been taken into account in relation to the Commonwealth's Government's financial policy so far as it relates to the States. Regarding urban and regional development, a special committee has been set up to examine the effectiveness of major programmes. On transport, particular attention is to be paid to the needs of local government authorities. The sum of \$140 000 000 is to be allocated to local government in untied general revenue assistance. That represents a 75 per cent increase. With all the defects in the explanation of the Bill, it is necessary that appropriation be made, and I therefore support the second reading.

The Hon. M. B. CAMERON: I support the second reading. A report in this afternoon's press states that Loan funds from the Federal Government have been slashed to only a 5 per cent increase. The immediate reaction to this was that we will have fewer jobs in South Australia. It occurred to me, on reading that report, that, once again, we are witnessing what I would call the Government's policy of fear. It believes that it should frighten the people and make them scared of what the future holds for them—

The Hon. J. R. Cornwall: That's your caper.

The Hon. M. B. CAMERON: —when, in fact, this State is in the best possible position that it can be in.

The Hon. J. E. Dunford: Will you give way?

The Hon. M. B. CAMERON: No, I will not. This State is in the best possible financial position of any State in the Commonwealth. Why is this so? It is because we have not got the railways hanging around our necks any more. I supported the Government when that move took place, because it meant that we would not be losing \$40 000 000 to \$50 000 000 each year through our railways. Now that the Commonwealth Government has taken over the country railways and accepted the responsibility therefor, what is this Government's reaction? Because it is not handed the sum of money for which it asked, it says "We are in a dreadful position." It ought to be in a very

good position. Further, it ought to be able to overcome the possibility of a shortage of funds because it has the money in the bank. If the Government cannot rise above this position, it will be purely through waste. The Government is determined to spend whatever money it has in surplus so that it can charge some other Government with responsibility for this State's future financial position.

The Hon. Anne Levy: What about unemployment?

The Hon. M. B. CAMERON: The Government's proposal is only a temporary measure to relieve unemployment, and the honourable member knows it. The Government must get money back into the private sector, where there will be permanent jobs, not half-baked jobs in a council area that will last only for as long as the money is available. I recently read an alarming article headed "Budget cuts a blow for Monarto plans". I am sure that the Government is disturbed by that headline. It is very serious indeed for the Government to find that the allocation for one of its pet projects has been cut. The unfortunate thing is that the headline was published on August 20, 1975, when the Federal Government decided that the Monarto project was not on. I stress that it was not a Federal Liberal Government that was in office at that time, but a Federal Labor Government. Yet the people who run the Government of this State are not sensible enough to take the advice offered at that time by the Federal Labor Government, which was able to see that the Monarto project was foolish and without a future.

The Hon. N. K. FOSTER: I rise on a point of order, Mr. President. I point out that criticism was earlier hurled at me in relation to Federal matters.

The PRESIDENT: Order! I point out that the Hon. Mr. Cameron is not asking a question: he is debating a Bill. The Hon. Mr. Cameron.

The Hon. M. B. CAMERON: Monarto was stopped by a Federal Labor Government, not a Federal Liberal Government, yet the Premier on television and elsewhere has implied that the Federal Liberal Government stopped the project. Why not be honest? The Monarto project was stopped last August by the Premier's Federal Labor colleagues. The Liberal Government is simply following exactly the same line; that is, Monarto is not on. I cannot understand why the present Labor Government in South Australia cannot see that. Because this Government does not have responsibility for country railways any more, I would have expected it to give some thought to transferring some funds to the private sector, through a cut in taxation. It has been said that we will not have an increase in taxation, but that is not the point: we would have expected a cut in taxation, but there has not been a cut. The Government takes the attitude that, because there is a surplus, it can go on merrily and spend it.

The Hon. Anne Levy: What about housing?

The Hon. M. B. CAMERON: It has been said that that Federal Government is cutting down the Public Service and doing all sorts of terrible things. I have just been handed a document that says that the shortage of housing will be dramatic. However, I point out that the previous Commonwealth Treasurer (Mr. Hayden) cut spending on housing. I shall find the information for the Hon. Mr. Foster.

The Hon. Anne Levy: You said that we waste money if we spend it on housing.

The Hon. M. B. CAMERON: I did not say that. The honourable member may have said it in her prattling, but I did not say it. The honourable member should look at *Hansard* tomorrow.

The Hon. Anne Levy: You mentioned waste.

The Hon. F. T. Blevins: The biggest waste of money in this State occurred in relation to the Liberal Party's buying of the Liberal Movement.

The Hon. M. B. CAMERON: Anyone from the other side who has had dealings with me will know that I have not put it over him in any way. I say that not one dollar changed hands from either of the Parties involved in the take-over. I will never mention that subject again.

The Hon. Anne Levy: What about the sum of \$27 000?

The Hon. D. H. L. Banfield: We on this side will mention the matter from time to time.

The Hon. M. B. CAMERON: The Minister has little to talk about because the record of his Government is so poor. It is time the Minister did something for this State. There has hardly been one extra job created in this State in the Minister's time. The Government has been very busy talking about things that will happen, but nothing ever happens. When the Premier returned from overseas he talked about things that were envisaged, but nowhere did he say, "This is firm." It is all a load of nonsense.

The Hon. J. E. DUNFORD: Will the honourable member give way?

The Hon. M. B. CAMERON: No. Will the honourable member for Kangaroo Island sit down? In the 1975 Budget, the Federal Labor Government pleaded with people to exercise restraint. I believe that that was a proper course of action; indeed, it was the only course of action that could be instituted in the situation that faced the Government at that time. The same situation faced the Federal Liberal Government when it came to office, and that situation also faces the State Government now. What has been the answer? It has decided to spend every penny it has and now it is asking for more. Mr. Dunstan goes to Canberra and says, "To hell with restraint and inflation, we want more money and we are going to spend it. To hell with jobs, to hell with Australia, and to hell with South Australia. We want inflation." That is exactly what he is saying.

The Hon. F. T. BLEVINS: I rise on a point of order, Mr. President. If the Hon. Mr. Foster had used those words, you would have said they were unparliamentary.

The PRESIDENT: I think that the Hon. Mr. Foster has used those words on many occasions. The language is reasonably Parliamentary.

The Hon. M. B. CAMERON: We have seen the State Treasurer and his Government behave as if they are just not interested in the future of Australia. That is my contention, because his Government is determined to maintain inflation at this rate. For what reason, I do not know. Perhaps it is because they want this high rate of inflation to be maintained at the next election so that they can accuse the present Liberal Government in Canberra of not being able to contain inflation. Perhaps the Government now has a vested interest in inflation. Perhaps that is an unfair position to suggest. Certainly, I hope it does not have that interest, but my suspicion is much on the side of its being interested only in inflation.

We have seen increases in all sorts of State charges, not because there has been an announcement of those increases but through escalation of valuations. It is a disgrace in our community that such an inequitable situation should be allowed to develop and exist, especially in relation to land tax. I know that if anything on this subject is said from this side of the Council the Government immediately says that it is the voice of the National Country Party speaking. However, that is not the case at all. If any person in this community is under some

sort of discriminatory situation, it is proper for the Government to seek some remedy immediately.

What does the Government do? What has it done? Its members rise in this Council and proclaim through a new Minister (goodness knows what he is Minister of), but one honourable member opposite makes a statement and asks the Minister to agree to a proposition about land tax. Speculators are blamed for increases in land tax charges. What a lot of nonsense. Anyone familiar with how the benefit factor affects land tax knows that is nonsense. Even if one owns land adjacent to land that can be subdivided the landowner whose land cannot be subdivided is still subject to the betterment factor, and land tax is drastically increased.

I know of a landholder with a large property that cannot be subdivided because of the rules existing in the area. His land tax charge has increased from \$230 to \$13 000. He can receive no benefit from land sales. The statement that speculators have caused increases in land tax is nonsense, because it is the increased valuations that have caused the increase.

The Hon. J. R. Cornwall: Did he apply under section 12c?

The Hon. M. B. CAMERON: That person should not have to apply. His situation should have been made clear automatically. The valuation of an adjacent property in a different category should not be taken into account. Another strong reason for a review of land tax charges is that the burden of South Australia's country railways and the subsequent loss usually taken up in the State Budget no longer applies. Therefore, it would be fair for rural land tax to be abolished in this State. Previously, it could have been said that because a subsidy was required in relation to country railways the rural land tax was justified. However, now that situation is no longer the case, the loss is no longer incurred by the State Government and relief could be afforded to the people who have, in fact, paid for that loss. No, the Government will not do that.

The Government believes that such action might be seen to be favouring a section of the community. I make that point sincerely, because that appears to be the case. I have listened with interest to all the things that have been said about the Appropriation Bill, but I do not believe the Government's record is good in this regard. It is time the Government took heed of the fact that it has a good budgetary situation. It should apply that advantage to assisting the Commonwealth Government in bringing down inflation by reducing its own expenditure. The State Government should not be moving into new fields and spending money that is not completely necessary.

If the State Government is sincere about bringing the private sector back into some sort of improved situation, let it provide assistance by decreasing State taxation and other charges rather than increasing taxation by stealth and by allowing valuations to increase. I support the second reading.

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

#### SUPPLY BILL (No. 1)

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

The Hon. D. H. L. BANFIELD (Minister of Health): I move:

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

It provides for the appropriation of \$160 000 000 to enable the Public Service of the State to be carried on during the early part of next financial year. I seek leave to have the remainder of the explanation inserted in *Hansard* without my reading it.

Leave granted,



**REMAINDER OF EXPLANATION OF BILL**

In the absence of special arrangements in the form of the Supply Acts, there would be no Parliamentary authority for appropriations required between the commencement of the new financial year and the date, usually in October, on which assent is given to the main Appropriation Bill. It is customary for the Government to present two Supply Bills each year, the first covering estimated expenditure during July and August and the second covering the remainder of the period prior to the Appropriation Bill becoming law. The amount in the Bill now before the House is for the same amount as that provided by the first Supply Bill last year. Despite the higher levels of costs now prevailing, I believe this Bill should suffice until the latter part of August, when it will be necessary to introduce a second Bill, probably for a further \$150 000 000 to \$160 000 000.

The absence in the Bill of any detail relating to the purposes for which the \$160 000 000 is to be made available does not give the Government or individual departments a free hand in spending during the early months of 1976-77. Clause 3 of the Bill ensures that, until the main Appropria-

tion Bill becomes law, the amounts made available by Supply Acts may be used only within the limits of the individual lines set out in the original and Supplementary Estimates approved by Parliament for 1975-76. In accordance with the normal procedures honourable members will have the opportunity to debate the 1976-77 expenditure proposals fully when the Budget is presented.

The Hon. R. C. DeGARIS (Leader of the Opposition): This is a normal type of Bill that comes forward at this time of the year to allow the Public Service to carry on until such time as the Budget is passed in August or September. There is no need for me to say anything more. I support the second reading.

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

**OFF-SHORE WATERS (APPLICATION OF LAWS) BILL**

Returned from the House of Assembly without amendment.

**ADJOURNMENT**

At 5.25 p.m. the Council adjourned until Tuesday, July 27, at 2.15 p.m.