

LEGISLATIVE COUNCIL

Thursday, October 14, 1976

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

PERSONAL EXPLANATION: BUDGET SPEECH

The Hon. R. C. DeGARIS (Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

The Hon. R. C. DeGARIS: The speech I made on the Budget was accurately reported in the *Advertiser* of Wednesday, October 13. I quote one of the main points of that report:

For the first time since I have been in Parliament, the thought crossed my mind that this House did have a case to exert some pressure in relation to the passage of the Budget.

Subsequently, that evening I was interviewed on A.B.C. television in the *This Day Tonight* session concerning that statement. In answers to questions directed to me by Nigel Starke, I stated categorically that there was no threat to withhold Supply or block the Budget. At no time have I made any statement suggesting that the Liberal Party in the Upper House discussed the question of deferring or blocking the Budget.

The Hon. N. K. Foster: Who sat on you? Who put you under threat?

The PRESIDENT: Order! Let us hear the personal explanation in silence.

The Hon. R. C. DeGARIS: In today's *Advertiser* in an article the following paragraph appears:

It is understood that at least six Liberal M.L.C's. have told Mr. DeGaris they would not support a move to block the Budget.

This comment suggests that I have been actively canvassing support for the blockage of Supply. No such inference can be drawn. I have not sought such support, nor would there be any need for any Liberal members to advise me of their view on that question. I have said on many occasions that blockage of Supply or defeating a Budget is a necessary power for any Upper House to have, but it should only be used in extreme circumstances. I have said, also, that I am proud of the fact that in a period of 120 years the Upper House has never withdrawn Supply or defeated a Budget. While I lead this Council, it would be my main aim to preserve that record. I wish to make it quite clear that there has been no threat, implied or otherwise, in any statement I have made.

QUESTIONS

ARTS RALLY

The Hon. C. M. HILL: Can the Leader of the Government in this Council say whether it is true that the Keep The Arts Alive lunch-time rally planned for today was cancelled and, if it was, whether the cancellation is clear evidence that the Premier is satisfied with Mr. Fraser's assurance in today's press that the Federal Government will continue to support the performing arts?

The Hon. D. H. L. BANFIELD: I am not aware of any cancellation of the lunch-time meeting.

WATER RESOURCES ACT

The Hon. J. C. BURDETT: I seek leave to make a brief explanation before asking a question of the Minister of Lands, representing the Minister of Works.

Leave granted.

The Hon. J. C. BURDETT: The Water Resources Act, 1976, provides for the appointment of an appeals tribunal and for a Chairman. The Act provides that the Chairman's term of office shall be three years; there is no other provision for the appointment of a Chairman. Also, the Act provides for other tribunal members. The other members have been appointed, but no Chairman has been appointed. An Acting Chairman has been appointed, but there is no provision in the Act for an Acting Chairman. There is provision for a person to act as Deputy Chairman or for other members when they are unable to attend, but there is no provision for the appointment of an Acting Chairman. I understand that the tribunal is sitting to hear an appeal for the first time today. What is the authority for the appointment of an Acting Chairman? Also, is the tribunal, which is already sitting, properly constituted and, if it is, under what authority?

The Hon. T. M. CASEY: I will direct the honourable member's question to my colleague and bring down a reply.

SWINE COMPENSATION FUND

The Hon. M. B. DAWKINS: On September 8, I asked the Chief Secretary, as Leader of the Government in the Council, a question about interest payments made on the balance in the Swine Compensation Fund, which is held in trust, I understand, in the Treasury. Has he a reply?

The Hon. D. H. L. BANFIELD: The rate of interest payable on the balance in the Swine Compensation Fund is the same as that payable on all other interest-bearing trust accounts. The rate of interest earned on Treasury balances as a whole is higher than that allowed on interest-bearing trust accounts, but is not as high as the honourable member seems to imply. The costs of administering the investment programme have also to be considered.

Although one hears of interest rates of 12 per cent and 14 per cent and higher, rates of that order do not apply to the kinds of investment that the Government approves for the placement of public moneys. It is necessary to consider that there are two major constraints on the Government in this regard: first, the security of the investments is of paramount importance and, secondly, the ready availability of the funds must be considered. For these reasons, the Government confines itself to investments in trustee securities of certain kinds for relatively short terms. It is relevant also to consider the situation if the fund was administered as a separate entity. Although the interest rate earned on investments may be higher than 6 per cent, by no means all of the money in the fund could be invested. It would be necessary to keep a balance on hand at all times to cover current expenditures. Therefore, it is unlikely that the net return to the fund, after deducting administration costs and allowing for the portion which could not be invested, would be greater than the 6 per cent presently allowed.

BUS DEPOTS

The Hon. C. M. HILL: Has the Minister of Tourism, Recreation and Sport a reply to my recent question regarding the purchase of land in the metropolitan area for the purpose of bus depots?

The Hon. T. M. CASEY: The land for the Morphetville bus depot was purchased in January, 1975. Two areas of land intended to be used for State Transport Authority bus depot purposes were purchased in the 1975-76 financial year. These were 239 hectares adjoining the existing bus depot at St. Agnes (Bowmans), and 1.174 ha for a small bus depot on the Old Mount Barker Road, Aldgate, to replace the existing Stirling depot. Before this land can be used for depot purposes, certain environmental requirements have to be met, and the State Transport Authority has been meticulous in meeting these obligations. It has taken the following action:

St. Agnes: A declaration of environmental factors has been submitted by the authority to the Commonwealth and State environment departments setting out proposals to extend the St. Agnes depot parking areas at some time in the future. The proposals were approved by both departments. The State Planning Authority and the Corporation of the City of Tea Tree Gully also approved the project.

Aldgate: A declaration of environmental factors has been submitted to the Commonwealth and State environment departments, and their assessment is currently awaited. The State Planning Authority and the Stirling District Council have advised they have no objection to the proposal.

Senior officers of the Bus and Tram Division have discussed the proposed depot with most of the residents in the vicinity of the depot, and the proposals have also been discussed with Mr. S. G. Evans, M.P., Member for Fisher; Mr. G. O'Halloran Giles, M.H.R., Commonwealth Member for Angas; representatives of the Mount Lofty Ranges Association; and representatives of the Regional Parks Association. Publicity has also been given to the proposals by the *Mount Barker Courier*, a newspaper which circulates in the district. General opinion appears to be that the best available site suitable for a bus depot has been selected.

PUSHERS ON BUSES

The Hon. J. C. BURDETT: I understand the Minister of Lands has a reply to a question I asked recently about a child's pusher.

The Hon. T. M. CASEY: Bus drivers are expected to be courteous towards passengers at all times and to assist them in any way possible. They would be fully covered by workmen's compensation if injured while handling pushers in the course of their duty, but there may be occasions when other duties prevent them from assisting passengers in this way. State Transport Authority by-laws do not specify precise dimensions for pushers that may be carried on the authority's buses and trams, but provide in effect that folding infants' carriages may be carried free of charge if there is room for them. It is not considered, therefore, that the display of the by-laws on the sides of buses would serve a useful purpose. The by-laws provide:

73. (a) Except between the hours of 5 to 5.30 p.m. on weekdays from Monday to Friday and between the hours of 11.30 a.m. to 12 noon on Saturdays, infants' carriages with folding handles and without hoods, or with small hoods that fold entirely within the frame, and infants' carriages that are folded up closely, may be carried free and at the risk of the owner on any vehicle, if, in the opinion of the conductor, there is room for same.

(b) No infant's carriage will be carried if it contains goods or parcels and unless it is accompanied by an adult passenger.

(c) Infants' carriages, if allowed to be carried on a bus, shall be placed in such position on the bus as the conductor shall direct and, if allowed to be carried on a tram, shall be carried on the rear motorman's platform of such tram, but not elsewhere.

Mothers with small folding pushers or strollers seldom have any difficulty in having them carried on the authority's vehicles, but it is regretted that room cannot always be found for some of the larger types of folding pram and pramette.

STUART HIGHWAY

The Hon. M. B. DAWKINS: Nine days ago I asked the Minister of Lands a question about the Stuart Highway; has he a reply?

The Hon. T. M. CASEY: The steering committee investigating alternative proposals for reconstruction of the Stuart Highway has presented its report to both the Federal and State Ministers of Transport. My colleague, the Minister of Transport, has written to the Federal Minister indicating his recommendation and stressing the need for an urgent decision so that subsequent survey and design work can be initiated.

SOUTH AUSTRALIAN HEALTH COMMISSION BILL

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

APPROPRIATION BILL (No. 3)

Adjourned debate on second reading.

(Continued from October 13. Page 1491.)

The Hon. M. B. CAMERON: I support the Bill, but I believe the State Government has much to answer for concerning its management of the State, as has been pointed out by several honourable members. Perhaps the simplest way to explain the position is to refer to the Auditor-General's Report. In order to see clearly what the position is it is necessary to look not at the position in one year but to look at the position over several years, and the Auditor-General himself does this well in his report (page 11), and he states:

Taxation—receipts from all forms of State taxation amounted to \$281 266 000 in 1975-76, which was 25 per cent greater than last year and 86 per cent greater than the year before.

If that situation is not an indictment of the Government, I should like to know what is. If we add to that position the situation that has resulted this year, we find that in three years while we have had a Labor Government State taxation has increased by almost 100 per cent. The effect on the people and industry of South Australia is obvious to everyone but the Government: we have just not got anywhere in the last three years.

The Hon. C. J. Sumner: By how much has taxation increased in other States?

The Hon. M. B. CAMERON: That is an interesting situation because this State has an advantage over the other States. The Commonwealth Government is now

paying the South Australian railway deficit, whereas other States are still paying their deficit out of their own funds, yet absolutely no credit has been given to the Commonwealth Government for the fact that it has relieved the State of that burden.

The Hon. D. H. L. Banfield: Which Commonwealth Government?

The Hon. M. B. CAMERON: I refer to the Commonwealth Government paying the deficit. The State Labor Government cannot look at South Australia in comparison with other States unless it takes that factor into account. What has happened to the citizens of South Australia is highlighted in the Auditor-General's Report. The following figures indicate the increases that have occurred in the last year:

	Percentage increase
Stamp duties	42
Business franchises	30
Licensing Court	39
Land Tax	54
Pay-roll tax	18

The increase in every item is greater than the average increase resulting from inflation yet, if one reads the Treasurer's statement, one gets the distinct impression that the people of this State are not hardly done by at all in terms of State taxation, and that the management of South Australia is just great. I think it is about time that, instead of the Treasurer giving a Financial Statement each year, in order that the discrepancies do not occur in this matter, there ought to be some independent body that gives the Financial Statements so that the people of the State know exactly what is happening. Perhaps it ought to be the Auditor-General, because he is the one person who will go through it carefully and pick out all the items that have gone up, and those that have not.

This particular Budget, in the selling of it to the public (and the Hon. Mr. Hill covered this item well yesterday), is a soft sell that occurred prior to the Budget finally being brought down. Each item was put up very carefully in a public relations exercise prior to the Budget. One gets the distinct impression that there was no increase in taxation to the people of the State; and yet in looking at the figures in the Treasurer's statement it is clear that the pay-roll tax will go up 15.5 per cent; and yet the estimated increase in the inflation rate is 12 per cent. Already one item is above that.

In the Treasurer's statement there is a clear indication that water and sewerage rates are going up 15 per cent. That statement is in fact made in that particular document. Again the people are subjected to an increase in taxation, but they get the impression that that was not going to occur, and there was going to be no increase at all. One can go through this document item by item and see just what has occurred, and one would very easily get the idea of why industrial development in this State has been at a standstill for three years, and is likely to continue so. I would say that a fairly clear reason for that is that the people in industry in this State are being taxed right out of existence, and until there is a change of Government that sort of situation will continue to occur.

The Hon. J. E. Dunford: It won't be in your life time!

The Hon. M. B. CAMERON: I do not intend to die in the next year. I would say that it is very likely to be in my life time. There is one further item I would like to speak on, and that relates to a statement made by a member of the Government in this Chamber in the Address in Reply debate. I believe that it is terribly important whenever a member brings information to this Chamber that it is accurate, and, while this may appear to be a small item,

nevertheless if a member does give misleading or false information to the Chamber, it does lead to some doubt about any statement made by that honourable member in the future.

The Hon. D. H. L. Banfield: You would be clear on that point from experience.

The Hon. M. B. CAMERON: It concerns a statement on page 402 of *Hansard* in the Address in Reply debate by the Hon. Miss Levy where she stated:

Honourable members need not just take my word regarding these matters. A report issued by the Australian Schools Commission in November, 1975, discusses these matters very clearly. The report, entitled "Girls, school and society", should be regarded, I think, as compulsory reading for anyone interested in education, teachers and parents alike.

I want to quote a couple of those words again so that there is absolutely no doubt about what was said. I use these words carefully: "A report issued by the Australian Schools Commission in November, 1975." I took some trouble to obtain a copy of this document because if the Hon. Miss Levy believes it should be compulsory reading then it is perhaps the duty of all honourable members to have a look at it. I find that in fact the Australian Schools Commission did not issue this particular document. The foreword to the document *Girls, School and Society* states:

The Schools Commission's Report for the Triennium 1976-1978 contains a chapter "Schooling and Girls" which drew on the first draft of this report prepared by a study group established to assist with the development of Commission policy. In preparing its report the study group hoped that the material included would help the development of long term action, despite the limited funds available in 1976. The report represents the views of the study group and these are not necessarily the views of the commission.

That makes clear that the report is not by the Australian Schools Commission.

The Hon. Anne Levy: I said "issued by".

The Hon. M. B. CAMERON: If a document is issued by an organisation, that is a totally different situation from what the honourable member implied, which was that this was a report of the Australian Schools Commission. In fact, it is not such a report: it was by a study group. I ask the honourable member, when she refers to this document in future, to make this absolutely clear, instead of leaving us with the fairly clear implication that the document was a report by the Australian Schools Commission.

The Hon. Anne Levy: I said it was "issued by", and it was "issued by".

The Hon. M. B. CAMERON: The honourable member can say what she likes, but that is the implication in my mind and in the minds of other people.

The Hon. N. K. FOSTER: Will the honourable member give way?

The Hon. M. B. CAMERON: No.

The Hon. ANNE LEVY: Will the honourable member give way?

The Hon. M. B. CAMERON: No. The honourable member will have her opportunity to speak later.

The Hon. D. H. L. Banfield: Let the truth be revealed. Give way!

The Hon. M. B. CAMERON: It has been made apparent that rural land tax will be abolished and that in future we will not see the rather iniquitous system that has occurred in past years, a system that has driven many people from parts of the Adelaide Hills and caused the development of hobby farms in some areas. This has been brought about through the application of land tax and through people being unable to afford to remain in these areas. I support the abolition of rural land tax, but I

ask the Government to consider other areas, particularly the metropolitan area, where land tax is still a burden on householders. It does not seem right that, simply because a person lives in a certain area, he should be subjected to this rather severe taxation; in many cases its severity results from a change in the developmental pattern in an area. This makes it extremely difficult for people who have been for many years in such an area to remain there. There have been many examples of this situation occurring in recent years. The abolition of rural land tax has not had the impact that it might have had, because we have reached the stage where only 15 per cent of the farming population was paying it. The move, which was long overdue, was made in other States long before now.

The financial management of this State leaves much to be desired. The Government does not have a good record in this respect, having increased taxation over the last three years to a point where it is almost impossible for industry to be set up here. Taxation receipts last year were 85 per cent higher than they were two years previously, a huge increase that is out of proportion to any justified increase related to inflation or any other criteria. This Budget is the first instance where we have seen any account taken of the effects of inflation on the community. Of course, the Government is receiving a large increase in receipts from the Commonwealth Government, so perhaps the move toward a lower rate of increase in State taxation is not quite the godsend that everyone thinks it is. I support the Budget, and I trust the Government will reduce taxation further next year.

The Hon. ANNE LEVY: In supporting the Budget, I do not wish to undertake a detailed examination of its provisions, but merely to refer to the grant to the Family Planning Association. The Government should be congratulated on its allocation this year of \$124 000 to the association. Wishing to give credit where credit is due, I point out that the very first grant to a Family Planning Association made by any Minister in the whole country was that made by the Hon. Mr. DeGaris, now Leader of the Opposition in this Council, when in 1970 he made a grant of \$1 200 to the then newly-formed Family Planning Association of South Australia. That grant was made three weeks before the defeat of the Liberal and Country League Government. Since then there have been tremendous increases in the allocations made to the association. In 1971, under the Labor Government, the association received \$8 400; in 1972, \$12 000; in 1973, \$39 000; in 1974, \$70 000; in 1975, \$90 000; in 1976, \$112 000; and in the Budget we are now considering, \$124 000—a great increase in the last seven years.

The contribution made by the South Australian Government in this area is perhaps more appreciated when we consider what has happened in other States as regards grants to family planning associations. The Western Australian Government commenced grants in 1971, when it gave \$4 000; by 1976, the grant had increased to only \$15 500. In Victoria, no grants were made until 1972, when \$7 000 was given; the allocation has increased over the years to only \$20 000 this financial year, which is the same as the previous year's allocation, no account being taken by the Victorian Government of the effects of inflation.

Tasmania first gave a grant in 1974, when it gave \$4 500. This has risen by 1976-77 to \$51 000, a considerable effort on the part of the Tasmanian Government in view of that State's small population. Queensland gave no money to family planning associations until 1975. It was very late

on the scene, although in 1975 it made a grant of \$35 000, which by this year has risen to \$57 000. One might note that the Queensland grant does not exceed the Tasmanian one by very much at all, despite the considerable difference in population between the two States. New South Wales has had the worst record by far of all State Governments. It gave no money at all until 1975, when it allocated \$5 000; in 1976, it again gave a measly \$5 000—this in the State with the largest population in the Commonwealth. Although it has not yet been determined what the Wran Government will provide this year, I have no doubt that it will be a considerable increase on the money given in past years.

I should like now to refer to the Family Planning Association in South Australia. I said previously that this year it is receiving \$124 000 from the State Government. This needs to be viewed in the light of the fact that its total receipts last year were \$471 000. Therefore, it is approaching a turnover of \$500 000 a year. Its number of patients has been rising considerably. Indeed, it has been computed that its number of patients has been rising at the rate of 17 per cent a year ever since it was formed. In the first six months of this year, there were 9 600 consultations in the clinics run by the association. In the first eight months of the year, there were over 13 000 consultations. In August alone, there were 1 750 consultations, and the association expects that there will be more than 20 000 consultations this financial year.

For an organisation that began only six years ago pretty well from scratch in a borrowed room, running a clinic for only two hours a week, this is a remarkable achievement, which shows the great demand that exists in our community for the association's services. Of course, the need is nowhere near being met as yet, and the aim of the Family Planning Association is to have readily available contraceptive advice for every member of the community throughout South Australia.

It is perhaps worth while looking in detail at the association's funding. Before the introduction of Medibank in July, 1975, the association had to charge fees. It had received grants from the State Government, and from the Federal Government as soon as the Whitlam Administration came into office. The Liberal and Country Party Governments, before December, 1972, had always refused pointblank to give any money for family planning. However, because these grants did not cover the association's costs, fees were charged.

It is interesting to note that before the introduction of Medibank the private health funds in this State refused categorically to pay any benefits on accounts submitted to them by patients of the Family Planning Association, even though, of course, all consultations were with legally qualified medical practitioners. So, any patients who attended had to meet a large proportion of the cost themselves, and they were not able to claim benefits from the private health funds. Of course, the association's fees were reduced or waived entirely for any needy people.

Then, a large change occurred in the Family Planning Association's funding, with the introduction of Medibank in July, 1975. The respective associations throughout Australia were given health programme grants, which were funded by the Health Insurance Commission on the recommendation of the Health and Hospitals Commission, which comes under the aegis of the Federal Health Department. These health programme grants, together with State Government grants, completely funded the association's work, and all fees were therefore abolished. The growth of family planning associations from July 1, 1975, has as a result, been considerable.

However, with the announcement earlier this year about the crippling of Medibank that was to occur on October 1, the association struck considerable difficulties. For a long while, no information could be obtained at all regarding what would happen about health programme grants, despite repeated questions about whether or not they would be continued. The association was asked, in May, to submit a budget to Canberra in the normal manner as though the health programme grants were being continued. This related to the Budget for the 1976-77 financial year.

Having submitted its budget in May, the association subsequently received a further request from the Federal Government to resubmit its budget split into two sections, that appropriate to the Social Security Department and that appropriate to the Health Department. The social security section was that part of the budget dealing with the general costs of consultations and clinic services, and the remainder covered the other services offered by the association, namely, education services, school programmes, domiciliary visits, the library resource centre, and so on.

Somewhat later, the association was asked to break down, again into two separate sections, estimates of receipts and payments relating to its earlier budget. At the end of June, just a few days before the beginning of the financial year, the association was told that health programme grants would continue until October 1, when the new Medibank scheme was to commence. However, no information was yet available regarding what would happen after October 1. In July this year, rumours were circulating that fees would again have to be charged by the Family Planning Association, certainly for those with private health insurance. For those who remained with standard Medibank, it was then still uncertain whether Medibank would be bulk-billed by the association or whether some sort of grant would be provided for them. This information caused the association consternation and considerable disquiet. It meant possibly the patients had to be split into two categories, namely, those who remained with Medibank, and those who took private health cover. Those who took private health cover would have to have accounts submitted to them, and this practice would increase the association's paper work.

A further cause of worry was the effect this procedure might have on a large proportion of the patients who consulted the Family Planning Association and who were dependent students covered by family health insurance. If their parents had taken out private health insurance these dependent students would have to tell their parents that they had visited the association, in order to claim benefits from the private health insurance associations. This concerned the association greatly, as the confidentiality of consultations is completely respected by the association. It was considered that some of these students would be unwilling to tell their parents that they had visited the association and, consequently, would have to meet the full costs out of their own pockets.

The muddle that has occurred since last August over the association's financing is worth recording. In mid-August, members of the Health Department, in Canberra, came to Adelaide to discuss health programme grants. The problem of dependants who were unwilling to tell their parents they had visited the association was discussed with the departmental officers, who asked the association to provide an estimate of the revenue it would receive if it charged a fee for all consultations (if all patients paid at the normal consultation rates) and to estimate also how many patients would remain with standard Medibank and how many would be covered by private health insurance. How anyone could be expected to know this, or to make other than

a wild guess, is beyond me. The next day the association received a telegram from the Health Department, in Canberra, asking for an estimate of receipts and expenditure for the three months from October to December, without allowing for inflation or for the expansion of clinical services.

This telegram came from a different section of the Health Department, so really it was a case of the left hand not knowing what the right hand was doing. Later in the month came a request from the "right hand" in Canberra for further comments on the original budget, which had been submitted in May, asking the association to explain its increases over the previous year. These increases represented inflation, the effects of inflation on salaries paid by the association to its employees, and an allowance for the expansion, which is occurring at the rate of 17 per cent a year, in the number of consultations. Three days later, there was a further request (this time from the "left hand" in Canberra) asking for a further break-down of the budget that had been requested in mid-August.

This break-down was to show the number of patients staying in Medibank and those who would be under private health insurance. Finally, on September 28 (two days before the commencement of the new Medibank) the association received a letter which explained that a modified health programme grant would continue as from October 1, that all privately insured patients were to be charged fees, which they could claim from their private health insurance funds, but that the health programme grant would be adjusted to take account of dependants who were extremely unwilling to tell their parents of their visit to the association and, hence, would be unable to claim on the private health funds under which they were covered by family insurance taken out by their parents.

Furthermore, the association was told officially that it would have to keep detailed records of all patients as to whether they were in standard Medibank or covered by private health funds. So, on October 1 (two days later), the association started the new practice. The tremendous administrative job was completed, and all patients under private health insurance were presented with accounts. Six days later, on October 6, a telegram arrived from Canberra saying, "Stop charging fees". As a temporary measure, all fees had to be stopped. On October 7, a letter arrived, explaining this extraordinary telegram, to the effect that fees were to be stopped for a few weeks until necessary legislation could be rushed through the Federal Parliament.

As soon as the legislation has been passed (it has not been passed yet), fees would have to be charged again. The reason for this is that, under the existing legislation, the private health funds do not have to pay benefits on accounts submitted by the association, and legislation is required to be passed by the Federal Parliament to force them to do so. Until the legislation is passed, the private funds cannot be made to pay out benefits on accounts from the association, hence the abolition of fees for a temporary period. Presumably, until this legislation is passed, there will be a modified health programme grant to try to cover the association's costs.

However, there is still no information regarding when money will be paid to the association or what period each cheque will cover. At the beginning of each month the association has insufficient money in the bank to cover its pay-roll for that month. So, it depends on receiving these grants regularly and on knowing when it can count on their arriving. The entire confusion resulting from this new "medimuddle" is unpleasant and a worry to the association, which is trying to provide a most valuable service to the community.

I turn now to education matters. I first turn to this report, entitled "Girls, School and Society", which I mentioned on page 402 of *Hansard* and which was again referred to by the Hon. Mr. Cameron this afternoon. I really do not know what the Hon. Mr. Cameron is complaining about.

The Hon. N. K. Foster: Neither does he.

The Hon. ANNE LEVY: If we look at the title page, we see printed at the bottom "Schools Commission". Furthermore, the foreword to the publication, which is signed by K. R. McKinnon, Chairman of the Schools Commission, states:

The commission is in a position to publish this report and the bibliography/resources book on the education of girls, which will shortly follow it,

and so on. The Chairman takes the opportunity of paying a tribute to the endeavours and enthusiasm of the study group that prepared this report. I am quoted as saying that this report was issued by the Schools Commission. I cannot see that it is issued by other than the Schools Commission when the title page has at the bottom "Schools Commission, 1975." I entirely refute any allegation that I am trying to mislead people. No other inference can be gathered from the title page of this publication.

The Hon. M. B. Cameron: You know that is not right.

The Hon. ANNE LEVY: Furthermore, in the Schools Commission report, published in July, 1976, which I happen to have with me, on page 33 there is a discussion under the heading "Programme Structure and Use".

The Hon. M. B. Cameron: Is this "issued by" or "report of"? Let us get that clear.

The Hon. ANNE LEVY: This is the report, for the rolling triennium 1977-79, of the Schools Commission, published in July, 1976, and presented to the Minister (Senator J. L. Carrick) by the members of the School Commission. I will read part of this paragraph on page 33 of this report, under the subheading "Girls". It is as follows:

The commission continues to regard the removal of sexist bias from schools and systems and the active encouragement of greater confidence among girls as matters of high priority. No separate program supports these efforts because the commission believes that the most effective action is that which permeates all operations and begins from a recognition that existing assumptions and expectations are limiting to both sexes. Its own role is rather that of a catalyst; encouraging, enabling and sustaining others to reorientation and action. Following the publication of *Girls, School and Society* late in 1975, it is actively pursuing this role.

I strongly object to the allegation that I am trying to mislead this Council.

The Hon. M. B. Cameron: You deliberately misled the Council.

The Hon. ANNE LEVY: I did not.

The Hon. M. B. Cameron: You did.

The Hon. ANNE LEVY: I said it was issued by the Schools Commission, and the title page says it was. It has the approval of the commission, as is evident from the quotation I have just made from page 33 of the Schools Commission report. There can be no clearer indication that the commission supports the report entitled "Girls, School and Society".

While we are on education, I make a few comments, first, on the increases in the tertiary education assistance scheme (TEAS) allowances which were announced recently by the Federal Minister for Education. It is true that the increases will occur as from the beginning of next year for dependent students living either at or away from home. They are increases of about 25 per cent on previous allowances. Their allowances will now be \$24 a week, or up

to \$38 a week if living away from home. For independent students there will be a considerable rise of 40 per cent, and they will receive up to \$43 a week. The increases for dependent spouses are considerable. The allowance for a dependent spouse has been raised from \$15 to \$29 a week. However, we should perhaps note that the increase for a dependent child is only 7 per cent. It is increasing by a measly 50c a week. Where in 1974 it was estimated that one could maintain a child on \$7 a week, it is now being raised to \$7.50. I defy anyone to maintain a dependent child on \$7.50 a week.

We should also perhaps note that the incidental items for TEAS recipients have not changed; this is serious for many students. That allowance is remaining at the same level as it was in 1974, and for many students it will be completely swallowed up by the compulsory university union fees or the fees for the college of advanced education or the technical college unions that they attend. It leaves nothing over for books or any other requisites, which have also increased in cost since 1974.

Two other points with regard to the TEAS allowances should perhaps also be noted. The maximum income that students can earn without its affecting the allowance received remains at \$1 500 a year. Furthermore, this income that they can earn will now include any earnings in the vacation; previously, it did not. Admittedly, with the unemployment situation as it is, very few of them are likely to be able to get vacation jobs, but the amount they can earn without its affecting their allowance has not been changed from \$1 500 a year.

There is one further point that is perhaps more serious and will certainly affect our own State. The amount that a recipient of a TEAS allowance can receive under another award without its affecting the allowance received through TEAS is being reduced. Previously, students could receive up to \$600 a year without that affecting their allowance, but now it is to be reduced to \$150 a year. Furthermore, the abatement rate will stay at \$1 for \$1, and any student who receives more than \$150 from any other award will have that amount deducted from his TEAS allowance. This will affect South Australia because it affects the non-bonded students of the Education Department who currently are receiving \$600 from the State Government. If they are on TEAS allowances, the continuation of this money will merely save the Federal Government paying out money, because the \$450 difference between \$150 and \$600 that the State Government has been paying to the unbonded student will be removed from their allowance from the Federal Government.

I should like to refer to some of the remarks of the Hon. Mr. Hill about the 39 promises that the Liberal Party claimed it had implemented. Certainly, I do not intend to canvass all 39 points, but one or two of the promises concerned education, and I have done a little research into them. The Hon. Mr. Hill said that the twenty-fourth promise was to place particular stress on meeting the needs of the disadvantaged, including handicapped, isolated, migrant and Aboriginal children. I have looked at the allocation in those areas and have converted them in line with December, 1975, prices, so that the effects of inflation are not spuriously inflated figures. The allocation to disadvantaged schools in South Australia has increased from \$2 163 000 to \$2 165 000, an increase of .09 per cent, and that is hardly a great increase. The increase for special education is from \$1 899 000 to \$1 900 000, an increase of .05 per cent in real terms.

In respect of child migrant education, there has been an increase from \$1 222 000 to \$1 225 000, a completely negli-

gible increase. An increased allocation of \$275 000 is to be made to disadvantaged country areas this year. No announcement has yet been made of the allocation to Aboriginal children, but we know that the Federal Government has cut the funds allocated to that programme considerably and, although it restored part of those funds only a week ago, I understand that the increased allocation of \$25 000 000 is for housing programmes only and that none of it is for education. The present situation regarding Aboriginal children seems to be no different from what it has been in the past. To say that stress is being placed on these areas hardly stands up to examination. Certainly, there is no added stress compared to the position last year, and it is wrong to suggest that the Federal Government is putting specific emphasis on increasing expenditure in these areas.

As for the twenty-fifth promise, the Hon. Mr. Hill suggested that it was to introduce a basic grant to children at all schools. That was a remarkable statement indeed. The Schools Commission report, to which I have just referred, indicates a recommendation that per capita grants be made on behalf of all non-government schoolchildren. There has never been any suggestion that per capita grants be made in respect of all schoolchildren and, from the inquiries I have made, no-one in our Education Department is aware of even any suggestion that there be basic per capita grants for all schoolchildren.

Perhaps that was a slip of the tongue on the part of the Hon. Mr. Hill but, if it was not, the promise reflects a considerable change in emphasis, idea and programme compared to anything that has been published previously on this matter. I trust that the Hon. Mr. Hill will enlighten the Council on this matter, because per capita grants in respect of all schoolchildren would certainly be a novel idea.

The final point to which I refer concerns the statement by the Hon. Mr. Hill that the Federal Government would ensure that all Australians had access to primary and secondary schools that provide equal opportunity for personal achievement, and that there has been real increases in spending on education, an increase of 15.3 per cent in 1976-77. The increase of 15.3 per cent is completely spurious if one examines the figures. It has to be remembered that these figures must be converted to a standard base so that the effects of inflation can be eliminated when making comparisons. The amount given to South Australia under the States Grants (Schools) Act, 1976, and the proposed 1977 Government schools grant show that the increase in this financial year (the actual increase in real value) is 1.05 per cent. However, this increase is equal only to the present increase in school population occurring in South Australia and, in fact, no increase, in real terms per child, has been provided for children in South Australia. Honourable members can now see what reliance can be placed on promises of the Liberal Party.

In conclusion, I reiterate my objection to any implication that I tried to mislead this Council, as was suggested by the Hon. Mr. Cameron. I have quoted sufficiently from various documents to show that I most certainly did not mislead the Council, and I hope that the Hon. Mr. Cameron will reconsider the implications of such an accusation. I support the Bill.

The Hon. D. H. LAIDLAW: I support the Bill. I wish to deal with two matters: the first relating to the need for the Government to review trade classifications as part of its programme to extend technical education facilities; and, secondly, the matter of small businesses and the establish-

ment by the Government of the Small Business Advisory unit. Many constraints have been imposed on businesses which are now taken for granted by the public but which certainly did not exist 30 years ago, and I seek to highlight them. Regarding training, in his second reading explanation the Minister said that the allocation to the Further Education Department would be \$29 500 000 in 1976-77 compared to \$25 400 000 in the last year. The Minister further stated:

The Government is concerned about the growing evidence that the number of new tradesmen entering the workforce is proving insufficient to replace those leaving their trades because of age and other circumstances. In the past the skilled workforce has been supplemented to a significant extent through immigration, but more recently the flow of tradesmen into Australia has tended to abate. This has thrown a greater burden on our training institutions and has been responsible for the rapid growth which has taken place in the area of technical and further education.

I agree that it is necessary to train more tradesmen, but it is extraordinary that in South Australia a trade certificate is not granted for a toolmaker. Industry in the Adelaide metropolitan area concentrates on repetitive production like motor body panels, domestic appliances, and plastic goods. These depend upon high quality toolmaking. An apprentice is trained as a fitter and/or turner, and after that does further trade school training for one year in toolmaking. There is a wage classification for a toolmaker in the Federal and South Australian Metal Trades Award, but it is significant that it specifies in both those awards that a man can be classified as a toolmaker by agreement between the employer and the employee.

The South Australian Government should enable a person to be apprenticed in toolmaking and to train in that field from the day of entering trade school. Other States have also done very little to cope with the demand for toolmakers, and this explains why so many migrant toolmakers have come to Australia. In Victoria, Western Australia, and Queensland (like South Australia) they have no tradesman's certificate for toolmakers. In New South Wales a toolmaking trade certificate is issued only after completion of an apprenticeship under the State Toolmakers Apprenticeship Act. I mentioned the lack of toolmakers' certificates in South Australia in order to emphasise that whilst the South Australian Government will spend \$29 000 000 this year on further and technical education facilities, it must provide the types of training to meet the needs of the ever-changing industrial technology.

The second matter to which I refer is the assistance to small businesses. Honourable members will recall that the South Australian Industries Assistance Commission was established under the Industries Assistance Development Act in 1971. The authority of that commission to lend is limited to \$300 000 in any one case. It is intended to apply principally to small businesses because the commission has to satisfy itself and the Treasurer before granting assistance that the applicant cannot obtain funds elsewhere on reasonable terms, and also that there is a reasonable prospect that the business will be profitable. In addition, a few days ago the Premier announced the establishment of a small business advisory unit within the Development Division of the Premier's Department.

I am informed that in most of the cases examined by the corporation there is a management problem, and this is not surprising because proprietors or executives today are presented with many constraints imposed by the Federal and State Governments which did not exist 30 years ago. In other words, the Federal and State Governments are providing assistance to overcome problems most of which are of their own making.

I wish to list some of these burdens. Although they may be socially desirable, they are, nevertheless, costly and require some knowledge to administer them, to handle the clerical details thereof, and they lessen competitiveness against imports.

The first burden is annual leave. Honourable members may be surprised to hear that until 1936 there was no such thing in the private sector as annual leave in South Australia. One week was granted in that year and in 1945 two weeks leave was introduced.

The Hon. C. J. Sumner: Did you agree with it at that time?

The Hon. D. H. LAIDLAW: I am saying that these things are socially desirable, but it is a question of how much of everything we can have. In 1960 three weeks annual leave was introduced. In 1971 the South Australian Government employees were given four weeks leave, and two years later this benefit was extended to those within the private sector employed under State awards. Unions then complained that their members normally received overtime pay during their working year and were at a disadvantage during holidays by receiving only ordinary pay. As a result, workers under awards were granted 17½ per cent loading on their holiday pay.

There may have been some logic in this gesture, but the 17½ per cent loading then spread to other employees. It was 17½ per cent generally even if they did not receive overtime during their working year. By comparison, it is worth pointing out that in the United States an employee very often has to work for 20 years with one employer in order to receive as much as two weeks annual leave.

The second burden is long service leave, which now has an accepted position in the work place. Honourable members may be surprised to know that Australia is the only country in the Western world to grant such leave.

The Hon. J. E. Dunford: It is to our credit.

The Hon. D. H. LAIDLAW: I am not saying it is not, but it is a burden. It was introduced for the first time in 1957 in South Australia when a worker was granted one week's pay after seven years of continuous service, with one week's pay for each additional year of service thereafter. That means four weeks after 10 years. Today, however, leave in the South Australian Act has risen to 13 weeks of ordinary pay after 10 years. In addition the Government has initiated an Act to provide portability of long service leave in the building industry which does away with the concept of continuous service with one employer. The third burden is pay-roll tax which, as I have said before in this Chamber, is the most illogical and stupid of taxes.

The Hon. C. J. Sumner: Who imposed it first?

The Hon. D. H. LAIDLAW: It was introduced originally in 1942 in the first Chifley Budget to help pay for social services. The reason for its creation has been forgotten long since. Originally the tax was equal to 2½ per cent of wages, but in 1971—

The Hon. C. J. Sumner: Did the Liberals keep it up?

The Hon. D. H. LAIDLAW: Yes, and it was no more correct because they kept it up.

The Hon. N. K. Foster: What did Billy McMahon do with it?

The Hon. D. H. LAIDLAW: He handed it over to the States, which was even worse.

The Hon. N. K. Foster: I give the honourable member a mark for honesty.

The Hon. D. H. LAIDLAW: These taxes were originally 2½ per cent, but in 1971 the taxing power was handed to the States. Since then it has been increased throughout Australia to five per cent, although some relief has been given to small businesses by exempting the first \$48 000 of wages in each year.

The Hon. C. J. Sumner: Every State applies that?

The Hon. D. H. LAIDLAW: Yes. The preparation of pay-roll tax returns is very time consuming. Furthermore, the pay-roll tax hurts labour-intensive businesses, and small ones generally fall into this category, but has little effect on capital-intensive ones.

The fourth burden is workmen's compensation. The South Australian Act, which was last amended in 1973, offers the greatest benefits to workers of any Australian State. The worker who dies at his job, or on the way to or from work, receives a lump sum benefit of \$25 000 whilst the compensation for total deafness is \$18 750. Go back 30 years—

The Hon. J. E. Dunford: One cannot keep his family and the other can.

The Hon. N. K. Foster: The next-of-kin gets the benefit in the case of death.

The Hon. D. H. LAIDLAW: Compare the situation 30 years ago when the benefit for death was £800 and for deafness £400. The benefit for deafness has increased in value 23 times during this period whilst the basic wage has increased 12 times.

The Hon. J. R. Cornwall: It doesn't give him back his hearing.

The Hon. D. H. LAIDLAW: Compensation for injury is now 100 per cent of average weekly earnings during the past 12 months compared with 50 per cent 30 years ago. The premiums paid by businesses to insurance companies to obtain compensation cover have risen dramatically. In some industries it exceeds 15 per cent of wages paid. As with pay-roll tax, workmen's compensation claims and payments take much clerical time to handle them.

The fifth burden is price control. During the last world war the Commonwealth Government imposed controls over the prices of many basic commodities, acting pursuant to its wartime powers in the Constitution. When peace time came, the power of the Commonwealth to fix prices lapsed, but South Australia and Queensland did retain price fixing. In recent years the Commonwealth has created a Prices Justification Tribunal, but this applies only to companies with sales exceeding \$30 000 000 a year. In South Australia there is control of prices of a variety of goods such as bread, pies, beer, types of clothing, cement, bricks, quarry stone, and superphosphate. Such control has kept the prices of some of these commodities below the prices applying in free markets in other States, but it has also led to frustration. Most proprietors and executives believe that price control means, in effect, profit control. Some businesses with products under price control to my knowledge have refrained from spending capital on new equipment, believing that they will not be permitted to retain the profits achieved by increased efficiency.

The sixth burden is very high interest rates. I recall vividly that in about 1950 Australian Paper Manufacturers Limited raised a long-term debenture loan at 3½ per cent interest per annum. Today, if the company wanted to raise a similar loan, it would have to pay about 11 or 12 per cent per annum, and a smaller business man with less credit standing would probably have to pay a somewhat higher rate. Small businesses, in particular, depend upon mortgage loans to purchase their premises, leasing finance to acquire plant and vehicles, and bank overdrafts for working capital.

The Hon. N. K. Foster: What about secondary bank institutions in the early 1950's, and the rip-off they made? Don't be so hypocritical!

The Hon. D. H. LAIDLAW: I am not being hypocritical. Interest rates throughout the Western World have risen dramatically in recent years, and the Federal Labor

Government and Liberal-Country Party Governments have been forced to tolerate this situation, albeit reluctantly.

The seventh burden is the activity of the State Planning Authority, which has managed in the past 10 years, in association with local councils, to divide the Adelaide metropolitan area and many country areas into zones. By this means, all types of industrial and commercial buildings and their activities within can be regulated. A proprietor wishing to expand or relocate his business may spend many frustrating months or years submitting plans to satisfy the wishes of the State Planning Authority and council authorities.

The eighth burden is the activity of the Environment Department. Most of us are conservationists at heart, but only a very rich country can afford the degree of environmental control being imposed on industrial businesses in Australia today. To prepare an environmental impact study to justify a new industrial project costs much in time and money.

The ninth burden is the far stricter rules imposed by the Registrar of Companies and the Institute of Accountants with respect to financial recording by businesses. I certainly agree that extra safeguards were needed to protect the community from the unscrupulous, but the time now required to maintain such records is staggering; and in small businesses the task of doing this generally rests with the proprietor.

Finally, I refer to the burden of the labyrinth of industrial awards and wage determinations that affect small businesses today. There are now about 120 separate wage-fixing authorities in Australia, plus arbitration and conciliation commissioners. The Commonwealth and each of the States are active in this area and, since most of these bodies act autonomously, many wage anomalies occur. For a proprietor or executive to keep abreast of changes in wage determinations and fringe benefits requires a specialised study.

In conclusion, I stress that many of these constraints are now taken for granted by the public. Proprietors and executives of small businesses today require a knowledge of subjects not heard of 30 or so years ago. No wonder the Treasurer felt compelled to create the South Australian Industries Assistance Corporation and the Small Businesses Advisory Unit. Funds allocated by the Government in this field can be well used. I support the second reading of the Bill.

The Hon. N. K. FOSTER: I, too, support the Bill. I did not intend speaking on this Bill until I heard the Hon. Mr. DeGaris attempting to explain away his mistakes of the last few days. He attempted to crawl his way back into the Party machine to which he belongs. He stood here this afternoon and said that what he said to an Australian Broadcasting Commission interviewer was, "It only crossed my mind." He now says that there is no intention of denying Supply. The Leader ought to count 10, think, and recall that his opposite number in the Federal sphere about 12 months ago was saying the same thing, that he would not do such an awful thing as to block Supply. Then, Mr. Southey spoke to Mr. Fraser, and later Mr. Fraser invented that famous phrase "unless in reprehensible circumstances". The Hon. Mr. Laidlaw travelled from this State to help to lay the foundations for the events of November 11, 1975.

The Hon. Mr. DeGaris said, "It only crossed my mind." Actually, the Leader would be better if he crossed himself! A few weeks ago, during a television programme that we shared, it was said to the Hon. Mr. DeGaris that he was a four-time loser in regard to his attitude to electoral reform. One can now say that he is a five-time loser.

The Leader is quite dishonest in what he says. One can see the devious manner in which his mind works, but he fell for the old trick of being the victim of a response that he did not foresee from his own Party. He floated the idea to get feedback from his colleagues, but he has been left holding the can. He did not have the guts of his convictions on previous occasions any more than he or his colleagues had the guts of their convictions in connection with forcing people to get killed in Vietnam. If he had had the guts of his convictions, he would have opposed line by line the provisions which implemented electoral reform and electoral boundaries and which his Party is now fighting, to ensure that there will be no short cut to an early election in this State. Mr. Peter Ward, an associate of the Premier for many years, wrote an article in the Murdoch press, and even the Murdoch press would not deal kindly with the Hon. Mr. DeGaris. So, he is in trouble again.

The Hon. F. T. Blevins: He was in trouble on his birthday.

The Hon. N. K. FOSTER: Yes. On television, he said that the Premier had had more birthday parties than he had had. I almost took out my handkerchief. Although he is a member of this Council, the Hon. Mr. DeGaris continues to be an absolute lightweight, when measured in real political terms. I am not surprised that his colleagues want to shift him, even though the politics involved are not very savoury. Of course, the Hon. Mr. DeGaris has to get only four other votes to remain in office. The honourable member could get his supporters into a telephone box.

The Hon. R. C. DeGaris: Your arithmetic isn't too good.

The Hon. N. K. FOSTER: The Leader has to get four votes as well as his own. I am thinking of John Grey Gorton and what he did. I notice that the Hon. Mr. Dawkins is reading the paper and sticking his head above it every now and again.

The Hon. M. B. Dawkins: You can't add up.

The Hon. N. K. FOSTER: Obviously, the Hon. Mr. Dawkins cannot see the purport of what I was saying. I was talking in political terms, but members opposite did not see the significance of it. When the honourable gentleman who preceded me in the debate was speaking, I thought we were going to hear about the Ten Commandments. However, we heard about the 10 industrial commandments of the frustrated big business men in Australia today.

The Hon. D. H. Laidlaw: What about the small business man?

The Hon. N. K. FOSTER: Under the guise of the small business man! If there is one group of people in the community that has been responsible for destroying the small business man, the man in the corner shop, it has been big business. The Hon. Mr. Laidlaw has not done his homework. The five-chain grocery organisations have ruined hundreds of small businesses. Thomas Nationwide Transport, which started off on the road between Melbourne and Sydney, has run hundreds of small transport businesses out of the industry. Also, containerisation in the transport industry has run hundreds of small businesses out of existence. Then there are Brambles-Lee and Mayne Nickless, which have swallowed up many more. Such firms could walk into the principal office of Telecom Australia and ask for how much it would be sold as a going concern.

The Hon. D. H. LAIDLAW: Will the honourable member give way?

The Hon. D. K. FOSTER: No. The honourable member has been going the wrong way, and I am telling him why. Thomas Nationwide Transport could walk into Telecom

and offer to buy it. Members opposite have asked where all the small businesses have gone. They say that those businesses have been swallowed up by annual leave and workmen's compensation. I remind them that it is still less than 100 years since workmen's compensation was introduced into Western society.

I refer not only to annual leave and workmen's compensation but also to interest rates. In this respect, my mind goes back to the first John Curtin Government, which took over from the Menzies Government, a Government that had forced Australia into a war in which it should not have participated. It was the Menzies Government's first aim to force Australia into the war. Regarding interest rates, if honourable members cast their minds back to the late 1940's, they will remember the Banking Bill, which was challenged by the Liberal Party before the High Court. Judgment was given in favour of the banks. The High Court took the side of the conservative forces, agreeing with the submission that nationalisation of the banks would remove competition. Because of that, the High Court came down against the legislation.

The Hon. J. E. Dunford: That's right.

The Hon. N. K. FOSTER: That is exactly what it did. I am illustrating how big business has removed competition. But, even more damaging than that was the fact that, having won the fight to which I have just referred, the banks decided that every principal bank in Australia should set up a branch which would cater for bridging finance and hire-purchase requirements, and so on. I refer, for instance, to Australian Guarantee Corporation which is related to the bank of New South Wales; to Finance Corporation of Australia and the Bank of Adelaide; as well as to Esanda. That was the result of the challenge by the Chifley Government in the High Court regarding the nationalisation of the banks. Inflation in the early 1950's was running as high as it is running now.

The Hon. B. A. Chatterton: Higher.

The Hon. N. K. FOSTER: That is so. I thank the Minister for that interjection. So, if the Hon. Mr. Laidlaw wants to delve into the history of the financial institutions of this country, he will find his answer. That was the launching pad (if I may put it that way) of higher interest rates in this country. In those days, people who were seeking bridging finance could not go to the bank proper and get their money at, say, 3½ per cent: they were forced to pay 6 per cent, 7 per cent or 8 per cent through the bank's finance company. Now, people wanting bridging finance have to pay not 13 per cent or 14 per cent but 20 per cent or 24 per cent. That is where it all started, so the honourable member should not blame Government action in relation to annual leave, workmen's compensation and pay-roll tax for the demise of small businesses. Probably less pay-roll tax is paid now by the rural industries than is paid by any other section.

The Hon. F. T. Blevins: What about directors' fees? That's a real rip-off.

The Hon. N. K. FOSTER: One can see what the *Australian* has had to say about that, and I regard Sir Reginald Reed as a friend of mine. However, that is by the way. Pay-roll tax looked like dying a natural death when Mr. McMahon was Prime Minister. Having struck a brilliant idea at 3 o'clock one morning, he said, "I am going to give a new deal to the States. I will make them an offer that they cannot refuse." True, the States could not refuse the offer. Thereafter, it was hard for them to relinquish this right to levy pay-roll tax, irrespective of the political persuasion of the Government concerned.

It is no good the Hon. Mr. Laidlaw's saying that that was another nail in the coffin of small businesses, because that does not ring true. He also referred to price control, which was implemented during the war years. Indeed, it was one of the instruments that Sir Robert Menzies used to destroy the Chifley Government in relation to one item of control, that is, petrol. Do not forget that one. The Hon. Mr. Laidlaw went on to say, "It is there today." He was not prepared to be honest and stand up here and quote from yesterday's newspaper and say what percentage increase Broken Hill Proprietary Company Limited had enjoyed through this body over the last three years.

The Hon. D. H. Laidlaw: That is through the Prices Justification Tribunal.

The Hon. N. K. FOSTER: I know it is; why didn't you say so?

The Hon. D. H. Laidlaw: I did.

The Hon. N. K. FOSTER: Why didn't you say it also exceeded the average increase in wages and salaries? You said there were 120 wage-fixing bodies in Australia. You are a member of the National Executive of your Party, and have been for some time. You have been the chief collector of money in the Liberal Party in this State for some considerable time, and you have gathered unto yourself, so far as your Party is concerned, millions upon millions of dollars.

The Hon. D. H. Laidlaw: I wish we had!

The Hon. N. K. FOSTER: You yourself collected about \$680 000 to fight the so-called Canberra octopus on a referendum a little over 12 months ago, and it is strange that your Party took the attitude it did in regard to that.

It is no good your complaining about the number of wage-fixing tribunals in this country when your Party has perpetuated for the last 30 years or so the retention of that old system. You will not agree, in constitutional areas or anywhere else laid down by those inquiries, to reduce the number of unions. The wages explosion (if I may use those words) over the two years preceding 1975 came about because the unions had been starved of wage justice for 20 years; it meant they had been denied by the Menzies Government in the 1950's; they had had the wool pulled over their eyes by the total wage concept of 1964-65. There was a backlog of wage justification, and it had to come, irrespective of which Government was in power when it was brought about.

Let me tell the honourable member, as a principal employer in this country, and let me remind him, as a captain of industry and one of the heads of some of the biggest employer organisations in this country, that he cannot blame the unions alone for this matter; he cannot blame the wage-fixing tribunals for that wage explosion. He cannot blame the tribunals for that. It came about as a result of negotiations between the two principal bodies—the trade union movement, on the one hand, and the employers, on the other. The employers were divided on that issue. I instanced to honourable members certain areas of the maritime industry. The honourable member talked about annual leave loading. I recall moving for that when I was on the council of an organisation I belonged to in 1961, and we have waited a long time to get it—10 years; it was one of our objects in 1961-62. The vehicle building industry suffered a long strike in 1965 in this State and other States but it did not achieve for the workers of that industry anything like wage justice; and General Motors-Holden's and the other manufacturers of the day clapped their hands when that strike collapsed with no positive return to the participants in that dispute.

Such a short-sighted policy was bound to rebound on the employers when they clapped their hands and thought they had had a win. They failed to realise that, in pushing the body of the workers into a corner, they could not force them up the wall and make them cling to the ceiling. Even today, the vehicle building industry is suffering as a result of the stupidity of the employers in 1965 in failing to negotiate meaningfully. There was a strike in the motor industry, and we have it with us today. Those learned gentlemen who sat on the bench in Adelaide and threw some trade unionists into gaol are guilty of absolute stupidity. The employers failed to grasp that significant point and, when the labour market became better attuned to the betterment of the trade unions, they said, "This is our chance".

I come to another matter. We can all remember the Postal Workers Union, under the old system of the Postmaster-General's Department. There were more than 20 unions in that industry year after year, almost decade after decade, crying out almost violently for a form of wage justice. When many of the rank and file in that area of employment considered they were public servants and should not strike, here again the Public Service Board and other wage-fixing tribunals adopted an attitude of absolute denial. Was it any wonder that, by the mid-1960's, when they had been driven into a corner and were climbing up the wall and had to cling to the ceiling, they went to their General Secretary (Mr. Slater) and they struck. After positive, forceful, militant, industrial action, he gained for the members some improvement in conditions—not only in wages and salaries but also in conditions, in the real sense. Workmen's compensation had been legislated for many years previously but, for many reasons and because so-called principles were applied, people who were injured in the industry did not get compensated.

That brings me to this point. Members opposite say that the workmen's compensation premiums are too high. They do not agree that a worker going to or returning from work should be covered, or that his wife and children should be covered in the event of his death. They assume, and want everybody else to assume, that because of the Workmen's Compensation Act everyone who gets injured gets workmen's compensation; but that is not so. Although there may be some anomalies in the present situation, to hell with the thought that the Act should be amended on the basis that workmen's compensation should not be payable to every worker injured.

The Hon. D. H. LAIDLAW: That has not been suggested:

The Hon. N. K. FOSTER: It was suggested by the Hon. Mr. Laidlaw today when he blamed the closure of small industries on workmen's compensation.

The Hon. D. H. LAIDLAW: No, I did not.

The Hon. N. K. FOSTER: You did.

The Hon. D. H. LAIDLAW: Will the honourable member give way?

The Hon. N. K. FOSTER: In no way will I give way. You do not know the number of cases that members who sit on this side of the Chamber know of people who have been on compensation, under the so-called family doctor, and given certificates for two weeks, two months, or whatever. But the fact is that the employers in the past were so cruel, so vicious and so inhuman that they took the first opportunity to have an employee on compensation go to other than his family doctor and forced him to a head shrinker, a psychiatrist, to get a certificate which conflicted with the opinion of the family doctor—and, of course, the family doctor would never disagree with his mates. The result was that the fellow was paid nothing.

I have known men who have had to sell their cars, washing machines, and everything in an endeavour to sustain themselves. I have had the experience of being with a person for eight hours who was demented because he had been turned that way, and he was threatening physical violence against one politician.

In cases of death, we find that widows are fighting in the courts for compensation and that the employers are trying to whittle down the amount that the widow should get, forcing her through a legal system, which meant that that further reduced the amount she would get. The untold suffering in the community far outweighed the actions of people who took unfair advantage of the system. If we were to make any great changes in the present Act, we would revert to that state of affairs. There are still many people in the community who are being paid their benefits under the old Act. The Hon. Mr. Laidlaw, when speaking on behalf of the small businesses, should remember that aspect of improved conditions.

Small businesses have been knocked off not by the provision of annual leave loadings, etc., but by the business system itself. This morning's press highlights that situation: Penfolds Wines has been bought out by Tooth and Company Limited. I hope the subdivision of the Penfold area is not being considered by the Hon. Mr. Hill and his friends, and I had much to say on that matter in about 1971 or 1972.

Finally, I note that honourable members opposite who have participated in this debate so far have attempted to say that the Government has mismanaged the finances of the State. That innuendo has been made in the House of Assembly, too. However, if one wants to point the finger at a Government for increasing taxation, what better example have we than the Federal Government and its imposition of the Medibank levy—a 2½ per cent grab, compounding to who knows what in the next 12 months. It is a rip-off by the people who gave the Liberal Party millions of dollars to get back into office—the medical fraternity.

If one complains about increasing taxes it is no good saying, as colleagues of members opposite have done elsewhere, that they will reduce taxes and then as the first direct action, impose a levy of the magnitude of the Medibank levy, which is far beyond what could ever be considered necessary.

The Hon. C. M. HILL: You're dealing with two different Parliaments.

The Hon. N. K. FOSTER: Are not constituents of the Federal Parliament people living in the States? The honourable member is implying that in this Parliament we should not refer to measures taken up by the Commonwealth Parliament. We are free in this Chamber in the Budget debate to criticise the Federal Government, and much of the financial burden shouldered by the States is the result of the Federal Government's actions. I support the Bill and shall be happy to listen to any constructive remarks made by those honourable members opposite who have still to make a contribution.

The Hon. JESSIE COOPER: Mr. President, I will do my best for the Hon. Mr. Foster, but that will be later in my speech. I support the Bill. The term "good housekeeping" was the Treasurer's term for explaining how his Government ended the financial year with a surplus. This pat on his back, as well as on the Government's back, merits some attention. Could it be a form of narcissism?

The Hon. C. M. HILL: What is the exact meaning of that word?

The Hon. JESSIE COOPER: The dictionary says that it is a tendency to self-worship or to be absorbed in one's own personal perfections. But what does good house-keeping mean? Surely it means more than just ending the financial year with a surplus. It must mean funds spent so wisely that, having been spent, the greatest good has been achieved in the greatest number of cases.

Do we find that state of affairs reflected in the Budget? Do we find a progressive and constructive programme advanced to encourage and develop new industries in South Australia or in support of established South Australian industries that are struggling to continue in existence? Do we find an ever-increasing number of public servants in important sectors such as hospitals, health services and community welfare, or are they just propagating their species in the press and publicity sections of the Premier's Department?

Do we find that in promoting the arts, funds are being spent to maintain already established groups and societies that have brought great enjoyment to South Australians for years? Or is it all going to areas of so-called need, the need, that is, of untried amateurs who see an easy way up the difficult ladder to success in the arts? In other words, is it going into futile attempts at promoting ephemeral experiments?

Many established groups are known and have been patronised by most honourable members, and the success of these groups has come from good management and the support of group members. A shining example of such a group is the Musica Viva Society in South Australia. The society was first established in Sydney about 30 years ago, and the South Australian branch was established a couple of years later. Until recent years, the society received no Government grant whatever but flourished because of the way it was managed. It flourished so well that it was able to bring to Australia chamber ensembles of world renown.

It is true that in recent years the Musica Viva Society of Australia received from Federal grants some funds, and the New South Wales section received grants from the New South Wales Government for a specific purpose, namely, to take ensembles to country centres, but the South Australian branch has flourished without any State Government grant ever. Over the years we have enjoyed chamber music ensembles from most of the western European countries, the United States of America, as well as Russia, Czechoslovakia, Poland, Japan, and most recently Bulgaria. Such famous groups as the Budapest, Pro Arte, Parrenin, and Amadeus string quartets have all performed in Adelaide. In fact I believe that Musica Viva gives the greatest musical education and enjoyment of any group (subsidised or unsubsidised). I give this only as an example. In most countries in the world it has been realised that the best standard in all art is maintained when subsidies go to the most highly skilled and most professional operators. I believe that good housekeeping is being able to budget and keep one's expenditure below one's income.

The Hon. C. J. Sumner: We have done that.

The Hon. JESSIE COOPER: Yes. Applied to the Government of South Australia, it does not mean spending freely and then offering a balance by increasing indirect tax more rapidly than any other State Government has done in the same period. Other honourable members have spoken about this aspect of the Budget. I now wish to refer to the matter of pay-roll tax in South Australia, which is far too high. It is, of course, merely a means whereby the Government taxes a portion of the income of every company for its own purposes without in any

way taking cognisance of the profitability of the organisation from which it is extracting the money. However, that is not what I wish to talk about.

There is a very worrying aspect in the way in which pay-roll tax is now being wielded by the Government. When Parliament passed the pay-roll tax legislation, it was visualised that, like the laws of the Medes and the Persians, it would impinge with equal impact on all citizens. It was, I am certain, never Parliament's intention that pay-roll tax should be arbitrarily applied by the Government and used as a weapon for encouragement of redistribution of industry around the State in conformity with the wishes of our socialist planners. The Treasurer's statement at page 8, describing the means by which the Government will arbitrarily give relief from this tax in some degree to some favoured industries and favoured operators, not only lends itself to abuses but is an improper way to go about encouraging the redistribution of industry. Honourable members will get my point.

It appears that if an industry is prepared to go to, say, Whyalla, set up a minor monopoly in that area, make a new type of product and export it out of the area, and also fit into the type of industry that will please our great business manager, it will receive for a very limited period some degree of relief from pay-roll tax. When, I ask honourable members, did Parliament ever intend that taxation powers should be arbitrarily applied at the whim of some social planner? Parliament should look extremely closely at this aspect of our taxation legislation and beware that it does not establish the laws that might be used to give favoured treatment to some and indirectly destroy others. I, in common with other honourable members, have already mentioned the great amount of money poured into the somewhat indifferent and ill-trained arts groups. The happy abandon with which money is used at our Festival Theatre (the production of extravagant stage sets, for example) is a matter of common knowledge.

It is a pity, I believe, that some of this additional money is not being spent on the greatest natural resource that South Australia has, that which comes directly from the sun, solar energy, and a closely allied effect, wind energy. The Hon. Mr. Geddes in speaking in this debate yesterday gave the Government a strong warning of the need to develop some other form of energy other than fossil fuels. South Australia is a vast geographical area which is particularly dry; it has clear skies and is drenched with energy from the sun in a way that is found in few other countries. Because it is a wide flat land with comparatively high extremes of temperature, it tends to be a windy area. We have unlimited power in the winds that blow across the southern part of this continent (indeed, sometimes across this Chamber).

For many years we have been assured by prominent scientists that there are no great problems involved in devising methods of converting the power of the wind into a form that may be usefully applied to man's purposes. The problem of obtaining power from the rays of the sun in large applications may not be as easy to solve as the wind question, but it is not insoluble. In December, 1973, the Government set up a committee of 11 men to study South Australia's energy requirements for the next 20 years, but it was not until May, 1976, that the Chairman of this South Australian State Energy Committee gave his views in a paper to the Ranger Uranium Environment Inquiry.

The Hon. R. A. Geddes: Would it not be desirable that the report of this committee be published and be available to the Parliament and the people?

The Hon. JESSIE COOPER: Certainly. I hope that that will be done. This report, headed "South Australia must keep oil, coal as power source", states:

Much talked about alternative sources of energy—using the sun, wind, tides, or waves to power the South Australia of the future—are not on, according to a State Government expert . . . but despite some growing use of solar heating for domestic power and considerable theoretical and experimental work on solar energy at Flinders University, South Australia remains firmly wedded to fossil fuels—oil and coal.

The Hon. C. J. Sumner: Do you support the use of nuclear energy in that submission?

The Hon. JESSIE COOPER: I am glad the honourable member brought up that point. The gentleman to whom I have referred said he believed that it would stay that way and he maintained that South Australia should keep its nuclear options open. I expect that the honourable member does not approve, and nor do I. If reported correctly, he said that he rejected the alternative sources of energy, sun, wind, tide, or waves, not because they are impracticable or infeasible, but because they are uneconomic. I would like to know whether the committee really did examine the economics properly. Did the committee have in fact the basis of any properly researched plan before it to make an economic assessment?

The Hon. C. J. Sumner: Who is this?

The Hon. JESSIE COOPER: The Chairman of the committee.

The Hon. C. J. Sumner: What is his name?

The Hon. JESSIE COOPER: The honourable member knows his name, and I do not intend to use it. The report continues.

Large-scale solar energy is unlikely to become economic in the foreseeable future. However, low temperature solar energy devices for hot water and heating in the home and for some industrial use was practical. Using winds to generate electricity created "prodigious" problems.

The committee's alleged reasons, which I have just quoted, for not pushing the matter do not fit in with the best overseas information but, as the committee has taken 2½ years to produce any sort of report, it is possible that it was well behind overseas thinking and developments. World opinion and opinions expressed by leading scientists in Australia run quite contrary to the opinion publicly expressed by this committee's Chairman, who was a member of the Premier's Department. Only last May the ANZAAS Congress was told of the latest developments in aero-generators and was told that a vast army of wind turbines between Adelaide and Geraldton could supply all the energy needs for a population of 20 000 000 people. The experimental work being done at Flinders University has produced interesting statements, the following statement being made last March:

A step towards using giant windmills to generate electricity has been taken by a group of South Australian engineers. Mr. Don Atkinson, laboratory manager of Flinders University's School of Physical Sciences, is co-ordinator of the project. He said today one large research and development windmill in South Australia would allow people to see the possibilities for themselves.

"If the Port Augusta windmill project were successful, it could lead to a further windmill programme in the Eastern States."

Prof. Bockris, also of Flinders University, said:

Wind power has been neglected too long as an energy source.

Such a world-famous scientist as Sir Mark Oliphant has made several statements on the use of wind power. The following report was made last July:

The Governor (Sir Mark Oliphant) sees only fusion reactors—power from heavy hydrogen—as a practical source of pollution-free energy for the next century.

Last February, the following statement was made in the press:

South Australia's natural gas supply will be exhausted by the end of the century, the Governor, Sir Mark Oliphant, warned today. And the State's poor quality coal reserves would not last more than 50 years as an economic source of electricity, he added. Sir Mark was speaking at the fourth Australian Electrochemistry Conference at Flinders University. He said: "There are two obvious possible alternative sources of energy in this State, other than nuclear energy. The southern coast, including Kangaroo Island, is a promising area for the extraction of energy from the prevalent winds, using known technologies. "As the driest State, South Australia also enjoys good conditions for the utilisation of solar energy." Because neither winds nor radiation from the sun were available continuously, energy produced from them would have to be stored to ensure power was always available. "If the whole or part of the electric power produced is used to electrolyse water, the resulting hydrogen can be stored under pressure, or in the pipes through which it is distributed." It would be cheaper to transfer energy over long distances in pipes as hydrogen gas, than over transmission lines as electric power. Sir Mark said hydrogen was the perfect pollution-free fuel. It could re-generate electric power with twice the efficiency of the best steam cycles. Sir Mark said one great advantage of both wind-power and solar energy used in this way was that units could be distributed all over the country, serving each small town or section of a city.

We all know that South Australia has few natural resources in respect of minerals and other substances that come from the earth. We should therefore be experimenting in the fields I have mentioned. I am glad that the Hon. Mr. Foster has returned to the Chamber; he can hear my constructive approach. The farmers of this State have used the sun and the rain and have efficiently and continually produced from those natural resources most of the wealth that has made South Australia. In that sense, we in this State are specialists in the use of natural energy. Let us go further and put our money into the production of energy from natural sources. I believe that, if only the Government would put some money into a limited scale experiment in this sphere, using some of the best wind equipment now available, some of the obviously vast differences of opinion between our leading scientists and the Government's committee could be tested, probably to South Australia's advantage. We have the scientists here: let us give them the sinews for development.

The fact that many honourable members are being more and more critical of the manner in which the Government's funds are being used is an indication of the deep-seated worry that most of us have about the future of South Australia. We are not unconscious of the fact that, in the statistical returns for the June quarter, South Australia has again shown a loss of population. It is incomprehensible to outsiders that a State only partly developed and one in which there are supposed to be unlimited opportunities should not only not have an upward population rate but also actually be losing people, that it should at any stage have a reducing population. It is probably not dissociated from the fact that South Australia has the lowest average weekly earning for an employed male of any part of mainland Australia. The following are the average weekly earnings for an employed male in the March quarter: New South Wales, \$172·80; Victoria, \$172·20; Queensland, \$165; South Australia, \$159; and Western Australia, \$169·70.

The Hon. R. A. Geddes: Which year is that?

The Hon. JESSIE COOPER: It is the March quarter of 1976. The provisional figures for June are as follows: New South Wales, \$182·80; Victoria, \$182·10; Queensland, \$172·50; Western Australia, \$176·90; and South Australia's figure is unfortunately \$167·90. It is perfectly plain that South Australia's money should be put into more work,

more research, and particularly more development, and into less play and less political public relations.

Much of the frittering away of Government money in South Australia arises directly from attempts to establish a socialist basis for the State's structure. Attention to the failure of socialism was drawn this week by no less a person than Prof. Frederick Hayek when speaking on the Australian Broadcasting Commission's public affairs television programme *Monday Conference*. Prof. Hayek, a Nobel Prize winner, is an Austrian economist. He was commenting, in the first instance, on oversea aid projects, although his summary of the failure of socialism was no less applicable to the area of our responsibility. I will end by quoting his words, which are reported as follows:

Profit-making investment capital contributes much more to raising standards of developing countries than inter-governmental lending which was almost invariably wasted, he said. The few developing countries in this region that had tried the capitalist way—South Korea, Taiwan and Singapore—had succeeded magnificently and had raised incomes far faster than their socialist neighbours. "The big socialist countries should finance the socialist under-developed countries, and the big capitalist countries should finance the undeveloped capitalist countries," Professor Hayek said.

The Hon. A. M. WHYTE: I support the Bill. I suppose it can be said that anything to do with taxation has an irksome flavour. However, if we live in a society which has high living (something to which we in South Australia can lay claim) I suppose we must naturally associate our standard of living with a high rate of taxation. Most people in this State have over the past few years become accustomed to high taxation levels, and accept them with some misgivings. However, they are not willing to accept the wastage of so much of the money that is collected from them in taxation. One of the problems that besets South Australia at present is that much of this money is wasted. I should like to give a few examples of how our money is being spent. We are, for instance, still fooling around with the construction of a railway line between Adelaide and Crystal Brook which will connect this State to the trans-continental line. If the money that has been spent on investigations regarding this line had been spent on the actual construction of the line, it would have been built now. This is only one area in which there has been a colossal wastage of taxpayers' money.

Also, a study just made of the operations of the South Australian Meat Corporation cost, I understand, \$38 000. That report has not yet been tabled and, when it is tabled, I guarantee that little action will be taken on it. One could look at many areas in which inquiries have been undertaken without result. Millions of dollars are being spent on Monarto, for instance, for no good purpose. I refer also to the Redcliff petro-chemical complex, the Dartmouth and Chowilla dams, and so on. These are areas of concern to all taxpayers.

One sees in the Estimates of receipts in the Revenue Account for the financial year ending on June 30, 1977, an estimated increase of \$100 000 000. The only explanation for this is, "Other departmental fees and recoveries". It does not say what taxes will be imposed to obtain that \$100 000 000. This is the type of thing that makes Budgets distasteful. I have already said that Budgets have an irksome flavour that we do not like. However, it is dishonest of the Government introducing a Budget to say that there are no increases in taxation when, in fact, those increases have already been levied. In the instance to which I have referred, \$100 000 000 is to be gathered by way of other

departmental fees and recoveries. I should like to receive an explanation of what that means.

Perhaps another area of wastage is that we have so many commissions and committees which are appointed, apparently to investigate other commissions and committees that have preceded them and to ensure that those former commissions and committees have done a reasonable job. I refer, for example, to the Shack Review Committee. The position created by the Government is untenable, and no good purpose is served by it. Shack owners throughout the State are plagued by the Lands Department, the State Planning Authority, the Marine and Harbours Department, environmentalists, and so on, each of which has a bit of a slap at where shacks should be positioned and what should be done about them. It has reached a stage where people living in \$10 000 to \$15 000 shacks have had their site declared unacceptable because someone, apparently anyone from the above-mentioned departments, said so, and for no other good reason at all. One has never heard so much nonsense in all one's life.

Advocates of this type of legislation say that maximum use is not being made of the beaches because the public does not have access to them. From my experience, maximum use is made of our beaches solely because the people who have built shacks there have also provided the necessary amenities to enable the public to gain access to the beaches. It is deplorable that certain people are forced to remove their shacks, brick by brick, from the beaches. It is hardly an incentive for a person to keep his shack in good condition if, having been granted a 10-year miscellaneous lease, he will have to move the shack at the expiration of the lease. This step has been taken by the Government and creates an uncertainty which will lead to a deterioration of established amenities which are now enjoyed as much by the public as they are by shack owners.

Although I could go through the Budget line by line, I will not do so. However, I doubt whether we do all that is necessary regarding the provision of water in what can be described as one of the most waterless occupied areas in the world. At times of high flood, billions of gallons of water run out to the sea. No real attempt is made to conserve this water, which is so badly needed for our expansion. There are areas in our State to which water could be pumped from the Murray River to assist in decentralisation. It is claimed that the only area for housing development is in Monarto, because of the water supply, but there are many more useful and attractive sites for development than the Monarto site. I believe that, in times of high flood, provision should be made for the storage of water, perhaps in parts of the Flinders Range, where there are areas that could be dammed off at little expense. That is where part of our planning should go. I will now move on quickly to another aspect of planning our future.

Much is often said about the scarring and devastation that have taken place in the Adelaide Hills, but I believe that the monstrosities we build with the stone quarried in the Hills are just as great an eyesore. I wonder when our architecture will reach the stage where, instead of having stereotype concrete blocks plastered all over the city, some of our buildings will be placed underground. It should not be too difficult to fill in our worked-out quarries from the excavations. There is every good reason to consider putting many of our high-rise buildings underground, bearing in mind the recent earthquakes and the question of defence.

I turn now to the problem of alcohol among Aborigines. Although I know that we wished them on to the Federal Government and did our best to wipe our hands of an

ugly situation we, as a Parliament, are, nevertheless, responsible for their welfare in this State. A report in last Wednesday's *Advertiser*, under the heading "Charged with killing wife", states:

A man had caused the death of his wife following a violent drinking party at Yalata Aboriginal Mission, the Ceduna court was told yesterday.

Another report appears in the same paper, under the heading "Gaoled for assault", which states:

A man arrested at Yalata mission admitted a previous conviction for manslaughter when he appeared in the Ceduna court yesterday.

Those reports highlight a situation of which people in the city perhaps do not hear the full story. Many Aborigines on missions would like to see the position improved, and I give credit to those who have tried to do something about alcoholism as it affects their race. Yet another report in the same paper, under the heading "Blacks to attack drink problem", states:

Aboriginal communities in three South Australian country towns are expected to be running centres for Aborigines with drinking problems by the end of the year. The first of these will be opened at Coober Pedy on October 22 and others at Ceduna and Port Augusta are expected to be in operation by Christmas.

A drying-out centre is already operating at the Davenport Mission, Port Augusta. I admire people who have spent so much of their time trying to cope with this sad situation, but I wonder whether we are not closing the door after the horse has bolted. Although many Aborigines in the city have coped to a large extent with urban-type life, those who live on missions where alcohol in large quantities is being peddled to them face serious problems, and this is being compounded by the amount of money available to spend. It is not unusual for an Aboriginal parent to receive at least \$10 a day under the new child endowment scheme, in addition to other social service benefits. Often, the parents do not know how best to use the money, and often only little of it is spent on their children.

Perhaps we should create a trust fund into which some of their money could be paid until their children became of an age where some of it could be used for education or other useful purposes. At present, the bulk of this money falls into the hands of booze traffickers, some of whom are non-drinkers themselves; they are smart people who are able to capitalise on a situation that could not be sadder. It is high time the community at large took steps to prevent murders and bashings. Under the Licensing Act, anyone who wishes to establish a reasonable establishment close to an Aboriginal mission has the right to supply liquor, except in cases where people are obviously intoxicated. Aborigines on missions would like to see restrictions placed on people supplying liquor to Aborigines. A report on the alcohol problems of Aborigines that was tabled in the Federal Parliament recently refers to the chartering of aircraft and taxis to supply booze to some of these unfortunate people.

I make my plea to the Council and to this Government regarding areas in which we could assist in alleviating what is indeed a sad situation. Often, as a result of the extra money they have, they are worse off now than they have ever been. Drying-out centres not only for the Aborigines but also for the whites help in the cure but do little for the disease. I appreciate that many one-time Aboriginal alcoholics are now able to cope with life because of the help given them and are trying to help other members of their race. Aboriginal men and women on some missions have asked for police to be stationed on the missions. I recently read a press report that stated that two policemen would be stationed at Penong, which is a quiet spot about 65

kilometres from Ceduna. One would wonder why a better site could not have been chosen much closer to the Yalata mission, where so much of this trouble is at present occurring, rather than Penong. However, the Chief Secretary and his advisers would know better where to put them.

The Stuart Highway, which must not be humbugged by great lengthy detailed reports before it gets under way, will be close to the Indulkana mission. Already, people in that area have asked that no tourist resorts be established close to that reserve. They have seen already the problem at Alice Springs and Oodnadatta, and they do not want it to recur at Indulkana. People in the Aboriginal community could do more if they understood that support and help were forthcoming. That is what they are waiting for. It is high time something better was done. I support the Bill.

The Hon. C. J. SUMNER: Rising, as I do, near the conclusion of this debate to support the Budget, I should make some comments on the contributions of honourable members opposite. Prior to today's debate, I was going to say I thought it was the most appalling attempt at a serious discussion of a Budget that one could ever have heard. However, today we have had some contributions that have upgraded the quality of the debate. The Hon. Mr. Laidlaw is, at least, worth listening to even if one does not agree with him on facts. The Hon. Jessie Cooper made some reasonable suggestions, and the Hon. Mr. Whyte contributed similarly, even though in many respects I would not agree with what he said. Yesterday, it was a fairly dismal performance by the Opposition, with the exception of the Hon. Mr. Geddes.

But, as to the so-called front bench and the left Liberal rump that sits at the end of the bench, their contributions were a parody for an Opposition. Of course, honourable members in this Chamber do not debate individual lines of the Budget, but one could have expected there might have been some overview of the Budget position and perhaps even some comment on the Federal tax-sharing, which is probably the most significant aspect of the Financial Statement presented by the Treasurer. But, no—nothing about that. In general, the front bench, and the Hon. Mr. Cameron and the Hon. Mr. Carnie, lapsed into irrelevancies with desultory nit-picking criticism completely unsubstantiated by evidence.

The Hon. Mr. DeGaris decided that his stocks were not quite low enough, so he wanted to earn a rebuke from Mr. Tonkin and six others from the left-wing Cabal opposite, who are currently trying to remove him from office, by saying that he would consider rejecting Supply. The reason was that he disagreed with the redistribution of boundaries. He did not point out that the Hon. Mr. Cameron and the Hon. Mr. Carnie voted for that redistribution and currently find themselves in the same Party. The Hon. Mr. Carnie and the Hon. Mr. Cameron both voted for a motion stating that Upper Houses should not reject Supply. His contribution, apart from that, is hardly worthy of comment.

The Hon. Mr. Carnie's only real contribution was to rale against socialism and the welfare State, saying that it was something of a headlong rush into socialism, which must be the most usual cliché that honourable members in the Liberal Party can wheel out in criticism. His other comment was that Government policies were destroying South Australia's competitive position. When I challenged him to produce evidence of it, he kept reading on; he had nothing to base that on.

The Hon. Mr. Hill, the ageing "Young Pretender", no doubt to boost his flagging stocks, decided on searing

attacks on State taxation. The verve and gusto with which he delivered his speech belied the insignificance of his remarks. His trump card was a letter from the Treasurer, dated September, containing the same information that the Treasurer had given Parliament on August 4, as recorded at page 392 of *Hansard*. The honourable member completely ignored that answer, which explained the situation of the taxation figures quoted in the *This Day Tonight* interview, and the subsequent updating of them. But he went on his way merrily for about half an hour trying to allege that the Treasurer had deceived the Council when, if he had bothered to read *Hansard*, he would have had the information as long ago as August; he would have known what the explanation was.

The Hon. Mr. Burdett's performance lasted about three minutes. All I can say is that he must have had a bad dream the night before. He could concede only that perhaps the Labor Government was becoming like the Liberal Government, which would be enough to cause him to have nightmares; but he had no time for research. That was clear, because all he could do was to wheel out the threat of socialism. When members opposite start talking about octopuses and socialism, we know they have done no work on the matters before the Council. That was made clear by the Hon. Mr. Burdett when he insisted on quoting, as honourable members opposite always do, only half the socialisation objective of the Labor Party, which is as follows:

The democratic socialisation of industry, production, distribution and exchange—

it is at this point that the Hon. Mr. Burdett finished his quote, yet the objective is continued—

to the extent necessary to eliminate exploitation and other anti-social features in those fields.

To demonstrate what a dreadful socialist Government we have and how many industries it nationalised recently the honourable member did not give one example, but that is not unusual and, in this case, the Hon. Mr. Burdett had just not done any homework.

The true situation, as honourable members opposite realise, is completely contrary to what they would like us to believe. Therefore, to highlight the true position I point out that South Australia is third in per capita State taxation; Adelaide has the lowest rate of inflation in Australia; South Australia has the lowest rate of unemployment in Australia; South Australia has had only 4 per cent of Australia's industrial disputes in the past five years yet it has 9 per cent of the work force.

Between June, 1966, and June, 1975, the South Australian manufacturing work force increased by 12.6 per cent, yet the Victorian work force increased by only 3.4 per cent and the New South Wales work force declined by 3.6 per cent. In June, 1966, South Australia had 9.5 per cent of the manufacturing work force and the percentage had increased to 10.4 per cent in 1975. Those facts are argued more fully in my speech in the Address in Reply debate (July 25, *Hansard*, page 298), but from honourable members opposite not one squeak did we hear about these facts in their examination of the economy.

South Australia's economy is doing exceptionally well, especially when compared to the only comparable indicators—the other States. It is absurd nonsense to take an absolute increase in State taxation as a basis of criticism without comparing the situation in the other States.

The Hon. C. M. Hill: I compared the situation with that in the other States.

The Hon. C. J. SUMNER: The honourable member did not and, to say that we are overtaxed compared to other States, is absolute nonsense. Pay-roll tax was referred

to by honourable members opposite, and the Hon. Mr. Laidlaw advanced a case against pay-roll tax; and perhaps one can argue against it, especially in a situation of high unemployment. However, what is the situation? Pay-roll tax has been with us for many years, and it has been continued under Liberal Governments. Pay-roll tax was handed over to the States as a means of giving the States another taxation power.

If the Hon. Mr. Laidlaw wants to use his good offices with Mr. Fraser, he can ask him to make a grant to the States to cover the loss of revenue if pay-roll tax were removed. Although I do not know whether the honourable member has done that, I suspect he has not. Certainly, we know what the answer would be. What would Mr. Street (Commonwealth Minister for Employment and Industrial Relations) want us to do? The Hon. Mr. Laidlaw well knows. Mr. Street wants us to increase pay-roll tax to pay for apprenticeship training, and that proposal was put to State Labor Ministers by Mr. Street. Where is the consistency in the arguments advanced by honourable members opposite?

If honourable members opposite want to scream about pay-roll tax, perhaps they should take up the matter with whom the responsibility lies—the Commonwealth Government. The fact is that every State finds it necessary to impose pay-roll tax.

I wish now to concentrate on what I believe is the most significant feature of the Treasurer's Financial Statement, that is, the section dealing with the new federalism policy. This is a policy that the Liberal and National Country Parties were elected on in December, 1975.

The policy was initially announced by Senator Carrick, the spokesman on federal matters in September, 1975. In a modified form, this policy was included in Mr. Fraser's policy speech of November 27, 1975, when he stated:

Australia's prosperity has been further damaged by Labor's attempts to destroy the States and centralise total political power in one House of Parliament.

I would argue about that, but not now. Mr. Fraser continued:

We will provide a sound basis of financial independence and responsibility for the States and local governments with the most significant reform of the federal system since federation.

Our policy has been hailed around Australia by State and local governments. The States and local government will each be given a guaranteed proportion of income tax revenue. On top of this, the small States and poorer local areas will have equalisation guarantees so that equity will be preserved. States will be given a greater flexibility in raising their own revenues. Local governments under this plan will receive more funds than at present, they will be more secure than funds received from the Grants Commission. They will be funds that can be spent independently of Canberra's whims.

We will establish an independent council for inter-governmental relations, designed to resolve problems between the levels of Government. Once our reforms have been introduced, State and local governments responsible to the electors will have a genuine control over their own affairs. This will be of great help to the local government areas in the new and expanding areas of the outer suburbs.

That is one of the promises on which Mr. Fraser went to the people in December, 1975. Part of that federalism policy was that the States would be given power to apply a surcharge on income tax, and it is surprising that in Mr. Fraser's television speech no mention was made of the so-called double taxation or surcharge on income tax, despite the fact that it was clearly stated in Senator Carrick's

statement of September, 1975, where, when talking of a suitable taxation for the States to impose, he stated:

The question of a major tax or taxes suitable for revenue-sharing purposes will be under constant review. At this moment personal income tax is virtually self-selective.

Naturally, Mr. Fraser did not say that the States would have to impose their own income tax in order for these federalism proposals to work. He did not say that in his speech. True, the new federalism policy was one plank of the Liberal and National Country Party policy before the election, but I do not believe it was put in an honest manner to the people in Mr. Fraser's policy speech.

The Hon. R. C. DeGaris: What do you mean by double taxation?

The Hon. C. J. SUMNER: I referred to "so-called" double taxation, which has been used in the sense of the States being able to impose a surcharge on income tax.

The Hon. R. C. DeGaris: Is that double taxation?

The Hon. C. J. SUMNER: We might be able to get involved in a semantic argument about that, but the Commonwealth Government and the State Government would be involved in taxation. Whether that can be described as double taxation, I leave to the Leader to judge. This was part of the Liberal and National Country Party policy, but whether it is what the States expected, and this is important, is an other matter that I will deal with later. It should be noted that the Treasurer co-operated with the Federal Government when these proposals were brought down. He co-operated with the Federal Government and other State Governments throughout the series of Premiers' Conferences. That co-operation should be compared to the bellicose opposition of the Liberal and/or National Country Party State Governments and the Liberal and National Country Party Government in Canberra when the Labor Party was elected on its platform.

Those Governments did everything they could to thwart the Labor Party's programme, yet Mr. Dunstan has tried to co-operate with the policies advanced by Mr. Fraser. However, his co-operation was subject to the general rider that the States would not be disadvantaged. Now, and as I will point out later, there are serious doubts about the situation that has arisen. It seems that the States have been disadvantaged. The nub of the new federalism policy, that is, the point not mentioned fully by Mr. Fraser in his policy speech, concerns the tax-sharing arrangements whereby the States will get a fixed share of income tax receipts in any financial year and will have the right to grant a rebate, or to apply a surcharge.

The tax-sharing percentage was to be calculated by taking the financial assistance grants of 1975-76 as a percentage of personal income tax collections for that year, and that percentage would then continue to be applied to income tax receipts in subsequent years to determine the amount due to the States. This was to replace the general financial assistance grants which operated for the past 15 years or so, whereby the amount due to the States was calculated by reference to wage increases, its population increase and a betterment factor, which last year was 3 per cent.

That is a summary of the so-called federalism policy. Before dealing with it in detail, I should now like to recapitulate on what has been a trend in our federation over the past 75 years. Despite the fact that the founding fathers designated powers to the Commonwealth Government and left the residual powers to the States, which one would have thought gave the States the greater bulk of the functions within the Federation, the Commonwealth has become the dominant partner in the Federation

at this particular point in time. That trend has occurred whether there has been a Liberal Government or a Labor Government in Canberra.

It has occurred mainly because of the change in the financial relationship that has occurred over that period. The first major change is the Financial Agreement of 1927, which was an enshrining in the Constitution by an amendment in 1928, which set up the Loan Council. The Commonwealth took over the debts of the States and public borrowing would be done in the future by the Loan Council, but because of the subsequent developments it gave the Federal Government the greater financial power. The fact that it had two votes on the Loan Council plus a casting vote meant that the Commonwealth, through that agreement, obtained much greater financial power than it had previously.

The Hon. J. C. Burdett: When does the financial agreement expire?

The Hon. C. J. SUMNER: I believe it is in 1985 or thereabouts. The second major change in financial relationships was the uniform tax provision of 1942 whereby the States vacated the income tax field and left it exclusively to the Commonwealth. Of course, income tax, with an expanding population, was a most important taxing mechanism, and gave the Commonwealth after that time an expanding taxation base. The other major factor in this development of Commonwealth dominance has been the use of section 96 grants, that is, grants by the Federal Government to the States to carry out specific projects in those States. It is not surprising when one looks at our Federation that this accretion of power in Canberra has occurred. We have a small inland population spread out where national initiatives were needed to ensure the development of the country. We have a uniform historical tradition and culture and lifestyle which, over the past 25 to 30 years, has changed from a rural one to an urban one.

We are more a historical federation than one designed to keep together people of vastly different backgrounds, such as Switzerland, Canada or the United States, where federation often reflects people of vastly different cultures, history, and background, but that difference does not apply in Australia. I have made this point before that I believe that we would not construct the Australian nation today in the same way if we were starting from the beginning. The States are the accident of colonial boundaries and of historical colonial circumstances. Within the general uniform lifestyle, people have come to identify and be proud of their States and cities, and certainly States' rights is a powerful political weapon at election time, even if the reality has been a greater accretion of power to the Commonwealth. It seems clear that the States will remain, although probably it is not a most efficient rational distribution of powers within our Commonwealth, nor is it attuned to modern-day circumstances.

The Hon. C. M. Hill: Are you going to comment upon the centralisation policies of Mr. Whitlam in this general review?

The Hon. C. J. SUMNER: Just a minute.

The N. K. Foster: And the fact of federalism by Fraser?

The Hon. C. J. SUMNER: I do not believe that this current organisation necessarily helps participation of the people, in their Government or their identification with it, and in many respects it does not help orderly decentralisation but an arbitrary development of the nation. Despite this situation, the major feature of our nation is one of uniformity: we are more alike than we are different.

This basic underlying fact and the essentially unnecessary nature of our federation may mean that the sorts of development that have occurred over the past 75 years will continue to develop, despite this attempt at new federalism and at giving back taxing powers to the States, particularly if we add to that the necessity for national Governments to manage economic affairs. So, it could well be that the basic nature of Australian society will run counter to this attempt by Mr. Fraser to put a greater Federal emphasis on our system of government. In addition, the new federalism raises some practical difficulties, to which the Treasurer has referred. The first Premiers' Conference on this matter was held last February. In this connection, in Attachment II of his Financial Statement, the Treasurer says:

In February a Premiers' Conference was held to discuss the broad principles on which the proposed new policy would be based. At that meeting the Prime Minister assured the Premiers that the intention behind the new policy was not to disadvantage the States but to strengthen their independence and flexibility. I undertook to co-operate in the further development of the new policy provided that the States were left at least as well off as under the financial assistance grant formula in both the short and the long term and that previously approved special arrangements between a State and the Commonwealth were not disturbed. In seeking appropriate assurances, I had in mind the possibility of a decline in the relative importance of income tax in the Commonwealth sphere and the effects which this would have on State entitlements in the future.

So, in February the Treasurer gave qualified support to the proposals. In April, there was a further co-operative effort. The Treasurer says that he was satisfied that the States would not be disadvantaged. In Attachment II, he says:

On the basis of information available at that time, the Premiers were satisfied that the new arrangements would provide them with a significant improvement on the financial assistance grants formula in terms of funds in 1976-77.

However, by the time of the June Premiers' Conference it was clear that the States would not be better off as a result of financial announcements made in May by the Commonwealth Treasurer. The problem is related to the question of the extent to which the Commonwealth will abide by the spirit of the arrangements entered into. The first real problem relates to the promise concerning consultation, which was agreed to in April and contained in the attachment "A" to the Prime Minister's press statement: That attachment says:

The Commonwealth Government has given a firm assurance to the States that:

- (a) it will ensure that the States are fully informed of relevant tax changes made by the Commonwealth and of their estimated effects on the States' entitlements;

The Commonwealth said that there would be full consultation, yet on May 20, in Mr. Lynch's mini Budget, a number of changes were made to the Commonwealth taxation set-up that altered the position arrived at in April; these changes were, first, full indexation of personal income tax and, secondly, the Medibank levy; in other words, there was to be taxation by a levy that would not form part of the Commonwealth's income tax receipts and, therefore, reduce the States' share. Thirdly, there was the abolition of rebates for children, which was beneficial in terms of the new arrangement. However, the first two changes were not beneficial. The main point is that there was no consultation, despite the assurance given in April. So, the problem that arose was that, by special levies and by concentration on indirect taxation, the States' finances could be eroded. An article in the *Financial Review* of July 13, 1976, referring to the

Treasurer's contribution to the June Premiers' Conference said:

Mr. Dunstan did not add, however, that Mr. Fraser has in the past declared himself in favour of raising revenue through indirect taxes, in accordance with the general belief in the Federal Treasury that Australia is lightly taxed on the indirect tax side.

So, if the Commonwealth persists with the change from income tax to indirect tax, the States' position will be eroded. The other thing that gives cause for concern is the Commonwealth's *bona fides*. Much concern was caused following the June Premiers' Conference, because the Federal Government attempted to increase taxation receipts for the year ended June 30, 1976. This, of course, would have effectively reduced the percentage available in future years to the States. At the April conference, it was calculated that the financial assistance grants for 1975-76 as a percentage of income tax grants for that year would be 34.5 per cent, and that that would be the appropriate percentage to apply in future years; in June, this came down to 33.6 per cent; and by July, as a result of the Federal Government's taxation collection policies, it had come down to 33.32 per cent. This was completely unacceptable to the States, and one wonders what the Commonwealth Government's intentions were in trying to get this increase in income tax receipts before the end of the last financial year. Perhaps it was doing it to reduce the percentage that would ultimately be due to the States in future years. Eventually, after complaints from all Premiers (including the Liberal and Country Party and Labor Party Premiers), it was agreed that the June figure of 33.6 per cent would be the figure for the future.

The Hon. C. M. Hill: What are you grumbling about? You are just a prophet of doom.

The Hon. C. J. SUMNER: I am merely saying that this indicates that the Liberal and Country Party coalition Commonwealth Government cannot be trusted to adhere to this management. Certainly, concern was expressed through the reputable journals and by the Treasurer at this attempt by the Commonwealth to reduce the States' share for future years. Perhaps one can argue whether it was a deliberate attempt, coming as it did at that time.

The Hon. C. M. Hill: All you are doing is repeating the Treasurer's statement.

The Hon. C. J. SUMNER: No, I am not.

The Hon. C. M. Hill: This is already in *Hansard*. The Chief Secretary gave it when he opened the debate. What about some new material?

The Hon. C. J. SUMNER: It is all new. Certainly, there was nothing new in the Hon. Mr. Hill's contribution.

The Hon. C. M. Hill: You must think that we don't read these statements when they are given to us.

The Hon. C. J. SUMNER: The next problem that could arise with this federalism policy is that which could be experienced by the State when planning its finances, given that receipts from personal income tax are subject to great variation. In fact, it could well be that the amount that has been calculated to be due in 1976-77 will, in fact, be much lower than the Treasury estimate and will be back at the level that would have applied under the old financial assistance grants scheme.

The other important factor, apart from the social and historical factors to which I have referred, that will tend to cause this policy to founder in the long term is that referred to in point 23 of the agreement arrived at in April. Point 23 is as follows:

The level of any State surcharges or rebates will be a matter for consideration by each State; relevant decisions will be taken within an appropriate framework of consultation with the Commonwealth and other States, but ultimately the level of surcharge or rebate will be a decision for each individual State. In exercising these powers, the States will accept responsibility to work parallel with and not in negation of the overall economic management policies of the Commonwealth.

It is that last sentence that is extremely important, because the Commonwealth will be exerting pressure on the States to ensure that the general economic management that it must carry out is not interfered with. I believe that in the long term this will severely interfere with any additional freedom that Mr. Fraser thinks he is giving the States under this policy.

Obviously, in the world economic situation, with the enormous economic problems that are cropping up year after year, the national Government is the only Government that is really in a position to carry out any sensible economic management policies. If the States, by their policies, interfere with this, one can see that the Commonwealth Government will intervene and ensure that they toe the line. So, that is another very significant doubt that one must have about this policy.

The final point is that there are grave doubts whether it will benefit the States. The Treasurer has acknowledged that it could work, but that it depends to a large extent on the Commonwealth Government. The main problems that will occur in this respect relate to tax indexation, so that the rate of income tax in general revenue will be less than the increase in the economy as a whole. Accordingly, the Federal Government's personal income taxation component will be eroded and thereby erode the amount due to the State. The second problem will be that specific purpose grants will be phased out. At present, those grants to the States represent between 50 per cent and 60 per cent of Federal grants. The other problem is that there is no guarantee beyond 1981 that the States will receive the same amount under this scheme as they would have received under the old formula of the financial assistance grants. The fourth problem is that the Federal Government will largely call the tune on Loan Council borrowings, and they may be placed, as they have been this year, at the lower level.

For South Australia, there is a matter of considerable concern. If, as seems inevitable, the States will have to impose income tax, there will be a drift to the larger States, as they will have a wider economic base because of their greater population. It seems as though in future South Australia will have to return to being a claimant State under the provisions of the Grants Commission Act. A brief consideration of this year's figures indicates that this is likely to happen. Although it has been calculated that the increase to the States under the new formula, taking the place of the general financial assistance grants, will amount to 20.5 per cent, it is certain that under the previous formula the figure would have been 19 per cent.

The interesting thing is that the estimated income tax collection for the following year, which has provided the base for this 20.5 per cent calculation, is based on an increase in wages of 14 per cent for the next 12 months. The Federal Government's policy is, of course, to reduce inflation to below that level. If it succeeds in doing that, the amount that will be provided to the States next year will, in fact, represent much less than a 20.5 per cent increase, and will probably fall down to the figure that they would have got under the old formula.

In any event, the difference is only between 19 per cent and 20.5 per cent. In real terms, the increase is about

\$10 000 000, from \$428 500 000 calculated under the old formula to \$438 300 000 calculated under the new tax-sharing programme. But, of course, as a result of the May announcement and the June Premiers' Conference, Loan Council programmes are being increased by only five per cent. So, that is the reduction in real terms. Welfare housing expenditure increased by 2.5 per cent, so that is a considerable reduction in real terms. According to the Federal Treasurer, there was a nine per cent increase in his Budget in specific grants to the States. However, that is in some respects a misleading statement: it is probably closer to seven per cent. In calculating the nine per cent figure, the Treasurer excluded the unemployment relief scheme that applied last year because, he said, it was not recurring.

That is not a fair way of doing it, because clearly the States received the money from the regional employment development scheme and from unemployment relief in the last financial year. He excluded that money in order to calculate his nine per cent increase in specific purpose grants. If that were put back into a sum paid last year, the increase would be only seven per cent, which is clearly a substantial reduction in real terms. The Premiers were most unhappy with this arrangement, and I quote only the Victorian Premier, who described the Federal offer as "needlessly harsh". The Western Australian Premier (following the June Premiers' Conference) described the Loan Fund allocation as a shocker and said that the repercussions on worker programmes would be the most severe since the depression.

The Hon. R. A. Geddes: Now that both Premiers have introduced their own Budgets and have not had to increase charges, do you think that they were talking tongue in cheek at the time?

The Hon. C. J. SUMNER: No, because it was the Premiers' unanimous view, following the June conference, that their funds had been cut substantially.

The Hon. R. A. Geddes: Mr. Dunstan was significantly quiet at that stage.

The Hon. C. J. SUMNER: That is not true. Mr. Dunstan said that, on this occasion, the new federalism policy was in tatters. He also said that the result would be a cut-back in public expenditure everywhere, thereby inducing a high level of unemployment.

The Hon. C. M. Hill: You know what he said on television the other night.

The Hon. C. J. SUMNER: All Premiers were dissatisfied with the deal they got from the Commonwealth at the June conference. Their dissatisfaction was obvious from the figures I have quoted. There was virtually no increase in the general financial assistance grants or in the new tax-sharing proposal. There was hardly any increase in the Loan programme under the specific purpose grants, and a reduction in real terms. For the present, it is unclear whether the States will be better off in real terms, despite the assurances that were made. The increases have been less than those in previous years. I will not quote the figures but, clearly, in the past three years the Federal Government's distribution of funds to the States, for both general purpose and specific purpose grants, has been increased substantially. However, this year's increase has not kept up with inflation, and it is nothing like the contributions made during the years of a Labor Government.

The other aspect is that there is considerable fear that the States' taxation receipts will be eroded by unilateral Commonwealth action. If the States wished to raise income tax, they would be unable to do so until next financial year. What is also happening and should

be mentioned is that the Federal Government is trying to unload responsibilities on to the States, without giving them any financial compensation. One can look at the Australian Legal Aid office, which the Federal Government wished to unload on to the States, and at proposals to set up legal aid commissions in each State. The Commonwealth Government is giving insufficient money to operate the services at the level at which they operated previously.

The Hon. R. C. DeGaris: Are you advocating continuing excessive deficits?

The Hon. C. J. SUMNER: It is a matter of opinion whether previous deficits were excessive. Most countries comparable to Australia are running deficits. Those countries have not cut back public expenditure to the same extent that we have in Australia, and the economic recovery in those countries is more advanced than ours.

The Hon. R. C. DeGaris: Which countries?

The Hon. C. J. SUMNER: I am referring to the comparable countries of West Germany, Sweden and, for that matter, the United States of America.

The Hon. R. C. DeGaris: What were their deficits last year?

The Hon. C. J. SUMNER: I do not know the precise figures, but it is clear that those countries have been deficit financing in recent years and have not been cutting back needlessly in the public sector so as to create unemployment and reduce the general stimulus to the economy. Another example is the Australian Assistance Plan, which will be discontinued. Perhaps no money will be given to the States to continue projects that should have been continued under the plan. Special purpose grants will also be cut back in a pincer movement on the States by the Federal Government to reduce payments and to force the States to raise income tax.

It looks almost certain that, in future, the States will have to raise their own income tax or cut back drastically the level of services that they are providing. As far as South Australia is concerned, it is highly likely that we will again become a claimant State before the Grants Commission. I have raised these matters because it seems clear that the States will, in all probability, face a parlous situation in future and will have to raise income tax in order to maintain the level of services. If the State is forced to do this the blame will lie squarely on the Federal Government's new federalism policy. I support the Budget.

The Hon. J. E. DUNFORD: My time is limited because honourable members opposite took so long in this debate. The only contribution of any significance made by members opposite was made by the Leader of the Opposition when he threatened that he might block the Budget—that the thought crossed his mind.

The Hon. R. C. DeGaris: That's not so.

The Hon. J. E. DUNFORD: I listened to what was said on the radio, and I heard it said today.

The Hon. R. C. DeGaris: You should read *Hansard*.

The Hon. J. E. DUNFORD: The Leader has denied that that is what he meant, but I am willing to accept that he has been under pressure to deny it.

The Hon. R. C. DeGaris: That's not true.

The Hon. J. E. DUNFORD: After hearing the Hon. Mr. Cameron and other honourable members opposite, and after reading the debate in *Hansard* of what occurred in the lower House, I am sure that nothing would suit the Opposition more than to reject the Budget. From what has been recorded in the press and from what the Leader of the Opposition has said, it is certainly within the Liberals' thinking to block the Budget. I believe that the Liberal

Party, its reactionary members, and the people who associate with them and support them would do anything to get rid of the Labor Government in South Australia. I believe they are willing to stoop as low as the present Prime Minister did and break tradition and constitutional standards in order to gain power.

It may well be that what has been said by the Hon. Mr. DeGaris, that "it crossed his mind" to block the Budget, would not have been successful. He might not have had the numbers. From today's *Australian*, I will read what Mr. Cameron is reported to have said, as follows:

I don't believe that the powers of the Upper House should be used in that way. I was quite surprised at Mr. DeGaris's statement. I don't believe the redistribution is a gerrymander and if he believed it was he shouldn't have voted for it.

That is fair enough. The article continues:

Mr. Jim Carnie was a bit more trenchant in his reaction. "I am furious at being lumped together with Mr. DeGaris in his statement," he said.

The Hon. C. J. SUMNER: Who said that?

The Hon. J. E. DUNFORD: Mr. Carnie. He looks like going back into the Liberal Movement if he does not behave himself. The article continues:

"It has never been discussed in the Party room, as he suggested, and I would almost go as far as saying that we shouldn't have the power to refuse Supply. I would never block it, certainly. It is unreal." So it's a fizz. Had it been on, the Government—which, while not being particularly popular at the moment, is perceived to be efficient—would probably have picked up seats in both Houses with such an issue and the double dissolution it would also have brought in. But not for the Liberal Party and its high-Tory power brokers whom even the Leader of the Opposition, David Tonkin, seemed to be appeasing when, in dismissing the possibility of the Party's blocking Supply, he explained that "it may have crossed Mr. DeGaris's mind because of his extreme disappointment over the electoral redistribution. But then, many things cross people's minds." One wondered what was crossing his.

That must be looked at; it cannot be ignored. There is an element of truth in that but, even if it crossed his mind, people will still support the Government.

I heard the Hon. Mr. Cameron talk about the high taxation, about which we are all concerned. Briefly going through the Treasurer's Financial Statement, it is fair to say that even in the private enterprise system it is the job of a general manager or managing director to bring down a decent report and a decent financial statement to the shareholders. That applies everywhere. It applies in all countries and in trade unions and, if a person in a trade union does not produce a good financial statement and has not a good record of service to his members during the year, he does not want to stand for re-election when the time becomes due, because he will generally be defeated. People reading *Hansard* and having this financial statement available to them will support our Leader, Mr. Dunstan.

I mention a few important things. For South Australia, there is an allocation of \$12 000 000 for the Cooper Basin to ensure supplies of natural gas. There is increased spending in all forms of education, including further education. There are increased allowances to independent schools and to pre-school education. They are not small amounts, either—\$29 000 000 for hospitals, and large amounts for the Public Health Department, the Police Department, law enforcement, the Engineering and Water Supply Department, and drought relief. There is a most important fact. We have been accused of being socialists in this State, not concerned about the growth in the Public Service. It is interesting to note from page 18 of the document that an amalgamation has taken place of 16 Government departments. I think that will make for

better management. It certainly will make the departments more efficient, and that is a step in the right direction.

The Hon. R. C. DeGaris: How many departments do you think there should be?

The Hon. J. E. DUNFORD: I am supporting this Financial Statement and the report of the Treasurer. An inquiry has been conducted into the Public Service, and I think responsible people such as the Treasurer and members of Cabinet should know. This is the best way to start.

The Hon. R. C. DeGaris: Do you support amalgamation?

The Hon. J. E. DUNFORD: I always support amalgamations if they are in the interests of the people of South Australia, just as I support the amalgamation of trade unions, because that is in the interests of the members and of South Australia. I believe in amalgamation of Government departments.

The Hon. J. C. Burdett: Do you support the amalgamation of private companies?

The Hon. J. E. DUNFORD: I am not concerned with private companies. I am trying to talk about this statement. Unlike members opposite, I want to confine my remarks to the business in hand, and there is nothing in these documents about private companies.

The Hon. J. C. Burdett: There is nothing about trade unions, either.

The Hon. J. E. DUNFORD: Many trade unions are affected by the document.

The Hon. J. C. Burdett: So are private companies.

The Hon. J. E. DUNFORD: I think private companies have done fairly well. I do not think many people in private companies are complaining, or, if they have been, members opposite, as their representatives, have not had much to say. The Hon. Mr. Carnie, who is a lightweight, had little to say about it.

I turn now to Medibank, the greatest con trick put over the public of South Australia. The Labor Government wanted to bring in Medibank with a 1.5 per cent levy for all salary earners. The Liberal Government decided on 2½ per cent and a cut-off point. Instead of the policy being that those who are able to pay should be the ones who pay, the people least able to pay are doing the paying. That is the private enterprise system, the sort of thing supported by members opposite. Turning to the National Health Services Association (and the rates of most such organisations are similar), the rate for a family on table 7 for the quarter before October 1 was \$41.06. For the quarter following October 1, the cost of the same coverage is \$109, an increase of 265 per cent.

The Hon. R. C. DeGaris: Whom do you blame for that?

The Hon. J. E. DUNFORD: The private enterprise system. There has been no wage increase recently at a rate greater than the inflation rate this year of 15 per cent or 16 per cent, but the private health funds will charge people an increase of 265 per cent for the cover they must have. This, of course, will result in increased wage demands, in the same way as unfair charges for \$5 or \$10 a week for Medibank will create wage demands. It will be said that the unions are wrong, and we cannot rely on indexation. The Leader in Canberra has broken his promise. He says that indexation will stay, but he has cut it in half and said the workers will not get the full amount. In the past 12 months, the Government has gone further than it normally goes, knowing it has the Federal policy of the Fraser Government to deal with. I think the Hon. Mr. Sumner handled that aspect quite well.

The Hon. M. B. Dawkins: Very well, he said.

The Hon. J. E. DUNFORD: Yes. I did not hear any interjections. Members opposite were stunned that we had

a man on this side of the House who could outdo any members opposite on financial matters. He is to be congratulated.

The Government is assisting farmers in the fruit growing industry in the Riverland area and also by amending payroll tax to people who employ seasonal workers. Further incentives have been advertised for industrial developments (this is the private enterprise system) to relocate industries and at the same time give them compensation. This matter has not been raised previously, but honourable members opposite should tell the captains of industry whom they represent that they ought to start creating jobs. I believe that unemployed young people will vote the Commonwealth Liberal Government out of office if the position is not improved soon. Only last year, as an election promise, Mr. Fraser stated:

Only under a Liberal National Country Party Government will there be jobs for all who want to work.

What has happened in the past 12 months? At present we have 267 000 registered unemployed. The figures have been increasing for months, and they look like continuing to increase. In August this year the number of unemployed was almost 20 000 more than in August, 1975, under a Labor Government.

The Hon. R. C. DeGaris: Did you hear Bob Hawke?

The Hon. J. E. DUNFORD: Yes, I did. I hope that Bob Hawke is wrong and that Mr. Fraser is right, and that there will not be 500 000 unemployed. Otherwise, Canberra colleagues of members opposite will be out of office quicker than they thought. There are more than 100 000 teenagers now unemployed. In a few months another 250 000 will hit the labour market straight from schools and universities. A senior official of the Department of Employment and Industrial Relations said recently that nearly 40 per cent of unemployed are teenagers and that there are 35 young people registered as unemployed for every vacancy with the Commonwealth Employment Service. He said that in non-metropolitan New South Wales the ratio of unskilled junior males to vacancies was 600 to one. A survey in May by the Bureau of Statistics showed that more than 24 000 teenagers were still looking for their first job. About one-quarter of the young unemployed have been unemployed for between 13 and 26 weeks, and nearly 20 per cent have been unemployed for more than six months.

Here we have an example of what private enterprise, about which honourable members opposite are so proud, can do. We see here the results of the efforts of the capitalist system which they support. The capitalists have the money, but what are they going to do with it? I make it clear that something must be done soon. The State Government has tried to alleviate unemployment by using the small amount allocated to it in this area, but I would not be surprised, if the position deteriorates, if the public generally in this State was willing to pay increased taxes, provided that the funds raised were channelled in the right direction. The community cannot have young people entering the work force and seeking jobs but unable to find employment, having no skills, and then finally deciding not to work once they get used to not working.

The Budget is good, and it will be better next year if honourable members opposite tell the captains of industry to let go of the purse strings to create employment instead of investing their funds in exploitive areas such as hire-purchase companies. I support the Bill.

The Hon. J. R. CORNWALL: I intend to be brief, having listened to an almost totally irrelevant gabfest from the other side of the Chamber. I am not fortunate

to be the last speaker in this debate, because the subject has been covered well by my colleagues, the Hon. Mr. Sumner, the Hon. Mr. Blevins and the Hon. Mr. Dunford, to name but three.

The Hon. M. B. Dawkins: What about Norm?

The Hon. J. R. CORNWALL: I was not being selective in referring to my colleagues. First, almost all State taxes are recessive. We do not like them at all, but we are stuck with them. The reality of the situation is that we cannot hand over our responsibilities to anyone else. Private enterprise has not a good track record in building hospitals, making roads, building schools or providing social welfare. Therefore, we are stuck with the responsibility.

The other point that should be made is that all taxes are unpopular. Members on the other side are grasping around looking for issues and because this Government is going so well, they have come up with the odd one or two and have hitched on to the waggon of State taxation. The other star they think they have going for them at present is the Fraser Government, and I hope they continue to do that, because the way things are going that will be a real plus for us. No Opposition member has made clear what would happen if this Government gave all the tax relief for which they have asked.

One stunning example of what the Labor Government has had to find, as a result of action taken by the Federal Liberal Government, concerns the maintenance of the school dental health programme. The Federal Government stated that as from July 1, 1976, capital costs that it had been funding would be reduced from 100 per cent to 90 per cent, and the State Government would have to find the other 10 per cent. It also said that funds for training dental therapists would be reduced to 90 per cent, and the State Government would have to find the other 10 per cent, and that funds for running the services would be reduced from 75 per cent to 65 per cent, this State Government having to find the extra. It is a 10 per cent all round cut: that does not sound a large sum until one considers the cost to this Government. If we continue to maintain the present services, this Government will have to pay \$800 000, so it is nonsense for Opposition members to speak about reducing States taxes: it is not on.

Great play has been made on figures in references by Opposition members to whether this State is third or fourth in some matter. We are referring to a per capita taxation figure of \$170 or \$180 a year. On the other hand, the Federal Government through Medibank with one sweep has seen to it that anyone in the work force over 16 years of age will have to pay more than \$150 a year as a flat recessive tax. When we refer to the total State taxes being \$170 or \$180 a year, let us keep that in mind.

When I tried to find comparable figures from other States, I realised how well they can be buried. I tried to get figures for community welfare spending in Queensland, because I thought that would be a State with which we could compare. However, in that State the Community Welfare Department is lumped in one portfolio with sport, so that the figures are hidden and it is difficult to obtain them. I did not hear much from Opposition members about the abolition of rural land tax, but they seem to be pleased that, as they say, we have adopted their policies. It is strange that the Playford Government, which was in office for a long time, did not do anything about that, and the Hon. Mr. Hill and his colleagues, when in office between

1968 and 1970, did not do anything, either. It is hypocritical of them to say that we are adopting Liberal policies. Obviously, a Party has to be in office to implement policies, and the way the Opposition is going it will be a long time before it is in that position.

Opposition members did not refer to the quality and quantity of services that are offered, but I am sure that people would not complain about paying a small amount of extra taxation (and I stress "small"), if they could get the services that they are now receiving from, say, our Community Welfare Department, which is giving more value for each welfare dollar than is any other Community Welfare Department in Australia. I do not think people mind paying a small amount of extra taxation if they can see that they will get greater value for their education dollars and greater value for their transport dollars. If anyone doubts that we have the best roads in Australia, he should go to Queensland. Regarding industrial development, I draw honourable members' attention to the following article by Stewart Cockburn published in the *Advertiser* of April 24:

Between June, 1966, and June, 1975, South Australia has increased its manufacturing industry work force by 12·6 per cent. Victoria increased by only 3·4 per cent, and in New South Wales there was a drop of 3·6 per cent. In June, 1966, South Australia had 9·5 per cent of the manufacturing work force in Australia. This increased to 10·4 per cent in June, 1975.

That gives the lie to what the Hon. Mr. Carnie said. I turn now to industry regionalisation incentives recently offered by the Government. I prefer not to use the term "decentralisation" because that term has been so debauched by Liberal Governments over the years that it has become a dirty word. Under the Labor Government's scheme, firms will be given a 100 per cent rebate on pay-roll tax, relocation grants of up to \$25 000 for a business and \$500 for each key employee, and assistance in building factories, and State Government guarantees. I have been amazed at the good reception that the Government is receiving in the country. It is clear that the Government is going particularly well. I support the Bill.

The Hon. D. H. L. BANFIELD (Minister of Health): The thought crosses my mind: would it not be lovely if all honourable members gave credit where credit was due, instead of trying to score political points? Honourable members opposite gave no credit to the State Government for being in a better position than is any other State Government and for being the envy of every other State Premier. I thank honourable members for their contributions to the debate. In the time available I have been unable to obtain replies to all the questions raised but replies will be prepared and made available to honourable members as soon as possible.

The Hon. Mr. DeGaris sought an explanation of the decline in the receipts from public undertakings from \$134 200 000 in 1975-76 to an expected \$96 200 000 in 1976-77. The reason for this apparent fall is that there has been a change in the method of presentation of the Budget so that the Rail Division of the State Transport Authority is treated, for accounting purposes, in the same manner as the Bus and Tram Division, and only the net impact of its operations reflected in the Budget. In accordance with this change, no provision is made for the receipts of the Rail Division to be recorded under the public undertakings heading, where they appeared last year.

The Hon. Mr. Hill has asked why the Treasurer used 1973-74 taxation figures when appearing on the television programme *This Day Tonight*. I point out that the Treasurer quoted figures for State and local government taxation, for which the latest information available at that

time was in respect of the 1973-74 financial year. The Hon. Mr. Hill also quoted certain figures which he said cast doubt on the sincerity of the Government in its support for the arts. The first of these related to the grant to the Adelaide Festival Centre Trust. In 1975-76, the trust encountered a cash flow problem in its building programme which it could not cover from its semi-governmental borrowing allocation. Accordingly, the Government made a special advance of \$500 000 on the understanding that this amount would be made good from the trust's 1976-77 semi-governmental borrowing programme and used to meet operating expenses this year. Effectively, therefore, the Government made a grant of \$1 251 470 to the trust for operating purposes in 1975-76 and is providing \$1 750 000 for similar purposes in 1976-77.

The provision on the line for grants and provisions for the arts has declined because the grant to the South Australian Theatre Company is now shown separately. On a comparable basis, the amount made available to the arts has increased from \$1 712 000 in 1975-76 to \$2 118 000 in 1976-77. In both of the cases quoted by the Hon. Mr. Hill there has, therefore, been a substantial increase in the level of Government support for the arts.

Regarding the honourable member's query about the line "Sundry grants as approved", I point out that a special grant of \$38 000 was made last year to the Royal Society for the Prevention of Cruelty to Animals. A grant of \$56 000 to that organisation is provided on a separate line this year. I regret that I have been unable as yet to obtain replies to the other questions raised by the Hon. Mr. Hill or to the questions raised by other honourable members, but I will certainly do so and make them available as soon as possible.

Bill read a second time.

In Committee.

Clauses 1 to 8 passed.

Schedule.

The Hon. C. M. HILL: I have some queries, the replies to which the Minister can send me by post. Under the heading "Office of Premier", \$5 400 is allocated for commissions by the Publicity Branch. I should like to know what that represents. Also, \$100 000 was actually paid last year under the line "Payment to industrial consultant on termination of employment". I query whether that was the payment that was made to the Chairman of the Monarto Commission and, if it was, I ask why the expression "industrial consultant" has been used.

I should also like to obtain more details on the line "Regional Arts Centres Committee", which comes under the "Miscellaneous" section of the Premier's Department. The sum of \$6 500 was appropriated last year and only \$804 spent. Another \$6 000 is sought for this year. Will the Treasurer say who are the members of that committee, why last year's allocation was not spent, and what work it is intended to give the committee this year?

Finally, for the line "Payment to consultants for services", also under the "Miscellaneous" heading, \$50 000 is being allocated. I should like to know who are the consultants to whom it is intended to pay that \$50 000 and the terms of reference that are being given to them.

The Hon. D. H. L. BANFIELD (Minister of Health): I undertake to supply the honourable member with answers to those questions.

Schedule and title passed.

Bill read a third time and passed.

URBAN LAND (PRICE CONTROL) ACT AMENDMENT BILL

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

GOLD BUYERS ACT REPEAL BILL

Returned from the House of Assembly without amendment.

POLICE OFFENCES ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

FRUIT AND PLANT PROTECTION ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

INDUSTRIAL COMMISSION JURISDICTION (TEMPORARY PROVISIONS) ACT AMENDMENT BILL

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

DISTRICT COUNCIL OF LACEPEDE (VESTING OF LAND) BILL

Returned from the House of Assembly without amendment.

FIRE AND ACCIDENT UNDERWRITERS' ASSOCIATION OF SOUTH AUSTRALIA (CHANGE OF NAME) BILL

Returned from the House of Assembly without amendment.

SOUTH AUSTRALIAN HEALTH COMMISSION BILL

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

That this Bill be now read a second time.

I seek leave to have the second reading explanation incorporated in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF BILL

The people of South Australia today enjoy access to and the protection of a wide range of efficient health services provided by Australian, State and local government and also by private or voluntary organisations many of which receive substantial Government assistance. There are hospitals for the care of the sick, nursing homes and other facilities for the elderly, and centres for the rehabilitation of the sick and handicapped. People have easy access to general practitioners and specialists, if necessary, now that Medibank has brought health care within the reach of all. The number of community health centres is increasing

rapidly in both country and metropolitan areas; these provide a wide range of integrated health and welfare services close to where people live and work. There are services for the protection and the improvement of the health of mothers, babies, schoolchildren, workers, Aborigines, the elderly and the physically and mentally handicapped.

Domiciliary care, home nursing, and other services support the elderly and the sick in their homes and work to improve their quality of life. The range of health services is very wide indeed and it is impossible in the time available to mention every one of them. In ending this coverage, reference should be made to health education for the improvement of family and community health, immunisation and other programmes for the prevention and control of diseases, to improve the quality of the air we breathe, to reduce noise pollution, to ensure the safety of our food, and generally to remove dangers to our health and well-being.

Over the years the Government health services have developed according to prevailing health problems and needs and in ways considered best at the time. Today there is a Hospitals Department, Public Health Department, Mental Health Services, and other organisations all governed by a multiplicity of Acts. Consequently, administration of the various Government, or Government funded, health services is fragmented and no adequate degree of control exists over the community health projects that receive Australian Government finance.

The Bright Committee of Inquiry into Health Services in South Australia reported to the Government in January, 1973, and recommended that there should be a single authority external to the Public Service to bring within a unified system of control all health services provided or subsidised by the Government, to rationalise the activities of voluntary bodies in the health field and to regionalise or localise the administration of Government health services. Following a detailed study of the recommendations contained in that report, the Government accepted the broad principles of the recommendations and has, since that time, attempted to implement some of the recommendations relating to community health and the expansion of mental health services.

In 1974, the Government appointed a steering committee to plan for the establishment of a health commission whose primary responsibility would be to co-ordinate and rationalise health services in South Australia. The Bill now before you reflects the work done by that committee. The Bill establishes a commission comprised of three full-time commissioners and not more than five part-time commissioners—a provision that ensures a commission with the expertise and experience necessary to ensure a continuing improvement in the efficiency and effectiveness of health services.

The powers and functions conferred on the commission by the Bill are wide-ranging and comprehensive. The Bill is designed to promote productive and co-operative relationships between the commission and other bodies within the health system and to overcome problems stemming from the fragmentation of health services. The object is to ensure, in terms of the health and well-being of the people of South Australia, the largest dividend possible from the total investment in health services. The achievement of this objective requires many things. Adequate data and information about health and sickness, the utilisation of health services, and deployment of resources, are essential for planning the development of health services. Research is necessary to find better ways of delivering health services to the people. Health

services need to be related closely and realistically to the health problems, needs, and wishes of the people; this object cannot be fully realised without community participation in the development and administration of health services. The Bill requires the commission "to promote and encourage voluntary participation in the provision of health services" to ensure the continuance of the valuable contribution to the health services in this State by voluntary health organisations and the public.

One commission function deserves special mention, namely, "to plan and implement the provision of a system of health services that is comprehensive, co-ordinated and readily accessible to the public". Co-ordination is essential for continuity of care and support as people move from one area to another of the health services for help appropriate to their needs. Without co-ordination there is a danger of care and support being prescribed without a knowledge of all the problems or circumstances of an individual or family. The development of community health centres not only allows the provision of a wider range of services, but ensures co-ordination of care through a health team approach and a close working relationship between the health and welfare services in the area. Co-ordination is necessary also to prevent any duplication of services and facilities and to make the "health dollar" go further. To be comprehensive, due emphasis must be given to prophylactic measures designed to prevent disease as well as to those services aimed at allowing the sick and handicapped to lead happy and productive lives in their homes.

The powers and functions of the commission extend to all areas of the health services of South Australia. Organisations providing health services can be incorporated under this Bill, a process which formalises their relationship with the commission. Government hospitals and health centres will be incorporated; other organisations must consent to incorporation. The benefits of incorporation will outweigh any associated obligations to the commission. For example, there will be wider career opportunities for the staff of incorporated health organisations because of portability of service and this must benefit not only the staff but the health services generally. There are adequate safeguards for the existing staff of Government health services.

The powers of delegation in this Bill will allow the decentralisation of health services and possibly the establishment of regional health organisations. The aim here is to ensure that the administration and control of health services is located as close to the delivery point as possible. Perhaps the four most important commission functions are the development of broad health policies, the setting of standards, the allocation of resources, and health planning. These functions do not impair the autonomy of hospitals, health centres, and other health organisations in the management of their own day-to-day affairs.

There is provision for the appointment of committees to advise the Minister of Health and the commission. Three areas only are mentioned specifically in the Bill, namely, voluntary participation in the provision of health care, education and training, and research and planning. This provides an avenue of direct contact between the voluntary health organisations and the commission. It should be noted that these committees can investigate and report on matters of their own choosing, subject, of course, to their terms of reference.

The new legislation is to be brought into operation in progressive stages. The commission will first be established,

and will work first of all towards the integration of Government hospitals and health centres within the new framework. Several months of detailed planning will be necessary so that the commission can work out the most efficient and effective ways of achieving that object. The Bill accordingly provides for any specified provisions to be brought in on dates to be proclaimed. In this introduction I have attempted to indicate the span of health services in South Australia. Ask people about the health service and they talk about "ill-health" services . . . hospitals, doctors, nurses and the other facilities and personnel providing care for the sick.

The emphasis is swinging away from treatment services towards services to prevent disease, and protect and promote health. The commission will not neglect in any way the care of the injured, sick, and handicapped in our society for it is committed to providing comprehensive health services. However, the commission will accord greater priority to those positive areas of the health services which, in the long run, lead to better health for individuals, families, and communities. Our state of health results from the interaction between our genetic inheritance and the environment in which we live, play, and work. Health is influenced not only by the physical, chemical, and biological environments but also by the social environment, that is, relationships between people.

Economic and educational status, housing, occupation land many other factors influence health. A health problem often has roots in the environment or way of life of a person. This Bill broadens the philosophy of health care: no longer is morbidity to be a dominant and exclusive concern; rather, health will be seen as an essential aspect of the total well-being of members of the community.

To summarise: The commission will unify the Government health services and ensure productive and co-operative relationships within the health system of South Australia. The commission will work for the rationalisation and co-ordination of health activities and the provision of comprehensive health services related to the health problems, needs, and wishes of the people. The commission will strengthen programmes for the prevention of disease and the protection and improvement of health.

The establishment of a commission will lead to better health services and better health for the people of South Australia.

Clause 1 is formal. Clause 2 provides that the operation of certain provisions of the new Act may be suspended for a time. For example, the part of the first schedule that repeals the Hospitals Act will be suspended until such time as all hospitals to which that Act applies have been incorporated under the new Act. Clause 3 sets out the objectives that the commission must seek to achieve in the administration of the new Act. Clause 4 sets out the arrangement of the Act. Clause 5 refers to the various Acts that are repealed or amended by this Act. Clause 6 provides the necessary definitions. It should be noted that the expression "health centre" includes any body that provides a health service. "Health service" is given a wide meaning, so that virtually any of the diverse bodies that provide health services in this State may apply to become incorporated under this Act. The definitions of "Government health centre" and "Government hospital" are needed because any institution that comes within those categories will be incorporated, as a matter of course, under the new Act.

Part II deals with the health commission. Clause 7 establishes the commission as a body corporate with the usual powers. Clause 8 deals with membership of the

commission. It is to consist of three full-time members and five part-time members. The Chairman is to be chosen from amongst the full-time members. Clause 9 provides for the appointment of deputies. Clause 10 entitles a full-time member to a salary as well as other allowances and expenses determined by the Governor. A part-time member is entitled to those allowances and expenses only. Clause 11 sets out in the usual form the conditions on which a member of the commission holds office and provides for the filling of casual vacancies. It is to be noted that a part-time member may remain in office until he reaches 68 years of age. Clause 12 regulates the conduct of meetings of the commission. There is no quorum of the commission unless at least one of the full-time members is present. Clause 13 provides that acts of the commission are valid despite vacancies of office, etc., and also provides the members of the commission with the usual immunity.

Clause 14 provides that a member of the commission must disclose any personal interest in contracts of the commission and that he must not take part in any decisions made by the commission in relation to such contracts. Clause 15 places the commission under the control of the Minister. Clause 16 sets out the general functions of the commission. It can be seen that the commission is essentially a body that will organise continual research and enquiry into the whole field of health care and, on the basis of its findings, plan and implement a health system that will meet, as far as possible, the health needs of the public. Clause 17 permits the commission to delegate any of its powers or functions.

Clause 18 provides that the Minister may appoint advisory committees to advise the commission on at least three important matters—voluntary participation by the community (I see this as a vital element of any health system), education and training in health care, and the research and planning function to which I have already referred. Clause 19 provides for the appointment of staff to the commission. The terms and conditions of employment are to be as approved by the Public Service Board in all cases. Provision is made for the officers of the Public Health Department to become officers of the commission at a future date. The same provision is made in relation to such of the officers in the Hospitals Department who do not become employees of an incorporated hospital. These provisions make it possible for the eventual abolition of the two Government departments involved. Clause 20 provides that full-time commission staff may become contributors to the South Australian Superannuation Fund. Subclause (2) provides for portability of service between the Public Service, the commission, incorporated hospitals, incorporated health centres and any other prescribed employment. Clause 21 relates to land that may be vested in, or placed under the control of, the commission.

Clause 22 requires the commission to submit annual estimates to the Minister, on the basis of which it will receive its finance. Clause 23 empowers the commission both to borrow money and invest any surplus money, with the approval of the Treasurer. The Treasurer may guarantee a loan at his discretion. Clause 24 requires the commission to keep proper accounts and empowers the Auditor-General to do all things necessary for the purpose of auditing those accounts. Clause 25 requires the commission to present to the Minister an annual report that is to be laid before both houses of Parliament.

Part III deals with hospitals. Clause 26 provides that a hospital may be incorporated under this Act by proclamation of the Governor. The governing body of a

hospital (except a Government hospital) must consent to incorporation before a proclamation is made. Any prior incorporation (that is, under the Hospitals Act or Associations Incorporation Act) is thereby dissolved. Liabilities (including of course liabilities under any contracts of employment) are transferred to the incorporated hospital. Where an existing hospital seeks incorporation under the new Act, the terms of the constitution under which it will be incorporated have to be mutually agreed by the hospital and the commission. Where an incorporated hospital wishes to be dissolved, this may be effected by proclamation of the Governor.

Clause 27 gives an incorporated hospital the usual powers of a body corporate, but such powers must be exercised in accordance with its approved constitution. Clause 28 provides that an incorporated hospital shall be administered by a board of management that is constituted in accordance with its approved constitution. The board is given the power to delegate any of its powers. Clause 29 provides that an incorporated hospital may appoint its own staff, subject to three important restrictions. Firstly, the terms and conditions of employment are to be fixed by the commission and approved by the Public Service Board. Secondly, appointments may not be made unless they are in accordance with a staffing budget that has been submitted to and approved by the commission. Thirdly, an appointment of a chief executive officer must be approved by the commission. Subclause (5) provides that, upon incorporation, certain Hospitals Department officers and Ministerial employees working in the hospital become hospital employees.

Clause 30 provides that full-time hospital staff may become contributors to the South Australian Superannuation Fund. Complete portability of service is again provided. Clause 31 empowers the Governor to vest any property that was held in trust for the hospital prior to incorporation to be transferred to the incorporated hospital. Clause 32 provides for land that may be vested in, or placed under the control of, an incorporated hospital. Clause 33 requires an incorporated hospital to keep proper accounts and to have them audited at least annually. Clause 34 requires an incorporated hospital to present an annual report to the commission, which will in turn present the report to the Minister. Clause 35 requires an incorporated hospital to submit estimates, staffing budgets and other specified information to the commission at least once in every year.

Clause 36 empowers an incorporated hospital to make its own regulations as to matters of internal administration, etc. Such regulations have to be approved by the commission before they are laid before Parliament. Clause 37 enables an incorporated hospital to make by-laws in relation to maintaining order and discipline within its grounds. Fines may not exceed \$50. Again, by-laws must be approved by the commission before confirmation. Provision is made for expiation fees in relation to traffic offences.

Clause 38 is substantially a re-enactment of Part V of the Hospitals Act, which presently empowers the Governor to fix hospital fees, by regulation.

Clauses 39 and 40 also re-enact the provisions of Part IV of the Hospitals Act that deal with rating for hospital purposes. The commission may, with the consent of the Minister, direct a council to contribute towards the cost of an incorporated hospital. A council must pay any sum so required to the commission. The contribution cannot, however, exceed 3 per cent of the previous year's rate revenue of the council. Clause 41 empowers the commission to recover council contributions as a debt due to the commission. Clause 42 requires the commission to apply

council contributions to the incorporated hospitals for which the contributions were required. Division VIII applies to all hospitals, whether incorporated or not, and virtually re-enacts Part VI of the Hospitals Act. Clause 43 supplies the necessary definitions. Clause 44 requires both the Commissioner of Police and an insurer to furnish the commission with particulars of any vehicle accident that involves bodily injury. Clause 45 provides that hospitals may give notice to an insurer that the hospital is treating a person involved in an accident to which this Part applies.

Clause 46 gives such a hospital first claim on any moneys to be paid by the insurer in relation to the accident. Where two or more hospitals have a claim and the moneys to be paid by the insurer are insufficient to meet all claims, then the moneys must be divided in proportion to the respective claims. Part IV relates to health centres and the provisions in this Part are substantially the same as the corresponding provisions in Part III. Clause 47 provides for the incorporation, by proclamation, of health centres. Government health centres may not refuse incorporation. Property and rights and liabilities (including liabilities under contracts of employment) of the former body corporate are transferred to the incorporated health centre. In the case of an existing health centre seeking incorporation under the new Act, the terms of the constitution under which it is to be incorporated must be mutually agreed between the commission and the present board of management.

Clause 48 gives an incorporated health centre the usual powers of a body corporate, subject to its approved constitution. Clause 49 provides for the administration of an incorporated health centre by a management committee. Clauses 50 and 51 deal with the staff of incorporated health centres. Clauses 52 and 53 deal with the property of an incorporated health centre. Clauses 54, 55 and 56 place the same obligations upon an incorporated health centre as an incorporated hospital with respect to accounts, audit, annual reports and annual estimates and staffing budgets.

Part V provides for sundry miscellaneous matters. Clause 57 provides that the Governor may, by proclamation, step in and assume control of an incorporated hospital or health centre where the board or management committee has acted in contravention of this Act or its approved constitution, or where, in the opinion of the Governor, the board or committee has failed to discharge its duties and responsibilities. The Governor may either appoint new members of the board or management committee, or appoint a manager to assume the powers and functions of the board or committee. However, notice of any such proposed action must be given, and the board or management committee may appeal against it. Clause 58 enables the Governor, by proclamation, to extend specified provisions of the Public Service Act to employees of the commission, incorporated hospitals and incorporated health centres.

Clause 59 ensures that the Industrial Commission will retain its industrial powers in respect of any such employees. Clause 60 recognises certain employee organisations for the purposes of the new Act. This provision is analogous to an existing provision of the Public Service Act. Clause 61 provides that the Registrar-General may make the necessary notations on the certificates of title, without any formal transfers, in relation to land that is vested in the commission, an incorporated hospital or incorporated health centre pursuant to this Act. Clause 62 requires the commission to maintain a public office in which all approved constitutions shall be filed. Constitutions are to be available for public inspection for a small fee. Clause 63 imposes a duty of confidentiality upon all officers employed under the new

Act. Clause 64 provides for the summary disposal of proceedings under this Act.

Clause 65 provides for the making of regulations. It should be noted that paragraphs (b) and (c) of subclause (2) provide for regulations to be made that enable the commission to require any hospital or health centre (whether incorporated under this Act or not) to collect certain data and conduct certain inquiries, and to furnish the commission with the results of those inquiries. This is an essential power. The first schedule repeals the Hospitals Act and the Health and Medical Services Act, both of which will eventually become redundant. Part III amends a variety of Acts by deleting all references to the Director-General of Medical Services and substituting references to the health commission. Part IV amends the Health Act by substituting

the health commission for the Director-General of Public Health. The second schedule provides a list of Government hospitals, all of which will be incorporated under this Act. The third schedule provides a list of Government health centres, all of which must eventually be incorporated under this Act.

The Hon. C. M. HILL secured the adjournment of the debate.

ADJOURNMENT

At 6.28 p.m. the Council adjourned until Tuesday, October 19, at 2.15 p.m.