

HOUSE OF ASSEMBLY

Wednesday, June 11, 1975

THE SPEAKER (Hon. J. R. Ryan) took the Chair at 2 p.m. and read prayers.

MINISTERS' ABSENCE

THE SPEAKER: Before calling on honourable members who have questions without notice, I desire to inform the House that, in the absence of the honourable Minister of Mines and Energy and of the honourable Attorney-General, any questions that would have been directed to those Ministers may be directed to the honourable Deputy Premier.

Mr. Millhouse: What about education?

THE SPEAKER: The Minister of Mines and Energy is still the Minister of Education, so questions that would have been directed to the Minister of Mines and Energy or to the Minister of Education can be directed to the Deputy Premier.

QUESTIONS

THE SPEAKER: I direct that the following answer to a question be distributed and printed in *Hansard*.

HAVEN INVESTMENTS

In reply to Mr. SLATER (October 16).

The Hon. L. J. KING: An investigation has been instituted into the activities of a company known as Haven Investments Proprietary Limited. The purpose of this company appears to be the promotion of a large tourist resort which it calls "Karatta Park", in respect of which the company has made many extravagant claims. For example, it has been claimed that the resort will contain a restaurant, shop, motel, cabin accommodation for 200 people, an 18-hole international golf course, a hotel, an airstrip, plus an extensive caravan park. No substantial commencement of any of these projects appears yet to have been made. The company is not selling land at Karatta Park; it is issuing licences which confer dubious rights of occupancy for periods which are usually five years. The "title" issued by the company is not a form which is registrable at the Lands Titles Office, does not appear to have been subject to a proper survey, and confers, on the licensee, rights which are so vague and ill defined that there is grave doubt as to their legal enforceability. Respective purchasers should be warned not only that they are getting a title of dubious character and enforceability but also that the prices which they are requested to pay, namely ranging from \$550 to \$1 995 an allotment, are substantially above those in surrounding areas. Prospective purchasers should be made aware that the land is subject to interim development control by the State Planning Authority pursuant to section 41 of the Planning and Development Act, and that the consent of the authority is required before the use of the land can be changed or any building or structures erected thereon. Investigations have revealed that the company does fly prospective buyers to the island, for an air fare, which air fare is included in the deposit for the land should they decide to buy. Presumably, should they decide not to buy, they are requested to pay the air fare in full. I would agree with the view of the honourable member as to the dubious nature of the operations of this company.

STATE FINANCES

Dr. EASTICK: Does the Premier have any confidence in the Prime Minister's ability accurately to put into effect the endorsed policy decisions of the Commonwealth A.L.P. conference at Terrigal relating to the financial well-being of the States? My question arises from comment by the New South Wales Labor Leader (Mr. Wran), who has apparently detected more than a glimmer of mere newspaper speculation in a report from Canberra that the Prime Minister intends a head-on clash with the Premiers at the coming Premiers' Conference. Following Canberra suggestions that the Prime Minister will reject the States' approaches for more money based on the growth of income tax, Mr. Wran said clearly that this would be totally inconsistent with the policy decisions taken at Terrigal. It is reported that Mr. Wran and the South Australian Premier were the main architects of the Commonwealth Labor policy towards the States. If we couple this with the Premier's own words in this House yesterday that the combined Premiers' case to the Prime Minister was in fact largely the case put forward by South Australia, there is obviously the distinct possibility of a major conflict, followed by more play-acting between the Premier and the Prime Minister, if it is thrown out. I therefore ask the Premier whether he has any reason to believe the Prime Minister might not put into effect the official Commonwealth A.L.P. policy on financial aid to the States, and might instead throw back at the States the case which the Premier claims is substantially of his own shaping.

The Hon. D. A. DUNSTAN: The Leader has asked me several rather different questions.

Mr. Millhouse: I thought you were going to say "difficult."

The Hon. D. A. DUNSTAN: They are not at all difficult. The opening question that he asked me (which I believe is the relevant one) was whether I considered that the Prime Minister had the ability to put into effect the decisions made by the Labor Party at the Terrigal conference. My simple answer to that is "Yes", he has every ability to do it.

Mr. Gunn: To destroy the States.

The Hon. D. A. DUNSTAN: The decisions of the Terrigal conference make clear that in no circumstances are the States to be destroyed but that they are to be provided with the amount of revenue necessary to continue their normal activities of government, and that they are not in any circumstances to be deprived of such revenue as would force them into savage or difficult revenue measures adversely affecting the working people of the States.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: That was a unanimous decision of the conference, and I have every reason to believe that the Prime Minister has the ability to put it into effect.

Mr. Millhouse: If he wants to.

The Hon. D. A. DUNSTAN: Then, in accordance with the provisions of that policy, I prepared a submission to the Commonwealth Government that I am glad to say has been acceded to by every State Premier. I am grateful for the assistance given to the case, which was originally prepared by the South Australian and Tasmanian Treasuries, by the Under Treasurer of New South Wales.

Mr. Dean Brown: You're happy with the amount of money you get.

The SPEAKER: Order!

Mr. Dean Brown: The increase—

The SPEAKER: Order! The honourable member for Davenport is very persistent in his interjections during Question Time. He has had his last warning from me. Standing Orders will prevail from now on, and what I say applies to all other honourable members. The honourable Premier.

The Hon. D. A. DUNSTAN: I believe that the case of the States is reasonable. I have seen some newspaper comment on the States' submission suggesting that the States have asked for inordinate amounts of money. Those projections made by newspapers are only projections on the basis that there would be continuing inflation over the next five years in excess of the present rate of inflation.

Mr. Mathwin: There will be, unless you do something to check it.

The Hon. D. A. DUNSTAN: In those circumstances, that is the kind of money the States would need. Of course, if inflation is reduced to reasonable proportions comparable to the rate of inflation in comparable industrial countries elsewhere, that is not the sum that would be required under the newly proposed formula. I have seen newspaper speculation on what the Commonwealth Government may propose to do in this matter, but I have had no information from that Government that those newspaper reports are in any way accurate. The Commonwealth Ministry has asked our officers to meet with its officers tomorrow in Sydney to get their reactions to the submission of the States, to hear the Commonwealth's own proposals, and to deal with several ancillary matters the Commonwealth has raised.

Following the report of my officers on the official reaction which, at the behest of other Premiers, I have sought from the Prime Minister and which he will be giving through the officers' conference tomorrow prior to the Premiers' Conference in Canberra (in complete contrast to the way in which previous Premiers' Conferences have operated), I will be able to inform the House more fully. The case for the States, I believe, has been a reasonable one. It is not a hard-and-fast position, but it outlines a reasonable mode of coping with a five-year programme of States' reimbursement from Commonwealth revenues. On that basis, I think it is a reasonable proposition. However, the details of the amount should be subject to negotiation, and I hope that that will be the case.

Dr. Eastick: But you're not sure.

The Hon. D. A. DUNSTAN: I do not know what the Leader thinks he achieves by that kind of idiot interjection. If he really seriously puts himself forward as a responsible Leader of an alternative Government, I should think that he would not go in for childishness in this House.

Mr. Coumbe: Why don't you—

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The fact is that, until I get a reply from the Commonwealth, how can I be sure of anything?

Mr. Becker: We want to know who'll be the Treasurer next week.

The SPEAKER: Order! The honourable member knows who the Speaker is and how he controls the activities of honourable members during Question Time. The honourable Premier.

The Hon. D. A. DUNSTAN: The position that has been put forward by the States has been put forward by us all, and it is a reasonable position for the commencement of effective mutual discussion and negotiation. I believe that that will continue and I see no reason to believe that any alternative course will be followed. The simple answer to the Leader's question is "Yes".

ETHELTON CROSSING

Mr. OLSON: Will the Minister of Transport investigate the possibility of establishing a suitable pedestrian crossing on Semaphore Road alongside the Ethelton railway station? Since Semaphore Road has been altered to join Bower Road, an increasing volume of traffic travels past this station. At present, because of housing development, this station serves people within a radius of about 3 kilometres, and many passengers alight from the evening trains. As there are no street signs to indicate that persons may be crossing the road, thus warning motorists to slow down for them, will the Minister arrange to provide a suitable pedestrian crossing with more adequate lighting?

The Hon. G. T. VIRGO: This is primarily a problem of the council but, because of the information given by the honourable member, I will ask the Highways Department to discuss this matter with the council and cause an investigation to be made to determine whether the crossing can be installed as requested.

AUTOMOTIVE INDUSTRY

Mr. COUMBE: Can the Premier say what negotiations have recently taken place about the future of the automotive industry in this State, and about which little official comment has been made? This matter is of prime importance because of the significant employment content of the automotive industry in this State not only directly but also because of suppliers of components who employ many people. Already we have seen some sales problems arising with new vehicles because of the gradual removal of the concessional sales tax that was introduced some time ago. I understand that recent talks have taken place between a Japanese consortium and Chrysler Australia Limited in South Australia in relation to the expansion of facilities at the Tonsley plant. Can the Premier now say what was the outcome of these talks and, further, as I believe the proposition is for a four-cylinder car, can the Premier say whether the Tonsley plant can readily be adapted from being a six-cylinder plant, as it is at present, to cope with the production of four-cylinder engines?

The Hon. D. A. DUNSTAN: The development of the capacity for the manufacture of a four-cylinder engine and its assembly in South Australia places us in no difficulty at all. Talks have been undertaken in this matter with the Nissan Datsun company and with Toyota. The talks have been conducted largely by the Commonwealth Government and Chrysler, but the State Government has been kept informed and questions have been asked of us about the degree of our involvement under our normal industrial development policy. The talks are continuing, but it is not possible for me at this stage of the proceedings to make an announcement. As soon as an announcement can be made, it will be made. However, I am confident that the policy adopted by the Commonwealth Government, following submissions from the South Australian Government with the support of the motor industry in this country, will provide for the manufacture of smaller cars in Australia and that the engine manufacture will be based in this State.

Mr. Coumbe: Any idea when?

The Hon. D. A. DUNSTAN: It is not possible for me to put a date on it while negotiations are specifically continuing. However, I believe the outcome will be entirely satisfactory to this State and will assist the continuance of the engineering industry and the manufacture of components in this State.

WHYALLA SEWERAGE

Mr. MAX BROWN: Will the Minister of Works obtain information on the progress now being made and the expected completion date of the programme to do away with odours emanating from sewer ponds in the city of Whyalla? The Minister would be well aware that the odours to which I refer have been a constant source of annoyance to the city of Whyalla, and I am most eager to have the programme finalised at the earliest possible moment.

The Hon. J. D. CORCORAN: I am pleased to say that modifications to the Whyalla Sewage Treatment Works have been in progress for about three months. The civil works, except for a small building, have been completed, and the mechanical surface aerators are due for delivery by the end of July. It is expected that the modifications to the works will be commissioned in September of this year.

BURRA HIGH SCHOOL

Mr. ALLEN: Can the Deputy Premier, in the absence of the Minister of Education, say whether planning has been completed for the erection of the new Burra High School? At present a rumour is circulating in the district that the new high school is not to be built, but I understand that this rumour is not correct. I suppose the new high school has had more ups and downs than a yoyo, because it is seven years since I became a member of this House and one of my first duties was to visit Burra to inspect the site of the proposed new high school. Site plans were drawn up and the Public Works Standing Committee rejected those plans because the site was unsuitable. The plans had to be redrawn, and the project was approved by the Public Works Committee last June. The project was included in the Loan Estimates last September but, because of a sharp escalation in costs, the Education Department has had to reconsider the project. As I believe that planning has nearly been completed, can the Minister say whether the plans have been completed?

The Hon. J. D. CORCORAN: The honourable member was good enough to indicate to the Minister of Education's office his interest in this matter, and the department has given me a short report, which is as follows:

There have been delays in the preparation of plans for the Burra Community School. These have been brought about by the need to redesign certain aspects of the primary school. New plans have now been prepared and accepted, and work will commence immediately on preparing for a tender call. No firm date can be given for this at present. As the honourable member will appreciate, once a tender call is issued it means that, in due course, work will proceed.

MOTION FOR ADJOURNMENT: NATIONAL HEALTH SCHEME

The SPEAKER: I have received the following letter, dated June 11, from the honourable member for Bragg:

I wish to inform you that it is my intention to move this day that the House at its rising this day adjourn until tomorrow at 1 o'clock for the purpose of discussing a matter of urgency, namely, that since the reported refusal of the Government to make public the terms of the agreement proposed to be signed between the State and Federal Governments has seriously affected public confidence in the Medibank hospital proposals, this House calls upon the Government to release full details of the agreement as soon as they become available.

In accordance with Standing Order 59, I call on those members who support the motion contained in the letter to rise in their places.

Several members having risen:

Dr TONKIN (Bragg): I move:

That the House at its rising do adjourn until tomorrow at 1 o'clock,

for the purpose of discussing a matter of urgency, namely, that since the reported refusal of the Government to make public the terms of the agreement proposed to be signed between the State and Federal Governments has seriously affected public confidence in the Medibank hospital proposals, this House calls upon the Government to release full details of the agreement as soon as they become available.

I find most extraordinary the position in which we have the Premier, in his usual gentlemanly way, undertaking on February 25 that he will make public the full details of the Medibank agreement. He stated:

When the agreement has been completed, it will be published.

That statement is in *Hansard* at page 2527, and the Minister of Health last week, and again yesterday in another place, stated that he would not make the details of the Medibank agreement public.

Mr. Gunn: He wouldn't know them.

Dr. TONKIN: The Minister of Health even went further than that and suggested that he would make details available to anyone who cared to go and see him about the matter but that they would not be available for general discussion. The Minister made a facetious remark about inviting members of the public to have a cup of tea with him. I cannot understand why a Government that professes to subscribe to the theory of open government should take this contradictory action, and I cannot understand why the Premier should say one thing and his Minister should say something else just a few weeks later.

I am convinced more than ever now that I am right when I doubt that the South Australian Government can make sufficient Medibank beds available under the original National Health Insurance Act proposals. South Australia is in a unique position (and that has been recognised by the Deeble and Scotton report, on which Medibank is based) in having 65 per cent of its beds in private, country and community hospitals. This is obviously because this is the form of hospital care preferred by South Australians. Regardless of what the Premier says, it will not be the doctors, the hospitals, the health funds, or any one else that will be to blame if the Medibank hospital services in this State become a shambles. The South Australian Government will be firmly to blame in that event because of its spineless acceptance of the Commonwealth Government's proposals, which it knows it cannot adequately meet and which the people of South Australia do not want at the cost of their private, country and community hospitals.

I believe that the only conclusion that we can draw from the Government's action in not making public details of the agreement that is to be signed is that the Government is only too well aware of what I have said. I believe that the Premier must ask the Minister of Health to change his mind, and I believe that is what the people of South Australia want. I will not discuss the pros and cons of the Medibank hospital system. I am not canvassing the advantages or disadvantages, although I strongly believe that the system has serious disadvantages. However, I am canvassing the extraordinary situation about a decision that will have far-reaching consequences on the health of our citizens in South Australia, far-reaching implications on the form of hospital care that they have, and the fact that details are not being made available for discussion in the community.

One is inevitably faced with the question: why is this information not being made available, and what has the Government to hide? Obviously, the big problem is that the Government cannot hope to provide an adequate number of Medibank beds, as it will be required to do under the terms of the agreement to be signed. I think that, when that agreement is signed, it will not be worth much, that it will say little, and that it will be signed merely for the sake of signing it and so that the Minister can come back and say that South Australia has signed an agreement. The Deeble and Scotton report refers particularly to South Australia in paragraph 3.32 and states:

In South Australia, which has the lowest ratio of hospital beds to population, an increase in public provision will correct the disparity.

Paragraph 3.51 of the report states:

The success of the hospital programme depends largely upon the ability of the State hospital authorities to meet demands for public hospital treatment.

Paragraph 3.56 states:

However, this does not preclude the possibility of local shortages, the most serious of which could occur in South Australia where private hospitals are most important. In the event the necessary expansion of public provision could be achieved by:

- (i) absorption of private hospitals into the public system;
- (ii) incorporation of private hospitals, not conducted for profit, in an acceptable form, and
- (iii) contractual arrangements with private hospitals for the limited provision of standard ward care.

A further extraordinary situation in South Australia is that the public, by their activities over the past few years, and the Government, in its support of those activities, have clearly recognised the preference for a choice of treatment, whether in public hospitals, private hospitals, community hospitals, or country subsidised hospitals, and I believe that the people of South Australia are saying clearly that they do not want that situation changed to any great extent. Because of that, the State Government cannot provide the beds that it needs to enter into the agreement.

I and, I am sure, other members of the community cannot understand why there should be any secrecy. The heads of agreement under the National Health Insurance Act of 1973 are there for anyone to see. They set out what the Commonwealth Government will provide in return for what the State Government provides. In particular, they give full details of the funding, and half the cost of funding South Australian public hospital and Medibank beds will be paid by the Commonwealth Government. A joint statement by the Commonwealth and State Health Ministers pointed out that the main benefits flowing from the agreement to the South Australian Government would be free standard ward public hospital accommodation and treatment, free public hospital out-patient services, reduced public hospital charges for intermediate wards because of assistance to South Australian public hospitals under the agreement, lower contribution rates to private insurance for people seeking private treatment in hospitals, and an \$18 a day Commonwealth Government payment to private hospitals for their patients.

That is what was set out. We have been told what the advantages will be but, when it comes to being allowed to examine for ourselves what the details of the arrangement will be and whether the agreement as stated will provide these advantages for the people of South Australia, we are not told. For every single private or country subsidised bed which has to go to Medibank or which decides to go Medibank, the State Treasury will have to find about \$8 500, based on current operating charges. This is not a

saving to our Treasury. In fact, it is a balancing up of the money that we are supposed to be getting from the Commonwealth Government.

Apart from the financial and other advantages, we are told over and over again that Medibank will do wonderful things for our hospitals, and then we find that in February the head of the department called for charitable, religious, non-profit, and community hospitals to make available standard wards or public beds. The objective, of course, was to obtain sufficient beds to meet the Medibank proposals. Dr. Shea stated that it was considered that at least 70 per cent of all hospital beds in the Adelaide area should be available to standard ward patients, and this would imply a need for about 300 beds in the religious, charitable, and non-profit hospitals to be made available for this purpose.

What right has the Government to direct that at least 70 per cent of all hospital beds in the Adelaide metropolitan area shall be available to standard ward patients? There is no reason why the freedom of choice of these patients should be taken away in that manner, and I believe that people should be allowed to say exactly what they want. It seems to me that this State Government will try to honour an undertaking that it has given. We presume it has given it, because the Premier made loud noises at one stage when he said that the agreement had already been signed. I believe that this Government is trying to honour that undertaking by pressuring hospitals in spheres other than in the public sector to become Medibank hospitals.

The conspiracy of silence that the Minister has adopted so that we will not know how many hospital beds there will be (I do not think he knows, either) has been compounded in Canberra. Mr. Hayden (while he was still the appropriate Minister) has refused to say by how much the Government-estimated demand for public ward beds under the scheme would increase. He has suggested that private hospitals that do not provide accommodation of the public ward type will find they have empty beds. I cannot for the life of me see how that can possibly happen in South Australia. There is no doubt at all that country subsidised hospitals are being forced to join the scheme. They are being put under great pressure. It does not matter whether or not the Minister says they are not being put under the threat of losing their subsidy: they will be put on to a different financing basis, and that amounts to the same thing. They will have to go it alone, without Government help.

The negotiations of agreement between the Commonwealth and Queensland, Victoria, New South Wales, and Western Australia are still grinding on. Some States are looking at agreements that have been re-presented for the fifth and sixth times. The original agreements presented by the Commonwealth Government were far more wide-ranging than the terms of the heads of agreement in the original Act. They related to remuneration and conditions of employment for staff and to many other matters that were far beyond the heads of agreement originally agreed on. Finally, Queensland is about to agree, but it will agree on its own terms. I believe that Western Australia, Victoria and New South Wales will also agree on their own terms, and the Minister of Health in Queensland has said clearly that he will make available for debate and discussion within the community the terms of agreement.

In Tasmania, the terms of the agreement have in fact been brought into the Parliament for debate; at least that Government was honest and open about the matter. I strongly suspect that this Government has not stood up to the Commonwealth Government and is about to give away very many advantages with regard to details of the control

of hospitals and the hospital system. I believe that the Government does not want the people of the State to see just what it is giving away. This Government faces tremendous problems. I believe it is a good state of affairs that we are able to have freedom of choice, and are able to say in this State that most of our beds should be in private and intermediate accommodation because that is the way we want it. I do not believe we should be forced into a situation just because someone in Canberra said that we should have so many private beds and there should be more public beds.

I know what will basically happen. I sincerely trust that the Premier will reply to this motion; after all, he has contradicted himself and his Minister, and I believe the people want to know exactly where the Government stands. However, I have no doubt he will heap abuse and vilification on members of the medical profession and on me, as he has done before. That is the usual way in which the Premier reacts to criticism of his Government. As I have said, I believe the Government will be to blame wholly and solely if the Medibank hospital proposals for this State turn out to be a shambles, as I believe they will. If the Government's action in refusing to make public the terms of this agreement means that it is not able to provide the beds it has promised, no-one else will be to blame. The blame will be laid fairly and squarely at the feet of the South Australian Labor Government, which is going hand in hand with the Commonwealth Government in forwarding its programme of nationalisation.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I have listened to this sententious pomposity of the honourable member for some time. I can only say that, as a performance on behalf of the Australian Medical Association, it was a fair enough example of the campaign it has been conducting.

Mr. Goldsworthy: You're doing fairly well for Actors Equity.

The Hon. D. A. DUNSTAN: I assure the honourable member that I am; that is a far more honourable lot. The member for Bragg condemns the South Australian Government for not publishing an agreement before the agreement is made. I am sorry about that, but in fact the final agreement will be signed this weekend and, when it is signed, it will be published and tabled in this House. The reason why it has not been previously signed has been that certain details of the agreement have been still subject to negotiation, even in the last 10 days. For instance, the suggestion of the honourable member that this State has not stood up for its rights would not bear the slightest examination. In fact, the Commonwealth Minister concerned had some harsh words to say to our Minister during the past week as to the toughness of South Australia's negotiations on behalf of this State. We got \$6 000 000 out of the last 10 days negotiations, and I think that was fair enough.

South Australia has been properly protected. The ridiculous assertion that under Medibank somehow or other we will have a rush on hospital beds from people who have apparently previously not needed them is strange. If they have needed them, why was it that the Opposition and the A.M.A. were attached to a system that deprived needy people of hospital beds? They cannot have it both ways. Either the people need these hospital beds or they do not. If they say there are people who need hospital beds who are not now getting them, that is an exposure of the position they have previously taken. The proposal for Medibank will, for the first time in the history of this country, provide the people who are most in need with the

means of getting necessary hospital and medical attention. The member for Bragg is fighting some sort of strange rearguard action on the part of a group of professional people in this community whose extraordinary anti-social attitude and at times personal rapacity could only be condemned in the roundest terms.

Mr. Becker: What would you say if your profession was nationalised?

The Hon. D. A. DUNSTAN: My profession has been subject to public control of its charges from its inception, and very properly so.

Mr. Becker: Then what is the Australian Legal Aid Office doing?

The Hon. D. A. DUNSTAN: I am in favour of the Australian Legal Aid Office. I notice that certain other members of the Bar Association in South Australia have not been, but I have given my support to it.

Mr. Duncan: Including some Liberal candidates.

The Hon. D. A. DUNSTAN: Including some Liberal candidates. I believe it is necessary in the legal area, as well as in the medical area, to provide a proper service for the poorer people of this community. That is being provided by the agreement we are making with the Commonwealth Government. We have made a proper agreement that takes into account the situation in this State which, in hospital administration, differs from the position in other States, and that has given a marked advantage in this State to medical men that has been conceded by the Commonwealth Government in order to achieve agreement.

Mr. Venning: What agreement?

The Hon. D. A. DUNSTAN: The agreement that I will table next week.

Mr. Venning: How long have you been on this agreement?

The Hon. D. A. DUNSTAN: We have been negotiating for quite a while, but negotiations have concluded.

Mr. Venning: The railways agreement—

The Hon. D. A. DUNSTAN: It took rather longer than the railways agreement. I will let the honourable member, and other honourable members, see the agreement next week; I will be signing the agreement. The terms of that agreement will be brought in on July 1 in South Australia, and they will be wholly to the benefit of this community.

Mr. CHAPMAN (Alexandra): I believe that the member for Bragg and his exercise this afternoon have been extremely valuable to the Opposition. In fact, he has extracted again from the Premier a promise, and it will be interesting to see whether it will be honoured. As the member for Bragg said earlier, on February 25 the Premier said (recorded at page 2527 of *Hansard*) that, when the agreement had been completed, it would be published. Only yesterday, the South Australian Minister of Health said that it would not be published. A day after the senior Minister in charge of the Medibank scheme in this State makes a statement of that type, the Premier gets up and says (not quite what he said on February 25) that, after it is completed and after it is signed, the agreement will be published.

So, if we analyse the three statements that have been made (two by the Premier and one by the Minister in charge), technically we have three different stories. We have initially a statement by the Premier that the agreement between the State and the Commonwealth on Medibank will be published; then the Minister says that it will not be published; then the Premier says, "Oh yes, it will be published, as I said before," but only after it has been

signed and sealed and is beyond the point when any other member of the South Australian public or of this Parliament can peruse, criticise or discuss its contents.

The member for Bragg, as we all know and believe, and as we all ought to recognise, is better able than is any other member of this Parliament or of any other place to discuss the subject of medical and hospital care. He is more directly associated with these practices than is any other member of this Parliament, and I support the comments he has made today and I commend him publicly for keeping away from the factors involving his vested interests and for sticking rigidly to the principle of what Medibank and its proposals are all about. He has also kept away (and rightly so) from his own and his medical colleagues' vested interests in the matter. I will refer briefly to the principles involved in the subject, and it is that part which involves me in particular.

As a member of a hospital board in this State that is involved in the pressure tactics by the Commonwealth Government in the Medibank proposals, I and other members of the board have been faced with a request to agree or otherwise to the hospital's becoming a recognised hospital of the State, and I assure the House that, while they have considered the subject, they believe that they have no alternative but to enter the scheme. I remind members opposite and, for that matter, any member of the public that that hospital board made the decision not on the basis of the principles incorporated in the scheme but because it saw that the hospital would be starved out of existence if it failed to do so. They would have broken down in their responsibilities to the public in the provision of adequate medical care. They had absolutely no alternative, and the miserable rotten aspects attached to this whole business are involved in that unsavoury factor.

If the Medibank scheme nationally and as it applies to South Australia was half as good as the Government and Government members profess that it is, why spend \$1 500 000 on promoting it? Why is it so hard to sell that every day of the week in the press and every night on television we see the advertisements paid for by the taxpayers' money in trying to sell this pig in the bag, which is certainly not medicine in the bag. It is by that direct contact that I am disturbed sufficiently and, on behalf of the public generally, I am pleased to support the motion.

Another factor is most disturbing about this whole matter of a bank of medicine, or whatever it might be, that is being so carefully hidden from our view at present, and that is with respect to the subsidised and country district hospitals, in particular, where they are being sought after to enter into and be recognised by the scheme. The very existence of subsidised hospitals is dependent greatly on State and local contributions for them to remain anything like practicable and viable units to serve their patients. Whether or not the State Government contribution continues, I believe that, by the very intrusion of this promise of free medicine and free hospital care, the local element (the local hospital board contribution and the local hospital auxiliary contribution that has been renowned and valuable over the years) will shatter.

I believe that we are faced with destroying a valuable part of the subsidised hospital structure in that regard and that the health of the community generally is being jeopardised by the attitude of this Government and the Commonwealth Government in respect of the scheme they are keeping just at bay—just beyond the reach of the public. It is a carrot dangling there, but we do not know quite how it will work, how it will affect us, or how it will apply in our respective communities. Take, for example,

the hidden factors at this stage about which we ought to know; there are many of them, as cited by the member for Bragg, and I will cite yet another. In South Australia, we are faced with the most vicious type of workmen's compensation legislation in Australia or beyond. There is a wide range of people in the community, involving industry, employers and members of the community generally, who are concerned about the flow-on effects to the consumer of the workmen's compensation legislation as it currently applies in South Australia.

What will happen, for example, after July 1? By the Government's insistence and persistence that all people be involved in the Medibank scheme, does the Government envisage that injured employees in South Australia will be treated under that scheme? Has there been any information to the industrial sector generally on this subject? A serious anomaly exists in this area, one which, to my knowledge and judging by the vacant looks on the faces of Government members, has not yet been ventilated. Are South Australian employers expected to contribute to their respective insurance companies, including the State Government Insurance Commission, covering not only the lost wages for the employee when injured but also the costs of medical and hospital care and, at the same time, as taxpayers, contributing to Medibank? This is a very serious aspect that should have been clearly ventilated and even incorporated (if it is not) in the agreement to which we have been referring. It is one of the many aspects that this State should be aware of because, although employers are in a quandary about this specific point, whatever happens to them and whatever costs or duplication of costs occurs, that will flow to the public sector generally, and consumers will have to bear the burden ultimately. I believe that this is another aspect on which the Premier should provide information now. This backing off and duck shoving from his responsibility has become a skilful art, and the Premier of South Australia has been slippery and skilful in sliding out of the attacks we have made from this side, and I am not too proud to admit that. He has been in this place for 20 years, and he has had much practice at acting and performing.

However, I do not believe that his skilful sliding out of responsibility is in the interest of the State generally, and it is about time he got his feet on the ground, came before the public, and made clear the demands that are being made on him. This Government has been placed here for the people of the State, and it should be serving them, not dictating to the people and acting as an agent of the Commonwealth Government on every major subject that comes before this House. I have pleasure in supporting the member for Bragg, and I again refer to the conflict that we have experienced in this State between the Premier and a senior Minister of the Crown, a conflict of which we will be continually reminded in both the State and Commonwealth spheres, and it is now back on our door step on this issue. As I said earlier, the Premier makes a statement, his own appointed Minister makes a conflicting statement, and the Premier then comes back in the clumsy way he has demonstrated today to try to repair the damage, at the same time demonstrating the slippery skill that we have seen from that side of the House.

Mr. DUNCAN (Elizabeth): We have heard from the Opposition a most shameful and bigoted display on behalf of privileged persons in the community. No doubt when Opposition members speak in this type of debate they speak on behalf of narrow sectional interests. We have heard the member for Bragg speaking on behalf of the

A.M.A., and we have heard the display from the member for Alexandra speaking on behalf of insurance company boards, when he expressed concern about workmen's compensation legislation in this State. Members are well used to that sort of display from Opposition members, and I suppose one should not be shocked or surprised to hear such sentiments expressed in this House this afternoon. However, I was surprised at the contribution made by the member for Alexandra to the extent that I should have thought that, after having heard the Premier speak this afternoon, there would be little left to say in this debate. The Premier made clear that the Government would be producing an agreement when in due course it is signed.

There is no doubt that that statement has taken the steam out of this debate, but it was not the real substance of the motion put before the House with which the member for Bragg was concerning himself. Again, as usual he was expressing the sentiments of the A.M.A. and it is useful to spend some time referring to some of the actions taken by the A.M.A. in the past two or three weeks. It is becoming clearer and clearer that the A.M.A. is getting involved in a conspiracy to attempt to defeat the Medibank scheme. That conspiracy is becoming clearer, and it consists of a planned denigration of the Medibank scheme in its first six months of operation by ensuring that maximum chaos prevails throughout the land. In its most recent decisions the A.M.A. decided not to accept the independent arbitrator's verdict in medical fees, although the association had agreed to the appointment of this arbitrator, who had awarded them more than a 30 per cent increase in fees some time ago, an increase the association was only too happy to accept.

However, the association was not willing to accept the independent advice of this arbitrator on this occasion, and the cynical reason for not accepting it was to ensure that there would be a confrontation with the Australian Government before the Medibank scheme was introduced, so that people who visited doctors following the introduction of the scheme would be forced to pay more than the 15 per cent of the fee provided for under the scheme. The effect of that will be that many people will be induced to remain in private medical funds. The doctors are well represented on the boards of those medical funds, and no doubt it is in their interests to ensure that these medical funds continue to operate to the detriment—

The SPEAKER: Order! The honourable member for Bragg.

Dr. TONKIN: I rise on a point of order, Mr. Speaker. I hesitate to interrupt the honourable member but I have been careful in the terms of this motion and during the debate to avoid discussing various attitudes that people may take toward Medibank itself. The object of the exercise is to debate whether or not the Medibank agreement was to be released, and I think that is clearly set down in the motion.

The SPEAKER: The member for Bragg has raised a point of order, and I think that past practice and procedure have been that on an urgency debate the matter has been linked up to some degree with a grievance, because of its urgency. I listened to what the member for Elizabeth said when he referred to the A.M.A.'s attitude to prices, and he linked up that matter with the confrontation with the Australian Government because of the implementation of Medibank. I clearly hope that the member for Elizabeth will link his remarks with the motion. It is wide because the member for Bragg has moved for the publication of an agreement the contents of which at this stage we do

not know, and therefore no-one is competent to talk about an agreement about which we know nothing. The matter is therefore wide open for discussion.

Mr. DUNCAN: I am not at all surprised that the member for Bragg, as a member of the A.M.A., should try to stop me from discussing the attitude of that organisation when that attitude reflects so badly on the organisation. However, I want to get right to the meat of this matter, and I refer to the situation that exists in Elizabeth with the Lyell McEwin Hospital, which, although it is a Government-owned hospital, is set up under a community board. The doctors in Elizabeth have been concerned because the board of the Lyell McEwin Hospital has decided, in the community's interest, that 70 per cent of beds in that hospital will be made available as standard care ward accommodation and that 30 per cent will be made available for private patients. This situation does not suit the doctors in the area because many of them, as specialists, want to be able to take private patients and charge over and above the fees that apply as the most common fee.

They have written to me several times concerning this matter, and it has become very clear from correspondence from the Salisbury and Elizabeth Medical Association what the doctors are concerned about. They have accepted that Medibank will at least operate on July 1, in South Australia, and now they are making an extraordinarily belated attempt to concern themselves in the mechanics of the scheme. Before that, all the information I saw on the subject indicated that the A.M.A.'s whole attitude was one of total rejection of the Medibank programme. The association is now belatedly trying to negotiate the position as though all along it has had a genuine concern for the health care of patients. I suggest that that is not the case. The A.M.A. wrote to me raising several matters, especially questioning whether or not all the people who sought hospitalisation in the Lyell McEwin Hospital could be treated there. Of course, not all the people who wanted to be treated at that hospital in the past have been treated there, because the hospital is not large enough. In fact, the Government has had for some time plans and proposals to extend that hospital.

In the past many beds have been carefully reserved for the use of doctors who have private patients. Providing beds for private patients has meant that the poorer sections of the community that cannot afford to pay for private rooms have been forced to go to the Royal Adelaide Hospital or the Queen Elizabeth Hospital, a most unfair situation. Inevitably, because of their financial circumstances, many of these people find it exceedingly difficult to go to the Royal Adelaide Hospital; they cannot afford the cost of ambulance travel for that purpose, and their relatives and friends cannot afford the transport costs of going all the way from Elizabeth to the Adelaide Hospital to visit them.

Under the Medibank scheme that situation will change rapidly and radically, because more people who could not previously afford hospitalisation in the Lyell McEwin Hospital will be able to be hospitalised there. This is an important development and advance for the people in the Elizabeth area, and they will be treated as patients in standard-care accommodation. For doctors to have condemned, as they have, the new system because of that situation, roundly indicates not only the sort of attitude they have but also the fact that they are not concerned about individual patients; they are concerned only about whether a patient can pay what they demand. That situation, I am happy to say, will be relieved considerably under Medibank.

The situation with the Medibank agreement is not as the member for Bragg has said, regardless of whether or not the agreement has been signed. Sufficient facts are known about Medibank: only the final minor points are being determined. Sufficient facts are known already to have enabled many hospitals in South Australia to agree to go into this scheme. Others are still considering whether or not they will enter the scheme, and I understand, significantly, that only one hospital (I think it is at Cummins) has refused at this stage to come into the Medibank hospital scheme. In fact, hospitals are still deciding to enter the scheme. There must be a reason why these hospitals are determining that it is in their best interests and in the best interests of their patients to join the Medibank scheme: it is that the scheme is so much better than the existing system that these hospitals cannot afford to be out of it. A strong campaign has been waged in an attempt to encourage people to remain in private hospital schemes. Such a campaign has been waged principally by the A.M.A. and the private hospital schemes in an attempt to get people to continue paying for the type of privilege that has existed in the past.

The member for Bragg spoke about the many private hospital beds that exist in South Australia operated by community hospitals, etc. Those hospitals are largely in areas where the need is not as great as in other areas. We must build up the number of hospital beds in areas such as Elizabeth and Christies Beach, where a chronic shortage now exists. We must not pander to the interests of hospitals where there is a bed-patient ratio that is much higher than it is in areas such as Elizabeth. The South Australian Government and the Australian Government do not intend to pander to those sorts of interests but are concerned to ensure that every person who needs hospitalisation receives it.

I turn now to the question widely discussed by the A.M.A. about whether or not, following the introduction of Medibank, there will be queues of people waiting to be treated at hospitals and whether such people will have to book into the hospitals weeks ahead to be admitted, as it is now necessary to do to get into the Lyell McEwin Hospital and many other hospitals. It does not suit the A.M.A. now to give publicity to those sorts of fact but, after July 1, we will hear a great song and dance about the number of people queuing up to obtain hospital beds. The important difference of that aspect is that now, at the Lyell McEwin Hospital, regardless of the seriousness of the illness, a patient must wait his turn to be admitted. If someone wishes to enter hospital for a rest he can do so at present and people with serious illnesses cannot get in.

That situation will change drastically when Medibank is introduced on July 1. That part of the Medibank programme that deals with hospitalisation will ensure that a person is admitted to hospital in standard-care accommodation areas on the basis of need and not on the basis of his ability to pay. That is the fundamental and important aspect of the scheme. When final agreement has been reached, the Premier will no doubt make appropriate comments in this place on the stupidity of this debate and on the stupidity of the member for Bragg for moving the urgency motion and wasting the time of the House. As I said previously, the Premier effectively destroyed the entire substance of the member for Bragg's argument, and the necessary information could have been extracted from the Premier simply by asking him. It was unnecessary to move this stupid urgency motion.

The member for Alexandra referred to workmen's compensation. It has always been the case that hospital

funds have refused to pay costs incurred by people who have been involved in road accidents or who have any other claim on insurance companies. The honourable member knows that only too well, and he knows that the existing situation will continue after Medibank is introduced.

The SPEAKER: Order! The honourable member's time has expired. The honourable member for Fisher.

Mr. EVANS (Fisher): I support the motion. There is no doubt that it has been a win for the Opposition and for the people of South Australia that the Premier will now make public the signed agreement relating to Medibank. That is not exactly what the Premier promised previously: he promised that he would make available, not necessarily after it was signed, the completed agreement. It will be hopeless for anyone to make representations once the agreement has been signed. That is where I believe the Premier has ducked the issue. I want to answer the Premier's claim about how well his Government has operated in the public hospital sector. I have a letter from a lady who has an 86-year-old mother. She says that at 2.20 p.m. on June 2 this year she left with her mother from the hospital at Stirling to go to the Royal Adelaide Hospital, where they went through all sorts of rigmarole of being attended to, and arrived back at Stirling after being away for eight hours. About 6½ hours out of the total time was spent at the hospital trying to have the elderly lady X-rayed. I admit that I am speaking here for narrow sectional interests, because there are relatively few people over 80 years of age. That is just an example of what happens in the casualty section of one of our public hospitals. At the end of the letter—

At 3.15 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

FOOD AND DRUGS ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

BUSINESS FRANCHISES (MISCELLANEOUS PROVISIONS) BILL

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Business Franchise (Petroleum) Act, 1974; to provide for the subsequent repeal of that Act; and to amend the Business Franchise (Tobacco) Act, 1974. Read a first time.

The Hon. D. A. DUNSTAN: I move:

That this Bill be now read a second time.

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

Leave granted.

EXPLANATION OF BILL

Its principal object is to provide for the repeal of the Business Franchise (Petroleum) Act, 1974, to honour an undertaking of the Government to the effect that, should certain financial benefits flow to the State consequent upon the passage of the Railways (Transfer Agreement) Bill, 1975, the substantial licence fees imposed on sellers of petrol would be removed. Honourable members will recall that the measure proposed to be repealed was a somewhat complex one, and it follows that the steps necessary to remove the licence fees will also be somewhat complex if equity is to be done between the three parties involved, that is, the consumer, the petrol resellers and the State.

Accordingly, this Bill provides that the Business Franchise (Petroleum) Act is to be repealed on September 24, 1975. Continuation of the Act until that date is necessary in order to enable the Government to collect the second

quarterly instalment, payable on June 23, of licence fees in respect of the first licence period which expires on September 23. However, the money necessary to pay this second instalment is being collected by the sellers of petroleum products as a component of the prices of their products during the current quarter ending on June 23 and desirably, the prices of petroleum products should be reduced by that component immediately after that date. It is essential, therefore, that the Bill in its present form is enacted, and in operation on or before June 23, if prices of petroleum products are to be so reduced immediately after that date.

The Bill also provides for certain consequential amendments to the Business Franchise (Petroleum) Act, 1974, and the Business Franchise (Tobacco) Act, 1974. Some of these consequential amendments arise from the fact that sanctions contained in the Act proposed to be repealed lose much of their force by reason of this repeal. For example, since as a result of the repeal licences will no longer be required for the sale of petroleum products, the sanction of "the loss of licence" loses much of its effect.

Clause 1 is formal. Clause 2 sets out the arrangement of the measure. Clause 3 is formal. Clause 4 provides for amendment of section 11 of the Business Franchise (Petroleum) Act, 1974, by including as part of the penalty for failure to obtain a licence any resulting financial benefit obtained by the offender. Clause 5 provides for amendment of section 18 of the Business Franchise (Petroleum) Act, 1974, to enable instalments of licence fees to be recovered as a debt in any court of competent jurisdiction. The existing sanction is revocation of the defaulter's licence, but this, also, may not be sufficient in view of the proposed repeal of the Act.

Clause 6 provides for the repeal of the Business Franchise (Petroleum) Act, 1974, as amended, on September 24, 1975. Clause 7 is formal. Clauses 8, 9 and 10 provide for enactment of a new Division in the Business Franchise (Tobacco) Act, 1974, continuing, after the repeal of the Business Franchise (Petroleum) Act, the Business Franchise Appeal Tribunal and the office of Registrar of the tribunal which were established under the Act proposed to be repealed. Clause 11 provides for amendment of section 9 of the Business Franchise (Tobacco) Act, 1974, in order to put it beyond doubt that the penalty at the foot of the section applies to both subsections of the section. Clause 12 provides for amendment of section 15 of the Business Franchise (Tobacco) Act, 1974, to enable the Commissioner to recover instalments of licence fees as a debt in any court of competent jurisdiction.

Dr. EASTICK secured the adjournment of the debate.

SEX DISCRIMINATION BILL (COMMISSIONER)

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to render unlawful certain kinds of discrimination on the grounds of sex or marital status; to provide effective remedies against such discrimination and promote equality of opportunity between men and women generally; and to deal with other related matters. Read a first time.

The Hon. D. A. DUNSTAN: I move:

That this Bill be now read a second time.

It arises from consideration of a measure that was brought before the House last year by the member for Bragg.

Dr. Tonkin: Two years ago.

The Hon. D. A. DUNSTAN: Very well, two years ago. It was subsequently dealt with by a Select Committee, which reported to the House. I want to pay a tribute to the member for Bragg. When he first introduced the measure to the House, the Government considered that legislation in this area was not necessary but that the matter could be coped with by administrative measures and piecemeal administration changes. The introduction of the measure, the hearings before the Select Committee and its report convinced the Government, and I believe members of this House, that a general provision in legislation of this kind was necessary. Following the Select Committee's report, the Government undertook to introduce a Bill which would give effect to the principles of that legislation and which would provide the necessary governmental expenditure for the administration required to ensure that people would get effective remedies in relation to the measure that the honourable member had introduced.

The introduction of this Bill today honours that undertaking. I point out that, since the Select Committee made its report, legislation has been introduced in the United Kingdom Parliament and consideration given to the most effective means of providing ready, effective remedies in relation to discrimination on the grounds of sex or marital status. It is, in our experience already in this House, easy enough to provide in legislation a principle that there should not be discrimination: it is much more difficult to provide that the people discriminated against have remedies that are real rather than illusory. Therefore, the most careful consideration has been given by the Government and the Policy Secretariat of the Premier's Department as to the means of providing effective remedies in cases of discrimination. The provisions of this Bill depart from the provisions of the original Bill in that area and they are to some extent innovative; that is, they go beyond the United Kingdom legislation. I believe that they do so rightly, that they will provide a flexible means of ensuring remedies and that, where a wrong is committed, a remedy will be readily available to the people who have been wronged.

The experience in this State in establishing the office of Commissioner for Prices and Consumer Affairs, with an administration quite unlike that which exists elsewhere in consumer affairs matters, and with a means of investigation and providing for necessary orders, has been drawn on to provide for the remedies that are contained in the Bill. I believe it will be a signal advance in social legislation in this State, and I believe this matter should be treated entirely on a non-Party basis. We should acknowledge the initiative of the member for Bragg, that he was right in the initiative he took and, indeed, that this measure gives effect to the basis on which he sought previously to introduce a measure in this House.

The Bill is designed to give effect to the Government's policy of removing, as far as is legislatively possible, unfair discrimination based upon sex or marital status. The Bill represents a major step in improving the position of women in our society and is a positive step towards achieving the aims of International Women's Year. The need for this Bill has been placed beyond doubt not only by the findings of an expert committee set up by the British Labour Government but also by the findings of a Select Committee appointed in this House. The Bill, of course, cannot completely eradicate all forms of unfair discrimination based on sex or marital status but it represents a major step towards that end, and the Government hopes that it will create a climate in which public opinion will be mobilised against this form of discrimination. The Bill itself recognises the need to keep legislation and

social politics under review, to ensure that discriminatory practices can be identified and . effective action taken against them. The Bill implements the major recommendations of the Select Committee of the House of Assembly and of the United Kingdom White Papers on sex discrimination: it renders unlawful discrimination on the basis of sex or marital status by employers and bodies or authorities connected with employment; it prohibits discrimination by educational authorities; it prevents discriminatory practices in the supply of goods, services and accommodation.

The procedures for administration and enforcement are an important feature of the Bill and represent a major advance upon those available in analogous legislation in other places. The Bill provides for the appointment of a Commissioner for Equal Opportunity. His or her function will be to make a study of areas in which discrimination may be occurring and assist the board in making non-discrimination orders which will redress existing discriminatory situations, and to assist individual complainants in bringing proceedings for personal redress before the board. He or she will also perform an important conciliatory function. The most important authority established by the Bill is the Sex Discrimination Board. This board will consist of a chairman with extensive legal experience, and two other members appointed by the Governor. The function of the board will be to arbitrate not only in relation to personal complaints of discrimination but also upon discriminatory practices with which the Bill is concerned with a view to ensuring that discrimination will not occur.

The interesting feature of this proposal is that the board itself will have power to make orders, to act in a judicial capacity, and to award damages and the like. It will not be bound by the normal rules of evidence. It will be a board, in effect, with powers of inquisition, inquiry and conciliation, but it will be able to act. There is an appeal from the board, of course, to a court, but it will mean that, instead of someone who has been discriminated against having to go through the tedious, involved, costly and often unsatisfactory process of trying to prove discrimination according to the normal rules of evidence before a court, here is a board that can come to reasonable human conclusions as a result of normal investigation and inquiry. It can set out to do justice in a simple and effective way, having a permanent officer who will assist those who have been affected in any way in the community.

Clauses 1, 2, and 3 are formal. Clause 4 sets out a number of definitions necessary for the purposes of the new Act. I draw attention particularly to the extended meaning assigned to the phrase "marital status". Clause 5 provides that the new Act will bind the Crown. Clause 6 establishes the office of Commissioner for Equal Opportunity, who is to hold office subject to the Public Service Act. Clause 7 establishes the Sex Discrimination Board. The board is to consist of a chairman who has extensive legal experience and two other members appointed by the Governor. Clauses 8 to 12 are the normal provisions dealing with procedure of the board.

Clause 13 provides that before the board embarks upon a hearing it must give reasonable notice to the parties affected by the proceedings and afford them a reasonable opportunity to call or give evidence, to examine or cross-examine witnesses and to make submissions to the board. Clause 14 gives the board various procedural powers. Clause 15 provides for the appointment of a Registrar to the board. Clause 16 sets out the criteria necessary to establish discrimination on the basis of sex or marital status. A person discriminates for the purpose of the Bill if he discriminates either on the ground of sex or marital

status or on the ground of a characteristic that appertains generally to persons of the one sex or marital status or a presumed characteristic that is generally imputed to persons of the one sex or marital status. Clause 17 defines an "act of victimisation". If a person treats another adversely because he pursues his rights under the new Act, that adverse treatment, in general, constitutes victimisation for the purposes of the new Act.

Clause 18 deals with discrimination in the ordinary employer-employee relationship. It renders unlawful discrimination by an employer in determining who should be offered employment, or in the terms of which employment is offered. It is also unlawful for an employer to deny an employee access to opportunities of promotion, transfer or training on the grounds of sex or marital status. The new Act does not apply to employment of persons within a private household, or in cases where the employer does not have more than five employees. Clause 19 is a similar provision dealing with discrimination in the engagement of commission agents. Clause 20 deals with the case where a person has control of workers by virtue of a contract between that person and an employer of the workers. Provisions are inserted making it unlawful for the person who has effective control of the workers to discriminate against them.

Clause 21 deals with discrimination by partnerships. Clause 22 renders discrimination by employee or employer organisations unlawful. Clause 23 renders unlawful discrimination by bodies that have power to confer authorisations or qualifications that are needed for, or facilitate, the practice of a profession or the carrying on of a trade. Clause 24 renders unlawful discrimination by employment agencies. Clause 25 renders unlawful discrimination by educational authorities. The provision does not, however, apply in relation to a school, college or institution established wholly or mainly for students of the one sex.

Clause 26 renders unlawful discrimination in the supply of certain services. Those services include banking, the provision of credit, insurance, entertainment, recreation, refreshment, services connected with transportation or travel, and the services of a profession or trade. Clause 27 prohibits discrimination in the provision of accommodation. However, the clause does not apply to a case where the person who provides the accommodation, or a near relative of that person, resides on the premises and accommodation is provided for no more than six other persons. Clauses 28 and 29 deal with ancillary matters. They render unlawful acts of aiding and abetting discrimination, and make an employer vicariously liable for the acts of his employees. Clause 30 makes it unlawful for a person to commit an act of victimisation.

Clause 31 provides that the new Act will not affect discriminatory rates of remuneration. In this connection I refer to the corresponding amendment that is proposed to the Industrial Conciliation and Arbitration Act which provides that there will, in effect, be no further discrimination in rates of pay prescribed by any industrial award. Clause 32 provides that the new Act does not affect charitable instruments. Clause 33 provides that the new Act will not render unlawful the exclusion of persons of the one sex from participation in any sporting activity in which the strength, stamina or physique of the competitor is relevant.

Clause 34 provides that an insurance company may act on the normal actuarial tables in assessing premiums for insurance policies. Clause 35 provides that the new Act does not render discrimination unlawful if the discrimination is based upon some other act, or an instrument made or approved under any Act (such as, for example, an industrial

award). Clause 36 provides that the new Act does not affect the practices of a religious order. Clause 37 empowers the board to grant exemptions for periods of up to three years from the provisions of the new Act. It is intended that these exemptions should be reviewed from time to time so that they conform with changing social mores.

Clause 38 empowers the board to make non-discrimination orders. This is an essential feature of the new Act. Much of the criticism that has been levelled at the British Race Relations Board results from the difficulty of establishing discrimination in an individual case. However, clause 38 will enable the board to take an overall view of what is in fact taking place in a particular area of commerce or industry. The board could, for example, establish how many males and how many females are available for employment in a certain area of employment and require an employer to achieve within a reasonable period of time a reasonable male/female ratio amongst his employees.

Division II of Part VIII deals with the enforcement of personal remedies. A person who claims that some other person has discriminated against him may lodge a complaint with the Commissioner or with the Registrar of the board. Where a complaint is lodged with the Commissioner, and he believes that it may be resolved by conciliation, he is required to make all reasonable endeavours to resolve the matter by conciliation. However, if, in the opinion of the Commissioner, a complaint has substance and he fails to resolve it by conciliation, he is required to refer the complaint to the board. The conciliation proceedings will be conducted in a confidential manner and no evidence of anything said or done in the course of those proceedings will be subsequently admissible.

Clause 41 deals with the hearing of a complaint by the board. A complaint may reach the board either through the Commissioner, or where the complaint does not seek the assistance of the Commissioner, through the Registrar. The board, after hearing any evidence and representations that the complainant and the respondent desire to adduce or make, may order that the respondent refrain from committing further acts of discrimination or victimisation, it may order the respondent to do anything that is required to redress any act of discrimination or victimisation, or it may order the respondent to pay damages for loss or damage suffered by the complainant in consequence of an act of discrimination or victimisation.

Clause 42 provides that the board shall, if so required by a party to proceedings under the new Part, state its reasons for a decision or order that it makes in those proceedings. Clause 43 provides that a right of appeal lies against a decision of the board. Clause 44 provides that a contravention of the new Act will attract no sanction or consequence (whether civil or criminal) except to the extent expressly provided by the new Act. Clause 45 makes it illegal for a person to publish an advertisement that indicates an intention to contravene the Act.

Clause 46 requires the Commissioner to make an annual report. The report is to be upon the administration of the Act during the period preceding the preparation of the report and upon research undertaken by the Commissioner during that period and any recommendations that he considers appropriate for the elimination or modification of discriminatory legislative provisions. Clause 47 provides for the summary, disposal of offences. Clause 48 is a financial provision and clause 49 provides that the Governor has power to make regulations for the purposes of the new Act.

Dr. TONKIN secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL (TRANSACTIONS)

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Stamp Duties Act, 1923-1974. Read a first time.

The Hon. D. A. DUNSTAN: I move:

That this Bill be now read a second time.

It aims to eliminate a loophole in the stamp duties provisions, arising largely from a practice of trying to split land transactions to reduce the amount of duty payable in what is, in effect, one total transaction. I seek leave to have the second reading explanation incorporated in *Hansard* without my reading it.

Leave granted.

EXPLANATION OF BILL

Its purpose is to prevent loss of revenue through a device that is becoming increasingly common. It is possible, where land is sold or otherwise transferred, to split the transfer into a number of separate instruments, each relating to a proportionate part of the total interest to be conveyed. For example, a transfer of land valued at \$60 000 could be split into 10 separate transfers, each for a one-tenth interest in the land. Because of the progressive scale of stamp duties, the 10 separate transfers would be stamped for substantially less than a single transfer based upon a consideration of \$60 000. The Bill inserts a provision designed to rectify this matter and thus prevent substantial loss of revenue to the State.

The opportunity is also taken to deal with a number of minor matters that require attention in the principal Act. In particular, the Bill brings the provision relating to stamping of bills of exchange (other than bills payable on demand) into conformity with the present provisions of New South Wales and Victoria. The effect upon revenue of this amendment will be very small: the amendment is proposed merely for the purpose of the commercial convenience of those who deal in this kind of bill.

Clauses 1 and 2 are formal. Clause 3 amends section 31f of the principal Act. This section relates to duty upon loan and rental transactions. The amendment raises the rate of duty in respect of rental business of 1.5 per cent to 1.8 per cent. The effect upon revenue of this amendment will be slight. However, there seems no justification in the differential between the rate of duty prescribed under subsection (2) relating to rental business and that prescribed in subsection (1).

Clause 4 makes a formal amendment to the principal Act. Clause 5 enacts section 47a of the principal Act. This new section is to be read in conjunction with the new provisions in the schedule relating to duty upon bills of exchange. The new section deals mainly with the case where a bill is endorsed in a manner that alters the original effect of the bill. Clause 6 enacts new section 60b of the principal Act. This new section deals with the case where a Real Property Act instrument is stamped but the transaction subsequently miscarries. In such a case there is at present no provision for refund of the duty that has been paid. The new section provides for such a refund.

Clauses 7 and 8 amend section 66a and enact new section 66ab respectively. The intention of new section 66ab is to prevent loss of revenue through splitting land

transfers. The amendments to section 66a merely bring the terminology of that section into line with that of the new section 66ab. Clauses 9 and 10 make consequential amendments. Clause 11 amends the schedule. Apart from some formal amendments to the schedule, these amendments merely bring the South Australian provisions relating to stamping of bills of exchange into line with those of New South Wales and Victoria.

Mr. COUMBE secured the adjournment of the debate.

BEEF INDUSTRY ASSISTANCE BILL

The Hon. J. D. CORCORAN (Minister of Works) obtained leave and introduced a Bill for an Act to provide financial assistance to certain specialist beef producers in the State and for other purposes. Read a first time.

The Hon. J. D. CORCORAN: I move:

That this Bill be now read a second time.

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

Leave granted.

EXPLANATION OF BILL

All honourable members of this House will be aware of the currently depressed state of the beef market and the hardships that are presently being undergone by those dependent on this industry. This concern is shared by the Commonwealth Government and, it goes without saying, by this Government. As evidence of this concern, agreement has been reached between the Governments for the establishment of an emergency assistance scheme. This scheme will be financed by equal contributions by the two Governments and will provide short term finance at a concessional rate of interest. It is intended that advances from the fund proposed to be established will be made to "specialist beef producers" who cannot obtain "carry on finance" from their usual sources but who, if they can obtain assistance of the kind provided for, will be able to remain in the industry. It therefore follows that persons seeking assistance must have a sound asset structure and demonstrate future capacity to survive should they be granted assistance.

Clauses 1 and 2 are formal. Clause 3 sets out the definitions used for the purposes of the measure and I would draw members' particular attention to the definition of "specialist beef producer". The effect of this definition will be that only persons who derive the greater portion of their income from beef production will be eligible for assistance.

Clause 4 contains the substance of the measure. Subclause (1) formally provides for the grant of assistance and incidentally provides that the Minister to whom the measure is committed may be advised by a committee appointed by him for the purpose. Subclause (2) indicates the terms and conditions under which assistance will be provided. In this regard, I would draw members' attention to the schedule to the measure. Subclause (3) sets out the circumstances in which assistance may be granted, and in this regard paragraph (b) of this subclause is of particular importance.

Clause 5 provides for the establishment, in the Treasury, of a Beef Industry Assistance Fund. While most of this clause is in the usual form, I would draw members' attention to the fact that money received in repayment of advances may not be re-lent but are returned to the source, Commonwealth or State, from which they are derived.

Clause 6 provides an exemption from stamp duty and certain other fees on documents executed in connection with the scheme of assistance. I would ask that this Bill

receive a speedy passage. The urgent need is self-evident and the administering authorities are ready and able to recommend assistance as soon as the measure is enacted into law.

Mr. RODDA secured the adjournment of the debate.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL (SEX DISCRIMINATION)

The Hon. J. D. WRIGHT (Minister of Labour and Industry) obtained leave and introduced a Bill for an Act to amend the Industrial Conciliation and Arbitration Act, 1972, as amended. Read a first time.

The Hon. J. D. WRIGHT: I move:

That this Bill be now read a second time.

It has two objects:

- (a) to deal, in the industrial sense, with matters arising out of the report of the Select Committee of the House of Assembly on the Sex Discrimination Bill; and
- (b) to facilitate the operation of the principles of wage indexation as enunciated by the Commonwealth Conciliation and Arbitration Commission in its recent judgment.

Accordingly, it endeavours to ensure that as far as possible there can be no discrimination in conditions of employment as between the sexes, to the extent that those conditions of employment are determined by the Industrial Court or Commission in this State.

In 1973 the Government indicated to the Commonwealth Government that it favoured the ratification by Australia of International Labor Convention No. 100 regarding equal pay for the sexes. Following discussions between State and Federal officials and between officers of the Australian Government and the International Labor Office it was recognised that ratification of that convention would necessitate a change in the present practice of determining different living wages for males and females. At that time, the Government indicated that it would at the first opportunity amend the present provisions in the principal Act empowering the Industrial Commission to determine different living wages for males and females.

It would have been possible to achieve one of the objects of the measure by repealing only the references to the female living wage. However, following representations from the major organisations representing employers and employees, the Government has decided to abandon the living wage concept.

Provision was made in the Industrial Code in 1967 requiring the Industrial Commission to award equal pay for males and females in certain circumstances. This provision was re-enacted as section 78 of the principal Act and, as a result, equal pay has now been introduced in many awards and for many occupations. In accordance with the principles contained in the 1967 legislation, the introduction of equal pay has been phased in over a period of some years. Last year the Industrial Court decided that the present provisions of the legislation prevented the Industrial Commission from determining wages for females in occupations in which males are not employed, such as typists or switchboard operators, on the same basis as females in those occupations in which persons of both sexes are employed.

The Government considers there is no longer any necessity for Parliament to set down strict guidelines which must be observed by the Industrial Commission in determining equal pay. Equal pay has been introduced in Commonwealth awards, without the benefit of legislative guidelines,

by the Full Commission determining principles which are followed by the various members of that commission. It is felt that the same procedure can now be adopted in State Industrial Commission. The repeal of the living wage and equal pay sections of the Act does not mean that the Government considers "equal pay" should be implemented overnight: rather, the intention is that the Industrial Commission should have the power to make a decision having regard to the circumstances of each particular case.

Clause 1 is formal. Clause 2 amends section 3 of the principal Act and makes an amendment consequential on amendments made later in the Bill. Clause 3 touches on section 6 of the principal Act and amends the definition of "industrial matter" by removing from that definition references to questions arising over the sex of the employees and also strikes out the definition of "living wage". Clause 4 repeals section 31 of the principal Act, this being a section relating to the "living wage", references to which are proposed to be repealed. This section enjoined the commission not to fix wages that did not secure the payment of the living wage. As it is proposed that there should no longer be a separate living wage, this provision is redundant.

Clause 5 makes a formal consequential amendment to a heading in the principal Act. Clause 6 repeals section 35 of the principal Act which provides for the determination of living wages and also enacts a new section in its place. The reason for the repeal of the provision relating to living wages is two fold:

- (a) first, that it will enable proposed quarterly cost of living adjustments to wages by the Commonwealth Conciliation and Arbitration Commission to flow on to employees under State awards. So long as the living wage existed as part of the State wage fixing machinery, any such flow on could be accomplished only by periodic adjustments of the living wage. However, by subsection (5) of the section proposed to be repealed new determinations of the living wage could only occur at not less than six-monthly intervals;
- (b) secondly, since the living wage is related to the sex of the employee, all references to the living wage should be removed.

It is, however, necessary to enact a new section 35 to deal with the situation during the period between the coming into operation of this measure and the time when all awards can be varied to prescribe rates as total wages. Most awards now provide a total wage rate, although about half of them also include the margin above the living wage. However, there is a small number of awards and industrial agreements that, at present, only provide for margins above the living wage for the time being in force. It is necessary, therefore, for the time being for the purpose of those awards and agreements to preserve a figure equal to the present living wage.

Clause 7 amends section 36 of the principal Act by striking out from that section reference to the living wage. Clause 8 repeals section 37, which provides for the declaration of a living wage, section 38, which provides for wages to be generally varied in accordance with variations in the living wage, and section 39, which requires the Industrial Registrar to republish all awards in the *Gazette* after any alteration has been made in the living wage or in awards generally. The removal of the requirement concerning republication of awards following living wage variation is consequential upon other provisions of this Bill. At the same time, it has been decided to delete the whole section,

because it will be physically impossible to republish in the *Gazette* every award if wage indexation is introduced and awards have to be varied quarterly. Administrative arrangements will be made for the reprinting of the wages clauses of the major awards in such an event, but it would be wasteful and unnecessary to republish the whole of every award every quarter.

Clause 9 amends section 69 of the principal Act by striking out subsection (2), which contains a reference to the "living wage" now proposed to be eliminated. Clause 10 repeals section 78 of the principal Act, which provided for the fixing of equal pay as between adult male employees and adult female employees performing work of the same or like manner and of equal value. Since to some extent this section inhibited the commission in its endeavours to give effect to the "equal pay" provisions, its repeal seems desirable.

Mr. CUMBE secured the adjournment of the debate.

APPROPRIATION BILL (No. 1) (1975)

Adjourned debate on second reading.

(Continued from June 10. Page 3256.)

Dr. EASTICK (Leader of the Opposition): I acknowledge the importance of this measure to the employees of this State, and I indicate quite clearly that it is my intention, as is the normal course of events in such a measure, to support the Bill, but I want to assure members opposite that that will not prevent me from taking the opportunity to highlight a number of deficiencies which have become so apparent in the Government's monetary control and financial expenditure. The document before us now is a complete vindication of the stand Opposition members took when the original Estimates document was introduced last year, a document that did not even last the period of time it took to pass this House, to go to another place for passage there, and to return to this place. Indeed, in another place the document which precedes this one in respect of appropriation was considerably altered by the Government because clearly, as we indicated in August last year, the Government had completely misread the economy of Australia, more particularly of South Australia, and had delivered to us in South Australia a document that was a farce.

It is quite apparent from a number of the statements made by the Treasurer in this Bill that those claims by the Opposition were completely correct. It is a fact that the Government, through the mouth of the Treasurer, had attempted to indicate to the people of South Australia that all was well, that we were proceeding on a course of activity and a course of action that would be advantageous to the State, and that there was no reason to fear the economic consequences of the programme outlined by the Government. It was stated on that occasion that the Government had not put its priorities in the correct perspective, had not grasped the nettle and accepted the situation whereby it was essential that Government members should reorganise their thinking on a number of unnecessary projects, and that they should recognise the work force of this State by making sure that people were gainfully employed, be it in Government service or in the private sector, but that there was going to be value for money expended.

The Government went ahead with a number of projects undertaken by day labour, and I say once again that I do not indicate by any means a dissatisfaction with the persons in the day-labour system, but that I criticise the system which allows day-labour projects to proceed in the current

economic circumstances. I have always believed a contractual basis is essential for major works, and I believe that the Corbett inquiry and the Public Accounts Committee have indicated several times that this statement is correct.

This measure provides for an appropriation of \$20 550 000, a sum much greater than that contained in a similar document presented to us in March, 1974. Members will recall that the supplementary appropriation was dealt with in March last year because we did not come back into session in the latter part of the financial year. This greater sum clearly indicates how far from reality are the Treasurer and his Ministers in putting forward documents to this House and making pronouncements to the public of what the true economic position is and of how much they are in control of that economic situation. We had an example earlier this afternoon that, when the Treasurer is caught out, when he is called on to provide facts and is unable to do so, he resorts to denigration and to the use of phrases such as "The Leader is idiotic" and "How can he be an alternative Leader of this State if he makes pronouncements like that?"

I challenge the Treasurer to go back and look at the questions that I have put to him in respect of economic matters over a period of time. If he looks at my contributions and those of members on this side in relation to financial documents, he will find that the points made were well made; they were right on the ball. In refusing to accept the suggestions made, he is the one who now can be justly criticised. We had an example of a document brought before us which stated that we could confidently expect the receipt of an additional \$6 000 000 of funds. We have seen how often this confidently expected arrival of funds from the Commonwealth can vanish overnight. We have seen on too many occasions within the past 12 months that a promise made by the Commonwealth Labor Government is not a promise worthy of the paper on which it is written; it is a promise of political expediency, a promise which will not necessarily be carried out. Indeed, many promises have not been carried out.

We can go to the matter of decreased financial involvement for young people wanting to set up the family home through a lower rate of interest to be paid for that family home. They were to get value for money. There was also supposed to be an increasing number of houses made available. There was to have been no increase in the cost of rentals. And so it goes on. Where have any of those promises been kept by the Australian Government, augmented, supplemented and assisted by the Government of this State? We find a rather pathetic sort of comment by the Treasurer on the second page of the document he presented to the House yesterday. I have adverted to it already, but I return to it.

Further, the State has not received the special grant of \$6 000 000 included in the Budget and some revenues, mainly stamp duties, showed a late down-turn.

If we turn to the reply given in this House yesterday by the Treasurer to a question I had asked in relation to stamp duties and their month-by-month receipts, we find that the second reading speech does not hold water. It was not a late down-turn, but a down-turn evident over a long period of time. By his own statement, in this case once again the Treasurer has exhibited to the House just how unreal are the statements he makes that he expects the people of this State to accept as gospel. His credibility, like the credibility of many of his Ministers, is completely destroyed. We find time and time again, and it is evidenced by the information in this document, that

the Treasurer and his Government have consistently counted their chickens before they are hatched. They have undertaken multi-million dollar projects before they have been certain that they have the funds to pay for them. They have undertaken courses of action that have meant only one thing—that the people of South Australia will be called upon to provide ever-increasing amounts of taxation. The Treasurer himself has publicly acknowledged that the figure, which I used some months ago, of a 260 per cent increase in direct State taxes is indeed correct. Subsequently, other measures have markedly increased the 260 per cent increase, which applies throughout the State.

The provision for flood protection in the Murray River areas could not be in dispute in any person's mind. I do not contest this provision. Indeed, I went on record with the member for Chaffey and the member for Mallee in calling for urgent Government assistance for these people, and I indicated that my appraisal of the situation, after a trip along the Murray River, was that there would be dire consequences from the oncoming flood. We had the spectacle of the Deputy Premier castigating me in the press and saying that I was an alarmist and that there was no purpose in the comment I made.

The Hon. J. D. Corcoran: I said that you were playing politics, and you were.

Dr. EASTICK: I was not. The Deputy Premier can go back to the comments in *Hansard* indicating what I thought of his comments at that time, and I stick to my belief. The Deputy Premier is of the opinion that he can go marching across South Australia making all sorts of comment to the advantage of his Party but, according to him, that is not politics: that is Government! However, if the Opposition makes the self-same sort of statement, based on fact, that is politics, according to the Deputy Premier.

Let us look at the Treasurer's own statements of yesterday. They completely put the lie to the type of defence that the Deputy Premier has tried to put up in respect of himself. The sum made available by this appropriation is \$425 000. At present I do not know whether that sum is totally adequate to assist the people who were disadvantaged in the Murray River areas. I hope that no-one has been left without the type of assistance that everyone in this State believes should be given. It is the same sort of approach that I believe everyone in the State had toward money being made available from South Australia to Darwin when it suffered a national calamity. If \$425 000 is not sufficient and if some people are still disadvantaged, there should be a further appropriation in due course to correct that situation.

I should like to go one step further and ask the Treasurer to explain why he saw fit to provide for \$425 000 in this line and not indicate that there was \$200 000 in another line in respect of locks. I acknowledge the situation in respect of accounting. It is often possible to interlink the consequences of one pay-off as against another. I believe that the Treasurer would have been more reasonable in his approach to this Parliament if he had clearly indicated that there was an expenditure of \$625 000 for assistance along the Murray River. That sum then becomes significantly greater than the sum of \$500 000 which I, the member for Chaffey, and the member for Mallee indicated we believed would be necessary. We have again a complete defence to the idiotic statement (I use that term because it is apparently permitted to be used across the Chamber, as evidenced earlier this afternoon) of the Deputy Premier that all I was doing was politicking. Actually, I was

representing the interests of people along the Murray River. There is a complete vindication of that in the Treasurer's statement of yesterday.

I should like to come to another issue that is a revelation for the first time in this document, but I question how complete a revelation it is. There is a sum that can be added to the name of J. J. Nyland of the Transport Workers Union as a direct consequence of the industrial anarchy launched against South Australia, its workers, its industry, and the whole community through the crippling strikes in connection with steel loading on the Port Adelaide wharves. This subject was aired in this House many months before the sum of \$170 000 became necessary for payment.

I asked questions of the Treasurer, and I indicated outside this House the difficulties arising at the Port Adelaide wharves through the refusal of a union official, assisted by other Commonwealth and local union officials, that did not allow common sense to prevail; this was against the best interests of the people of South Australia. Little did the people know at that time that the Government would seek from this Parliament the payment of \$170 000 to make wages and salaries available to people in the Engineering and Water Supply Department who had to be stood down because they could not be gainfully employed. I am in full accord with these people going home with a pay packet and with the benefit that accrued to the wives and families of these people.

I question whether \$170 000 is the real value and how many other tens of thousands of dollars in the Engineering and Water Supply Department accounts and in other accounts could really be sheeted home against this industrial anarchy. There was the opportunity, through the Government taking positive action, the type of action that the Treasurer finally took (action that must have been galling to the Party opposite, particularly to its dominating union wing), of saying that, as a result of the type of activity evidenced by Mr. Nyland and his group, the tort provisions would not be removed from the Industrial Conciliation and Arbitration Act. The statement then made was commendable, and it should always be heeded by anyone who should attempt to remove the tort provision. It brought about Government action that caused a cessation of the difficulties that are now responsible for at least \$170 000 of public funds to offset this sort of activity. I suppose that, had it not been for the opposition here and elsewhere and for the plain common sense of the people of South Australia, we could add to that sum the Dunsford \$11 000-odd and \$200 000 for the Trades Hall. I am mindful that there is a plan of action in respect to Trades Hall that will bring about its retention. I am pleased that the people in the community, trades union personnel and others, now have the opportunity to subscribe to a fund, to which they could have subscribed long before if the Government—

Mr. Payne: You think by saying that it excuses the way you acted. It will never be forgotten.

Dr. EASTICK: The member for Mitchell can wave papers at me and suggest that I acted in an improper manner in respect of that Bill, but I ask him to re-examine his memory of that whole case and to come forward with the truth of the matter.

Mr. Payne: You asked for a loan scheme and, when it was put up, you said that you wouldn't even look at it.

Dr. EASTICK: I did not commit myself, my Party, or anyone else to the loan scheme, but said that there might be an answer in that area.

Mr. Payne: You won't live it down; you can't wriggle out of it. You said that you would look at it, but you came here and you knocked it. I'll make sure you don't forget it!

Dr. EASTICK: I am pleased that the honourable member is not going to let me forget this situation.

Mr. Payne: You can't get out of it for \$10, either.

The DEPUTY SPEAKER: Order! The honourable Leader of the Opposition.

Dr. EASTICK: I think it would be more in keeping with the kind of interjection the honourable member is making if he was sure of his facts.

Mr. Payne: I'm sure: it was \$10 conscience money.

Dr. EASTICK: I suggest that the honourable member ask his colleague Mr. Shannon, and he will find that that is not the correct sum.

Mr. Payne: You've had another attack of conscience! You admit it!

Dr. EASTICK: We can see how puerile the argument can become, but it does not get away from the fact—

The DEPUTY SPEAKER: I ask the honourable member for Mitchell not to pursue his line of interjecting, and I ask the honourable Leader of the Opposition not to persist in the line he is taking. The honourable Leader.

Dr. EASTICK: The situation is clearly that we have identified a sum of \$170 000, but I question the Government whether that is a true and total figure in respect of this incident. I point out again that it was possible that this sum would never have been a charge against the people of the State had the Government, through the Treasurer, taken the action it eventually took, but had taken it when it was requested to do so by the Opposition, and indeed by industry and others in the State. During talks I was privileged to have overseas recently in Germany, Norway and Sweden, where I had the opportunity of discussions with both employers and employees and where I received the greatest assistance from the labour organisation in discussions, the provision of books and background detail, I found that they recognised the importance of fulfilling a commitment to their contract once it had been contracted and that they did not tolerate illegal strikes. Indeed, the whole movement acted against wildcat and foolish strikes.

They were surprised that insanity in Australia among some of the organisations appeared not to allow a more reasoned approach to industrial matters in the best interests of the whole community, and they did not accept industrial disruption of the kind we see in Australia. They believed (and I agree with them) that it was more important to show consideration to the whole community than to one or two cases of personal whim.

Mr. Wells: To which trade union movement did you speak in those countries?

Dr. EASTICK: I will give the honourable member the people's names. The labour organisation concerned was the Confederation of Trade Union Movements in Sweden, in whose offices I talked with several of their people. I have their rule books, and detail about them and their attitudes, and I could have a useful discussion with the honourable member; but that is not pertinent to this issue other than that a spirit of common sense is far more apparent there than has been the case in many instances in Australia and in South Australia. A lack of common sense is certainly part and parcel of this \$170 000 handout or gift that we are discussing.

I want to refer particularly to education, which is dealt with by a large department that has large costs. This is reflected by the fact that of the total sum in these estimates almost 50 per cent is available for education. I want to see (and I believe that every Opposition member has expressed this for a long time) the best educational opportunities available for the people in our community. However, I point out to the Government, in case it is not aware of it (and this is evident as one moves throughout the country or city, whether at the secondary or primary level) that many people are beginning to question the size of the sums of money being spent on education and the value accruing thereto.

Mr. Payne: Country areas are asking for more.

Dr. EASTICK: I think it would be a worthwhile exercise for Government members to discuss with a mixed group of people who do not have any particular political affiliation (amongst whom politics is not even mentioned) their attitude to the present education system and the sums of money being spent on it. Although we desire a proper educational standard and educational opportunity throughout the community, some of the attitudes being forced on school councils and school boards are not in the best interests of long-term value for money spent. Some money being made available must be spent within a month or six weeks. In one case \$1 000 provided to a high school had to be spent within 21 weeks. The only article which immediately came to the minds of the school officials (because it had to be spent in a given time) and which they did not possess was a movie camera. That was purchased and has been locked away in a cupboard ever since, with two members of the staff having access to it.

The officials at the school asked that the funds be allowed to accrue toward a project which would cost \$2 500 but which could not be put into effect for between six and nine months, but they were denied the opportunity of accruing the funds against that project. That is a ridiculous waste of funds, and is multiplied many times by similar examples that every member can bring to the attention of the House. It fits in clearly with the statement I made when discussing this matter earlier, that we need to alter the accounting system to allow money that has been appropriated to a specific department to be held against actual funding requirements. It should not have to be spent simply because funds not spent by a given time might result in the amount available to that department the next time being reduced by the amount it had in excess at the end of the financial period. I am pleased to see that many details outlined in the Corbett report indicate there is an urgent need for a reappraisal of our approach to funding, and particularly there is a need within government (and I totally support this concept) of determining what is in the best interests of the State with the resources that are available. I point out to Government members that the most important resource in these circumstances is the financial resource.

Mr. Payne: Do you support the activities of the Council for Educational Planning and Research?

Dr. EASTICK: The House passed that Bill, but let us not digress in that direction, because under Standing Orders the honourable member cannot develop that argument so that I can gainfully comment on his remarks. We have a situation in which courses of action are available and are long overdue for implementation, and they should be implemented because they would considerably reduce the amount we are being asked to spend at this time. The Treasurer indicated that some of the

additional expenditure for education would be recouped from the Commonwealth Government, but did not say when that would happen and whether we were being called on to spend our funds, with a delay in the return of Commonwealth funds. I was particularly interested and question the need of the Treasurer to outline the fact of additional funds being spent by the Police Department. A sum of \$170 000 is the expected increase in the net cost of vehicle replacements, but the Treasurer stated that the higher prices for new motor vehicles coupled with the depressed prices for Police Department vehicles on the used car market has required this additional sum being made available. Are other departments replacing their motor vehicles? Certainly, the increased cost would apply.

If one goes to the market place one finds a reduction in the amount available for used cars because of the overall economic climate affecting the motor vehicle industry, but why is the Police Department singled out for the \$170 000 commitment? Why is it not clearly stated that this set of circumstances applies throughout the motor fleet of the Government and that, as a result, additional funds have to be made available? Inquiry has shown that some police vehicles are used for a longer time than is normally expected within the general Government policy. Whereas it used to be two years or 38 225 kilometres, a policy that generally applies to the Police Department, in the circumstances of a damaged vehicle (and unfortunately because of the nature of the service provided by the Police Department it tends to have more damaged vehicles than do other departments, and they have to travel faster) there seems to be the problem that some vehicles have to be called back into service after they have been virtually turned out ready for resale. However, that position applies equally in other departments, and I think it is not becoming of a Government to try to sheet home that sort of comment against one department when obviously it applies to other departments.

Under the beef industry assistance programme one cannot quibble with the undertaking provided by this funding. The programme will be administered by the Minister of Lands and it is intended that both the Australian and South Australian Government contributions will be paid into a trust from which it will be disbursed. That is completely in accord with normal practice, and I trust that that will be the method to apply. It has been indicated that the fund will be administered by the Minister of Lands. I hope the position does not arise, as has been indicated by several members of Parliament who on inquiry have been told that funds to be administered by the Minister of Lands, suddenly require approval to be given by the Premier's Department. What has happened to some of those funds to assist disadvantaged persons in the community? I refer not only to people in the rural sector but also to those concerned with the Regional Employment Development scheme, which had been the responsibility of the Minister of Lands to administer, a fact that had been outlined by public statements by the Treasurer and his officers, but now much of the money is to be available only after its expenditure has been approved by the Premier's Department. Where has the official announcement that authorised this change been published?

Why is it necessary for the Treasurer suddenly to take over the responsibility for administering another Minister's responsibilities? That question requires a definite reply. I referred briefly to the \$200 000 on the Engineering and Water Supply Department line in relation to Murray River locks. I believe much of that money should be directed

against the actual costs to the Government in respect of the Murray River floods. I express the sincere hope on behalf of the people of South Australia that we are not called on to find money whether for floods, fires, or a disaster similar to that which occurred at Darwin late last year. However, I reassure the Government (if that is necessary) that, if funds are necessary for such a disaster, Opposition members will always be pleased to support spending of that nature. I support the Bill.

Mr. MILLHOUSE (Mitcham): In speaking to this Bill, I may pursue a rather different line from that taken by the Leader of the Opposition. I want to deal with a specific matter that underlies everything the Treasurer said in the speech yesterday with which he introduced this Bill. This is referred to in the first few paragraphs of the speech, as follows:

The Revenue Budget presented to the House on August 29 last forecast a deficit of about \$12 000 000 for the year 1974-75. It took into account a possible increase of 20 per cent in the level of average wages and it included the expected receipt of a special grant of \$6 000 000 towards South Australia's particular problems.

I can remember when I first read in the Treasurer's speech last year that there had been a 20 per cent increase in wages that it almost took my breath away. He continues:

Over the ensuing two or three months the prospect worsened as it became clear that increases in wage and salary rates would be much more costly than the Budget had forecast. Costs of supplies and services had also increased rapidly. Further, the State had not received the special grant of \$6 000 000 included in the Budget and some revenues, mainly stamp duties, showed a late down-turn. That is as much as I need to quote from his speech, but it shows (and I leave aside the question of the \$6 000 000 that we did not get from the Commonwealth) that the gravest problem facing this State, the Government and, indeed, the whole of Australia, is inflation. It is because of inflation, which is continuing and indeed increasing in Australia, that the Treasurer has got to seek the money that is sought by this Bill.

It is about inflation that I want to speak in this debate. We all talk about it; we all say how bad it is and what its consequences will be for us if it continues. I will quote in summary all the evil features of inflation from a book *The Control of Inflation* by V. C. Routley. On pages 2 and 3 he sets out the dangers of inflation as follows:

Rapid inflation is dangerous because: (a) it undermines the currency; (b) the rich benefit at the expense of the poor; (c) speculation tends to replace production; (d) productivity is reduced, and (e) the process is self-accelerating.

I have referred only to the headings, but he continues:

In many ways the greatest danger in inflation is the insidious manner in which it comes to dominate the economic and political life of the community. Once prices have continued to rise for a long enough period people come increasingly to regard this as the normal state of affairs.

I venture to say that that is what has happened. The passage continues:

They adjust their behaviour accordingly; workers seek wage increases specifically to compensate for expected price rises, businesses allow for future price increases in costing products, individuals overborrow at high interest rates in an attempt to acquire "inflation proof" assets. At the same time governments pursue an ambivalent policy. On the other hand, they decry the evils of inflation and call upon the community to help in halting its progress. Yet at the same time, they themselves come increasingly to rely upon inflationary income increases to finance their own ever-growing expenditure, and worse still, tacitly acknowledge their own inability to deal with the problem by offering "built-in" inflation hedges in the loans which they regularly continue to raise. The impact of inflation on the community is not unlike the effect of a drug on an

individual. In small amounts it is usually pleasant and relatively harmless. The longer the indulgence continues, however, the greater the dosage becomes. And the greater the dosage, the more behaviour becomes influenced by it, and the harder it is to break free of dependence, even though the dangers of continued indulgence become increasingly obvious.

That sums up as well as one can sum up the dangers and the effects of inflation. All of us, I suppose, have been bombarded with comments about inflation, about the dangers of it to this country and about what it is doing to this country. I will refer briefly to only one or two of those comments, one of the latest of which is from the Colonial Mutual Life Assurance Society Limited (one of those life assurance societies which at present are the target of the Australian Labor Party). It is the Chairman's address, which was given on May 27, 1975. Under the heading "Inflation", on page 7, he says:

There is no greater single problem facing the economies of all the countries in which the society operates—indeed facing the economies of all countries of the western world—than inflation. When speaking to you on this occasion last year, I outlined in some detail the unmitigated evils of inflation and the grave economic and social consequences which will ensue unless sacrifices are made by all of us to check the scourge. The faster that corrective action is taken the less painful will be the final reckoning.

That is precisely what Routley said in his book. The Chairman continues:

Unfortunately, there is nothing to show that, in this country, we are making any real headway whatsoever. Between 1961 and 1971 consumer prices in Australia rose at an average rate of 2.8 per cent per annum, whilst for the year ending in December 1972 they rose by 5.8 per cent, in 1973 by 9.5 per cent, in 1974 by 15.1 per cent and in the 12 months to March, 1975 by 15.7 per cent. If this trend continues much further, inflation rates in this country will produce catastrophic results in our economic, political and social life. It cannot be too strongly emphasised that no section of the community can escape the cost of inflation. Some may hope to gain by it but in the event very few will. In the *Age* (a reputable Melbourne newspaper) of May 21 appears the following headline: "Inflation will hit 20 per cent—economists". The article continues:

Next year's inflation rate will be 20 per cent according to Melbourne University's Institute of Applied Economic and Social Research. And the economy, excluding the rural sector, will grow by only 1.4 per cent.

An article appearing in the *National Times* of April 14 (a few weeks earlier) ran the headline "The Big Risk: inflation could hit 30 per cent plus". That is the situation in this country; it is the situation which has caused the Treasurer to introduce these Supplementary Estimates. Yet what do we get from that damned fool of a Prime Minister (Mr. Whitlam) in only the last couple of days? What has he been saying about the present situation? I have been fairly catholic in my selection of quotes this afternoon. Let us turn now to the *Australian* of Monday, June 9—two days ago. Under the headline "Prime Minister defends policies against press, Opposition" and the side heading "Australian people have never been better off"—

Mr. Duncan: Hear, hear!

Mr. MILLHOUSE: The member for Elizabeth says, "Hear, hear!" If we were to link the Federal and State parts of the Labor Party we could not do it better than in that way. Let me see whether the member for Elizabeth will go all the way with the Prime Minister despite the economic situation facing this country. According to the article in the *Australian*, the Prime Minister was apparently making a broadcast to Queensland. I understand that he has to make such a broadcast each week to that State because there are so few Labor Party men left in public life there that they have to rely on the Prime Minister

to talk on their behalf. Labor representatives were nearly wiped out at the last State election in Queensland. Let us see what he said—

Mr. Crimes: There's a nice old gerrymander up there.

Mr. MILLHOUSE: My good friends on the Government side try to divert from a point if the point is hurting. For that reason the member for Spence brings up the matter of the gerrymander in Queensland. What on earth has that to do with the Prime Minister's broadcast in Queensland? I certainly do not know. I am relying precisely on what the Labor Party Leader said previously about whether members on the Government side like him or not is up to them.

Mr. Crimes: I like him.

Mr. MILLHOUSE: In a radio broadcast on Labor stations in Queensland Mr. Whitlam said, "Ordinary Australians are more prosperous now than they have ever been." I will omit the reference he made in trying to play down the events in Canberra of last week, because that is not relevant at this time and it would hurt members on the other side too much.

The Hon. G. T. Virgo: Are you calling that—

Mr. MILLHOUSE: I do not know whether the Minister has talked to his friend Clyde Cameron in the last few days, but I know people who have talked to him and I therefore know how he feels now.

The SPEAKER: Order! The House is discussing State, not Commonwealth, affairs.

Mr. MILLHOUSE: The Prime Minister said that economic problems still existed, but Australians could take heart from the signs of improvement already apparent. He continued:

Of course, it's no time for complacency; there is still a need for steady judgment and a calm, rational approach to our difficulties.

He and his Government are good ones to talk about that. The report continued:

Mr. Whitlam said consumer confidence had increased, private investment was rising, and unemployment continued to fall. With the changes—

and I cannot resist this little one—

I have made in our Ministerial team, I believe we have an even stronger Government . . . The important thing to remember is that the Government's policies have put money in the pockets of Australians—

One would hardly believe that if one listened to the Treasurer talking about the State's finances. The Prime Minister continued:

Ordinary people are more prosperous today than they have ever been. Whenever you hear criticism of the Government's policies, remember this: the Australian people have never been better off—

so he says—

better off in the money they have to spend, better off in their real incomes, better off in the range of services and opportunities available to them from this Government's programmes.

Members interjecting:

Mr. MILLHOUSE: Let me finish this for the edification of the Prime Minister's supporters. He continued:

We have produced a society which has never enjoyed greater individual prosperity, greater opportunities, and greater prospects for the future.

That is the story that the Federal Leader of members opposite is peddling. How can one reconcile that trash which the Prime Minister put out to Queensland a couple of days ago with the reality to which I have referred in those quotations?

Mr. Duncan: It's the truth.

Mr. MILLHOUSE: The member for Elizabeth says it is the truth. I challenge the member for Elizabeth to follow me in this debate and to defend that interjection. I bet he will not, because he cannot. How can one reconcile that with what the Treasurer said? The point I now make is this (and it has been abundantly clear from the reactions of members opposite while I have been quoting from the Prime Minister's broadcast); that they must all take the responsibility for the economic situation in this State and in this country. It is often said that the South Australian Government stands up to the Federal Government. In fact, it does not do so in any of the essentials, because they are all members of the same Party, with the same objectives and policies, and we see this day after day. We have had a bit of shadow sparring about the State's finances and what is going to happen in Canberra next week. We will have an opportunity to develop that later. The fact is that, whatever they like to say, whenever it is convenient for them to disown each other, they work all the time hand in glove and, while not the whole of our economic problems in Australia are referable to the Labor Governments of this country, I am bold enough to say that most of our problems can be sheeted home to the policies of the Labor Governments in this country, first and foremost the Federal Government but secondly, in South Australia, the State Government, because in all things the State Labor Government in South Australia is in partnership with the Federal Government. I hope indeed that the people of this State will realise this. There is no such thing as a separation in outlook and in policy between the State and Federal Governments. They are one and the same—

The SPEAKER: Order!

Mr. MILLHOUSE:—and Government members must take their full share of responsibility for the sorry state in which we find ourselves and for the reasons why it is necessary for the Government to come to us asking for the extra appropriation of over \$20 000 000. That is all I want to say in this debate. We have a sorry situation, and it is not the responsibility solely of people outside South Australia: it is equally the responsibility of those who now come to us for money, as with their senior partners in Canberra.

Mr. EVANS (Fisher): In speaking to this debate, I wish to point out right from the beginning that the statement which was made by my Leader earlier and which the member for Mitcham has supported, that one cannot divorce the policies of the State A.L.P. from those of the Federal A.L.P. because they operate from the same rule book, is factual. The reason why the State Government, through the Treasurer, has to come and ask this Parliament to agree to the appropriation of an extra \$20 000 000, about nine months after the Treasurer's officials and his Cabinet colleagues formulated a Budget, shows just how bad they are at managing the State's economy.

Last August, this Government, the Commonwealth Government and every person in South Australia knew that we were facing an inflationary trend of 20 per cent or more and that, under present Federal and State A.L.P. policies, there was no way of stopping it. Yet, even with that knowledge, the Government could not budget within \$20 000 000. That is the factual situation facing us today. In one field, the Municipal Tramways Trust had a guarantee of a \$5 000 000 subsidy. Now, we are looking to give it an extra \$1 000 000. Although in recent times this organisation has been able to achieve somewhere near a balanced

budget, it now has a deficit of \$6 000 000, and possibly more. If this trend continues, next year it will have a deficit of \$10 000 000.

It is no good one's denying that the Government's administrative policies have helped achieve the disastrous results in this State's economy. One is a fool if one says that the average man in the street is better off. One should ask a young person who wants to purchase a house, or even to rent one not at a handout but at a reasonable rental, what he thinks. It is just not on. Housing costs have escalated by more than 100 per cent.

The Treasurer said in his preamble that we face this problem because of increases in costs and services, but who has created the increases in those costs and services? The Government's policy and philosophy has in the main caused the situation now facing us, and there is no denying it. It is interesting to see that in the Commonwealth sphere an attempt has been made to cover up that philosophy by saying that we are moving slightly right of centre, but that is only a face saver. Our Treasurer is facing the same problem. He has enough common sense to know that he cannot walk away from the fact that he has caused South Australia to reach this serious financial situation. The Government may ask where savings can be made. I believe there are areas in which we can save. For instance, why does the Engineering and Water Supply Department go to the extreme of contracting out to the railways? Why does it need to move into that field at all? Certainly, private enterprise can do the job more cheaply than can a Government department, and the Government knows that. Nevertheless, it seeks to expand the Engineering and Water Supply Department Construction Section and maintain it at an uneconomic level by requiring it to contract with the South Australian Railways to help construct the new electrified Christies Beach line. We know that that is not making good use of public money. We know that, at least, this contract should be put to tender, to see whether private enterprise can do the job at a lower cost (and I assure the Government that it can). The public knows that. The public has learnt to understand that there is a difference between the initiative and drive of private enterprise in getting a job done in comparison with Government enterprise.

I refer to the example opposite on North Terrace, and this involves the Public Buildings Department, too, in comparison with new construction. I refer to the modernisation of Parliament House and the construction of a new hotel on the other side of North Terrace. Honourable members can look over North Terrace at the construction of this building, which is continuing until all hours at night under electric light, because the contractors want to get the job done; they want to get the capital out again to make use of it so that it will have a real benefit to the community. On the other hand, in this building we have fiddled around for nigh on three years trying to obtain a satisfactory result. The sooner this Government realises, in the short time it has left, that it must encourage private enterprise, the better off South Australia will be. If that is not done in the next few months the people will make the decision, because they know what is best for their money. They know they do not get value for the dollars spent in many areas of the public sector in comparison with the private sector. I am ashamed to have to stand in this Parliament and see this Government now ask us to consider the provision of an additional \$20 000 000 only nine months after an attempt was made by it to estimate the costs of

running the State, which comprises the biggest business in South Australia, and it has failed to manage it properly.

Bill read a second time.

The Hon. G. T. VIRGO (Minister of Local Government) moved:

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the whole.

Mr. COUMBE (Torrens): I take this opportunity to initiate a grievance debate on the motion that the House forms itself into a Committee, in order to ventilate certain matters that I believe are seriously affecting the living standards and the cost of living of every man, woman, and child in South Australia.

The SPEAKER: Order! Is the honourable member deputed to represent the Leader of the Opposition?

Mr. COUMBE: Yes, Mr. Speaker, I have his permission in this matter. The average man and woman, the average worker and citizen in South Australia today is suffering from the effects of inflation. This has already been referred to earlier today, but I will mention it again. They are suffering from rising costs and excessive taxation. With all these factors put together the position is such that people in South Australia have never previously experienced it before in all their life. They are suffering under a Labor Government in South Australia and a Labor Government in Canberra. Both these Governments have the same philosophy, and although on occasions they may have a go at each other (they scrap with each other like paper tigers), when it comes to election time they are both out on the hustings together saying what great friends they are.

I should now like to give to the House information about certain facts that have arisen in recent months. True, this information will give people a jolt, although people generally are already waking up to some of the changes that are really happening. Of course, the events in Canberra last week were the last straw in many ways. However, I want mainly to refer to the position applying in South Australia, because this is the South Australian Parliament. The Consumer Price Index figures are provided by the Australian Bureau of Census and Statistics. This index is undertaken from time to time on a quarterly basis. It is a barometer of how well we are doing and how costly it is for people to live.

The quarterly figures released in April showed that the C.P.I. increase was the highest in Adelaide of all the Australian capital cities. The increase in Adelaide was 4.4 per cent in comparison with a national average of 3.6 per cent. I point out that we can ignore the base figure at this stage, because I am talking about the rate of escalation and the fact that the steepest increase in Australia occurred in Adelaide. The May figures released by the bureau showed that Adelaide had the equal highest price increases of food in Australia. These are fundamental issues which touch on the well being of the average man and woman in the street, and especially housewives.

The items to which I refer are basic items. Housing material costs, too, rose dramatically in the figures released by the bureau. True, Adelaide did not have the highest rate of increase: but it did have one of the highest rates of increase of all Australian capital cities. The excuse given to me by the Treasurer when I queried this was that the increase was the result of the cost of importation of timber. However, all honourable members know well that South Australia is renowned for its solid-construction houses. In fact, both the member for Peake and the member for Spence have some of the best produced bricks

in their districts in all of South Australia. South Australia used to have the lowest housing construction cost index in Australia.

The Hon. G. T. Virgo: South Australia used to have the worst conditions for workers.

Mr. COUNBE: Now careful—

The Hon. G. T. Virgo: The worst conditions.

Mr. COUNBE: The Minister seems to have woken up all of a sudden. The latest figures show that the position in South Australia is that we have one of the highest building costs in Australia. The people affected by increased housing construction costs are those people buying a house for the first time, such as a young couple, and people wanting alterations undertaken to their existing houses after they had saved up money to have the work done.

Mr. Simmons: Is this the construction cost index or the price index?

Mr. COUNBE: I have quoted the figures and I have given the House the categories from which I have taken them. The honourable member for Peake unfortunately just sits in the House for hours and hours, he does not say anything, he merely stares around. If he had paid attention, he would have known the context of the figures to which I have referred.

Members interjecting:

Mr. COUNBE: Let me go on; members opposite do not like what I am saying. The Minister is laughing his head off on the front bench (he has had little to do in this place at times), but he will agree that South Australia used to enjoy lower costs on basic items, but today South Australia appears to be the cost pacesetter in Australia. The cost of our basic living items is increasing, and South Australia is the pacesetter.

The Hon. G. T. Virgo: Give us the values of land.

Mr. COUNBE: Whose figures will we use on that? The Treasurer changed his figures regarding that matter three times a few weeks ago. I suggest that the Minister ask the Treasurer whether the true figure was the one that he gave the first time, the corrected one he gave the next day, or the third time. The figures vary between cups of tea.

The Hon. G. T. Virgo: You won't give the comparisons. They're too embarrassing for you.

Mr. COUNBE: No, they are not, and I know what is embarrassing. If I asked the Minister in charge of housing, whoever he may be now, to probe how the real cost of the houses erected on the Happy Valley subdivision were arrived at—

The Hon. G. T. Virgo: In Victoria and New South Wales, the costs are five or six times higher, and you know it.

Mr. COUNBE: Is the Minister trying to make the speech for me?

The Hon. G. T. Virgo: No, I am giving you the facts.

Mr. COUNBE: I have the clear facts, and the Minister cannot deny them. Not only is industry suffering but the South Australian housewife is the hardest hit because of these continuously increasing costs. Let us be frank and say that the costs are also increasing in other parts of Australia, but in South Australia they seem to be increasing more quickly if one looks at a comparison graph.

Mr. Simmons: It's not to say they're the highest, though, is it?

Mr. COUNBE: I did not say that. I was careful to say clearly that in some cases they were. The rate of escalation was the highest. One must ask oneself why these costs are increasing so sharply not only in Australia generally but here in South Australia, a State which, I must emphasise and remind the House, has price control, which many of the other States have not got. Obviously, the prices are increasing so sharply because of the Government that we have. To follow the matter up further, one must also say that it is because of the State Government's policy on taxation.

I recall that for several years South Australia had a cost differential advantage in relation to other States, and it is important to note that in that period we had our biggest industrial expansion. We could transport our manufactured goods by sea, road or rail to the Eastern States and compete successfully there. From the figures that I have seen, I believe that that differential advantage has now almost entirely disappeared. In fact, the pressed metal industry, which employs a large component of our work force in this State, is facing severe problems and some job opportunities are in serious doubt. I must ask whether we in South Australia have priced ourselves out of our job opportunities. That question is being asked more and more at present,

I turn now to the industrial side of our economy and industrial disputes. When one considers the figures available from various sources, whether from the Australian Bureau of Statistics, the monthly review of the employment situation issued by the Department of Labor and Immigration, or other tables, one sees a fluctuation in the number of working hours lost, and the number of industrial disputes, from State to State.

I make clear that the figure for South Australia is not always the highest, but what is staggering is the terrific and almost dramatic and tragic increase in the number of working hours lost in South Australia in the past year. Only yesterday the new Minister of Labour and Industry tabled the annual report of the Labor and Industry Department, which shows that the working hours lost through industrial disputes had doubled in 1973-74. The latest available figures from the Australian Bureau of Statistics give interesting comparisons. In 1973, there were 130 000 man-hours lost and in 1974 the number increased to the incredible figure of 316 000, or almost three times the 1973 figure.

Mr. Payne: Have you the figures for New South Wales?

Mr. COUNBE: I have stated clearly that the South Australian figure was not always the highest and that the figures for various States differed. However, I was giving the position in this State, and that is what I am concerned about. The figures are here for the honourable member to look at. The employment figures issued by the Department of Labor and Immigration show that in April, 1974, the number of unemployed in South Australia was 8 016, and in April, 1975, it climbed to 23 776.

Mr. Becker: That's mighty progress!

Mr. COUNBE: I refer now to what represents a comparison between the number unemployed and the number employed. The figure for April, 1974, of 8 010 represented 1.46 per cent of the work force unemployed but the figure for April, 1975, of 23 776 represented an increase to 3.94 per cent (almost 4 per cent) of the work force. At the same time, we must consider the position regarding unfilled vacancies, and several factors come into this matter. In April, 1974, the number of jobs vacant (or available) was 6 774. By April, 1975, this had dropped to 3 096. This is a significant matter that we must consider.

I put much of this down to the complete lack of business confidence in the community at present, brought about by various factors involving not only this Government but also the Australian Government. We have the Regional Employment Development scheme and the National Employment and Training scheme. I consider that these are to some extent giving a false picture of the employment position. The RED scheme, I believe, could fulfil, and does to a certain extent, a most useful and humane purpose in helping genuine cases of hardship. There is no doubt that it does that in genuine hardship or distress, although I will admit that there has been some abuse of the scheme. I do not want to elaborate on that at the moment, but simply to talk about the general philosophy of it. If they were run properly, without the bludgers (and I think honourable members realise to whom I am referring) who, after all, jeopardise the success of the scheme for the genuine cases, I believe these schemes could be useful and valuable in our community. The NEAT scheme has run into a few problems in retraining. Both schemes were introduced by Mr. Clyde Cameron, and I believe they would do a good job if they were properly run.

Do not let us fool ourselves for a moment about these schemes. They are, after all, of a temporary nature, being intended to provide temporary employment while permanent employment is sought for persons under the RED scheme or while they are being retrained under the NEAT scheme. We are concerned to see that the people accepted under these schemes obtain full and permanent employment. Therefore, I am suggesting that the figures relate to temporary jobs and are not realistic, and that the unemployment figures are really higher than those shown. The real problem, as I see it, is the lack of confidence in the private sector. The private sector of our community, whichever it may be of the various industries, provides 75 per cent of the work force of Australia, including South Australia. The number of permanent jobs is stagnating and the new job opportunities are simply drying up. I know this because of my movements in this area.

I believe this has been brought about as a direct result of Socialist policies both here and in Canberra. I remember vividly (and I hardly need remind the House of this) that the policies of the Whitlam Government were to suck dry many in the private sector and that profit was a dirty word until just recently, when suddenly it was found that cranking the printing press putting out the green notes was not sufficient and that someone had to pay the piper. Suddenly, Dr. Jim Cairns and later Mr. Bill Hayden said, "We must have profits after all", and so we have had a change of heart. Unfortunately, much damage has been done and many small companies have gone to the wall; they will never recover.

At the same time, I think taxation must be reviewed. Let us make no mistake about that. On the industrial scene the question of indexation has been floated, and learned dissertations and judgments have been made on it. Now comes the question: does taxation need to be subject to indexation? I believe that the whole field of taxation, both personal and corporate, must be reviewed. The tragedy occurring in Australia at the moment is that, whereas in 1965 a leading tradesman paid about 5 per cent of his gross pay in income tax, today he pays almost 19 per cent.

The Hon. G. T. Virgo: A single tradesman paid 5 per cent?

Mr. COUMBE: A tradesman.

The Hon. G. T. Virgo: Married or single?

Mr. COUMBE: I will give the comparison again. The average tradesman (the married man with 2½ or three children, the comparison used in award cases) paid about 5 per cent of his wages in taxation in 1965. A man in the same classification today pays 19 per cent. That is not fair to that man, to his family, or to the country. The only gain is to the Commonwealth Treasury, which is laughing all the way to the bank, taking 19 per cent out of his wages. Such a steep rise over that time is, I believe, criminal. The whole question of taxation must be revised, because the incentive to operate is drying up for that man, and many men no longer seek overtime, even if it is available.

The Hon. G. T. Virgo: When was the scale drawn up?

Mr. COUMBE: I take the point raised by the Minister, but it does not detract in any way from my argument that the position must be reviewed.

The Hon. G. T. Virgo: When was it drawn up?

Mr. COUMBE: Some years ago. I cannot give an exact year, but it was drawn up by a Treasurer of my Party.

The Hon. G. T. Virgo: You forget to tell us that.

Mr. COUMBE: I have said that that is the position, and I believe the scale should have been changed in the past couple of years, but there is no excuse for its not being changed now. When the man to whom I referred was paying 5 per cent of his wages in taxation a Liberal and Country Party Government was in office in Canberra. Under a Labor Government he is paying 19 per cent. That is the difference. Let us look at the corporate side of the issue. Never mind the big companies, because the majority of companies employing people in this State are classified as small companies, employing 50 or fewer people.

Mr. Langley: How many are they apprenticing? Very few.

Mr. COUMBE: I am talking about taxation. In the most recent Commonwealth Budget the Treasurer twice removed (Mr. Frank Crean) jumped up the tax on small private companies to 45c in the dollar. That is a fair old slice! No wonder so many companies are going to the wall and staying there. We are finding that not only is overtime vanishing but job opportunities and initiative are diminishing in our community. The only way we will get over this problem is for confidence to be restored to the community by a change of Government and a change of policy, with stable economic policies being brought into being.

Mr. Venning: In the ballot box, that will be the place.

Mr. COUMBE: The ballot box will tell the story, and perhaps earlier than many people expect. I refer now to a subject in which I have taken some interest. That is the matter of the company known as Austral-Asia Development Proprietary Limited. On March 4 last in this House I asked for details of the setting up of that company, an organisation which was to trade between Adelaide and Penang. In reply to my question the Treasurer said that two companies had been formed and incorporated in South Australia and Penang. From his reply it would seem that the South Australian Government was involved in shareholding to the extent of \$50 000 through the Industries Assistance Corporation. The Treasurer then, because I pressed the matter, offered to provide me with the memorandum and articles of association of the companies involved. So far so good, but that was on March 4—three months and one week ago. To date I have not received any reply to my request. I even

contacted his office five or six weeks ago and asked whether I could have a copy of the papers. However, they have not arrived on my desk and I have not yet received them. Are we having another Watergate, another Canberra show, where papers are being taken away? Why are the papers being hidden? Why can I not get them? In the past we have had trouble getting reports from Government departments. They have been withheld from the Opposition. Why have they been withheld? Is this the type of open government we hear so much about?

Dr. Tonkin: It would have been more open this afternoon than it was this morning.

Mr. COUMBE: I believe that the Government is splitting wide open.

Dr. TONKIN (Bragg): I wish to bring to the attention of the House a matter which causes me concern and which is affecting many people in the community. It seems from reports that have been given to me that the Government is acquiring land when it does not have the funds to do so. As a result of the lack of Government funds, people are being forced to delay for up to 18 months or longer before they can begin to build again and make other arrangements in lieu of the building arrangements that they made in the first instance. These costs are not covered in their compensation.

Building costs in South Australia have gone up by an estimated 36 per cent to 40 per cent in the past 18 months, so we can realise what an imposition this is on people who have their land acquired by the Government. The matter I shall raise came to my attention last month. The people concerned had purchased a block of land in the eastern foothills. Because they worked in the Far North, they came back periodically and looked at their land (a beautiful site) and looked forward to the day when they could retire from their difficult conditions in the Far North and return to Adelaide and build the house that they had always dreamed about. They applied to the East Torrens District Council on October 16 for permission to have their plans approved, and at the following council meeting on November 20 the council approved the plans.

A little time later they were approached by the Minister of Environment and Conservation and asked whether they would go to see him. On January 29, 1974, they conferred with the Minister, who said he intended to acquire their land, and he confirmed this intention by a letter dated February 6, 1974. These people were upset at the prospect of having their property acquired, because they had been very much looking forward to building. They had had detailed plans and working drawings prepared by an architect, and they had a model of the house they intended to erect.

Then, they were told that, because of objections that had been lodged, the Minister was about to acquire their land. They were not particularly happy about this. Indeed, they were particularly unhappy about the price offered to them as compensation, because it was nowhere near the equivalent price of land and not comparable with what they had paid for it in 1969. Generally, it was quite unsatisfactory. They discussed the matter and decided they should seek legal advice, which they did. The firm of solicitors acting for them took every possible step on their behalf, but the solicitors were forced on July 15 to write to the Ombudsman as follows:

Our clients intended to erect a dwellinghouse on this land. The land is situated on a delightful setting with extensive views. It enjoys the advantages of being close to the city but removed from adjacent housing development. It is surrounded by wooded slopes and was chosen by our

clients after considerable searching. It is regarded by them as being rather a unique building site. Our clients did not immediately proceed with the construction of the house property for business and other reasons.

They prepared plans in 1973. Then, the solicitors outlined in the letter to the Ombudsman the course of events. By letter dated March 12, 1974, the Land Board made an offer as compensation. The sum turned out to be 60 per cent of the sum finally agreed on. On March 18, 1974, the solicitors informed the Land Board that the offer was too low and could not be accepted by their clients. On April 10, 1974, the Land Board telephoned complaining about the tenor of a letter that had been sent. No notice of intention to acquire had been issued.

The solicitors considered that it was necessary to seek an assurance that costs incurred would be paid so that, if the acquisition did not proceed, the additional costs would be covered and, if the acquisition did proceed, the people would be able to build their house, or a similar house elsewhere, and not suffer financially. There was a tremendous amount of departmental procrastination and in July, 1974, the solicitors complained to the Ombudsman that, because of the procrastination, their clients had incurred a delay of at least six months at a time when building costs were increasing alarmingly.

Little did they know that their wait would be extended even further. Although the people had resigned themselves to the fact that they would not be able to build on that site and had taken steps to build on another site, having raised a loan to do so, the solicitors were obliged again to consult the Ombudsman in August, 1974. The Ombudsman wrote back to say that he had been informed by the Director of Environment and Conservation that the Minister of Environment and Conservation had now directed that a notice of intention to acquire be issued.

On September 9, once again a letter was sent to the Ombudsman because no further action had been taken by the Minister, and no notice of intention to acquire had been issued. No guarantees were given by the department, and the Ombudsman was again contacted on April 29, 1975. Finally, the Ombudsman was able to say that the Minister would issue a notice of acquisition—nearly 18 months after the original request from the Minister in his office. The sum, finally agreed on would be paid as compensation for the value of the land and all items of disturbance, but they would not pay portion of the architect's fees already incurred through the people designing their first home. There would be liberty for the person to claim those fees under a separate item. Interest on the amount payable was not really due until a notice of acquisition had been issued, and even at that stage a notice of acquisition had not been issued by the Minister. In response to that letter, the solicitors received a notice saying:

No notice of acquisition can be issued at this stage, since the Minister does not at present have sufficient funding to enable any settlement to take place.

This was 18 months after the Minister had approached these people, persuaded them that he would acquire their land, got them into a position where they had to put aside their costly plans, had to look for another building site, had to acquire that site, raise a loan, and prepare to go ahead with building a new house on their new site, after being delayed for 18 months, during which time building costs had increased by 40 per cent, and at the end of that time they had received no money whatever. I understand that this week, I am told in response to a letter I wrote to the Minister, moneys have finally become

available and are being paid in full settlement. The only answer I could get when I rang the Minister's office was, "The State Treasury has no funds to meet this acquisition. We will have to ring Mr. Uren and ask him to make a special grant available." This is not good enough. I am not against people having to give up their land if it is in the community interest, but there must be a good reason for it. However, if they are obliged to have their land acquired, the Government has every obligation to settle as soon as possible and to ensure that people do not undergo any more hardship than is absolutely necessary by that move.

Mr. DEAN BROWN (Davenport): I will grieve on two subjects, the first relating to the Morialta Children's Home Incorporated and the second relating to new towns and the Monarto experience. I make an urgent plea to the Government to purchase the Morialta Children's Home as a permanent home or centre for underprivileged and disabled children. This arises from a letter to the press this morning, in which it is said that the home is due to be sold at the end of June. I understand that the lease has now been extended for a temporary period of two months and that it is now intended to sell the home at the end of August. I initially raised this subject in the House 18 months ago, (in November, 1973) and made a plea to the Government then. I will now put my case to the only Minister present in the Chamber on why the Government should immediately purchase the home, which is currently owned by the Morialta Children's Home Inc. and which is leased by the Children's Foundation of South Australia.

The temporary lease will expire at the end of August and, apparently, the home will then be up for sale. There is an urgent need in this State for a suitable hostel that could be used by children during weekends and school holidays. The foundation wishes to purchase the home to continue its work; it has already had access to the home for over a year. Unfortunately, the foundation will have insufficient finance to purchase the home when it is up for sale. I believe the responsibility should therefore lie with the Government to purchase the property and make the necessary alterations so that the home once again could be made available to the foundation and other similar organisations.

I understand that several organisations representing disabled children would also like to use the home's facilities, organisations such as the Diabetic Association of South Australia, the Asthma Foundation, the Crippled Children's Association of South Australia, the cystic fibrosis organisation and other special schools that cater for disabled children. If this centre was obtained, many handicapped children in this State could benefit from the facilities available. I have a grave fear that, seeing the sale is in 2½ months time, the Government will put forward the excuse that it has had insufficient time even to consider the proposal, let alone raise the necessary finance. However, this is not a sufficient excuse, because I raised this issue and made a plea to the Minister of Recreation and Sport in November, 1973, to consider purchasing the home. The Minister on that occasion promised to consider the matter, but he has never come back with a reply, and now the time has arisen when the Government must decide immediately. I make a plea that the Government consider the matter favourably and purchase the home for the children's foundation and for other organisations representing disabled children.

The second subject I will touch on is my recent experience of seeing new towns overseas and of relating this experience to Monarto. I have just returned from overseas. While I was away I saw many new towns in England,

Scotland and France, and I am now convinced more than ever that Monarto is not required in South Australia in the near future. I will give the basic reasons why I have formed the opinions I have expressed here on many occasions. New towns are numerous within the countries I have mentioned, but whether or not they have been successful is somewhat debatable. However, I thought many of the new towns I saw could be classed as reasonably good successes. There are five basic essential characteristics in all of these new towns which appeared fundamental in any success they could have. The first was that they were built basically to relocate large population groups already existing in crowded and often multi-storey old housing developments; in other words, what we would classify as slum or near-slum conditions. So, the first important point was that there was a large population group in an existing town living in near-slum conditions that needed to be relocated.

Secondly, the towns were generally just outside a large existing population base or centre, normally between 16 kilometres and 24 km. There was one exception, that of Glenrothes, which I understand is about 50 km from Edinburgh. In that case, it was required to take two-thirds of its population from Glasgow, which is on the other side of the country, because the city officials are trying to redevelop the slum areas of Glasgow. So, the second point was that they were close to the existing population centre, even closer than Elizabeth is to Adelaide.

The third important characteristic is that most of the new towns already had an industrial base, invariably on the outskirts of the existing population centre. Take a new town like Runcorn, which is situated 16 km from the centre of Liverpool. There was already the massive population centre of Liverpool and Manchester and there was the large industrial base of Ford. Runcorn was based just across the river about 3 km from the Ford works. All of these new towns basically had this existing industrial base. Again somewhat as an exception was Glenrothes. In that case, the industrial base was there, but it closed down four years after the town was started, but luckily a new nucleus of electronic industries had already become established before the existing coal mine, which used to employ most of the population of the town, closed down.

The fourth major point is that the new town had a high percentage of its population involved in the town's employment. That is significant. In the case of Glenrothes it seemed to be well over 50 per cent; I could not get the exact percentage. The Treasurer has said that, for Monarto, it will be about 13 per cent.

The fifth point was that in all cases the central Government of the country had the ability to dictate where industrial development should take place within that country. We know in South Australia that our State Government may have the power to try to dictate where industrial development will take place here, but it certainly does not have the power to stop a company from developing in Melbourne instead of in Monarto, which I think the companies will do. So, these characteristics seem to be essential for a new town's success. On all five points, I believe that Monarto has fundamental weaknesses and absences. Whilst overseas it also became evident to me from looking at some of these old large cities that we cannot allow Adelaide to continue to expand indefinitely; I am now talking of cities, say, 10 times larger than Adelaide. I accept that there must eventually be some limit to the growth of Adelaide.

Surely if we look at the problem within South Australia now the real answer lies in trying to stop the decline in population of so many of our larger country towns and

cities. We should concentrate on trying to establish new industrial bases in towns such as Port Pirie, where there is a high unemployment rate and a declining population rate, I understand. We need to stimulate growth in other country towns. We have several major towns in this State, such as Port Lincoln, Port Augusta, Whyalla, Port Pirie, Mount Gambier, and many others. I discussed Monarto with several experts overseas and they said that they could not understand how the philosophy of a new town like Monarto could work, and urged me to adopt the policy of developing our existing towns in country areas, which would cause a diverse spread of the population throughout the State.

Mr. BECKER (Hanson): The first matter to which I draw the attention of the House and which has concerned me for some years is the increasing incidence and activities of people starting what have been commonly referred to as massage parlours. The latest establishment of a massage parlour occurred in Augusta Street, Glenelg East, in what could be termed a first-class residential area. The massage parlour was opened in what had been a private hospital, and it commenced advertising on May 19. Unfortunately, the address was given wrongly as 34 Augusta Street instead of 54 Augusta Street. The elderly gentleman living at 34 Augusta Street was plagued by many callers and had to place a sign outside directing people to the correct address. It is incredible that people living in good quality residential areas are being plagued by the activities of these organisations. The weakness rests with the Planning and Development Act. This area is zoned Residential 2, but there is little the council can do to stop the establishment of this sort of operation, and the police cannot do much, either.

Mr. Gunn: What sort of operation? Be more explicit.

Mr. BECKER: I suggest that the honourable member inspect the place. I have never been inside one and do not intend to find out. Because of the concern of my constituents in this area and those in other parts of my district in which these so-called parlours have commenced operating, I interviewed one of the proprietors, and he openly admitted that it was a front for a brothel. He said that he was sick of being hounded by councils and the police, and had moved from North Adelaide a few weeks before. We kept up the hounding, and I think he has moved back to North Adelaide. We were glad to get rid of him, and so were residents of the area. Many home units have been constructed in East Glenelg, and most people there are either retired, widowed, or widowers, and they are elderly. It is annoying to these people when patrons of these parlours knock on their door and ask, "Where are they, and how much?"

The council is also concerned to such a degree that it wants to take some action but has found it extremely difficult. Much time of the council's staff is taken up in trying to police the activities of these organisations and deal with complaints by residents in order to resolve the situation. Recently, a change has occurred in the advertising of these parlours: they have now become known as health clinics offering other services as well as a massage. The only way to overcome the problem of parlours being established in residential areas would be to include in the Planning and Development Act a definition of health clinic and massage parlour, and by that means give councils the chance to stop this sort of operation from establishing in a residential area. Unfortunately, it will be difficult to stamp out this practice because, if the operation is constantly hounded, it will go underground. That is when the

criminal element is encouraged, a circumstance that has been found in other countries. If we are to tolerate the existence of these establishments in our society, perhaps it would be better if they were established in a shopping centre or a light industry area, but certainly away from a residential area. Regrettably, the Minister of Environment is not present, but I make the request to the Government and plead for it to consider amendments to the Planning and Development Act and provide zoning laws that would assist councils and residents to solve this problem. The Government has stated and claimed much about price control and consumer protection. Whilst I believe it is the duty of Parliament to protect people and ensure that they receive a fair go, I am disturbed at the tactics used by some people who can only be described as racketeers.

A case was referred to me by a constituent whose pensioned mother and father recently visited the city from the country. They parked near a building in a vacant allotment, but the vehicle, a Morris 1100, became bogged. The husband, who had to visit the dental clinic for treatment, told his wife to ring up a tow-truck operator and get the car out of the bog. The tow-truck operator arrived and said, "Right-o, have you any money?" The woman said, "Yes, how much will it cost?" He said, "\$46 to pull the car out." He then said, "Well, seeing you are a pensioner, I will charge \$40". The daughter of the pensioners asked her parents whether they had received a receipt and had been given a name and address, but on checking with the operator it was found out that the organisation did not worry about receipts and names and addresses. However, it was found that an itemised account would be sent if required.

Three days later this account arrived, and the total of the bill was \$69.50. The parents of my constituent claim that it took 40 minutes to pull the car out of the bog, but the tow-truck operator claimed that it took two vehicles and four men about four hours to get the car out, at a cost of \$69.50. The problem is to try to resolve this situation and get someone to arbitrate in matters relating to the cost. This is where the big rip-off is involved. Who is to prove who is in the right; who is to prove that the ordinary person gets a fair go? The Government has said much about consumer protection and giving a fair go to ordinary people, but has failed.

Mr. MATHWIN (Glenelg): I rise to draw attention, especially that of the former Minister of Education and now Minister of Housing (who unfortunately is not here but who I assume will read my comments), to certain problems regarding the statement made by the newly appointed Minister of Education (Hon. D. J. Hopgood) when he was Minister in charge of housing. On February 20 this year I asked a question about high-rise flat development and the housing of aged pensioners in that type of housing. I asked him whether the Government was going to persist with this type of housing, to which the Minister replied that, although the policy of the Government was to scrap the high-rise development at Elizabeth, such policy should in no way be interpreted to mean that the Government was abandoning the concept of high-rise accommodation for pensioners. The Minister went on to say that the Government was looking at other sites that could be used for this type of development. He said the Government was considering other sites nearer to facilities and nearer to the city.

Nevertheless, the Minister indicated that the Government's policy was to build high-rise accommodation for pensioners. I want members to realise that my argument

relates only to housing pensioners in this type of accommodation; I have no argument at all about other people who choose this type of accommodation and who can freely buy flats, units or any other accommodation in which they can live contentedly. The situation does not apply to them, as it does to many pensioners who have no other choice. Pensioners obviously want low-rental accommodation. That is why they apply to the South Australian Housing Trust, saying that they prefer small, ground-floor units. They are told by the trust (as members well know) about the long waiting list for this type of accommodation and they are told that they can have such accommodation but that they may have to wait about six years for it. However, pensioners may well be told that accommodation is available for them on, say, the tenth floor of a building and that they can move in immediately. They then have a choice between moving immediately into high-rise accommodation and having to wait many years for the accommodation they really desire.

The new Minister of Housing should research this matter and look at the costs involved. He must realise that it takes longer to build high-rise housing than it takes to provide normal residential accommodation comprising one or two storeys; in some cases it takes five times longer. The Minister must also consider the maintenance of this high-rise housing, involving many problems and various tradesmen. The biggest maintenance cost for high-rise development relates to lifts, experts saying that one lift should be provided for each four storeys. One can imagine how colossal the maintenance costs would be. A builder certainly does not worry about whether the building he is erecting can be demolished, and in the heart of London is a building which has been empty for about nine years and which cannot be demolished because of its form of construction and because of the problems it would create in the surrounding area.

One of the greatest psychological problems facing pensioners is loneliness; they are cut off from the world when living in high-rise housing. If pensioners live in normal houses or home units they see schoolchildren, the postman and other people passing by each day. They may not speak to them but they are aware of them. The converse is the case in high-rise accommodation. The simple task of posting a letter from the tenth or eleventh floor is a colossal task for a pensioner, who must take the lift to the ground floor, usually cross and walk down a street, post the letter and walk back again. Living in high-rise accommodation involves an aspect of lack of safety that is often too ghastly to consider. Problems relating to fire and such matters are considerable. The concept of providing a foolproof method of escape in a vacuum-type corridor has been proved entirely wrong.

If developers erect steel fire-escapes on the outside of buildings, surely pensioners cannot be expected to use them if they live, say, on the twelfth or thirteenth floor. In fact, it would be difficult in an emergency for any of us to get from that level to the ground floor. What other choice is there? Apart from a lift, I suppose pensioners could use a chute to go from the fifteenth storey to the ground floor! The Minister, if he considers the policy the Government has adopted, will see that it is entirely wrong and needs to be reassessed. At a conference, held at Oxford in the United Kingdom, dealing with tall buildings and their effect on people, it was stated:

... there has hardly been a single tall housing block approved in England and Wales during the past year, and even the future of the tall office block looks considerably bleaker than in the heyday of the property boom. ... Such opinions are certainly backed by the statistics. Many

local authorities, having once pinned their hopes on tower blocks, now refuse on principle to build high-rise housing. In 1968, almost 20 per cent of the housing planned by local authorities was in units higher than five storeys. In the second quarter of 1973, that figure had fallen to a paltry 2.4 per cent, and none of these units was higher than nine storeys.

That relates to general housing, but my emphasis is on pensioner housing. It seems to me, therefore, that the Government and the Minister of Housing should reassess Government policy on this matter.

Mr. GUNN (Eyre): In participating in this debate, I should like to raise one or two matters, the first of which concerns a subject referred to by the member for Mitchell during the speech made earlier this afternoon by the Leader of the Opposition. He said that the Leader of the Opposition and I had acted in a deplorable fashion as members of the Select Committee that investigated this Government's unfortunate decision to ask the taxpayers of this State to underwrite the financial losses of the Trades and Labor Council. We made clear on that Select Committee that we had nothing personal against the trade union movement or individual members of unions, and we went out of our way to try to investigate the position.

It is indeed interesting for one to read the transcript of the evidence taken by the Select Committee. I asked a pointed question of one gentleman who was called before the committee and, when he refused to answer it, the present Minister of Labour and Industry said that the question was unfair. Let us see who was at fault. It is obvious that that Minister, as a former member of the management committee of the Trades and Labor Council, did not want the public, the Leader of the Opposition or me to have access to information that certainly would have reflected on his ability to administer anything, let alone a Government portfolio in this State. The member for Mitchell should take a look at the records of his colleagues before he tries to pour scorn on the Leader of the Opposition, who was merely discharging his rights and responsibilities on behalf of the taxpayers of this State. If the honourable member wants to continue making such scathing and incorrect attacks on the Leader's integrity, I challenge him to tell this House and the public why Mr. Giles would not answer my questions, and why the member for Adelaide (now Minister of Labour and Industry) tried—

The SPEAKER: Order! In grievance debates, honourable members have much latitude. One fundamental principle is involved, however, and it must be adhered to even in a grievance debate: I will not allow lengthy discussions on matters that have already been discussed in a previous debate in this House. The honourable member for Eyre is doing that, and I ask him to confine his remarks solely to the grievance debate.

Mr. GUNN: I think I have said sufficient to justify the the course of action that the Leader of the Opposition and I have taken, and it will be interesting to see whether anyone opposite takes the opportunity on another occasion to justify his own shabby course of action. In speaking in this debate, I should like to thank the Parliament for giving me the opportunity recently of attending the thirteenth Commonwealth Parliamentary Association regional convention which was held in Brisbane and which you, Mr. Speaker, also attended. It gave you and me an opportunity of meeting many members of Parliament from Australia and the South Pacific, a region in which we as Australians should be interested and which we should do all in our power to assist, as these people are our closest

neighbours, living in a region that is certainly crying out for technical assistance. It was obvious from having long discussions with those delegates that they looked to Australia for assistance.

Mr. Venning: Did you enjoy Mr. Speaker's company?

Mr. GUNN: Yes, and I am sure that the Speaker, with the other delegates, enjoyed himself as much as my wife and I did.

[Sitting suspended front 6 to 7.30 p.m.]

Mr. GUNN: In respect of our closest neighbours in the South Pacific region, I believe that Australia should use its facilities to assist them, especially in bringing to this country representatives from the South Pacific to show and teach them what we are doing, especially in primary industry, which is of such interest to people in this region. This view is reinforced by the comments made by my friends from Fiji in the few days we had together after the conference. These people are keen to come to Australia to investigate our farming methods, especially those involving beef cattle and sugar cane production. If this Parliament wanted to make a positive contribution to assist people in the South Pacific region, it would be in our best interests to assist people from the region to visit South Australia. Not only would these people gain much from the experience but South Australia would also gain, because this type of personal contact is so important. Having discussed many of their problems with the representatives of this region at the conference, I had a completely different outlook in relation to those problems.

In the remaining five minutes I have, I wish to refer to the current state of the economy in South Australia. I refer to the deplorable policies being inflicted on South Australia and the Australian community at large. These policies have been promoted by this State Government and the Commonwealth Government, and it is time that the Treasurer and his colleagues accepted their share of the blame for the rate of inflation and the chaos that is rampant in Australian today. If there was one Government that went out of its way to try to convince the Australian people that it would be in their own best interests to support the Commonwealth Labor Party, it was the Treasurer and his Ministers, especially the Minister of Transport. I remember the Minister's abusing honourable members on this side for their continued support of the McMahon Government. What a tragedy the present Commonwealth Government has been for the Australian nation. The Treasurer must accept full responsibility for the 20 per cent inflation rate, record unemployment, the reducing rate of productivity and all incentive being destroyed. Members of this Government and people generally should turn back and see what was said on that fateful occasion in 1972, when the now Prime Minister, that plausible rogue who masquerades as a statesman (that is how Bill Wentworth describes him)—

The Hon. G. T. Virgo: With Bjelke-Petersen and him you would be a great trio.

Mr. GUNN: It was an apt description. I am happy to stand anywhere with Bjelke-Petersen; I am not ashamed to be associated with him.

The Hon. G. T. Virgo: You and he would be a great pair: the greatest reactionaries of all time.

Mr. GUNN: I make no apologies for saying that I would be happy to stand on the same platform as Bjelke-Petersen and Gordon Chalk at any time. Certainly, the people of Queensland showed whose word they would accept.

Mr. Burdon: What about having a look at the faces of some of your colleagues on the front bench?

Mr. GUNN: If I may be permitted to continue, Mr. Speaker. In 1972, the Prime Minister delivered his policy speech, but it turned out to be nothing more than—

The Hon. G. T. Virgo: A winner.

Mr. GUNN: A short-term winner, but it has just about caused the destruction of the nation.

Members interjecting:

The SPEAKER: Order! We have a new amplification system. We do not want it to break down. Will honourable members please not place such a severe strain on it? The honourable member for Eyre.

Mr. GUNN: Thank you, Mr. Speaker. Members opposite obviously do not want me to continue. I want to remind them of what the Prime Minister said. In 1972, he stated:

Do you believe that Australia can afford another three years like the last 20 months?

We certainly cannot.

The Hon. G. T. Virgo: Do you want to go back to McMahon's day?

Mr. GUNN: We have had three Treasurers in less than 12 months. How much longer is the current Treasurer going to last?

Members interjecting:

Mr. GUNN: Will he be allowed to introduce the Budget? I am concerned that whoever is the Treasurer and in charge of the country's economy and of laying down the guidelines of economic growth will be given the opportunity of putting into effect—

The Hon. G. T. Virgo: How often did McMahon change his Ministry?

The SPEAKER: Order! If the honourable Minister of Transport wants to speak he has the right and I can give him the call. The honourable member for Mitcham.

Mr. MILLHOUSE (Mitcham): I want to raise two matters in this debate. One arises out of the answer which the Treasurer gave this afternoon to the Leader of the Opposition regarding the case to be put by the State Premiers next week in Canberra; and the other concerns particularly the Minister of Works. I am glad to see that he is in the Chamber, and I hope he will be able to remain. First, I want to deal with the most extraordinary and stupid admission which the Treasurer made this afternoon regarding the case to be put by the Premiers in Canberra. I have known the Treasurer for a long time, and I know that he is not very good at negotiating, but it was an extraordinary lapse this afternoon for him to say (and I made a note of the things that he said about the case which he and his fellow Premiers are to put in Canberra next week) that it was merely a reasonable proposition for the commencement of reasonable discussion and negotiations, that the Premiers had not taken a hard and fast position and, above all, that the details of the amount sought are subject to negotiation.

I have heard the Treasurer in this House say time and again that he will not signal his punches, yet that is precisely what he did this afternoon. Having taken pride yesterday in claiming that South Australia led the way in working out the case to be put by the Premiers, he came along this afternoon and may be he was caught off-guard—he said to me in reply to my interjection that it was not a difficult question and, in fact, it was not, and he

admitted that the Premiers would not be fighting for as much as they had put in the case. That was an extraordinarily stupid thing for him to have said.

If he were genuine in the case that was put and really believed that the States should get what has been contained in it, for him to put in that way one day, and then the next day say that we do not want as much as that and are willing to negotiate, is an invitation to the Commonwealth (and God knows it does not need one from the reaction we have had) to offer less, and not to take seriously the case which the Treasurer said yesterday he had taken a leading part in putting together.

I could scarcely believe he would say such a silly thing if he had been genuine. I was not able to ask him a question about it because the Liberal Party then went off on a frolic about Medibank and there were no more questions. However, if I had had a chance, I would have questioned him there and then about it, especially in the light of the report in today's *News*, which is quite different from the attitude he took in this place. This is what Rex Jory wrote, following what the Treasurer told him:

The Premier today threatened to take his fight for more money from the Federal Government to the Party. He would do this if the exercise of trying to produce some viable means of the States living with the Commonwealth proved fruitless. He agreed with Mr. Wran that "all hell would break loose if the Federal Government forced the States to impose new taxes at next week's Premiers' Conference."

Either that was written for the Treasurer by a press secretary and he did not know about it, or the Treasurer completely forgot about it when he came into the House this afternoon. The Treasurer should know that, in negotiations like this, one asks for the highest amount one can reasonably support by argument, and one does not thereafter, before getting to the negotiating table, say, "Well, of course, that is only a basis for negotiation, and the matter is negotiable." That is a fool of a thing to say, and it shows what I said a few minutes ago, namely, that the Treasurer really is not a good negotiator. The only other explanation is that he knows the States will not get anything like what they want and he is preparing the way for the climb down, for some excuse, next week, after the Premiers' Conference.

When I went home this evening, I was able to listen to the news commentary on the national station. The commentator on *This Day Tonight* said what we all know: that really nothing has changed for all the blow we heard this afternoon about the Ministers getting together first, and it all being smooth. It will be exactly the same thing we expect, and the Premiers will come away again, just like *Oliver Twist*, asking for more. That is the comparison that has been made *ad nauseam*. My second point is something for the Minister of Works, and it shows the hypocrisy of this Government. Some time ago I was approached by a man who lives at Port Noarlunga, he having had no satisfaction whatever from his own member.

Mr. Langley: I've got one on you, now.

Mr. MILLHOUSE: I do not know whether the member for Unley is being encouraged to take part in this grievance debate. Perhaps he will follow me.

Mr. Langley: No, I am encouraged by your attitude.

Mr. MILLHOUSE: This man told me that he and several friends were fond of long-distance running and had been in the habit, for several years, of running around the Happy Valley reservoir, a distance of about 11 kilometres. There are tracks around the reservoir, and it is a place where they can train. Most significantly it is one

of the few places in the southern metropolitan area where people can jog or train off the bitumen. There are no other reserves.

Mr. Langley: What about the sporting fields?

Mr. MILLHOUSE: I ask the member for Unley please to let me finish what I am saying. For several years these people have used the reservoir surrounds for this purpose, but recently they were warned off by a man who was driving a motor car in the reserve. As the man who approached me pointed out to me, driving the motor car caused more pollution and damage to the undergrowth than did a few men running in sandshoes. However, the man was told that they would not be allowed to run around the reservoir reserves, at Happy Valley or anywhere else, in future. I wrote to the Minister about this on April 8, and it was not until I wrote to him again on May 22, having had only the formal card of acknowledgement from him, that I received a reply from him on that date. The Minister stated:

The Government's policy on water pollution—

pollution, if you please, by a few men running around the reservoir—

control states that the public are excluded from reservoir reserves and other waterworks installations used for the collection and distribution of water supplies except at designated viewing areas. It has been the practice in the past to prohibit the entry of all persons included bushwalkers, bird watchers and fishermen from entry to reservoir reserves and no change to the policy can be made in this case.

We have a Minister of Sport. Admittedly, that portfolio has been banished to the Upper House, but what possible harm can people do by training, running around the reservoir, whether at Happy Valley, Thorndon Park, or at any other reservoir? These men have been doing it for years without any ill effects, but now some officers of the Engineering and Water Supply Department has decided that this is a bad thing, and the Minister has backed him up. I may say that, before I went to the Minister of Works, approaches had been made to the Minister of Environment and Conservation and to the Director of the Engineering and Water Supply Department, but they said that it was something that only the Minister of Works could decide. They were too frightened. Even the colleague of the Minister of Works was too scared to make a decision. If the Government is really genuine in saying that people should be allowed to get fit and should take pleasure in natural surroundings, why has this decision been made?

The Hon. J. D. Corcoran: Why didn't you, when you were a member of the Playford Government, see that adequate reserves were set aside?

Mr. MILLHOUSE: The Minister is now biting back. I was never a member of the Playford Government, and whatever has happened in the past, the fact is now that that is one of the few areas that the people in the District of Mawson have to use for this purpose and they are being denied it by a policy of this Government. I may say that I was a little dashed when I telephoned Peter (I will not mention his surname), the man who had approached me, because he said that, during the winter it did not really matter much, that it was too short a distance for them. I asked him how far they liked to go, and he said that—that they would do about 40 kilometres a day, and this was only about 11 kilometres, so it did not matter for the next few weeks.

The SPEAKER: Order! The honourable member's time has expired.

The Hon. J. D. Corcoran: It won't matter again, either.

Mr. Millhouse: We will see about that.

Mr. CHAPMAN (Alexandra): I welcome the opportunity to take part in this debate. I should like to mention two matters on this occasion. The economy and industrial enthusiasm, community costs, and standards of living naturally are, and ought to be, responsibility of every nation's managers. Because the Governments in Australia, the Australian Government and the Government in this State, have broken down in this area, our Opposition from time to time tries to bring to the attention of the Government these matters, which are of paramount importance.

I, along with many other members on this side, am concerned about this mismanagement, and this occasion is an opportunity for us to bring this matter forward to the Parliament and plead with the Government for its consideration and adoption of some alternative methods in order to bring the economy back into line. Several times in this type of debate I have been branded as one who ventilates personal attitudes towards encouraging enthusiasm in industry, in the public and private sector. I have been branded with all sorts of names for my theories about industry generally, and on this occasion I do not intend to go over old ground, except to say that I believe that the only real way to inject enthusiasm back into the economy and industry generally, is to take away those incentives that exist among the unemployed which prevent them from fronting up again to the industrial wheel.

The unemployment benefits paid in our community are quite disturbing, because, as a result of commune-type living and other tactics that unemployed people in this country are adopting, in many cases they are better off remaining out of industry than they would be if they re-entered the field of work. I believe that serious consideration ought to be given to reviewing the system of assisting those persons who are anxious to work but are unable to find employment, and I bring to the attention of this House, particularly for the Government's consideration, a system which has come to my notice and which I understand has been adopted in Holland. It may still be in operation. The system as presented to me is along these lines: If one, through misfortune or for any other reason, is unable to continue in his employment, he is not paid an unemployment benefit which is part of his take-home pay, but he is paid an unemployment benefit equal to the total of his take-home pay. That payment is made to him by the Government employment office for a period of six weeks only, and in that six weeks there is a direct responsibility on the unemployed person to find for himself or at least seek to find suitable employment (I mean employment suitable to the employee, not to the Government agency).

If at the end of the six-week period the unemployed person, having enjoyed his total take-home pay from the Government, is unable to find suitable employment, he is required to reregister at the department office and accept any form of employment, whether it be suitable to his liking or not, and with only one other alternative, which is that on failure to accept the nominated employment he shall, from there on, be without any benefit at all. Although this might not be the total answer to bringing our people back into the work force, I think it is a fair and reasonable system that should be considered for adoption in this country. Somehow it is essential that the unemployed should help themselves and not be dependent totally on the Government or other public assistance during these periods of unemployment.

The other subject I wish to ventilate briefly is one that has concerned me for the whole of the time I have been in this Parliament and faced with a Government which, from time to time, expands its policy of opposition to racial or sexual discrimination and which sometimes pretends to expand policies against economic discrimination. I have brought to the attention of this Parliament on many occasions an instance in this State of gross economic discrimination to a section of the community. By the isolation of Kangaroo Island and the disability involved in relation to transport and the connection With the mainland, I have been caused and encouraged to bring to the attention of this House some matters which disturb those people generally and in particular those who are dependent on a bridge link.

In order to gather information on behalf of this community I have relied on occasions on Ministerial statements and replies to questions directed to Ministers. I find that the Minister of Transport in South Australia has on a number of occasions grossly misled me in relation to that effort to seek information. I am unable to cite all the evidence in relation to the occasions when I have been misled, but I have a couple of instances before me that I want to bring to the attention of the House. In about November, 1973, I asked the Minister of Transport for the expenditure and income statement and the statement generally surrounding the operation of the *Troubridge*. He came forward with that towards the end of 1973, and I was grateful for his co-operation. However, I found the statements that were linked with these answers as quite incorrect on reading the statement produced by his Commissioner, and again in 1974 I asked for the statement of the *Troubridge* operation. I asked the Minister about this several times leading into 1975, and he wrote the following letter to me on May 28:

You inquired a few days ago regarding the non-availability of the Annual Report of the activities of the M.V. *Troubridge*. I have made inquiries in relation to this and find that no report was compiled for the year ending June 30, 1974.

I have now made arrangements with the Assistant Commissioner to compile a two-year report of activities to June 30, 1975, as it would seem quite pointless at this stage to ask them to produce a report which is almost 12 months out of date.

I am unable to call the Minister in this House a slippery liar; whilst it may be appropriate to do so, it is not Parliamentary.

The SPEAKER: Order! I have previously ruled that that is an objectionable word and it will be withdrawn.

Mr. CHAPMAN: I find that the Librarian in this place—

The SPEAKER: Order! I have ruled that that word is unparliamentary and shall be withdrawn.

Mr. CHAPMAN: Most certainly, Sir. I find that the Librarian in this place—

The SPEAKER: Order! I warn the honourable member that he is infringing Standing Orders. I have warned him that this is an objectionable word and shall be withdrawn unconditionally.

Mr. CHAPMAN: Yes, Sir. I do so. I withdraw it unconditionally and I go on to say, in the minute I have got left, that the Parliamentary Librarian in this place received the report that I was seeking on January 29, 1975. However the action might be described, I have been again grossly misled by that Minister. I believe that he has gone beyond the reliance that we place on a Minister, and—

The SPEAKER: Order! The honourable member's time has expired.

Motion carried.

In Committee.

Schedule.

Police, \$920 000; Treasurer, Miscellaneous, \$1 000 000—passed.

Minister of Lands, Minister of Repatriation and Minister of Irrigation, Miscellaneous, \$1 925 000.

Dr. EASTICK (Leader of the Opposition): During the Treasurer's absence this afternoon I indicated that there was fear that problems were associated with the reorganisation of direction to be given in relation to expenditure under schemes which were nominally or which had been publicly stated as being within the control of the Minister of Lands. More particularly, this related to the Regional Employment Development scheme and to other associated unemployment schemes. Funds are made available under this line for the beef industry, and it is clearly indicated that the authorising officer will be the Minister of Lands. Is it a fact that the Minister of Lands will be totally in control of this scheme, or is it likely that there will be a change of authority, with the Premier's Department being responsible for final approval as it is alleged is the case in respect of the RED scheme, which is nominally in the hands of the Minister of Lands?

The Hon. D. A. DUNSTAN (Premier and Treasurer): That is entirely with the Minister of Lands, and I do not understand the Leader's reference to the RED scheme, which is certainly not under my control.

Line passed.

Engineering and Water Supply, \$1 450 000; Public Buildings, \$1 650 000; Education, \$9 900 000; Minister of Education, Miscellaneous, \$1 225 000; Railways, \$800 000; Community Welfare, \$700 000; Minister of Community Welfare, Miscellaneous, \$530 000; Minister of Health, Miscellaneous, \$450 000—passed.

Schedule passed.

Clauses 1 to 7 and title passed.

Bill read a third time and passed.

RAILWAYS (TRANSFER AGREEMENT) BILL

Adjourned debate on second reading.

(Continued from June 10. Page 3256.)

Dr. EASTICK (Leader of the Opposition): The Opposition cannot and will not support this Bill. It would fool only the short-sighted, satisfy only the most ardent centralist, and benefit only one group of people—those planners within the Australian Labor Party who are hell-bent on socialising every aspect of Australian life and destroying the States except as social agencies of a bureaucratic octopus in Canberra. It is a Bill, therefore, which does not have the approval of the people of this State, and which, indeed, has never been put to them at an election. As a consequence, the Opposition rejects it outright. In doing so, I also wish to place on record the contempt of my Party for the Government, and for the Premier in particular, for the attempt to extort support from the Opposition by trying to tie this Bill to the removal of the petrol franchise. The Premier says: "Pass this Bill, or the Government won't lift the petrol tax." He repeated the threat again in today's *News*. The article in the *News* states:

Asked about the possibility that the petrol tax might be left in force, Mr. Dunstan said: "I have said I will take off the petrol tax if the agreement to transfer the State railways to the Commonwealth goes through Parliament, and that will happen."

We have had time and time again these threats by the Government to put a gun at the head of Opposition members so that legislation can be passed that the Government wants for its own benefit and to overcome the financial difficulties into which it has forced this State by mismanagement and by its failure to look correctly at the priorities that should apply to the overall programmes of this State.

If the Premier thinks the Opposition will submit to these gun-at-head tactics, he is a complete simpleton. I would rather leave the Parliamentary scene than succumb to this form of political blackmail, and I put that on record. The Opposition has been calling for months for the petrol tax to be lifted, and for months the Government has been claiming that it wants to do just this, but it has been doing nothing. I can assure the Premier that the public will not let the Government get away with using this action as a lever to force meek submission from the Opposition on a measure which we can show will have the gravest possible consequences for South Australia.

If the Premier wants to insist on tying the removal of the petrol franchise to the passing of this Bill, then let him. But let him then face the electoral consequences of once again playing the public for fools. The Opposition stands by its action in refusing to allow the Government to give away one of our most important public utilities, and will give good reasons for doing so. If there was advantage for the State in handing to the Commonwealth our country rail services, the Opposition would support the move, but there is no such advantage.

Although the Premier has attempted to sell the idea as being of benefit to our economy, he has failed. I accept that in the short term there may be such an advantage; that can be demonstrated, but I stress that it is only in the immediate short term. When the overall ramifications are considered, the loss to South Australia of administration and control of our country rail services would be of the gravest proportions.

Let us look at the picture contained in the philosophy of this Bill and the agreement signed by the Prime Minister and the Premier. If we go back to the Chifley Memorial Lecture of 1957, we find that the present Prime Minister, then an Opposition member, effectively spelt out the very situation that we are now facing when he described the role of Labor members of State Parliaments in giving more power to the national Parliament. He said:

When the Labor Party holds office in the Commonwealth Parliament, the States which have Labor Governments could readily make agreement under section 51 (33) and (34) for the acquisition and construction and extension of the railways in the States by the Commonwealth.

Obviously Mr. Whitlam's financial squeeze on the finances of the States, including this State, which from latest reports appears to be continuing, is for a specific purpose—to force the States into positions of virtual bankruptcy and then, by offering attractive financial deals, to ensure that more and more powers are referred from State Parliaments to the national Parliament. It is as obvious as the nose on one's face that this type of action has been forced on the people of Australia day by day. We oppose centralism; indeed, the people of Australia opposed this form of centralism when they voted in referendums in 1973 and 1974. We believe that most South Australians reject centralism, and they exhibited that in the votes that were taken then. The economic strength of, and improved social standards in, Australia are not dependent on an all-powerful central Government in Canberra but on strong States with viable economies and with their own service and other industries.

The railways the State Government intends handing over are a State instrumentality, a State service industry, and we do not deny that they are in financial difficulties which have escalated under the management of the present State Government. However, the answer lies in improving their performance and in maintaining their integration within the State's commercial and industrial activity, not in handing them over to a Government based in Canberra. If one looks at the financial aspects, despite all the off-sets and the anticipated future financial benefits, the hard cold fact is that the State is getting only \$10 000 000 immediately for these railways under the Bill. If \$10 000 000 is available immediately, why cannot this sum be made available by the Commonwealth to assist this State with its railways by way of special purpose grants under section 96?

If the Commonwealth wants to assist this instrumentality, the opportunity exists for it to do so. All the money the Commonwealth Government intends spending in future on the non-metropolitan railways could be directed to South Australia in the form of special purpose grants, apart from the \$10 000 000 infusion; thus the Commonwealth could play a part without involving itself in dual control, in empire building and in the other difficulties inherent in this process of a joint operation. We must ask ourselves whether the Commonwealth's undertaking will reduce financial assistance to South Australia in future years, that is, to off-set its specific deficit on the newly acquired railways in South Australia. In other words, will the Commonwealth say, "We are responsible for a deficit on the operation of that railway service and we will off-set this against the sum otherwise being funded into the South Australian scene."

If we refer back to the Treasurer's Budget speech delivered in the House in August last year, in respect of the universities we clearly have it spelt out here where the Commonwealth, having taken over the responsibility of universities, withdrew an equivalent sum from the benefits of the State. Clearly, there is no concise and clear indication that the State Government will receive any benefit when that off-setting is undertaken. I ask again: can we say with any certainty that we will gain financially by not having the railway deficits? I also ask: how was the \$25 000 000 (or is it only \$10 000 000; there seems to be some doubt, and even in financial circles it is difficult to find two people who will give the same answer to this problem) calculated as compensation for railway assets such as land, minerals and other assets? What is the correct value of the assets still being handed over to the Commonwealth Government? I am not referring to the historical book value but am asking what is the correct value to this State of the facilities and of the land being handed over.

What is the real value of the Mile End yards, of the Islington workshops and, more particularly, of the vast area of land beyond the workshops that could be made available for housing or for industrial development? What about the Dry Creek yards? What about the other sidings, marshalling and goods yards, wherever they may be, and the other assets which will be transferred to the Commonwealth Government and which are outlined in the document currently before the House? If the Commonwealth Government provides the money as we urge in the earlier comment by way of specific grants, the petrol tax could still be abolished, and the Treasurer is aware of that. The Commonwealth has money to make available to South Australia. It could make it available and still permit the removal of the petrol tax without the Treasurer or other Government members using these political blackmail tactics

of trying to force the Opposition to take an attitude inconsistent with its beliefs. South Australia is meant to meet, as my interpretation of the document that has been given to us, the sinking fund payments for the 1975-76 year. These sums were \$2 600 000 in 1973-74. The letter from the Prime Minister to the Premier, which has been made available to the Opposition, states that South Australia would be reimbursed, but why is that not included in the agreement? What guarantee can we place on our Prime Minister's word, with the record he has?

Dr. Tonkin: Not very much.

Dr. EASTICK: Very little. If the money is available to South Australia and if it is going to come to South Australia, why is it not more definitively explained in the document that has been signed by the Prime Minister and the Premier? Why did the Premier not refer to that sum yesterday in his second reading explanation of the Bill? There was a great play about the cost structure and about the financial aspects of this whole proposition, but there was no mention of that \$2 600 000. Unless it be believed that those are the only sums involved, let us be certain that the \$6 300 000, which is contained within the Commonwealth Treasury against this State's requirements, will eventually come to this State, anyhow. It is there and it is committed to this State in the event that it is in serious financial difficulty and can exhibit the necessary evidence of its deficits.

There is another vital issue to consider, namely, the conflict between the agreement and the Commonwealth Constitution. This important conflict has to do with the preferential freight charges that apply in South Australia. It has been stated that South Australia has experienced, relative to other States, some preferential freight charges that have benefited industry. Although it is not spelt out and may not be in any document or in the scale of fees which our railway system or any other Australian railway system will show the commercial user, it is understood and known that there are preferential advantages to certain users of the railway system. Shall I say that they are arrangements which are acknowledged by the Government, which do apply, but which are outside the general price configuration that is on public exhibition. We have discussed the question of brown coal and the use of the Commonwealth Railways with respect to that product when we discussed other matters in this House, and a clear indication was given that, if we paid full tote odds for the transport of Leigh Creek coal, we would be in difficulty with respect to electricity charges. One questions the situation of the massive and important transport of ore between Broken Hill and Port Pirie. Are those figures correct? Are those figures preferential to that organisation and therefore advantageous to employment in Port Pirie and the viability of the industry?

The Hon. D. A. Dunstan: They are the opposite of preferential.

Dr. EASTICK: Clause 8 (1) of the agreement states that where fares, freight rates, and other charges have placed users in South Australia at a relative advantage to other States, this advantage will not be demolished. That sounds good. However, the Commonwealth Government is moving to establish the Interstate Commission in Australia as provided for by the Constitution. This commission is charged under section 101 of the Constitution "with such powers of adjudication and administration as the Parliament deems necessary for the execution and maintenance, within the Commonwealth, of the provisions of this Constitution relating to trade and commerce, and of all the laws made thereunder". The most important other section is section

99, which provides "The Commonwealth shall not, by any law or regulation of trade, commerce or revenue, give preference to one State or any part thereof over another State or any part thereof". How does this ensure the safeguard for preferential treatment that has benefited some South Australian users? If the Commonwealth Government is successful in introducing the Interstate Commission, clearly these advantages can be destroyed overnight, and the apparent safeguard to South Australian industry or South Australian users has gone.

Because the Commonwealth Government has decided to establish this commission (quite clearly existing freight differentials are in contravention of section 99), a user of rail services in New South Wales could complain about the freight differential and the Interstate Commission would be obliged to adjudicate, and under section 99 rule invalid any existing differential. That is, in South Australia we would be confronted with a freight rise, as all freight charges would have to be equalised. By way of interjection yesterday, I asked the Premier, or particularly the Minister of Transport, about freight rises contemplated at present. It is given by way of explanation in this Bill, and publicly, that we will not be disadvantaged by this action and that freight rates, etc., will be maintained. Coming through the back door simultaneously with this announcement is the increase in costs of freight and other railway services.

The Hon. G. T. Virgo: What increases are you talking about?

Dr. EASTICK: The Minister appears shocked, but I will obtain a document and give it to him.

The Hon. G. T. Virgo: In other words, you don't know what you're talking about.

Dr. EASTICK: The Minister can defend his statement later.

The Hon. G. T. Virgo: You're talking about interstate passenger rates, right?

Mr. Chapman: Don't ask him, tell him.

The Hon. G. T. Virgo: You're talking about interstate passenger rates set by the Commissioners of each State, and the Ministers have no jurisdiction at all.

Dr. EASTICK: They are to be changed in relation to freight and other railway charges in the immediate future.

The Hon. G. T. Virgo: That's not true.

Dr. EASTICK: The Minister can defend that situation in due course. In these circumstances it is obvious that the assurance contained in clause 8 (1) of the agreement is worthless. Therefore, we cannot support a Bill that will lead to increased freight charges, controlled by Canberra, throughout the country rail system in South Australia. Another vital aspect, and one particularly vital to the people of South Australia, has been indicated earlier. The Government has good reason to remember the effect it had on the electoral position in 1968, and I refer to the open-road policy, which is the undertaking of my Party and which we understand has always operated in the best interests of the integrated transport services of this State. The relevant part of the agreement is clause 13 (2), which provides that "Nothing in this clause shall operate to restrict the introduction of new freight or passenger road services or the extension of these . . .". Subclause (5) of the same clause provides that "Australia . . . shall not be liable to pay any fees, taxes or other charges in

respect of the application or approval ... in connection with the operations or the road services referred to in this clause".

These subclauses, taken with the generally vague definition of "services" in clause 1, mean that the Commonwealth Government could set up parallel road services in competition with private enterprise. There is no reason under the definition of "services" why there could not be supplementary or incidental services associated with the railway system so that there could be a road service arrangement between, say, Whyalla and other Eyre Peninsula centres. There is nothing to prevent a situation in which users of the service for stock transport to abattoirs could not say, "We can't use your railway service because we find it more practical, better for stock, and better for sales if the stock is picked up on the property and, without intervening transfers, delivered directly to the abattoirs." In these circumstances and on my advice within the terms of "services" in this agreement that is supposed to be water-tight for the benefit of South Australia, we could sell out the whole of the road haulier system in this State. That is another reason why we will not accept this proposition.

There would be the problem of unfair competition, as Government services could be exempt from taxes such as the tonne-mile tax (and I refer to clause 13 (5) to which I previously referred), and this would disadvantage private operators and put them out of business, something that the State A.L.P. has tried to do for many years but fortunately was prevented from doing as a result of the effective change of Government in 1968. This Bill conflicts with the open-road policy of my Party, and, for this reason alone, cannot be supported.

Let us consider the general term of uniformity. The Commonwealth Government will not be able to achieve a national approach to the railways system by this sell-out of South Australian and Tasmanian non-metropolitan railways, as Mr. Jones in Canberra says he wants. I will not refer further to the Tasmanian situation, because honourable members recognise that the Tasmanian situation is entirely different from the railway systems on the mainland.

Mr. Payne: What about Victoria?

Dr. EASTICK: It is obvious that South Australia will not sell its metropolitan railways to the Commonwealth; neither will the other States. It is obvious that South Australia is again being used as a guinea-pig State to introduce socialist doctrine in an attempt on the part of the Commonwealth Government to force other States to follow suit. How much uniformity will be introduced into the other States as a result of this sell-out? Obviously, none at all. For that reason we should look at the administrative difficulties that will be involved. It is obvious that this proposal will not increase the efficiency of the running of the South Australian railways. There will be duplication of many service jobs; in fact, there will be two stationmasters at the Adelaide railway station.

Mr. Gunn: A man in blue and a man in grey.

Dr. EASTICK: So it goes on, and we can pinpoint what will happen. It seems that workers employed by the Commonwealth will control South Australian-owned trains. As one reads the Bill, one wonders if employees will be under the direction of the Australian National Railways Commission but will be really under the control of the South Australian Transport Authority. South Australian trains will run on tracks that are owned and perhaps maintained by either the Commonwealth Government or the South Australian Government. No-one knows,

because it is not spelt out specifically in the agreement we have been asked to ratify. Considerable confusion exists in the measure before the House. It was highlighted in Parliamentary debates in Canberra that trains would be owned by South Australia and that crews would be Commonwealth employees. Is that fact? The Commonwealth certainly believes it is fact, so will the Minister fully explain the situation, because the second reading explanation and the Bill do not make it clear in this and in many other areas: it has just not been spelt out.

Long range State regional planning proposals that depend in any way on railways will be influenced by Commonwealth control. "Regional" in this sense almost includes the metropolitan area since it is clearly spelt out in the associated documents and the Prime Minister's letter that it is still necessary for the Australian Bureau of Transport to assess the situation in respect of the link to the Outer Harbor container terminal and all other aspects of proposed improvement that affect this State (including a proposed line to the Monarto area). Those matters will be subject not to a South Australian decision but to an Australian Bureau of Transport assessment. Under this provision the Commonwealth Government can acquire land for purposes relating to railway development. In other words, some significant areas of State administration and control will be handed over. This is a further intrusion into the powers of this State.

It is for these reasons that the Opposition cannot and will not be a party to the amputation of a vital section of our State's transportation system. We oppose most strenuously this sellout to Whitlam centralism—a staggeringly undervalued sellout at that! I reiterate that it is contemptuous of the Premier to say to us as members of Her Majesty's Opposition and acting on behalf of our electors, "Pass this legislation or I won't lift the petrol tax". If the Premier believes that such action would reflect bad odour on the Opposition, let him try it. The lifting of the petrol tax has nothing whatever to do with this Bill, and the Premier will not succeed in shifting any of the stench of public criticism that has shrouded his Government since it imposed this harsh and repressive impost on the community.

However, if the Premier wants to take such action, let him! I challenge him to continue the petrol tax and to call an election if he believes he can succeed in blaming the Opposition for the petrol taxes being retained. South Australia is within nine months of a general election, anyway, so let him use these two issues as reason enough to call the election now. Let him ask the public to decide whether it wants its country rail services handed over to the Commonwealth under terms that are grievously disadvantageous to South Australia. Let him ask the public whether they believe it is the Opposition that is responsible for the petrol tax rip-off. If the Premier believes he has a case, let him take it to the people. The Opposition will accommodate him; in fact, it will give him the opportunity to take such a step because it will fight tooth and nail to stop this Government from giving away our rail services in the cause of promoting the centralist policies of the Australian Labor Party, the Prime Minister and the Premier himself. In opposing this Bill we throw down the gauntlet to the Government and ask it to pick it up if it dares.

Mr. COURCE (Torrens): I support the cogent arguments put forward by the Leader in such a forceful manner. He has left no doubt where he and the Liberal Party stand on this measure. He set out the Opposition's attitude in clear, unequivocal terms that no-one could misunderstand. He laid the ball right on the line. I have studied the Bill, the agreement, and the principles contained

in the Prime Minister's letter to the Premier, which the Minister of Transport was courteous enough to send to me, and I have also studied in considerable detail and discussed with officers of the Premier's Department the question of the financial outcome of this measure. I have looked at and weighed up the advantages and possible disadvantages to this State. At first glance the measure looks attractive, but several of the provisions are rather illusory, because the agreement does not spell out the long-term effects. The sum of \$25 000 000 is built into a financial agreement, but how long will that last? Tied up with that is the condition that South Australia will be outside of the Grants Commission. Why? I recall vividly when Sir Thomas Playford previously took South Australia out of the Grants Commission and that the greatest critic at the time of that action was the present Premier of this State. He criticised Sir Thomas up hill and down dale for his actions.

Mr. Venning: What did he say?

Mr. COURCE: He was most vehement in his criticism of Sir Thomas and said that Sir Thomas should not do it. When the present Premier became Treasurer he subsequently took South Australia back into the Grants Commission with a great fanfare of acclaim, saying that such action should have been done before and that he was doing it on behalf of South Australia. Now he is taking us out of the Grants Commission again and has not told us why, although he is getting an initial bribe to do it. The sum of \$10 000 000 is the bribe. No explanation is given why South Australia is to leave the Grants Commission. I have had an opportunity to study this document carefully, and no reason is given, except that we will get back \$10 000 000 before June 30, 1975. That is one of the aspects we must consider. I got into halts with the Deputy Premier last week or the week before, when the Treasurer was away, regarding the petrol tax. The Deputy Premier was quite blunt in saying that, unless this Bill was passed, the petrol tax would not be removed. The Treasurer has more or less repeated that suggestion since. I think I said that the Deputy Premier was using the big stick, but it is more than that: this is political blackmail.

This Bill is indeed important and vital to South Australia, and I am sure the Minister of Transport will agree with me that it should be debated on its merits and stand or fall in that respect: never mind anything else. The Opposition therefore intends to debate this measure completely divorced from the matter of the petrol tax, and the Minister should not try to suggest that the Opposition is obstructing the removal of the petrol tax, the repeal of which we have consistently requested.

The Hon. G. T. Virgo: Why did you bring it into the subject?

Mr. COURCE: Because it was introduced by the Deputy Premier and later, by implication, by the Treasurer. I have examined the matter of the Commonwealth Government's taking over non-metropolitan rail services in South Australia. This seems to be a curious action for the Commonwealth Government to take. One must certainly ask oneself what benefit there is in the deal for the Commonwealth Government.

The Hon. G. T. Virgo: What is the benefit from the State's point of view?

Mr. COURCE: I will come to that. I like to deal with things in the correct order. What is in the deal for the Commonwealth Government? Apart from the value of the real estate and the mechanical assets, it is going to inherit a service that will cost it money to run.

So, what is in it for the Commonwealth Government from a physical or financial point of view? That Government could easily assist the State if it were genuine in wanting to help it financially, by taking over the debt charges, sinking fund, and so on. What it is in fact getting is an operation on which it will lose money. Funds could easily be made available, as the Leader of the Opposition suggested in his speech a few minutes ago, that is, if the Commonwealth Government was fair dinkum in wanting to help the State. But is it fair dinkum in this respect? If it is, it could easily arrange this financial deal. However, what it is going to get is a system on which it will lose money. Therefore, being pragmatic about this, the only conclusion at which one can arrive is that the Commonwealth Government wants to acquire country rail services for grabs for furtherance of its own policy of centralism. There can be no other interpretation, as the Commonwealth Government will lose money on this system.

Mr. Payne: Will you explain the centralism part of it?

Mr. COUMBE: I will do that, because the Commonwealth will lose money on this exercise. Of that there is no doubt. Let me go further and say that I believe South Australia will be used as the kite-flier or guinea pig, whichever term one likes to use, for the other mainland States. The Commonwealth Government will see how this scheme operates in South Australia, and the pressure will then be exerted on the other mainland States, Tasmania having a quite different set-up. The Commonwealth Government is certainly not going to gain regarding uniformity of gauges, because the agreement has already been signed for the line from Adelaide to Crystal Brook. The remaining part of the agreement will be taken over.

The Hon. G. T. Virgo: Which part?

Mr. COUMBE: If the Minister reads the Bill, he will see the references to the 50-year agreement.

The Hon. G. T. Virgo: I mean the part of the—

Mr. COUMBE: I know the Minister would be aware of it, and I have taken the trouble to read them. I usually take the trouble of doing my homework. The Commonwealth Government will not benefit regarding the uniformity of gauges. What it will be inheriting, of course, is the broad-gauge and narrow-gauge systems. Make no mistake about it: that is what it will get. So, where does the Bill benefit the Commonwealth Government, either physically or financially? One can only be realistic and say that Commonwealth Government will gain the service for its own political purposes. When one reads the Prime Minister's letter to the Premier, it becomes apparent to one that this is the explanation. If it is not stated in so many words, the implication is certainly there.

I shall now examine the clauses of the agreement, particularly clauses 7 and 8, which deal with fares, freights, and so on. What guarantee have we in South Australia got that these conditions will be observed? Clause 7 deals with standards of operation, which is fair enough. It relates to safety and the quality of equipment. I believe clause 8 is one of the link pins of the whole agreement, dealing as it does with fares and charges. It provides that the commission shall ensure that, in general, fares, freight rates and other charges in respect of non-metropolitan railways and services shall be maintained on and after the commencement date (which is July 1 next) at levels not less favourable to users than those levels generally applying to the railways of States other than those in South Australia. I wonder whether that means the railways of Australia—

The Hon. G. T. Virgo: What?

Mr. COUMBE: —because it does not refer to the Commonwealth Railways. We are talking about the State railways. This introduces another interesting connotation of which, I hope, the Minister will take note. Where, in general, fares, freight rates and other charges at the commencement date have established a relative advantage to users, that advantage will not be diminished. It goes on to refer to passenger concessions, and the State will reimburse the commission a reasonable cost as agreed between the parties relating to subclause (2) and, failing agreement, the matter will go to arbitration. Clause 8 is only one of six or seven clauses in this whole agreement subject to arbitration. The Minister says that is all right, but has he read, or understood the full implication of, the Bill entitled "The Interstate Commission" that is likely to pass through the Commonwealth Parliament? Has he read and understood it?

The Hon. G. T. Virgo: Yes.

Mr. COUMBE: I hope he has.

The Hon. G. T. Virgo: Have you?

Mr. COUMBE: Yes, I have.

The Hon. G. T. Virgo: I doubt it, because of the way you are talking.

Mr. COUMBE: I doubt very much whether the Minister realises the full implications of this matter. If the Minister has read that Bill in conjunction with the Australian Constitution and the relevant provisions, he would know that the requirement of that section of the Australian Constitution is as wide as one can imagine. Indeed, it is worldwide, as the powers under that section of the Constitution could cover the whole of this agreement, and the arbitration clauses would not be worth the paper on which they were written.

The Hon. G. T. Virgo: That is completely untrue, and you know it.

Mr. COUMBE: I believe what I have said to be true.

The Hon. G. T. Virgo: You know it's untrue.

Mr. COUMBE: I would not say it if it was untrue and I would—

The Hon. G. T. Virgo: You would—

Mr. COUMBE: I would not. What did you say?

The Hon. G. T. Virgo: I said, "You would".

Mr. COUMBE: You would what?

The Hon. G. T. Virgo: You would say it if it was untrue.

Mr. COUMBE: I would not. I honestly believe it to be true. I believe the Minister's remark to be completely offensive.

The Hon. G. T. Virgo: If you do, you can seek a withdrawal.

Mr. COUMBE: I would not bother with such trivia.

The Hon. G. T. Virgo: Because you know it's untrue.

The DEPUTY SPEAKER: Order! The honourable member for Torrens.

Mr. COUMBE: I honestly believe that the Interstate Commission Bill, if it becomes an Act of the Commonwealth, will have extremely far-reaching effects, and it could in many cases make the arbitration sections of this Bill absolutely void and unworkable.

The Hon. G. T. Virgo: That's quite untrue.

Mr. COUMBE: I believe that they will completely override the sections of the Bill with which we are now dealing. I turn now to clause 8. The Leader of the

Opposition referred to road services, and there is no guarantee in these clauses of the maintenance of the open road policy favoured by this Party. No guarantee is given in these clauses.

The Hon. G. T. Virgo: Come on. That's not in clause 8, and you know it.

Mr. COUMBE: The Minister is dying to get to his feet. Please let me have my say and then he can have his say. There is nothing in that clause to prevent the Commonwealth from taking action to the detriment of road users of this State.

The Hon. G. T. Virgo: That's untrue also.

Mr. COUMBE: Knowing the Minister, I realise that that is all he can come up with.

The Hon. G. T. Virgo: That has nothing to do with clause 8.

Mr. COUMBE: I am putting forward what I believe to be a genuine and true case, stating the substantial fears that I hold, and I have studied this matter closely. If we read clause 8 and adjacent clauses carefully, we find that they refer to the Australian Government. It is interesting to note in the agreement that there is reference to the Australian Government and the Commonwealth Government. We are not quite sure whom we are talking about, but we think we know.

Mr. Millhouse: It is spelt out quite clearly in the agreement.

Mr. COUMBE: The point I make is that whilst relative advantages (and that is an interesting expression in itself) will be maintained in clause 8, I believe that the State itself will lose its initiative in future, in country areas anyway, to grant concessional country rates if it wishes to assist or attract industry.

The Hon. G. T. Virgo: That's not true either.

Mr. COUMBE: I will welcome the Minister's getting up and putting me right if he believes that I am wrong, because, from my interpretation, I believe that I am right. The clause says that where we have relative advantages now in favour of this State, they will be maintained (or not diminished), but nowhere does it say that the State in future, in the country areas, will be able to initiate new concessional rates. That is what I am saying. I should like to give a couple of instances of things that have happened so far as the State is concerned in the past in respect of concessional rates. I suppose the one that comes to mind most readily is the Broken Hill line: Broken Hill Associated Smelters Proprietary Limited was talking about Cockle Creek, a concession was given, but that company is still working at Port Pirie (thank goodness it is still there). I think the Minister knows about the Kevin line arrangement. Of course, I cannot speak for my colleagues from the South-East, but I think they have been looking carefully at the trade that might go to Victoria.

The Hon. G. T. Virgo: That is taken care of in clause 8.

Mr. COUMBE: I am dying to hear the Minister explain this in his reply. Clause 17 deals with redundancy of workshops. One cannot help but read into this a real threat to the future employment of men engaged at the Islington workshops, and certainly in the Peterborough workshops. As I understand the position, there is to be consultation between the two parties regarding redundancy and the protection of the work force. I want to see the work force protected, but I cannot help believing that, with the new system that is to be set up (and there is no doubt about who is going to operate what), the Islington workshop work force could easily be downgraded. I wish the

member for Frome was here to hear this, but I bet my bottom dollar that the Peterborough workshops will certainly be downgraded. That will not be going much longer. This whole exercise is a clumsy way of going about things. If (and I emphasise that word) this scheme is to go ahead, why are we having duplication, that is, why are we having a country service on the one hand and an urban service on the other hand?

The Hon. G. T. Virgo: Are you suggesting—

Mr. COUMBE: I am saying that it seems to be a clumsy system. If we are to have this system, a case could easily be made out for having one service. In the Prime Minister's letter of May 21, 1975, to the Premier about the separate rapid transit systems in South Australia (incidentally, the electrification of our railways has not been touched on here, because that is under the separate service) the Prime Minister said:

Studies will be initiated to establish the technical and economic feasibility of a complete or partial separation between the systems.

He is implying that a case could well be made out for a complete system; that is, the Commonwealth taking over the whole of the operations of the South Australian Railways.

The Hon. G. T. Virgo: He is not saying that at all.

Mr. COUMBE: A case could be made out for that. Incidentally, if we are to have two systems (and I emphasise "if"), a case could be made out for this. Certainly, I am not advocating it at this stage. I have studied at much length the arrangements that have been made concerning the employment of South Australian Railways staff in the period between the commencement date of July 1 and the declared date (whatever date that might be). That could take some time, and the Minister would know more about that than I know. I am aware of the arrangements that are being made for the employment of the staff on the declared date. Provision is made for them to become Commonwealth Public Servants officially. Of course, in the intervening period, negotiations will go on about apportioning from one system to another certain assets that may be required. A case could easily be made out for this one system.

However, the main point of contention in the Bill is that the Commonwealth Government is now saying to South Australia, with South Australia's agreement, "Come out of the Grants Commission; you will get \$10 000 000 now, you will get a certain sum built into your future financial agreement, and we will take over your debt charges; for that we will take over the running of the non-metropolitan rail services." I ask honourable members to think about that for a short time. What is there in that for the Commonwealth Government?

The Hon. G. T. Virgo: What's in it for South Australia? Let's think about that.

Dr. Eastick: I've touched on that.

The Hon. G. T. Virgo: What's in it for South Australia, in the short term or in the long term?

Mr. COUMBE: I believe that the Commonwealth Government is doing this as a "try one" of South Australia to find out what will happen in the other States. Let us not hide our faces on that: this is quite blatant. Regarding the financial deal, I believe I quote the Premier correctly by saying that he said that this was a very good financial deal for South Australia. I wonder how long it will be a very good deal for South Australia!

The Hon. G. T. Virgo: Longer than you'll be around here.

Mr. CUMBE: That is a point of contention, because I may say the same thing to the Minister—

The Hon. G. T. Virgo: That's right.

Mr. CUMBE: —and especially to the member for Norwood, according to the newspaper.

The Hon. G. T. Virgo: And longer than I'll be around, too.

Mr. CUMBE: However, I believe that, whilst the Premier made out a case yesterday, when introducing the Bill, that there was to be considerable financial advantage to the State, this will be a short-term advantage. I have tried to work out what will happen in the years ahead, and I believe that the advantage to this State is illusory. Sure, it could be of short-term benefit, but I believe that, in the long run, South Australia may rue the day that it agrees to this proposal. On a matter of principle and in supporting the remarks of the Leader of the Opposition, which were put so cogently and forcefully to the House, I oppose the Bill.

Mr. MILLHOUSE (Mitcham): I, too, oppose the Bill. This is simply one more way, one more step in the process of reducing the power of this State in particular and the power of all the States to the aggrandisement of the central Government. It is, of course, deliberate Australian Labor Party policy to reduce the significance and powers of the State.

The Hon. G. T. Virgo: Last night your Leader in the Senate supported it.

Mr. MILLHOUSE: I do not give a damn what anyone else says or did. I am opposing the Bill and I am giving my reasons for doing so.

The Hon. D. A. Dunstan: Are you the Leader of the Liberal Movement in this State?

The Hon. G. T. Virgo: Yes, he is, but the Leader of the L.M. in the Commonwealth Parliament supports it.

Mr. MILLHOUSE: I am putting my point of view and that of my colleague in this Parliament.

The Hon. G. T. Virgo: But not the L.M. view?

Mr. MILLHOUSE: It is the L.M. view as I believe it to be.

The Hon. G. T. Virgo: What did Senator Hall do last night?

Mr. MILLHOUSE: I do not mind what Senator Hall did in the Senate. I am putting our views here, in the State.

The Hon. G. T. Virgo: There's a split between you and Steele, is there?

Mr. MILLHOUSE: To the Minister's disappointment, I am opposing the Bill, and I am doing my best to give the reasons for my opposition to it. I say that it is deliberate A.L.P. policy to reduce the significance and powers of the States in every way possible, and there could be no more excellent way than to transfer what is for this and the other States the biggest business undertaking of all. That is what we see here. The Minister has interjected about the position of my colleagues in the Commonwealth Parliament. Let me remind the Minister (and, if necessary, I remind my colleague in the Commonwealth Parliament, too)—

The Hon. G. T. Virgo: You'll need to.

Mr. MILLHOUSE: —that one of the principles on which the Liberal Movement has been founded is that it upholds the principles of the Australian federal system of Government. We are not a centralist Party. We are a

Party that believes in the federal system. Certainly, I will say, as I have said on many occasions in this place, that I believe that there should be a rearrangement of powers between the Commonwealth Government and the States, and if it were not for the petty attitude taken by the Liberal Party in the Commonwealth Parliament, there would have been a second session of the Constitution Convention last year on that matter, but the convention foundered.

Of course, one cannot found any argument, except a political one, on the foundation which the Government here has laid, namely, that it will be in the financial interests of South Australia to give away its asset. South Australia and the other States should be given sufficient financial independence to have the capacity to run their own undertakings. That is the complete answer to all that the Premier and other people have said. That is the foundation of my opposition to this proposal. We often hear (and we heard from the Premier on the matter this afternoon) that the Prime Minister can uphold the decisions made at the Terrigal conference. Maybe he is, but one wonders whether he really wants to do it. I think that the Leader of the Opposition has already quoted from Mr. Whitlam's Curtin Memorial Lecture.

I have copies of three lectures, delivered in 1957, 1961 and 1963. One was a Chifley Memorial Lecture, another was a Curtin Memorial Lecture, and the third was an address to the 25th Commonwealth Conference of the Labor Party. The title of one lecture is "Labor and the Constitution". Let us see some of the things that Whitlam has said about the States and measure that against what is happening today and against this resolve and ability that the Premier has mentioned to preserve the States, which he says is now the Labor Party's objective. At page 21, dealing with the States, the Prime Minister stated:

There are few functions which the State Parliaments now perform which would not be better performed by the Australian Parliament or by regional councils. The States are too large to deal with local matters and too small and weak to deal with national ones. Three-quarters of the Acts which each State Parliament passes are repetitions of the Acts which every other State Parliament passes.

The SPEAKER: Order!

Mr. MILLHOUSE: That is the first part.

The SPEAKER: Order! The honourable member for Mitcham must link up his remarks up with this Bill. We are not dealing with the Constitution of any other Parliament. We are dealing with the ratification of an agreement between the Commonwealth Government and the State as far as railways are concerned.

Mr. MILLHOUSE: That is right, and I link up my remarks by pointing to the fact that the Prime Minister is the other signatory to the agreement, and I am trying to show what is his outlook in these matters. I assure you that I shall be referring to his views on railways in a minute. The next one that I mention (and it is only a sentence or so, because I do not want to try you too far, Sir), states:

It is regrettable but true that the Labor objective of a unitary and decentralised system in Australia runs up against strong vested interests in the Labor Party itself. Well, Labor Party members can speak of that if they like. At page 25, the document states:

One also hears the argument that State Labor Governments are more often in office than Federal ones.

The next sentence is significant, I think, in the present context. It is as follows:

I think the test is not how long the Party is in office but how much it achieves when it is.

That is why we have this helter-skelter haste in Canberra to get through as much as the Government can get through while it lasts.

The SPEAKER: Order! The honourable member must speak to this Bill.

Mr. MILLHOUSE: I come now to the question of railways, which is on page 29. He deals first with socialising the waterfront, and then he states:

It—

that is, the Commonwealth Government—

should make positive offers to the States to accept a reference of their powers over railways, hospitals, universities and housing.

They are well on the way, of course. One hears that, by reading *Mein Kampf*, one could have read everything that Hitler intended to do. These lectures are a pretty good comparison. The quotation continues:

Since many States would rather run such activities themselves than have them run more adequately by the Commonwealth, a refusal of the Commonwealth's offer would expose their shabby pretensions.

This one is directly on railways and it brings in the Interstate Commission, which has been mentioned. It is at page 42 and states:

The Interstate Commission, intended by the Constitution to stand with the Parliament, Executive Council and High Court as the fourth organ of the Federal system, was allowed to expire in 1920. The Commission could put an end to the centralisation which is fostered by all State Governments through their railway systems.

At page 43 appears the following:

The Commission could provide for the transition to the time when railways are in fact run by the Commonwealth. The Commonwealth has provided all the money for over 40 years to standardise railways on the mainland. The Commonwealth has also provided the money to modernise equipment in South Australia and to rebuild railways in Queensland. The Constitution permits and contemplates the acquisition with the consent of the State of any railways of the State on terms arranged between the Commonwealth and the State. National control of railways is inevitable and it should be easily accomplished in the five mainland States and the two mainland Territories.

That, perhaps, is enough (and there is plenty more there) to show the outlook of the Prime Minister himself on these matters. How anyone who reads that can square it with what the Premier says in apology of him, I do not know. Well, there it is. Of course, it is A.L.P. policy in any case. I cannot find anything in the State policy, but it is the straight-out policy of the Federal Party:

The Australian Government to operate any railways, ports, air routes, shipping services or pipelines referred to it by any State or States.

So let us not have the dissembling that we now have about the financial benefits to South Australia of this. They are only the trappings to try to persuade us that we are getting something which will be of advantage to the State. It is the doctrine of the Labor Party to take away from the States and to hand over to the Commonwealth.

The petrol tax is entirely irrelevant to this. There is no reason why the transfer of the railways should be linked to the petrol tax. The only reason is that the Government knows that the petrol tax which it imposed is unpopular, and it hopes that, by saying that the Opposition Parties have kept on the petrol tax because the Government is not prepared to take it off, the Opposition Parties will be deterred because some of the unpopularity of the petrol tax will rub off on to them. One of the ludicrous things about this whole deal is the completely artificial division between metropolitan and non-metropolitan railways. In fact, the South Australian railways system is one system, and it has been built up for over a century as one system.

It is how linked with the systems of the other States and the Commonwealth Railways. Why, except as a matter of political expediency, is there to be a division between metropolitan and non-metropolitan railways? That is something that so far has not come out in this debate, I think, and yet it is fundamental to the whole question.

One has only to read the agreement to see how difficult it is to make such a division work or workable, and I doubt if it is. The other day Mr. R. J. Fitch, the former Railways Commissioner, wrote a letter to the *Advertiser*. I do not propose to quote the lot, and we all know Mr. Fitch. I am not for a moment suggesting that we did not have our moments with him when we were in office; we did, and the Premier knows it. The Premier also knows that he has had his moments with Mr. Fitch.

The Hon. D. A. Dunstan: That is quite right.

Mr. MILLHOUSE: That is quite right; we all have, but the fact is that he was the Railways Commissioner, he is dedicated to the railways, and he knew his job, even though he was a difficult man. What does he say in part of his letter? This is pretty relevant. He says:

In the light of Mr. Dunstan's repeated criticisms of the niggardly deal he receives from the Federal Government, it would appear incomprehensible that the same Government—

that is, the Federal Government—

would make a generous deal just to take over an activity with an annual loss of \$32 000 000 and to agree to continue operations at current levels and charges.

He finishes his letter with this gem of a paragraph:

The South Australian Government has for years demonstrated a gutless attitude in its handling of railway problems; and its use of the petrol tax as an instrument of blackmail to try to rid itself for all time of the need to face up to these problems must represent a fairly deep low in governmental morality.

Mr. Fitch no doubt had more time than I did to ponder over his words. He certainly puts them better than I could, and I respectfully adopt them. It has been said already, and it was said by my colleague Senator Hall in the Senate last night, that if this Bill is passed we lose control of the railways in this State. Much time in this place is taken up with discussions of railway matters. Most of it is wasted, I agree, but some of it is not. We will not have the opportunity even to question the Government or to take any effective actions at all if this transfer goes through. We will have lost control of the railway system of South Australia.

Finally, before I say something about the Bill itself, may I point out one thing which to me is utterly ludicrous, that at a time of rampant inflation (20 per cent, 30 per cent, what is it going to reach?) we should be selling for \$10 000 000 (that is the only amount in the agreement) one of our most valuable assets. I believe that governments are the same as individuals. At a time of inflation it is prudent to keep one's assets and not to turn them into money. Assets remain. They do not depreciate, but the value of money is going down all the time, and every member of this House knows it. The State Government is in no different position from anyone else. It is business foolishness, apart from anything else (even if in terms of money today we were getting a good deal) to sell that asset of the State to the Commonwealth. We do not know that, in a couple of years time, the amount we got for it may be worth hardly anything at all. I make that point. Let me now look at the Bill.

I hope this will not happen, because I have a motion to move later on, but it would be utterly ludicrous to push through this House in two days a Bill which is

perhaps the biggest business deal this State has entered into in its history and which contains an agreement which has taken the Government months if not years to hammer out, yet this place is expected to put it through in a couple of days. Let us look at the Bill. First, I refer to clause 7. One of my complaints about the agreement (and indeed about the Bill) is that it is entirely imprecise in a number of areas where precision is required and if we do not get precision we will have trouble. One thinks irresistibly of the sale by South Australia to the Commonwealth, or the surrender by South Australia to the Commonwealth, of the Northern Territory in 1911. South Australia thought at that time that it had an unanswerable deal with the Commonwealth for the construction or completion of the north-south railway. We are still waiting for it, yet here in this agreement there are areas of imprecision which leave the State, I believe, in a very weak situation indeed. Clause 7 provides, in part:

... operation of the non-metropolitan railways—
I shall say something about that definition in a moment—
and of any services—
that is defined in the agreement—
that are principally or mainly incidental or supplementary to, or are principally or mainly operated in association with, those railways. . . .

What do those phrases mean? They are, of course, open to many different interpretations. The words themselves are imprecise. "Principally" has an imprecise meaning. What does "mainly incidental" mean? What is the difference between "incidental" and "mainly incidental"? Again, there is a lack of precision. Clause 16 is the regulation-making power. I invite members on both sides, if they care to, to look at the width of the regulation-making power in clause 16 (2), which provides:

Without limiting the generality of subsection (1)—
and that is wide enough, in all conscience—
of this section the Governor may by regulation dispense with, suspend or vary so far as is necessary for the purpose of carrying out or giving effect to the agreement any provision of any Act, by-law, rule or regulation or other provision having the force of law (under whatever authority made) and which in the opinion of the Governor—
that is the Government's opinion, of course—
prevents or impedes or would prevent or impede the carrying out or giving effect to the agreement and any such regulation shall apply and have effect as if it were enacted in this Act.

It gives them *carte blanche*. Let us look at the agreement itself. There are nine pages of fine print. I wonder how many members have looked at it. I shall point to a few of what I think are the most difficult clauses. Clause 1, the interpretation clause, defines "metropolitan area" as follows:

"metropolitan area" means the area of the State delineated by the Commonwealth Statistician for the purposes of a census taken in the year 1971 as the Adelaide Statistical Division—

I must confess that I do not know precisely what the boundaries are, but they can be easily established and there is no problem on that point—
together with, or subject to, any extensions or reductions of that area from time to time agreed by the parties;

Of course, that definition gives the parties the power to extinguish the State railways altogether and hand over the lot, because it is a variable definition by agreement. The non-metropolitan area, of course, means the rest of the State. Clause 1 also provides:

"services" means services, including freight and passenger road services, that are principally or mainly incidental or supplementary to, or are principally or mainly operated in association with, the non-metropolitan railways.

Again, notice the imprecision. In clause 5 we see provision for the transfer of the assets. Clause 5 (1) (a) provides:

The Commission shall on the commencement date be entitled to the right, title and interest of the State authorities and the Crown in right of the State in—
(i) all land used exclusively for the purposes of the non-metropolitan railways and services;

One example has been given to me. I hope the member for Murray and the member for Mallee will not mind my mentioning this; it relates to their areas. I understand that the railway houses at Tailem Bend are owned by the State Government and are, under the Bill, likely to be transferred to the Commonwealth Government. It is certainly arguable that they should be. What will be the position as to the payment of rates? I do not know what the arrangement is now between the council and the State, but what will be the position in the future? Will the Commonwealth Government pay the rates?

Mr. Nankivell: They pay about \$14 000 a year to the council.

Mr. MILLHOUSE: I am indebted to the honourable member, who is obviously apprised of this. What will be the position in the future? I believe the local council has not been told whether there is to be anything or nothing.

The Hon. G. T. Virgo: Has it asked?

Mr. MILLHOUSE: Why should it not be told? What is the answer? How can the Minister speak for the Commonwealth Government, anyway? Someone said that the rolling stock was not transferred, but clause 5 (1) (b) provides:

The Commission shall, on the commencement date, be entitled to the right, title and interest of the S.A.R. Commissioner in—
(i) all rolling stock—

I think that includes locomotives—
vehicles, plant, machinery and general equipment used exclusively for the purposes of the non-metropolitan railways and services; and

(ii) in the case of any items used partly for the purposes of non-metropolitan railways and services, such of those items as shall be apportioned on an equitable basis by agreement between the parties;

If that does not invite an argument between the authorities, I do not know what does, yet that phrase is repeated again and again in this clause. We see it again in paragraph (c) (1), as follows:

... will be apportioned between those railways on an equitable basis to be agreed between the Treasurer of Australia and the Treasurer of the State;

In paragraph (c) (iii) there is the same thing. Clause 8 deals with rates and charges. Let us look at this clause for precise drafting! I do not want to detract from the compliment paid by the Premier yesterday to Mr. Daugherty, the Parliamentary Counsel; no doubt Mr. Daugherty was only acting on instructions, and they must have been pretty blurred instructions. Clause 8 (1) provides:

The Commission will ensure that, in general, fares, freight rates and other charges in respect of the non-metropolitan railways and services shall be maintained, on and after the commencement date, at levels not less favourable to users than those levels generally applying on the railways of States other than South Australia and where, in general, fares, freight rates and other charges at the commencement date have established a relative advantage to the users, that advantage shall not be diminished.

What does "in general" mean? The Premier knows, and anyone with any training at all knows, that that clause is so imprecise as to be virtually impossible of enforcement. It invites a complete take of the users of the railways of this State by the Commonwealth.

Mr. Nankivell: You would make a good arbitrator.

Mr. MILLHOUSE: There are no guidelines laid down for the arbitrator at all, except in clause 23 (2), which provides:

The arbitrator shall in his deliberations take into account, amongst other things—

whatever that may mean—

economic, social and community factors.

I would like to be the arbitrator! I think I could spin the job out for a very long time. There are no guidelines whatever for the arbitrator to use when he gets the opportunity. Then we get to the other clauses, such as 14, 15, 16 and 17. With regard to the transfer of staff, clause 15 of the agreement provides:

On the declared date the Commission will appoint as officers, or engage as employees, all persons employed on the South Australian Railways immediately before that date who consent to be so appointed or engaged.

Mr. Venning: It would be a lawyer's paradise.

Mr. MILLHOUSE: That is right. I do not know what will happen to those who do not consent. I suppose they will be sacked; I do not know what else could happen to them.

The Hon. G. T. Virgo: That's a typical Millhouse attitude.

Mr. MILLHOUSE: There is nothing in the agreement to preserve their rights to continued employment by the South Australian Railways Commissioner.

The Hon. G. T. Virgo: There's an arrangement.

Members interjecting:

Mr. MILLHOUSE: Let us look at clause 17, which provides:

The Australian Minister will obtain the prior agreement of the State Minister to the implementation of any proposals for reducing, by reason of redundancy, the general level of employment at railway workshops to be vested in the Commission pursuant to this agreement—

that is, Islington, among others—

and failing agreement the matter shall be determined by arbitration.

What do we get in clause 18? It provides:

Australia will pay to the State the sum of \$10 000 000 before the commencement date subject to this agreement coming into force.

I have time to mention only one other matter, and it is a matter that has appealed to me as a traveller on the metropolitan railways. I refer to this, because the member for Fisher is not present to do so, but no doubt he can check it up. As I understand it, for many years the terminus of the metropolitan line has been Bridgewater; yet what do we find now in connection with the metropolitan railway? It is the double-track line from the Adelaide passenger station to Belair. That is putting the clock back about half a century, because it must be almost as long as that since Belair was the terminus for that metropolitan line. I hope I have said enough to show that the agreement is unsatisfactory as it stands and, at the least, it deserves close scrutiny by members and a far better opportunity to study and evaluate it than we have been given at least so far in this place.

Dr. TONKIN (Bragg): The member for Mitcham has introduced among his serious considerations of the Bill an element of levity—introduced, in this case, in thoroughly good taste, because it is an appalling Bill. One must keep one's sense of humour if one is to get through it sensibly at all. However, there is nothing funny about it, and I am totally opposed to the hand-over of the country railway services to the Commonwealth Government. The member

for Mitcham said much with which I totally agree. He said that the measures of the Bill deserve the closest scrutiny and that we should not be considering it in such a short time. I believe that we, as an Opposition, have already been able to give this Bill the closest scrutiny, and the longer and harder we look at it, the less we like it: it is totally unacceptable. As the measures outlined have been well canvassed by previous speakers, I will not go over that ground again.

However, there are some cardinal points that I believe need emphasising. The advantages for the State, offered by this agreement, on paper and on the surface look irresistible, and that is exactly how they are meant to look. The sum of \$10 000 000 will relieve us of some difficulty with our budgetary condition. If we hand over some part of our railway system, it will relieve us of what has come to be called a dubious asset. I do not believe that it is a dubious asset, but that is what the Premier has called it. He has said that we will be getting rid of our debt charges and of our difficulties with the sinking funds but, if the Commonwealth Government takes this over because it is a dubious asset, it will also have to arrange to deal with those deficits which presently exist and which cripple the State's running of its railway system.

Mr. Venning: They are still there.

Dr. TONKIN: The Commonwealth Government will have to provide the money from somewhere or other or arrange to wipe off the debt. If it is going to wipe off the debt, and if it is so anxious to help South Australia, why does it not do what has been suggested by previous speakers, namely, simply wipe off the net debt? Let us provide the money and put the South Australian railway system on a sound financial basis without having to service such heavy debt charges each year and then see what kind of job we can make of running it.

The Hon. G. T. Virgo: Just wipe out the debts!

Dr. TONKIN: I presume that the Commonwealth Government will do just that (I presume that this is the object of the exercise), not with the interests of South Australia at heart but entirely with its own interests at heart, and we well know this. The Commonwealth wants to take over our railways not only out of the goodness of its heart but also because it sees real advantages in it. Certainly an amazing capital value is involved—far more than we are likely to get from the Commonwealth, anyway. The member for Mitcham and the Leader of the Opposition have both referred to the effect of inflation on the short-term advantages of this arrangement, and I agree. We are selling out at a bargain price—a price which, in a few years time, will be a rock-bottom price. It is exactly the same situation as applied with the hand-over of the Northern Territory. It is an appalling situation that we should even be countenancing this kind of legislation, this hand-over of one of the State's assets.

The Hon. G. T. Virgo: What an asset!

Dr. TONKIN: It is typical that the Minister should regard the South Australian Railways as not being an asset; it is apparent from his attitude that he is not interested in making them pay, anyway. I suspect that he would be happy to see a large deficit this year so that it would give added weight to his argument that we hand over a part of the system to the Commonwealth, which, I believe, wants to own the railways. It wants to own everything else on which it can get its hands and which is currently the property of the States: eventually, I believe it wants to take over the States. The member for Mitcham has already referred to the various Whitlam addresses. I echo

what he has said and say further that the Prime Minister is on record as saying that every State Labor member is committed to the abolition of his own State Parliament and of his own job.

The Hon. G. T. Virgo: That's untrue, and you know it.

The SPEAKER: Order! The honourable member must come back to the Bill.

Dr. TONKIN: The long-term disadvantages are there for the State and the long-term advantages are there for the Commonwealth, namely, the total take-over of the State's railway system. How on earth can we give away part of the system without ultimately being committed to giving away the whole? This must happen, because the Commonwealth cannot take half of the system and expect the other half to remain divorced or amputated.

Mr. Venning: Having taken this State's, work on the others!

Dr. TONKIN: That is a technicality. It is much easier to take over any State's assets if there is a Government of the same political colour in office, a Government which, although it makes loud noises and lots of froth and bubble, does little to stop the take-over. The long-term disadvantages are there if one believes in the federal system of Government, but they are not apparent (and I can understand that they are not apparent) if one does not believe in the federal system. However, the selling out of the State's assets (starting with our railways) is exactly what Government members are in Parliament for. I do not believe the people of South Australia should forget it. Among the reasons given for agreeing to the Commonwealth proposals is the run-down budgetary situation in South Australia. Why is it run down? Obviously, because the State Government has not curtailed its spending to any significant extent and is not being given funds to which State Governments are normally entitled, although the Premier may come back from the Premiers' Conference complaining yet again that he has had a lousy deal.

The SPEAKER: Order! I will not permit this to be a budgetary debate. It is a Bill to ratify an agreement between the Commonwealth Government and State Government concerning the State railways. It is linked up with the budgetary position with reference to recompense, but it is not a Budget debate and will not be allowed to turn into one.

Dr. TONKIN: The Premier will not be able to say that he was forced by this position into accepting the railway deal. If he applies the proceeds of this very shady deal to bolstering the Budget until we can say, as has been said, that we will have a small operating surplus with a bit of luck this year, how long will that situation obtain? If he spends all this money, he will spend it in running our style of Government in South Australia until the budgetary situation is run down again, and then we will have to look around and see what else we can sell. We will be running to the pawnbroker all the time. What will it be next time? Will it be the State's hospital system? That situation is on the way. We cannot live on an artificial level of State financing by selling out assets one by one until the State is destitute. I believe that is exactly what the Government of this State is trying to achieve, and it does it no credit that it is trying to achieve this regardless of the well-being of the people of this State.

A disgraceful attitude is being adopted by the Premier in tying the abolition of petrol tax to this legislation. By making the lifting of this tax conditional, the Premier is indulging in political blackmail and in what I believe is emotional blackmail. He is trying to put in an emotional

addition to this package deal in order to persuade the people of South Australia that they will be doing the right thing by handing over the railways, but I do not believe the people of this State are as silly as the Premier obviously believes they are. There should have been no reference to the withdrawing of any State taxes until after the budgetary situation of this State became quite clear. It will be difficult for this State, because there may be a tremendous temptation for people to accept the deal as offered.

It is clear from a report in the *Financial Review* yesterday followed by another in the *Advertiser* this morning that a hard-line attitude will be adopted towards the States for funds on which they normally depend. There is informed talk that the States will be directed to resort further to their own tax resources. What guarantee have we, even if we accept this hand-over situation, this selling out, that any of our State taxes will not be reimposed? It is one thing for the Premier to say that he will withdraw certain taxes if we get enough money from selling one of our assets, but for how long will they be withdrawn? To the question, "What sort of an undertaking can he give?" the answer is that he can give no undertaking at all in this matter. Selling out our railway system will present a short-term advantage and an attractive package deal that the Premier hopes will appeal to the people of this State, but I believe they will not see the State destituted by the selling-out tactics being adopted by the Premier.

Control of the transport system is essential and can easily be accomplished, particularly with a Labor Government in this State and another in the Commonwealth. If the Premier really believes that people can be hoodwinked and that we should dispose of our assets in this way, let him put that proposition to the people. I support everything my Leader has said: let us put the question to the people, because I do not believe that they will stand for political blackmail and will not stand idly by and see their State sold down the drain.

The Hon. G. T. VIRGO (Minister of Transport): I am pleased that the member for Bragg finished on the note he did, when he said that the matter should be referred to the people to let them have their say.

Mr. Venning: Hear, hear!

The Hon. G. T. VIRGO: I am pleased that the member for Rocky River agrees with him, too, because he, like the member for Bragg, has not done any homework.

Mr. Venning: We have done our homework all right.

The Hon. G. T. VIRGO: If Opposition members had done their homework, they would realise that at the Commonwealth election in 1972, the Prime Minister of Australia said in his policy speech—

Dr. Tonkin: Not a mandate again!

The Hon. G. T. VIRGO: My God! The Prime Minister in his policy speech said that he would accept the offers of the New South Wales and Victorian Liberal Premiers to take over their State railway systems, and would accept the offer of any other State that made the offer to his Government. In 1974 that Government was re-elected on the same policy that had been put to the people and had been accepted. Yet we get the arrogance again of the member for Bragg and the stupidity of the Leader of the Opposition, both talking about putting this matter to the people. It has been put twice to the people, but the member for Rocky River is too dumb to understand that.

Mr. Venning: Repeat what you said!

The Hon. G. T. VIRGO: Let us get the situation straight: twice the people of Australia voted for this.

Mr. Venning: You've got it all wrong!

The Hon. G. T. VIRGO: They did it in 1972 and again in 1974, yet the member for Bragg wants another vote on it. He is as stupid about this as he is about the Medibank scheme: he is as opposed to the people on this as he is on Medibank; and he is as opposite in his views on this matter as he is to his Commonwealth colleagues in Canberra. Obviously, the honourable member has not read Commonwealth *Hansard*, especially at page 3134.

Mr. Venning: That doesn't mean a thing!

The Hon. G. T. VIRGO: It is significant that the Opposition shadow Minister of Transport is not present this evening: perhaps he does not think it is important enough, but the remarks of the Opposition shadow Minister for Transport in Canberra, Peter Nixon, are here. I am sure that the member for Davenport would be interested, because last time he overheard a private conversation, he got on the phone and rang him straight away. I hope he rings him on this occasion, too. This is what Mr. Nixon had to say:

It seems to me that all the advantages in this respect lie with the State Minister.

The SPEAKER: Order! The honourable member for Davenport.

Mr. DEAN BROWN: I rise on a point of order, Mr. Speaker. The accusation has been made by the Minister that I telephoned Peter Nixon. I point out to the Minister that never in my life have I spoken to the Mr. Nixon to whom the Minister was referring, and I ask for a complete withdrawal of the accusation by the Minister.

The SPEAKER: That is not a point of order.

Mr. Jennings: I don't suppose he would speak to you.

The Hon. G. T. VIRGO: If members would look at page 3134 of Commonwealth *Hansard* they would see that the shadow Minister for Transport (Peter Nixon, the Commonwealth member for Gippsland) chose to tell some stories about what I said on the telephone. He said:

Of course, his colleague in South Australia will refuse to agree to such closures, and the Minister will then be left with a lot of egg on his face. . .

There are a few members opposite with a bit of egg on their face tonight, members such as the member for Bragg and the Leader of the Opposition, who is not here at present because he is obviously upstairs washing it off. Mr. Nixon continued:

. . . because the advantages lie with South Australia.

That is why members opposite are so irate. The Premier has been able to obtain the greatest deal of all time for South Australia, and members opposite are rotten about it. Even the member for Mitcham is laughing. I wonder whether he knows what the Leader of his Party said in the Senate last night. At page 2450 of Commonwealth *Hansard* Senator Hall said:

No doubt the overall debt is immense and there will be great advantages financially to South Australia.

That is why the member for Mitcham opposes it! Because the Liberal Movement does not want any advantage for South Australia, it is not willing to acknowledge that South Australia has the greatest Premier that it has ever had. Every member opposite wants to ridicule the Premier because he has done the greatest deal for South Australia that has ever been negotiated.

Members interjecting:

The Hon. G. T. VIRGO: Members opposite can shout and roar for as long as they wish, but these are the facts and they are indisputable. Senator Hall acknowledges it, the shadow Minister for Transport (Mr. Nixon) acknowledges it, and even other members of the Liberal Party in Canberra are acknowledging it. However, in South Australia we have these little establishment boys; these States-righters who want to say, "Let's keep this asset". What is this asset about which the member for Bragg talks? Let me give some figures, which the member for Bragg may find are surprising, about the asset that the member for Bragg hopes that South Australia will keep. On Tuesday of next week I expect to lay on the table the quarterly report of the South Australian Railways.

Dr. TONKIN: On a point of order, Mr. Speaker, is the Minister quoting from a paper that is to be laid on the table and, if he is, will be now table it?

The SPEAKER: Order! There is no point of order. The honourable Minister of Transport.

The Hon. G. T. VIRGO: I intend, in accordance with regulations under section 21 of the South Australian Railways Commissioner's Act, to lay on the table at the proper time the required report that shows for the three quarters (nine months) to March 31 this year a working deficit of about \$23 500 000. If to that sum is added the sum for the final quarter (which it would not be unreasonable to assume would be in excess of \$8 000 000), the total deficit would be about \$31 500 000, to which could be added debt charges of about \$8 500 000, making a total in excess of \$40 000 000. That is the asset that the member for Bragg says we should keep. What a wonderful asset is the member for Bragg!

The Hon. D. A. Dunstan: That deficit increases each year, too, and the member for Bragg wants us to keep it.

The Hon. G. T. VIRGO: The member for Bragg suggested that the Commonwealth Government should wipe off the debt charges—

Mr. Venning: Why not?

The Hon. G. T. VIRGO: —and let us see how we might function. I hope the figures I have quoted have sunk in to the member for Rocky River and the member for Bragg, because that is what will happen if we wipe off the debt charges. Instead of having this year a deficit in excess of more than \$40 000 000 we would have a deficit of about \$32 000 000. The member for Rocky River and many of his country colleagues have consistently advocated that we should provide concessions for farmers.

Mr. Venning: No! You wouldn't do a thing like that! After all, you don't even know where they live.

The Hon. G. T. VIRGO: If the State Government reduced or eliminated country concessions or increased freight rates and fares to the extent we would consider necessary to make the railways pay, we would certainly close down tomorrow. To take such action would be impossible and it would be disastrous as far as country people and people with other interests in this State were concerned.

Dr. Tonkin: What you mean is that you can't manage the railways.

The Hon. G. T. VIRGO: The member for Bragg talks about our not being able to manage the railways. I suggest he has a look at the deficits that his own Government faced when it was in office. I intend referring to that situation because the member for Mitcham referred to a letter which was reported in the press and which was written by a former Railways Commissioner who reported

to the former Liberal Government of which the member for Torrens and the member for Mitcham were Ministers.

Mr. Gunn: What about the member for Victoria?

The Hon. G. T. VIRGO: No, I do not believe he has to accept the blame for those deficits. When the former Railways Commissioner brought down his report, he proposed that certain action be taken, not to eliminate the deficit but simply to prevent it from escalating unduly. I therefore invite members opposite to indicate whether they would now support those recommendations, because the Liberal Government of that day certainly did not support them. I would be interested to hear whether any member opposite would now support them. The Railways Commissioner proposed that all passenger services in country areas other than main lines should be cut out.

Mr. Venning: That's what we've got now.

The Hon. G. T. VIRGO: I beg your pardon! I suggest the member for Rocky River speak to some of his colleagues about that matter, because he is completely off key. Another proposal put forward by the former Railways Commissioner was that road control should be reintroduced. What member opposite would support that? This Government certainly would not support it.

Dr. Tonkin: Nevertheless you still can't manage the railways.

The Hon. G. T. VIRGO: If the member for Bragg supports road control, why does he not have the guts to say so? It is obvious he would not support it.

Dr. Tonkin: But you can't manage the railways.

The Hon. G. T. VIRGO: It was also suggested that all off-peak services should be eliminated. Does any member opposite support that? It is strange, but suddenly all is silent. In other words, the Opposition does not support the former Railways Commissioner's recommendations. They want to reduce the deficit but not increase fares or reduce services. The fact is that this is not possible, and anyone with an ounce of intelligence knows that.

Mr. Venning: Get rid of some of the chiefs!

The Hon. G. T. VIRGO: I think we ought to get rid of the honourable member. I should like to deal now with one or two points that have been raised, and I turn briefly to the Deputy Leader of the Opposition who, regrettably, persisted with one line of thought and did not take the other. He was asking what was in this for the Commonwealth Government. But, despite all the encouragement given to him, we could not get the honourable member into the area of what was in it for the State. If honourable members opposite read the Treasurer's second reading explanation and the agreement, they would immediately realise that this is the greatest financial deal that has ever been achieved in South Australia's, and indeed Australia's, history.

The member for Torrens referred to clauses 7 and 8. Obviously, his reading of those clauses is different from mine, despite my having sent him a copy of the agreement, which he acknowledged today. These clauses are terribly important, as they ensure that we do not give anything at all away. We are retaining the authority to ensure that in all respects the standards of rail operation will be retained in South Australia unless we agree or we are overridden by arbitration. This applies not only to the standard and level of service but also to the general fares and freight rates that are charged. Indeed, when one looks at the comment given to and printed in the South-East press on June 6, by a member of this Parliament (and not of this House) who ought to know better than to talk

about political blackmail, one wonders whether members opposite have bothered to read the document that was forwarded to them. The more one reads of this sort of thing, the more one realises that it is absolute stupidity.

Mr. Gunn: Who wrote it?

The Hon. G. T. VIRGO: DeGaris. Who would you expect?

Mr. Venning: Mr. DeGaris!

The Hon. G. T. VIRGO: The honourable Mr. DeGaris, he is called, and I will give him that title, which is more than members opposite will do when they talk about members of the Australian Parliament. They refer to Jones, as the member for Eyre has done so many times. I will give the Hon. Mr. DeGaris his title and I hope honourable members will—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. G. T. VIRGO: There is no doubt that South Australia has obtained a good deal in this agreement and that rail transport in Australia will benefit when it is accepted by the other backward States that the transfer to the Australian National Railways Commission of the principal rail services in Australia is in the interests of better transportation. In fact, I have not heard tonight (nor will I hear it in truth) one utterance from a member opposite of a rail system that operates anywhere else in the world on this compartment sort of arrangement that we have within the States, under which the staff on a train, when it reaches a State border, must be changed; a line is merely drawn across the map with a pencil and, at that point, the statement is, "You cannot go over that line. You are in alien territory: you are entering Victoria or New South Wales." How stupid!

Mr. Venning: It's worked all right.

The Hon. G. T. VIRGO: The member for Rocky River says it has worked all right. He displays his complete ignorance of the railway system when he makes a statement of that nature, because it has not worked all right: it has cost this community thousands and thousands of dollars in lost and wasted time and in duplication because of the stupid system of having six railway systems in a continent the size of Australia. What have they got in Britain—six systems? No, they have not!

Mr. Mathwin: That's not—

The Hon. G. T. VIRGO: The honourable member for Glenelg realises this. British Rail runs the railway system there—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. G. T. VIRGO: —and the member for Glenelg will, if he is honest, get up and acknowledge that this is a fact. What have they got in America? The private rail systems there went broke and, when that happened, the Government had to take over their operations.

Mr. Dean Brown: Are they running—

The Hon. G. T. VIRGO: If the member for Davenport wants the rail system to make a profit, let him get up on his feet and say so. If he wants the rail systems to make a profit, it means that the honourable member supports about a doubling or trebling of the rates and a reduction in service, and even then they will not make a profit. The sort of stupid interjection that the honourable member makes shows his complete ignorance of the subject.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. G. T. VIRGO: I am sorry that the member for Mitcham has left the Chamber. I hope that the member for Goyder will convey to his Leader, in his capacity of Deputy Leader of his Party, the fact that his counterpart in the Commonwealth sphere, Senator Hall, in the Senate last evening supported the proposition. He raised a couple of queries, mainly regarding the Broken Hill line. However, the information I have been given to this stage is that he was talking in much the same way as the Leader did. I hope I am not doing the Leader an injustice. I think he or the Deputy Leader raised the question of ore freight rates from Broken Hill to Port Pirie.

Dr. Eastick: I raised it here.

The Hon. G. T. VIRGO: And I am talking about the position here. Last evening, Senator Hall raised it in Canberra in much the same way as the Leader did here tonight when he referred to concessions for the cartage of ore from Broken Hill to Port Pirie. I do not want to take this matter very far, because what I say will go in *Hansard*, and I would not like the directors of Broken Hill Proprietary Company Limited to get hold of anything I say. However, I can say that there is not much concession going, and I think the member for Torrens knows what I am talking about. So, that is really not the point. The concessions to which the agreement refers are those which have been granted to help decentralised industry, country people and, indeed, members of Parliament. Everyone seems to have forgotten these things. That is what the agreement refers to. For instance, let me come right back home and deal with members of Parliament, each of whom are given a gold pass. The Government pays the South Australian Railways Commissioner \$300 a year for each of those 67 gold passes.

Dr. Tonkin: I agree.

The Hon. G. T. VIRGO: The honourable member for Bragg would not know about these things. He has not had the experience, but perhaps he will if he lives long enough. Of that \$300, \$150 is divided between the other States, (Queensland, New South Wales, Victoria, Tasmania and Western Australia) on a predetermined percentage basis. When the agreement refers to concessions and the payments for them continuing, we are providing that the \$300 I have referred to that the State Government is currently paying the Railways Commissioner will continue to be paid after the transfer. That is the simple explanation. In addition, there are payments in relation to pensioner fares, children's fares, and that type of thing. Those payments will continue. We do not expect some sort of automatic unloading of the decisions that the State Government has taken over the years, whether those decisions have been taken by the present Government or have been inherited by it from previous Governments.

Mr. Coumbe: Could we initiate new concessions in future, though?

The Hon. G. T. VIRGO: I thank the honourable member for raising that matter so that I can clarify it for him. The situation is simply that the State will always be able to initiate new concessions. For instance, if we have an industry that wishes to establish in a certain place, we are able to offer it various conditions and concessions. In addition, we can provide it with a freight concession, and this is not unusual. We are competent to do that, the only difference in future being that we would have to meet the difference involved. There is no difference in our doing that from the position that obtains at present. When we now decide to give a concession to an organisation, we meet the added cost involved in the deficit. Therefore,

there is no difference at all; we are capable of doing this. We are free to continue the existing concessions and to give further concessions. The decision will always be ours to make.

Mr. Coumbe: It doesn't quite say that.

The Hon. G. T. VIRGO: I am sorry, it does.

Dr. Tonkin: You may think it does, but I don't think it does.

The Hon. G. T. VIRGO: The honourable member might not think it does, but I have done much work over a long time in connection with this agreement and with the principles that govern the transfer. I know the thinking of the Australian Minister. He and I have a very good relationship about this matter. Despite the stirring of the member for Bragg, which is fairly pointless, I assure him that this agreement will be brought to fruition for the benefit of South Australia. The only people who will oppose it are those who are opposed to the future of South Australia.

Members interjecting:

The Hon. G. T. VIRGO: Members can laugh if they like, but any member who votes against the Bill is an alien and a traitor to South Australia.

Dr. Eastick: What rot!

The Hon. G. T. VIRGO: The Leader can say that. However, anyone who votes against the benefits that this Bill will confer on South Australia is a traitor to South Australia, and I make no apology for saying that.

Mr. Venning: Benefits in the short term.

The Hon. G. T. VIRGO: The honourable member can talk about the short term; he would not know what the short term was compared to the long term. I heard the Leader in his speech talk about the short term and the long term. However, having admitted that there were short-term advantages, and then saying that in the long term there would be grave disadvantages, he never got around to saying what those disadvantages were.

Dr. Tonkin: Yes, he did.

The Hon. G. T. VIRGO: He did not get around to saying what they were. I believe that the agreement which has been signed by the Premier and the Prime Minister and which is subject to ratification in the Bill before Parliament is a milestone in South Australia's history. If the Leader of the Opposition had the responsibility in this case (and I do not think he will live long enough to assume the responsibility of Premier), he would not be able to resist this offer. He has not even read the Auditor-General's Report and I suggest he read it, as it suggests that some fairly drastic action must be taken, and not in relation to closing lines, something which the Leader supported but which the member for Alexandra opposed.

Dr. Eastick: Did he suggest that be done?

The Hon. G. T. VIRGO: He did not; he did not suggest anything. He merely said that further measures of a greater magnitude were necessary in this area. He knew, when he said that, that discussions were in progress between the Australian and South Australian Governments. I believe that this is a very good Bill. I hope members opposite will put prejudice behind the door and vote on the Bill in the interests of South Australia.

Mr. BLACKER (Flinders): I oppose the Bill, despite what the Minister has said. I certainly do not consider myself to be a traitor to South Australia. The Minister did this Parliament an injustice by calling traitors people who are endeavouring to stick up for the State's rights and for

a State-serviced authority. It does not behave the Minister to speak so unjustly. Since the Bill was introduced, we have observed two very different approaches to the subject from the Government side. The Premier brought the matter forward in a plausible way. He made the proposition sound inviting, creating the impression that it was a good deal and that we would be \$5 000 000 better off. He said that if the Bill were passed petrol tax would be able to be lifted. He tried to make the Bill appear a good piece of legislation. Just how good is this deal and how genuine is the Premier is presenting these figures and in virtually dangling a carrot in front of the people not long before an election?

I believe there has been misrepresentation of what is actually taking place. Obviously, this case was designed to appeal to the public. However, I am concerned that we are losing a community asset and service that should be administered by the State and those people who are elected to manage the affairs of the State. I do not think we were elected as Parliamentarians so that we could sell out the assets of the State. The Minister of Transport attempted to put forward a plausible argument that the matter had already been put before the people, but I do not recall its having been dealt with on a State electoral platform. I do not think the selling out of the railways to the Commonwealth has been put forward in that way. Viewed in that light, the matter is quite different.

After all, we are State politicians. For the Minister to say that the matter has already been put to the people misrepresents the facts and should not be accepted. The Government suggests that there should be a complete Australia-wide railway system. I can accept that there is a need for a main-line service between the capital cities, linking the States. Anyone trying to send freight from South Australia to, say, Queensland will appreciate the transshipping and so on that is involved. However, when we are dealing with the intrastate services, we are dealing with an entirely different transport system. There is a big difference between across-the-nation interstate services and an intrastate service. In no way can the two be connected or administered by the one authority and provide the service. After all, it is the service that we are after.

Another point that has to be made concerns the proposed transfer of the railways contemplated by this Bill in transferring the country railway system from the State's control as an intrastate service. The service that is required in South Australia by the community is not connected, generally, to the interstate system. The Minister of Transport clouded the issues in a much different manner from that adopted by the Treasurer. The Treasurer did it in a plausible way, whereas the Minister of Transport bombarded his way through, saying that it was just a financial arrangement. That is his argument; it is a financial arrangement. Did the Minister once refer to protection for the transport industry of this State? Not once did he say that the Government was going to guarantee the transport industry, be it rail, road, or any other ancillary service. He said not one word about protection for those services, and he referred only to the financial deal: the quick way out. However, this is the matter that I believe we should all take up and be concerned with.

If we are going to sell out merely because it happens to be a good financial deal, what will our constituents say when they start to look for services, which obviously by that time will have priced themselves out of the market? There has been some controversy across the House in respect of freight rates, which have not recently been increased in South Australia. On the back of today's

Notice Paper under the heading of "Subordinate Legislation" four items dealing with fare and rate variations in respect of the South Australian Railways are listed. They deal with fares and rates, fares and rates for goods and livestock, rates for goods and livestock, and the latter item is then listed again.

Dr. Eastick: They were tabled yesterday.

Mr. Langley: What about road transport?

Mr. BLACKER: The problem with which I am concerned is that the transfer resulting from the passage of this Bill places in jeopardy the complete transport system of this State. I say that because it is an avenue which places the railway system and other transport systems open to amalgamation or incorporation under the Interstate Commission. Of course, the powers of the Interstate Commission are so wide-sweeping that any person engaged in any form of transport in South Australia would have to shudder on reading them. These people are placed in the position of probably being taken over by other organisations, in particular, the Government, and placed in such financial difficulties that they will be unable to proceed in business, because the competition will be the Government itself. Strangely, this competition will proceed in a situation where the main competitor will not have to face sales tax, fuel tax, or road tax. Consequently, there will be a completely unfair advantage to the Government instrumentality over private enterprise. In no way can the position of the two competitors be compared. I hope that someone can dispel this fear by giving me conclusive proof to the contrary of what I have just said, that this position will not obtain.

I believe that we are selling out not only the railways but our complete transport system in South Australia. We are placing in jeopardy all those persons engaged in private enterprise who are trying to provide a service (and they are providing a service). Will that service be maintained? I seriously doubt that it will. The argument presented by the Minister of Transport has been based on the principle of what is in it for the State. I believe the Minister challenged the member for Torrens to come up with a solution because, from the honourable member's speech, he implied that this Bill was a great win for the Commonwealth Government. I believe that we should ask ourselves what is in it for the State. True, we have a financial cash-in-hand situation for the time being, but where are our assets and services? The Government is obliged to provide services for the people. Where are they going? The argument is thrown back that the railways is a non-profit organisation and, therefore, the Government should get rid of it. Should the Government get rid of all the other Public Service departments merely because they are non-profit departments?

Mr. Millhouse: Don't say that one too loudly.

Mr. BLACKER: Maybe the Government would like to hand over the lot.

Mr. Payne: How much would we have to lose before you would change your thinking? Would \$100 000 000 be sufficient? Have you got a line?

Mr. BLACKER: I have not set a limit, but we have already had read out during this debate a letter from a gentleman who would have a pretty fair idea, and he advocates the maintenance of services within the State.

Mr. Payne: You mean Mr. Fitch?

Mr. BLACKER: Yes. I believe Mr. Fitch would be in a good position to know what he is talking about. Anyone who says that he does not know what he is talking about would have to—

Mr. Keneally: He came from the Commonwealth Railways before he came here.

Mr. Millhouse: It shows what broad experience he had.

The DEPUTY SPEAKER: Order! The honourable member for Flinders.

Mr. BLACKER: There are one or two other points about which I would like to comment. First, I refer to the manner in which this Bill is being pushed through this House. I realise that a time factor is involved to coincide with a Commonwealth Government link-up, and there is the necessity for the Bill to be processed as expeditiously as possible. On the other hand, I highlight the inconvenience and the almost impossible position in which the Opposition is placed. True, I did not know what was in the Bill until I reached the House; I had an inkling, and a few words were dropped to me from colleagues alongside about what the possibilities were, but I was never in the position to go home and tell anyone in my district how the Bill would affect them. I have never been in that position.

Mr. Payne: Did you telephone anyone?

Mr. BLACKER: I could run up a \$100 bill, if the honourable member so desires.

Mr. Payne: Did you telephone anyone?

Mr. BLACKER: Yes, I did.

Mr. Keneally: How could it affect your area if there is a change from the South Australian Railways to the Australian National Railways? Your little railway down there!

Mr. BLACKER: I should like to inform the member for Stuart that we do have railways on lower Eyre Peninsula.

Mr. Keneally: Your little railway system!

Mr. BLACKER: I understand the attitude of the member for Stuart toward our railway system. I understand that it has been his attitude and the attitude of many of his colleagues for some time. However, despite the service being small, it is a most valuable service.

Mr. Langley: But how does this Bill affect it?

Mr. BLACKER: The whole structure of the State transport system is in jeopardy with the passage of this Bill. It is the philosophy in respect of the system and the philosophy in relation to the transport industry. It is the hand-in-glove manner in which it goes forward with the Interstate Commission. It is the unknown quantity: the indecisive attitude of the whole Bill. Nowhere in it is there a clause giving protection for any industry.

Mr. Langley: In other words, you say, "Get rid of the railways and we will have road transport instead."

Mr. BLACKER: I most certainly do not say that. I am advocating that this system should be retained as the responsibility of the State. The administration of the system should be retained by the State instead of being controlled by an organisation hundreds of miles away, and possibly even further.

Mr. Crimes: Have you ever experienced the superior service of the Commonwealth Railways, as I did recently? It is superb.

The DEPUTY SPEAKER: Order!

Mr. BLACKER: I do not know whether I am entitled to comment in respect of the interjection by the member for Spence dealing with the Commonwealth Railways, but it is doing a job providing an interstate service, the mainline service between capital cities. Certainly, there is a need, as I have already stated, for that service, but

I do not believe that the Commonwealth should be involved in intrastate services.

Members interjecting:

Mr. BLACKER: Two entirely different industries are involved. I am concerned about particular clauses in the Bill, and I understand that there is considerable doubt about whether some clauses could be overridden. I qualify that by saying that I am not a constitutional lawyer. However, the Leader of the Opposition has raised the question of section 99 of the Commonwealth Constitution. I was hoping that only member on this side of the House was legal experience may have commented on that matter, but since then a Government member has spoken without mentioning it, so I still assume that section 99 has a bearing. That section provides:

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof.

In other words, we must have uniform rates throughout Australia. Even though in all probability we in South Australia have the best lay-out of land and the cheapest means of transport, we must comply and operate in the same way as would apply in Tasmania, in the Snowy Mountains area, or in areas of Australia where the running expense of the service is much higher than it is in South Australia. If there was any situation in which South Australia could take an advantage, that advantage would be lost. We may say that these advantages can come to the State and if, as the Minister has pointed out, these advantages are made by cash payments, outside this agreement, that is an internal arrangement and can be managed. There is the question of maintaining any advantage in the South Australian Railways, or in an area such as Eyre Peninsula, because there the system is a narrow-gauge one and probably would be substandard compared to the lines in the rest of Australia.

Mr. Keneally: You've got more chance of being connected with the rest of South Australia under an Australian national railway than you've had under the South Australian Railways.

Mr. BLACKER: Yes, they may have difficulty in joining up. There are two entirely different arrangements, and I do not think we could contemplate the possibility of the two. The whole structure of the narrow-gauge system is such that it would not carry the heavy locomotive, let alone the loads. I wish to refer to a comment in the booklet *Railway Review*, concerning the attitude of railway employees and the way they may be affected in this transfer.

Mr. Keneally: It's about time some member of the Opposition spoke about employees. You're the first to mention them.

Mr. Dean Brown: I asked a question about that in this House previously.

Mr. BLACKER: This problem has arisen. I have tried to find out from employees in my district what their attitude is, and many of them were not particularly concerned on an overall basis. They did not think the transfer would affect them much and they took the view that it may affect them and it may not. However, what concerned them was what their opportunity would be for promotion in the railways and whether they could contemplate being promoted to the metropolitan area when they got their qualifications.

Mr. Payne: If we had had unification years ago, you wouldn't be able to ask that question.

Mr. BLACKER: The problem is that we have a State system and a national system. We could go further and ask why the Government has not presented this as a State issue and why it has not sold out the whole South Australian railways. Why not sell the metropolitan system, too?

Mr. Crimes: You ought to be pleased it hasn't.

Mr. BLACKER: I fear that our service will go.

Mr. Crimes: You talk of State rights!

Mr. BLACKER: We seem to be getting bogged down on petty matters not related to the service we will either sell out or retain for the State. I hope we will retain it for the State. My fear in this matter is about the way in which the Government has tried to tie in the petrol tax abolition with this Bill. There is no way in which any South Australian can believe that it is good strategy on the part of the Government. Doubtless, it is political blackmail. We will not benefit financially to any large extent.

Mr. Langley: From the Australian Government's taking over the railways?

Mr. BLACKER: I say that because the Budget to be presented will provide for an additional sale of assets that will give us the surplus. Why is the Government not honest, and why does it not say, "We still will have a deficit of \$16 000 000 or \$20 000 000 but we will sell some assets to balance out"? Why not say that it is the sale of assets? The action being taken is similar to action being taken by a farmer who has a flock of sheep and does not balance his budget, has no cash at the end of the year, wants cash, and so he sells half his sheep.

Mr. Langley: No, he gets subsidies.

Mr. BLACKER: It is equally as ridiculous to budget in this way as it would be for the farmer to sell half his sheep and say that he had balanced up. I consider the Bill to be obnoxious. Because of the indecisive approach, there is absolutely no protection for any other transport industries. The matter is left wide open to abuse under the Interstate Commission, and I have no alternative but to oppose the Bill.

Mr. DEAN BROWN (Davenport): I oppose the Bill but, before coming to that matter, I wish to comment briefly on some of the points made by the Minister. First, I refer to the accusation levelled at me that I telephoned the Hon. Mr. Nixon concerning a confidential telephone conversation between the Minister here and the Commonwealth Minister for Transport. I ask the Minister to apologise for that accusation, because I made no such telephone call.

The Hon. G. T. Virgo: Your conscience is troubling you.

Mr. DEAN BROWN: I made no telephone call and no such reference. In fact, I make the point strongly that I have never spoken to Mr. Nixon in my life.

The Hon. G. T. Virgo: Give him a ring and sort it out with him.

Mr. DEAN BROWN: I hope that the Minister, for the sake of his own integrity and that of the Ministry of this State, will be willing to apologise. Otherwise, unfortunately, we cannot believe any statement that he makes from now on. Why should we accept such an important financial agreement, when it has been drawn up by a Minister who proves that he cannot speak the truth in this House? If we can think of no other reason for rejecting the legislation, that would be sufficient reason.

I refer now to the five arguments put forward by the Minister this evening. They were like small chunks of

flesh hanging on the skeleton of the Minister. The first point was that, if the service is running at a deficit, it will be to our benefit to sell it. Based on the logic the Minister spent a great deal of time putting forward, there are many other services in this State for which we should also sell the assets.

The Hon. G. T. Virgo: What do you suggest?

Mr. DEAN BROWN: I am basing it on the Minister's rather ludicrous logic. If he were sincere in putting forward that point, he would have sold the entire railway system in this State, because the entire railway system in this State is running at a deficit. That shows the rather inane and stupid sort of argument we have heard from the Minister this evening. But that is only the first of his five points, the first piece of flesh hanging on the skeleton. The second point the Minister tried to throw forward was that England had one railway covering the entire country. How thrilling! England would fit into almost any Australian State. Again, what a ridiculous and inane argument to put forward.

Members interjecting:

The DEPUTY SPEAKER: Order! I call on the honourable member for Unley and the honourable member for Spence to refrain from some of their interjections. The honourable member for Davenport.

Mr. DEAN BROWN: Thank you, Mr. Deputy Speaker. I appreciate your protection. We have learnt that when we start picking these minute pieces of flesh off the skeleton of the Minister the backbenchers of the Labor Government invariably crow like a pack of crows. I come now to the third rather ridiculous point put forward by the Minister, that the people of Australia had given a mandate for this to go through. In fact, this is a piece of legislation that affects the people of South Australia, and when has the Government of this State put forward this proposal at a State election? Never.

The Hon. G. T. Virgo: You are twisting it and telling untruths.

Mr. DEAN BROWN: Listen to the Minister. He is now realising the folly of the argument that he tried to put forward, and he is sitting there denying that he has ever said it. I suggest that he should read *Hansard* tomorrow. Everyone in this House heard quite clearly what he said about a mandate from the people of Australia for the Australian Government, that it occurred in 1972 and in 1974. The mandate needs to come from the people of South Australia, because the people of this State are the people who are going to be affected, not the people in Canberra or the people in Western Australia, Queensland, New South Wales, or Victoria. It concerns the people of South Australia.

The Hon. G. T. Virgo: Didn't they vote in the 1972 and 1974 elections? You won't answer, will you?

Mr. DEAN BROWN: I am sorry, I did not even listen. I sat and listened to the Minister's speech for 30 minutes and could not see any sense in it, and I certainly will not listen to a one-minute interjection across the House. It is rude, to say the least. I come now to the final point, the final piece of flesh left on his skeleton. It was that, unfortunately, when we get to the State border at present it is necessary to change the entire crew of the train. If we transfer the service to the Commonwealth, as I understand it exactly the same procedure will continue. The Commonwealth Railways will have to take off its crews and the Victorian crews will get on at Serviceton. I gravely doubt whether the Minister is sincere and logical

in putting forward that point, even though he is an honourable man; indeed, "honourable" had to be given to him. If he is sincere, I think he should accept the position that he will not accept any agreement for the transfer until all States in Australia are prepared to transfer their railways. So yet another argument, the last weak, inane argument from the Minister, falls from his skeleton of bones.

Having picked the miserly, maggotty flesh from the bones and having picked the flesh from the argument of the Minister, I come now to the Bill. If I were the Minister this evening I would be standing with my head hanging in shame; here we are transferring our State railways to the Commonwealth Government because we cannot run them efficiently and because we cannot run them profitably. Who does that reflect on? No-one but the Minister and the Government of today. It appears incredible that the Minister could have the thick hide to stand here this evening and try to defend this transfer when in fact it is a public vote in this House on his ability to run the railways.

We should now look at the whole reasoning behind this piece of legislation. The Premier is basically selling the State's assets to provide for immediate finance to allow the very extravagant expenditure of this Government to continue. The action of the Premier is quite dishonest; I say that because he is trying to buy votes in the immediate future rather than consider the long-term welfare of this State.

The Hon. G. T. VIRGO: Where is the long-term welfare impaired?

Mr. Langley: How long do you think you will be out of Government? Give us an idea.

Mr. DEAN BROWN: I do not think it will take me a full 30 minutes to destroy all arguments put forward from members opposite, and I would like to cover any arguments Government members have attempted to throw up. As I have said, the Premier is trying to buy votes in the short term and to find immediate finance to keep his extravagant expenditure going rather than looking at the long term welfare of this State. That is the action of a political animal rather than of a statesman.

Mr. Langley: Have a word with the pensioners in this State.

The DEPUTY SPEAKER: Order!

Mr. DEAN BROWN: In straight business terms, if the Government Whip would listen, this could be likened to selling fixed assets for the sake of being able to pay for current liabilities. If any managing director of a private company did that, he would be sacked by his shareholders, and there is every likelihood that he could even end up in gaol under the laws set by the Government of this State, yet the Premier is prepared to do that with the State's assets. He is prepared to sell our assets to cover the current liabilities, and then he has the gall to stand in this Chamber and praise the fact that the State will now have a surplus at the end of the financial year. What hide! What gall! What dishonesty! Such a man, if he had any concern for the future of the State, would resign. The second point—

Mr. Langley: Why don't you—

The DEPUTY SPEAKER: Order! The honourable member for Davenport.

Mr. DEAN BROWN: It always concerns me that the member for Unley seems to become very touchy when we talk about the safety of his seat.

Mr. Langley: Come out there and have a go.

Mr. DEAN BROWN: I will certainly come out, if that is an invitation, and campaign against the honourable member.

Mr. Langley: And stand, too.

Mr. DEAN BROWN: No, thank you, I have a suitable seat now. I come to what the Premier has said about the transfer of State powers to the Commonwealth Government. The member for Mitcham and several other members on this side have said at great length, and rightly so, what the Prime Minister of Australia, the Rt. Hon. Gough Whitlam (and he got that prefix only because of his position) has said about transferring State powers to the Australian Government. I now come to the man who has signed the agreement on behalf of this State, the man we as a State are expecting to uphold our rights and to protect our interests.

The Hon. G. T. Virgo: Who was it?

Mr. DEAN BROWN: The Premier, and I refer to a speech he made in this House when he was talking about the financial plight of the States. He said:

Members opposite say that we must end uniform taxation, but that would mean economic disaster. The only successful answer to the whole problem is that Australia shall have one enlarged sovereign Parliament with a central administration in some things and a decentralised administration through a county system subject to that Parliament. Then local government would be far closer to the people. There would be none of the present hiatus in governing powers existing between the Commonwealth and the States.

That is from the man we are expecting to protect our interests, but how can we believe a man with those views who has publicly expressed to the people of South Australia that he is willing to sell the State out to the Commonwealth Government? How can we expect that man who has proved to be so dishonest in other financial matters to represent us at Canberra?

The Hon. G. T. Virgo: We're getting a bigger vote for South Australia than your Party ever got.

The DEPUTY SPEAKER: Order! I call on honourable members to refrain from interjecting. The honourable member for Davenport.

Mr. DEAN BROWN: The Premier continued:

We believe there must be one Government which will be able to answer the will of the people as no Government in Australia is able to do today. . . . For that reason we believe that the only answer to this problem of finance between the Commonwealth and the States is unification and a decentralised administration through a county system subject to a sovereign Parliament which can at last give to the people the voice in the Government they desire.

The Hon. G. T. Virgo: It's very nice to hear that in your voice. You do it very well.

Mr. DEAN BROWN: I could go on, if I had time, to talk about what he claims he does to stop the people with wealth from ruling Australia and this State. A person who comes forward with that kind of argument must be small minded and rather bitter. We see the true colours: we have a Prime Minister representing the Australian Labor Party at the Commonwealth level, much to the shame of the people of Australia at this stage, and we have a Premier of the same political colouring who is willing to sell out this State.

The DEPUTY SPEAKER: Order! The honourable member for Davenport must come back to the Bill.

Mr. DEAN BROWN: I am simply referring to the political views on transfer of powers by the person who signed the agreement about which we are talking; that is

quite valid, and it is the kind of thinking that I saw was so evident in England recently by people like Benn. I saw that kind of thinking by the extreme left and the effects it was having on that country.

The DEPUTY SPEAKER: Order! I ask the honourable member for Davenport to address his remarks to the Bill. If he does not do so, I will withdraw his authority to speak. The honourable member for Davenport.

Mr. DEAN BROWN: I have made that point and I will now make my next point, involving the real question we are considering this evening.

The Hon. G. T. Virgo: The transfer of powers.

Mr. DEAN BROWN: If the Minister will be quiet and be polite for a moment he will see the real issue at stake.

The DEPUTY SPEAKER: Order! Interjections are out of order.

Mr. DEAN BROWN: The real issue is whether the railways are best served by administration from the Commonwealth in Canberra or by the State Government in Adelaide.

The Hon. G. T. Virgo: You're wrong.

Mr. DEAN BROWN: The answer to the question can clearly be seen when we consider the services the railways supply to the State. The point is that there are only—Mr. Deputy Speaker, may I have quiet from the Minister?

The DEPUTY SPEAKER: Order! Interjections are out of order. The honourable member for Davenport.

Mr. DEAN BROWN: Ministers have no special right over any other member in the House. The point is: can our railways be best administered from Canberra or from Adelaide; that is, the railways in South Australia? Let us consider where those railways serve? Except for two lines, that is, the Adelaide-Serviceton line and the Adelaide to Port Pirie line, all other rail services in the State are there to serve the people in the State.

The Hon. G. T. Virgo: What about the Adelaide-Peterborough line, which serves Sydney?

Mr. DEAN BROWN: I referred to the Adelaide to Port Pirie line.

The Hon. G. T. Virgo: What about the Adelaide-Peterborough line? You don't even know the rail system.

Mr. DEAN BROWN: I except the two lines that service this State. All other services (if the Minister will listen) serve the people in the State for the purposes of the State, namely, the metropolitan services and the country services that are directed towards Adelaide. Seeing that most of the State services, except the two lines, serve the people here, why give them to Canberra to administer? There is no reason to believe that the people in Canberra will do a better job than the people in Adelaide will do.

The Hon. G. T. Virgo: You can't even see it, you dumb idiot.

Mr. GUNN: On a point of order, Mr. Deputy Speaker, I ask the Minister to withdraw his uncharitable allegation about me.

The DEPUTY SPEAKER: I call on the honourable Minister.

The Hon. G. T. VIRGO: I withdraw: he is not dumb; he is able to speak. He has just proved it.

Mr. GUNN: On a further point of order, Mr. Deputy Speaker, I ask for an unqualified withdrawal.

The DEPUTY SPEAKER: I call on the honourable Minister.

The Hon. G. T. VIRGO: If the honourable member persists, I will withdraw. He has made the point, anyhow.

Mr. DEAN BROWN: I still look forward to an apology from the Minister for the false accusation he made against me earlier. The services of the railways here are basically for the purposes of the State, and there is no purpose in transferring them to the Commonwealth. The real crux is that there is no advantage for a transfer of the administration and financing of the Commonwealth railways.

The Hon. G. T. Virgo: Obviously you haven't read the second reading explanation.

Mr. DEAN BROWN: Yes, and the agreement, too. I have read all the documents associated with this matter.

The Hon. G. T. Virgo: Get someone to interpret them for you, because you obviously do not understand them.

Mr. DEAN BROWN: I come to the real differences, if there is a transfer, and I see three of them: first, the financing of capital works; secondly, the administration of the railways; and thirdly, the somewhat technical point of transferring engines and engine crews at the border. Regarding the financing of capital works, the point is that the Commonwealth can get finance free of interest, because several years ago the States granted to the Commonwealth the power to have sole rights over personal income taxation. If the Australian Government had any moral responsibility to the States, it would ensure that the States had sufficient finance so that they did not have to borrow money from the Australian Government for capital works.

The Hon. G. T. Virgo: Have Liberal Governments ever given the States any?

Mr. DEAN BROWN: We are now getting the worst deal from the Commonwealth Government that we have ever had.

The Hon. G. T. Virgo: What did Liberal Governments give the States?

Mr. DEAN BROWN: Despite the shocking deal we are getting from the Premier, that double-faced man had the gall to stand here today and say that we are getting sufficient finance from the Commonwealth Treasurer.

The DEPUTY SPEAKER: Order! The honourable member must come back to the Bill.

Mr. DEAN BROWN: These are the three points. The point is that the financing of the capital works for the railways can be done just as well by the State, provided that the Commonwealth Government is willing to give us a fair share of the income tax it raises, which it certainly is not doing at present. Secondly, I see no reason why South Australia cannot administer the railways as well as the Commonwealth can. South Australia could certainly administer them better in the interests of this State, unless the Minister is admitting his inability to administer the railways, which I suspect he is. The only real difference is the trivial point that we have to change the engines of two train services at the interchange with other services. What a trivial point. Does that account for the entire losses of the railways in this State and the entire inefficiency of it? Of course not. It really shows how weak and illogical are the Minister's arguments.

The Hon. G. T. Virgo: Would you call \$32 000 000 a year trivial?

Mr. DEAN BROWN: The Minister is claiming that it costs \$32 000 000 to change the engines of two trains at the border. What an incredible statement!

The Hon. G. T. Virgo: It's just your stupid interpretation.

The DEPUTY SPEAKER: Order!

Mr. DEAN BROWN: The only difference will be in administration and will relate to whether or not South Australia has to pay interest to finance its capital works.

The Hon. G. T. Virgo: You haven't studied the documents that were given to you.

Mr. DEAN BROWN: On reading the agreement it was obvious that this State's freight services would be transferred to the Commonwealth Government. That point has not been considered this evening. It is noticeable that all Adelaide metropolitan freight services and transfer points will be given to the Commonwealth Government.

The Hon. G. T. Virgo: That's not right, either.

Mr. DEAN BROWN: It is an important point. At the same time, South Australia will retain metropolitan passenger services. Under this agreement the Commonwealth will have the right to establish new passenger and road freight services in South Australia. Of course that will apply only after agreement has been reached with the State transport authority, which implies the Minister. We have seen the Minister's ability to make rational judgments in this area does not apply.

The Hon. G. T. Virgo: Where?

Mr. DEAN BROWN: In the five weak points the Minister raised this evening, not one of which stood up to a minute's examination. How can we allow such a man to try to protect the railway services of this State? However, if one considers the case put forward this evening by the Opposition it is clear that the transfer of rail services is not in the best interests of South Australia; there is no point in accepting the immediate Commonwealth gift that would benefit South Australia. That immediate gift is just an attempt to wipe off South Australia's current liabilities and to buy votes through continued extravagant expenditure. We have seen this lack of moral thinking behind such an ethic of the Government. The services to be taken over are basically services that are there for the people of this State and are orientated entirely within this State. The Minister, however, is willing to sacrifice those services (as is the Premier, the Cabinet and the entire Government) to maintain a rather weak political philosophy that both the Premier of South Australia and the Prime Minister of Australia have put forward. That same Premier was willing for public show to say that he would like to have done something on the Prime Minister while flying over Canberra but, when he lands, he is obviously willing to lick it all off. The Government has not yet put forward a case in support of the take-over proceeding, but the Opposition has put forward a series of excellent cases why it should not proceed.

The Hon. G. T. Virgo: All traitors to South Australia.

Mr. DEAN BROWN: I detect from that interjection that the Minister is not interested in the affairs of South Australia; he has just accused me of not being interested about what happens to South Australia.

The DEPUTY SPEAKER: Order! Interjections are out of order, and so is the honourable member for replying to them. The honourable member for Davenport.

Mr. DEAN BROWN: I am proud to be concerned about the interests of South Australia, and for that reason I oppose the Bill.

Mr. PAYNE (Mitchell): I support the Bill with all the conviction I can muster. Of all the members opposite who have spoken in this debate the only one who spoke

with any real justification was the member for Flinders. He at least said that he was a South Australian; elected by South Australians, and he believed that he had to look at this measure in a certain way. His standpoint is not perhaps all that unreasonable. There was some logic in what he put forward if we allow for the fact that he spoke as what he claimed to be—a South Australian elected to represent South Australia. I intend to speak in a slightly different capacity, because I am a South Australian and am elected by South Australians—

The Hon. G. T. Virgo: By a substantial majority, too.

Mr. PAYNE: —as a State member. I am also an Australian, and that is the difference between members of my Party and those opposite. We do not find any conflict in being a South Australian and also an Australian. No citizen of this country, in whichever State he resides, should find any conflict in that concept. If a person lives in Victoria he is Australian and should be able to think as an Australian without being considered disloyal to his State. It seems that that point continually escapes members opposite. It was suggested by the member for Davenport that the Minister of Transport was stupid and inane. When he used those words he was trying to justify his case that the South Australian Railways was operating at a loss. Apart from those words the honourable member said that the Minister could not run the railways efficiently without there being losses. He implied that that situation was unique to South Australia and that the Minister was the only one in that position in Australia. That in itself illustrated the honourable member's complete dishonesty in the way he presented his arguments in this matter.

Mr. CRIMES: Mr. Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr. PAYNE: I had just begun to demonstrate the fundamental dishonest approach of the member for Davenport, and I believe that had some effect on members opposite. There may have been some shame on the benches opposite, because for a short period we seemed to be somewhat short of their members in the House.

Mr. Coumbe: Whose members?

Mr. PAYNE: Opposition members.

Mr. Coumbe: Both sides!

Mr. PAYNE: The suggestions by the honourable member that there was something unique in the South Australian Railways involving a loss operation and that the Minister was at fault are completely untrue. As far back as 1970, and even before that, railways as State operations throughout Australia were in trouble. Governments of a colour other than that of the Labor Party would freely admit this and indeed have admitted it. I refer now to a report in the *Australian Financial Review* of October 30, 1970, under the heading "Drastic Action by Bolte on \$27 000 000 Victorian rail loss", as follows:

"The Victorian Railways are expected to lose \$27 000 000 in the coming financial year and something drastic and dramatic will have to be done", the Premier, Sir Henry Bolte, said yesterday. "I offered the railways to the Commonwealth at the Premiers' Conference last week, but they did not make any reply", Sir Henry said.

That is what he thought of the same problem—not a problem unique to South Australia, which is not the only State with worries in this area. The problem of railways operating at a loss is quite common to other States. I said earlier that I found no problem in thinking as an Australian and as a South Australian and I suggest that, if members opposite try to understand this concept, it

will benefit South Australia. The position is that they are constantly putting forward arguments in this House based on the assumption that, at all costs, the view which is correct for South Australia is contrary to something that is all right for Australia. That is just not so, and we, especially members opposite, ought to behave more responsibly in this respect. We have a duty not only to our State but also to our country and, in considering these matters, surely no-one would disagree with the opening remarks made in the Commonwealth Parliament regarding this matter. Members will know that a Bill regarding this matter has already been in the Commonwealth Parliament for some time. The opening remarks bear reading by any citizen of Australia. I refer to the remarks by the Commonwealth Minister for Transport (Mr. Jones), as follows:

This Bill, together with the Railway (Tasmania) Bill, 1975, which I shall present shortly, represents the first major step towards the creation of a truly national railway system.

I would not expect any Australian to disagree with those sentiments. Do not members opposite want a truly national railway system? By the way they have been speaking in this debate tonight, I can only assume that they do not. If they do want it, does it in some curious way make them disloyal to South Australia? Of course it does not! One can be rational about these things. I understand that political affiliations are sometimes involved in these matters, but it does seem in this case that it is no real problem for one to be a good South Australian as well as a good Australian. I only wish that members opposite would adopt this point of view. The Hon. Mr. Jones went on clearly to say that the need for a unified railway was in the minds of Australia's founding fathers in 1897. It was concerning our founding fathers in 1897, and the following provision was inserted in section 57 of the Constitution, which is well known:

... the acquisition, with the consent of a State, of any railways of the State on terms arranged between the Commonwealth and the State.

That is the power given. There is nothing funny about it and no selling out or getting rid of anything. The Constitution refers to "the acquisition, with the consent of". So, what is all this nonsense to which we have been subjected tonight about the Premier's selling out the State, its assets, and so on? This is allowed for under the Constitution and, indeed, has been allowed for since 1897 when people of a different philosophy from mine had much to do with the preparation of the document to which I have referred. They found nothing about which they could be in conflict. Coming from various places in Australia, these people got together and produced that document. They said, "It is obvious that there are going to be States for a long time, and we are also going to have one country. There ought to be ways to do things, and here is one way of handling the matter", a matter that they had the foresight to acknowledge might go beyond what they were faced with in those times: six little colonies with trains running up and down, each with its own idea on rolling stock, the way to handle it, routes, size of track, and so on. Yet, they had the foresight to allow for this very kind of transfer that we are now considering.

Are we honestly to believe that members opposite, elected to represent the people of this State in 1975, cannot conceive of the same concept that the people to whom I have referred conceived in 1897? I do not believe they cannot. They must have other reasons. I do not want to go into what their other reasons may

be. I am sure that, if they were more careful and sat down and examined the matter, members opposite would realise that they could be good South Australians without being disloyal to anyone, especially to our own country and our own State. There is really no need for me to go on much longer in this debate. That is the crux of the matter.

The Premier and the Minister of Transport have been able, with the assistance of very able officers on both sides who have already been referred to by the Premier, to draw up an agreement allowing people in the State of South Australia to transfer their non-metropolitan railways to the Australian Government. That is an entirely honourable transaction, as I have already proven beyond doubt, because of the existence in the Constitution since 1897 of this very provision. I hear no objections whatsoever from members opposite, because my arguments are irrefutable. True, there may be arguments in this Chamber about philosophy, which is understandable at times. Anyway, I would suggest that it would be difficult to do other than agree that what has been put forward in the Bill is a sound and sensible approach to the situation, about 80 years after Federation, in respect of the railway system in this country.

There is no need for me to deal with what the member for Davenport put forward, as his arguments were absolutely shallow. The matter of transferring train crews and matters of that type are not really the points at issue. The point is whether we believe we are one country and should have a national railway system operating for the benefit of all citizens. The South Australian Government is able to make an honourable transfer, which is allowed for under the Constitution, with proper and just payments and compensation to the people of this State for the transfer of any assets involved in the transaction. If we believe that this should be done, there is no conflict. As I have outlined, the course proposed is perfectly reasonable.

Because the Premier and the Minister of Transport were able to negotiate well and strongly on behalf of the State, they have managed to reach an agreement that is beneficial to the State as well as being beneficial to Australia. The benefit to Australia is that all of us, as citizens, contribute to the national concept in this way. All members opposite, sooner or later, must get rid of the short-sighted view they now have that a person cannot be South Australian and also Australian. People can be both. There is nothing wrong with that, as people outside know. If members opposite could divorce this narrow idea from their thinking, perhaps they could be more rational in future. All that we should be considering this evening is whether the agreement and the Bill contain the right sorts of provision to allow the transfer to proceed as smoothly as possible for the benefit of Australia and South Australia and the users of the railways.

This matter has been canvassed. It has been shown that various clauses of the agreement ensure that there will be no derogation in the standards presently applying in these services. Regarding the metropolitan area of Adelaide, a clause in the agreement provides that we can still go ahead with plans for an integrated metropolitan transport service. That is another matter that seems to have escaped the attention of many members opposite. Members opposite have asked why only the non-metropolitan services are to be transferred. Then they pause half-heartedly and cannot go on with the matter. Not one of them said even to himself (if not to us) that perhaps there was a real reason for this, the reason being that this State (as members opposite know) had a State Transport Authority. Metropolitan transport plans may

not hinge on trains alone, buses alone, or some other form of transport alone. Modern transport systems catering for metropolitan requirements need to be as integrated as possible.

I should have thought members opposite would realise this, because it is now some time since the Minister and the Government permitted transfer tickets to be used in South Australia in the metropolitan area, whereby passengers can change from one form of transport to another without any delay, simply by using the original ticket. Although members opposite know this, they do not connect it with why only the country section of the railway service is being transferred.

Mr. Keneally: They don't want to.

Mr. PAYNE: Perhaps they have their reasons for not connecting it, because I find their arguments hard to follow, and it is being charitable to say that they have arguments. I believe that what is proposed in the Bill is fair for the people of the State. No member on this side denies that it is fortunate that at this time, when all States are struggling with their finances, we have been able to receive certain windfalls. The Premier has made no bones about this. He has been open with the House. His explanation has shown, as far as it can be shown clearly, that X occurs and Y occurs, the State gains \$N, and there will be benefit later when certain base adjustments will be made, and so on. He has also taken the members into his confidence, pointing out that the transfer is straightforward in some areas but that there are difficulties in relation to pay-roll tax and certain other matters. He has drawn the attention of members to this. Yet members opposite say that he is conducting a shonky deal. These are disgraceful tactics. The Opposition has a job to do, and it is not for us to challenge that. It is entitled to probe and thrust and offer viable alternatives, but in the latter case we come to the nitty gritty, as not many viable alternatives to the proposal have been suggested.

Mr. Venning: How many kilometres of railway are there in your district?

Mr. PAYNE: I might have a kilometre or two more than the honourable member realises. I have some railway line in my district and, what is more, it carries a considerable amount of freight. The honourable member may not realise that the railway line in my district has the end of the spur line connected with the works of Chrysler Australia Limited. Actually, this is just over 200 metres from where I live, but I will not be diverted in this way, as the Bill before us is too important, being a fundamental issue. Let us not consider the airy fairy stuff suggested by one or two members opposite about what is hidden here and there. This is a complex agreement, as the Premier made no bones about admitting. There has been willingness by Commonwealth and State officers to recognise this fact. An effort has been made by legal officers in this connection. All this is disclosed, and nothing is hidden. The Premier has said that there are difficulties concerned with Commonwealth and State legal problems. Nowhere does he say that the matter is 100 per cent correct and cannot be wrong in some minor or other detail. He is saying that this Bill is the best we have been able to come up with. As it is for the benefit of the people of the State and of Australia, he asks the House to support it. I, too, ask members to support the Bill.

Mr. NANKIVELL (Mallee): I think it would be fair to say that ever since road transport became economic and

feasible, the railways, because of their inflexibility, have been in difficulty. It makes no difference whether it is a State railway or the Australian National Railways, as that organisation is called. The A.N.R. has had one distinct advantage up until now, since it has not anywhere had to compete. It has operated monopoly services over long hauls, and it has been able to fix its freight rates to suit its convenience. Its balance sheets give no indication that its efficiency is any greater than that of the South Australian Railways. In fact, I say without question that, from what I know of railway systems in Australia, the South Australian system is the most efficient State railway service in Australia. The reason why it is not profitable is that it was designed to provide a service, and that service was of a different nature from that provided by the A.N.R. Our system was designed to provide services to allow the hinterland of South Australia to be developed.

No-one denies that many of the railway lines currently in existence, which were constructed back in the 1920's and earlier, are today redundant, but this is not the fault of the railways: it is a fault of this Parliament. Power has always rested with Parliament to close railway lines. However, what a complicated procedure is involved in this State. A Transport Control Board report is provided to the Minister. A reference from the Minister goes to the Public Works Committee, and a report and recommendation from that committee is submitted to Parliament. Then, if the unions can be persuaded and members of Parliament can be persuaded that a line should be closed, there might be some chance of the line being closed. I still say that the provision is there and, if a railway is inefficient and redundant, we can blame no-one but the people sitting in this House, as they are responsible for the running of that railway. The member for Mitchell talked about a duty to the State and to the country to accept a nationalised service. Who pays for the deficit resulting from operating that line when it becomes nationalised?

Mr. Keneally: The Australian taxpayer.

Mr. NANKIVELL: It is still the responsibility of the Australian taxpayer, although it transfers the problem from one pocket to another. Therefore, the only significant difference that I can tell the member for Stuart is that, if we had the financial resources which my colleague the member for Davenport said we had given away in the 1940's under uniform taxation, or if we had some system of getting a growth tax through taxation, we could probably meet some of these expenses. Unfortunately, it has not mattered so far what Government was in power; we have never been able to recover that right to obtain a growth tax by way of income tax, which is the greatest inflationary source of revenue to any Government in Australia, whether it be a Liberal Government or a Labor Government. In fact, the present Labor Government has exploited it as a result of the inflation it has encouraged in Australia.

If I were given the opportunity to be responsible for this matter I would accept a system such as exists in Canada, where there is a national inter-connector railway service between the main capital centres. I go along with what has been said about the tremendous cost and the duplication (the multiplication of duplication, if that can be the case) of paperwork involved in sending an article over a whole series of independent State systems. In that area I believe there is some common sense and logic in having uniformity. Quite apart from the necessity in the case of defence, I believe just common sense demands something be done in this way. Perhaps this is the reason behind the resurrection of the Interstate Commission and the powers that will be given to it if it becomes a reality. Under the

powers provided to the commission, anything in this Bill means nothing: it is not worth the paper it is written on.

The commission will have absolute and sovereign power, and the only challenge one has in respect of decisions of the commission is in relation to matters of law, which can be referred to the High Court. However, on matters referred to it, under its terms of reference the commission has complete and absolute power, with no right of appeal. Therefore, it does not matter what we say here: if the commission comes into effect, through its powers it can force the standardisation not only of railway systems but also of railway freights throughout Australia. In addition it will have sovereign control over roads, air and sea.

I may have digressed, but my point is that this commission, if it is established, will have absolute power. I am now going to be partisan and honest in this exercise. Members are told to be here in this House to speak for the people of South Australia. I am going to speak for the people I represent, the people who, until now, have put me in this House to look after their interests. In this legislation I see nothing that will help any one section of the community that I represent. Immediately it was known that this Bill would be introduced, I consulted all the railway people I could within my district. Only one stationmaster could not be contacted, but I had discussions with railway staff and other personnel. They knew nothing about the implications of the Bill concerning them. They accepted it along with the capitulation of the unions in this matter.

They did not know what their superannuation benefits would be. They thought that they might not be any the worse off; they hoped that they would not be, but they all said that they would like to know what the Commonwealth superannuation benefits would be, as they did know what were the State superannuation benefits. Moreover, they were not certain what their wages would be, although they believed that the Commonwealth rates of pay in their various categories were equal to or slightly better than what they were currently receiving. They were all desperately concerned about how this change would affect their subsequent promotion and movement within the State. Many of them had planned their promotion (if it is possible to do so in the service) to move progressively towards a centre, especially Adelaide, as they got older and in the interests of their family and children; they were most concerned that this might no longer be possible. Some had a naive belief that if the Commonwealth took over they would be able to move to other areas such as Alice Springs, Darwin or some other place in the Commonwealth service.

Mr. Keneally: Or Canberra.

Mr. NANKIVELL: Yes, but they overlooked that the rules governing railway movements in South Australia are completely different from the rules applying in other sectors. For example, a stationmaster trained in South Australia, unless he passes his examinations for another sector, cannot be transferred to that sector. None of these things did these railway employees know. They just accepted that their interests were being looked after. However, I believe that this Government and the unions have let these people down by not explaining directly to them what their situation will be as a result of these changed circumstances under different management.

Regarding the other people I represent (and I make no bones about it), I point out that there have been concessional freights on certain commodities moved in and out of rural areas and, although I am not saying whether this

is right or wrong, I object to the removal of these concessions at a time when inflation is affecting the profitability of not only the farming community but the total rural community, disadvantaging these people by comparison with their city brothers. You are making divisions in this instance, whether or not you believe it, between country and city and, if at this stage you are going to discriminate, as you are doing—

Mr. Keneally: Who is "you"? Is it Mr. Speaker?

Mr. NANKIVELL: I accept that correction. I refer to the Government. The Government is neatly passing the buck on this whole exercise, because this agreement tells us what will happen. The agreement says that freight rates will not advantage South Australia any more than they will advantage any other State but, where preference or advantages exist to a State, that can be maintained. I would accept that what is meant is that the total overall freight rate will be increased over and above the increases which have taken place since May 8 and which I understand will bring in another \$1 400 000 to the railways, unless the increases are disallowed. However, these increased freights are written into this agreement, and there is no way we can control them in this State. Therefore, I disagree with what the Minister said and misquoted when he quoted from page 3134 of Commonwealth *Hansard*. It was quoted from a statement by Mr. Nixon, but the Minister took it out of context. As Mr. Nixon said to the Commonwealth Minister for Transport (Mr. Jones), we in this Parliament are being conned, just as the Minister was conned as a result of this agreement.

We have no control over freights, except under clause 8(2), which deals with concession fares. They may continue, provided the State foots the bill, but there is nothing about railway freights, nothing about freights for industry, although the Minister said that probably the Commonwealth Government would accept a supplementary allowance from the State. If the State likes to foot the Bill for these things, that is all right by the Commonwealth Government, but there is no provision for this concession in the Bill. I presume that the Minister is correct in saying that the concession still can apply. On the other side of the transport system, there are overriding factors. We are handing over to the Australian National Railways not only railway transport: we are handing over road transport also, because the Commissioner already has that power under his Act. There is no question about that. It is provided in the agreement that, under the take-over arrangement, the railways can operate road, freight, and bus services.

There is a weak statement that normal procedures must apply and the authority must apply to the State transport authority in order to implement a bus service. I wonder what that means, because, as I read the agreement, if the Minister disagrees, an arbitrator is appointed. He does not have to have special qualifications. He can be just someone acceptable to both parties. He does not have to operate according to any arbitration or reconciliation laws. All he has to do is reach a satisfactory agreement and, if he does not do that, the Australian Government legislation prevails. That has been fixed up neatly, because the Commonwealth Government amended the Commonwealth Act and wrote in sections 31A and 31B, which empower the Commonwealth Government to transport passengers and goods on the railways. Those sections provide:

31A. The Commission may provide to Australia and authorities of Australia, for reward, land transport and engineering services and such other services as can conveniently be provided by the use of the resources of the Commission.

31B. (1) Without limiting the powers of the Commission to transport passengers and goods on the railways, the Commission may (as incidental or supplementary to, or in association with, the transport of passengers or goods on the railways) transport passengers and goods for reward by land, otherwise than on the railways, between—

- (a) a place in a Territory and another place in that Territory;
- (b) a place in a State and a place in another State;
- (c) a place in a Territory and a place outside that Territory;
- (d) to the extent necessary to carry out an arrangement under section 31c, places in the one State; or
- (e) to the extent provided by sub-section (2), places in the one State.

Mr. Dean Brown: And that is exempt from fees, taxes, and other charges.

Mr. NANKIVELL: This matter affects another group whom I represent. They are people involved in the movement of goods and stock by road, and it affects them because they immediately will be confronted by a competitor that will not be paying sales tax or road maintenance tax on its vehicles and will not be paying fuel tax. Consequently, that competitor will be able to compete very fairly with private enterprise in this area!

Dr. Eastick: It will completely destroy competitors.

Mr. NANKIVELL: As the Leader has said, this will completely and utterly destroy them. I could say many other things about this Bill, but if road and rail transport come completely under the control of any central government authority, section 92 of the Commonwealth Constitution will not mean any more than the paper it is written on, because once that power is vested in any central authority, that authority will be able to control, without any effective challenge to it, the movement of any goods in Australia.

As one would understand, I am not pleased that we are debating this Bill. I do not believe it is necessary to sell out the whole of our railway system in the country. It would be different if the same financial consideration was to be given to the State. The same money will be spent anyway, whether it is taxpayers' revenue or money paid to the State in respect of its debt and for supporting its services. There is no difference. It is only a matter of putting the money from one pocket into another. We are merely following a matter of policy, a policy that was laid down for the complete nationalisation of all means of transport, and we are doing this at what we are told is a profitable price.

I believe that the Premier can rightly say now that it will be extremely handy for him to have this financial backing behind him, if he is successful in having the legislation passed, when he comes up for election, as all of us must do, at the general election about next February or March. He will have a balanced Budget, credit in hand, money with which to buy votes, and a sell-out of a State-controlled asset in order to achieve it. Because I do not believe that this transfer is in the best interests of the people of this State, more particularly the people I represent, I oppose the legislation.

Mr. KENEALLY (Stuart): I am absolutely amazed at the Opposition's attitude, I guess I should not be, because I have been here long enough to have heard Opposition members in action previously, but this is an exercise in insanity. The Bill and the agreement are the most significant developments in our railway system, certainly in this century. In listening to the contributions made by Opposition members, with one or two significant exceptions,

one has been subjected to a strange mixture of Dr. Goebbels and the dreaming of Hans Christian Andersen because what we have heard today has had little relevance to the Bill. The mistruths, mis-statements, and exercises in fantasy have been incredible.

As has been pointed out to the House previously, it depends whether one is a Liberal Party member or a Country Party member in the Commonwealth Parliament or whether one is a Liberal Party member in South Australia in regard to determining one's attitude to this measure. Mr. Nixon, the shadow Minister for Transport in the Commonwealth Parliament, said that he believed the transfer was a sell-out to the States. He believed that the agreement that had been drawn up gave great advantages to the State, to the detriment of the Commonwealth. Conversely, Opposition members in this House say that our agreement is a sell-out to the Australian Government, giving that Government big advantages. I suggest to those members that, before they debate this issue, they come to some agreement about where they stand.

Frankly, the members are playing politics in both places. In the Commonwealth Parliament, they oppose for the sake of opposing, and that is just what Opposition members are doing here this evening. They are opposing simply for the sake of opposing a measure which this Government has introduced and which has undoubted benefits not only for South Australia but for Australia generally. I thank the member for Mitchell for drawing attention to the fact that we are more than South Australians: we are all Australians. In this debate we have heard the strange statement that the Labor Party is trying to socialise and nationalise our railway system. That is an incredibly stupid statement. All railway systems in Australia are controlled by either a State Government or the Commonwealth Government. They are socialistic organisations or nationalised organisations. Honourable members can please themselves which way they wish to describe them. They are already there. It seems incredible to see our new-found Socialist friends on the Opposition benches fighting staunchly to retain for South Australia a socialistic organisation. They say we should not sell it. We are not selling it. We are being rational in our approach to railway systems generally.

The honourable member for Mallee said he believed he should speak as his constituents would wish him to speak in relation to the transfer of rural railway systems in South Australia to the Australian National Railways. In my district we do not have a South Australian railway system at all. My district is completely and absolutely served by the Australian National Railways, and I think it is a reflection on the people in my district, particularly those who work for the Australian National Railways, for the Opposition to suggest that they do not provide a service to the community, that these people are less loyal South Australians than people who work for the South Australian Railways, and that the State is any worse off because we have the Australian National Railways people working in my district.

If any State in Australia has good cause to want to rationalise a railway system or to amalgamate railway systems, surely it must be South Australia. We have had the ridiculous situation applying in this State for too many years now where we have an Australian National Railway system and a State railway system. For members opposite to suggest that this proliferation of railways is an efficient way of running a national railway system is ridiculous.

The member for Davenport, in his hysterical contribution to this debate, was so far off line that it was quite obvious that he knew nothing whatever about the railways. I am interested to hear the comments of the member for Eyre, whose district is served largely by Commonwealth Railway employees and the Commonwealth Railway system, as is the district of the member for Frome. I would be interested to hear the reflections he makes on the Commonwealth Railway employees and the suggestion that they do not contribute to the State, that they are not community minded, and that they are unworthy South Australians. I am interested to hear his comments. As a person who worked for 20 years in the Commonwealth Railways, I have some understanding of railway operations.

Mr. Venning: You should have stayed there.

Mr. KENEALLY: The Commonwealth Railways wished I had, too; nevertheless, they believe I make a substantial contribution to the workings of the Government and they are quite delighted for me to be down here. Regarding the Opposition complaints that we are giving this railway to the Australian Government, one wonders what the views of Opposition members would be if we were selling it to private enterprise, perhaps to General-Motors.

Mr. Crimes: It would be a different proposition then!

Mr. KENEALLY: I think perhaps their stand would be completely different then. That would be all right. They would not mind a State asset going to a large private enterprise monopoly or to a multi-national organisation, but they are concerned about its going to the Australian Government. We hear these catch-cries of "Socialism", "nationalisation" and "centralism", but Opposition members do not know what they mean. They think they are emotive terms that stir up public opposition to what the Government is doing, and they are failing. I support this Bill wholeheartedly because I believe that the concept of an Australian national railway system is the one that will bring the greatest benefits to Australia. It is futile for the Opposition to argue that there are no inefficiencies in the current system.

The member for Davenport made some ridiculous comment about the change of crews when the trains go from one system to another. If he was ever in a position to write out a ticket for someone who wanted to travel from Perth to Cairns, or if he wanted to consign a parcel from Perth to Cairns and had to go through the ridiculous situation of having different freight rates and different passenger rates on each railway, he would know just how inefficiencies have occurred to a dramatic stage with those railways. He would know that different systems have different standards with rolling stock, and that the passenger rolling stock that currently runs on the Commonwealth Railways system in South Australia is of a size that would not allow it to go through the tunnels in the Blue Mountains. Two carriages of that size could not pass in the tunnels; they could hit one another or hit the walls. He does not know that standardised rolling stock systems throughout Australia would bring enormous savings to the Australian taxpayers. What is more, not only does the member for Davenport not know but he could not care less, because he will not give up the opportunity to play a little bit of petty Party politics. If he had the concern of the people of South Australia and Australia at heart, he would support this measure.

Railway transport will be the transport mode of the future. I do not think any one who has seriously considered transport would argue with that. The resources of the world at the moment are such that there is no

certainly that the fuel supplies that run road transport will be readily available or available at a cost that will make road transport viable. We know currently that the diesel-electric locomotives use diesel fuel, but there are movements throughout the world to convert back to coal-powered locomotives. I firmly believe the situation will arise within the next few years when Australia will have to do the same thing.

When we talk of future transport modes, the railways will figure highly. If these railway systems are going to be efficient and are to be provided with the proper rolling stock and locomotives it becomes a national responsibility. For the benefit of members opposite, the Australian Government has accepted responsibility for the standardisation of railways in Australia over the last 20 or 30 years. It has never been paid by State Governments; it has been paid by the Australian Government.

Mr. Becker: Rail standardisation?

Mr. KENEALLY: Yes, rail standardisation; check it out. The Australian Government has the responsibility to fund the major projects in which railways take part in Australia, and I see no reason why the Australian Government should not have control of the Australian railway systems. There has been much adverse comment by members opposite about the possibility that the railways will be running in opposition to road transport, to the detriment of private operators. As a railwayman from a long way back, I believe it is essential that the railway systems should be able to operate their own feeder services and their own delivery services. The railways themselves should be able to pick up by road transport and deliver by road transport, the road transports being under the control of the railways. As the railways are paid for by the taxpayers, any suggestion to the contrary means that we, the taxpayers, are giving considerable concessions and subsidies to private operators. I see no reason why the taxpayers' interests should not be protected, why he should not be able to have an efficient transport system, or why we should not make it more efficient than it is now.

Another point I will canvass briefly is that it is significant in my view that Opposition members have not been concerned about the welfare of the workers currently working in the South Australian Railways or in the Commonwealth Railways as regards the amalgamation. The Tasmanian Railways, which has already signed the agreement, has ceded its system to the National Railways. No concern has been expressed by Opposition members with regard to the welfare of the railway workers. One does not have to ask why. They could not care less, they never have cared, and they never will care. The only brief comment made was by the member for Flinders. If Opposition members are concerned about the welfare of South Australians, they might be asking questions about it. If they asked questions they would find that their welfare and future employment have been well taken care of, to the credit of the people who were involved in the negotiations in determining the arrangements under which the transfer of labour would take place.

Mr. Becker: What will the superannuation scheme be—State or Commonwealth?

Mr. KENEALLY: Anyone employed in a Commonwealth Government department will go to the Commonwealth superannuation fund.

Dr. Eastick: Who will pay the *pro rata* amount?

[Midnight]

Mr. KENEALLY: As soon as Opposition members can convince their colleagues in the Senate not to be so

ridiculous as to hold up a reasonable and decent super-annuation scheme, they will see that all these problems will no longer exist. That is the answer to the questions that have been raised. The member for Davenport, in one of his more irrational statements, said that he did not believe that the South Australian Railways should be controlled from Canberra. The Commonwealth Railways, which is now the Australian National Railways, is not controlled from Canberra. Its administrative office is in Melbourne and strong representations have been made by the Premier and this State's Minister of Transport to the Prime Minister to have the headquarters of the Commonwealth Railways or the Australian National Railways transferred to South Australia. I wish them well. Undoubtedly the people who now live in Melbourne would be delighted to come to Port Augusta to live, and they would be well looked after and well represented, both State and federally.

The last point I will briefly canvass, because it is getting late, is the strange criticism again with which some Opposition members have come up that, if the Australian National Railways wishes to take over the rural lines, why does it not take over the urban lines? Have these people never heard of the concept of cities controlling their own urban transport modes? It is not a strange thing. This system is used by many overseas cities, and will be used more frequently. I think that the whole concept of integrating our metropolitan transport modes, that is, the train and bus services, taxis, etc., is admirable. I am unable to hear what the member for Mitcham is saying. He has made his contribution to the debate. He has displayed his absolute ignorance of the subject generally, as have other Opposition members; it is the pure politicking with which his Party and the Opposition continue. He is in conflict with his Commonwealth colleague as well. Senator Hall, when in Canberra, makes great play at representing South Australia, and I believe that this time he has taken the right line. His colleagues here have disagreed with him, but disagreement between the Opposition and its Commonwealth colleagues is nothing new. Many people believe that road transport is more efficient and more viable than rail transport. Investigations have shown that, up to 320 km, road transport has an advantage, but beyond that the economics favour rail.

Living in a country the size of Australia, where goods are transported such long distances, we should favour rail, which must be made more efficient, of course, and the amalgamation of railways will bring that about. Another point Opposition members should consider when criticising rail as against road is that the road transport system receives a heavy subsidy because the Governments provide the roads, whereas the railways have to fund their own permanent way. Road users alone do not pay for the railways, which have to carry a heavy financial burden in financing their own permanent way. The future once more of the Australian transport system or that of anywhere else in the world belongs to rail, but the railways can only be efficient if they are not fragmented. As they are fragmented in Australia, they cannot work as efficiently and effectively as they should. Rail operators perform an admirable service against great odds, and it is not their fault that the system is running inefficiently: it is the fault of Parliament. Tasmania has taken the first step towards sanity in its railway system, and no doubt we will take the second step. I am looking forward to the rest of the Australian States accepting that the interests of Australia should be paramount over the narrow politicking of Opposition Commonwealth and State Parliaments and to handing their railway systems over to the Commonwealth to the benefit of us all.

Mr. GUNN (Eyre): I have examined this matter in a proper and constructive fashion and have considered the benefits to and the welfare of the people of this State, particularly the people on Eyre Peninsula whom the member for Flinders and I represent, and the benefit to the nation as a whole, and I believe that that is the proper way to examine legislation of this kind.

Mr. Keneally: Are you supporting the Bill?

Mr. GUNN: Be patient; there is no hurry. It has been impossible to obtain any proper or relevant information regarding the decision we must make during the next few days. Before the legislation was introduced in Parliament, I contacted the Premier's Department and asked for information and was politely told that none could be supplied. I was rather disappointed but nevertheless accepted that at least when Parliament was asked to make a decision as important as this we would be given a week in which to consider the matter. It ill-behoves the Government to rush this legislation through Parliament. If the member for Spence is reasonable he would surely agree that members on this side had not had the same opportunity; they have not been involved in the behind-the-scenes negotiations, like the Ministers and back-benchers of the Labor Party have, to examine the measure. It is only reasonable that we be given a reasonable time in which to consider the measure.

I point out to the member for Stuart that I oppose the measure, because I do not believe it is in the long-term interests of my constituents or in the best interests of this State or the nation. I intend to substantiate those comments during my speech. I also say to the member for Stuart that I have not in any way reflected on my constituents who are employed by the Commonwealth Railways, and now the Australian National Railways.

Mr. Keneally: But you might in the course of your contribution if you are not careful.

Mr. GUNN: That will be a matter for me to determine. I have never been afraid to go out and discuss matters with those constituents. I have been pleased with the support I have received from them since I have been a member. Within my district I have two railway systems; the Eyre Peninsula narrow gauge system, which played a significant role in the development of that part of South Australia for agriculture purposes; I also have the Commonwealth Railways. In fact, I probably have as much Commonwealth railway line in my district as does any other district in Australia. Soon I will have the new Tarcoola to Alice Springs railway line in my district. I look forward to its being completed, as I believe would every South Australian and every Australian. As a good South Australian and a good Australian, I strongly support the standardisation of our railway system. It is one of the tragedies of this nation that people were so short-sighted and foolish that they built a series of gauges and that they were not willing to talk to people and to look at the problems with which they were confronted in those days.

Mr. Keneally: Your colleagues adopt the same attitude that was adopted nearly a hundred years ago when those mistakes were made.

Mr. GUNN: The member for Stuart knows that that is not so. If he looks into the history of the matter he will see that much more was involved in those decisions than he is putting forward. I believe that the interests of this State and my constituents (those people who live in outlying areas) will be best served by road transport being able to operate as it desires, and be free from inefficient restrictions that will impede it in

its proper operations and prevent producers from having the opportunity to select the type of transport that best suits their needs. Whether a person is a small manufacturer in a country area, a primary producer, or a person operating in the North of this State, he should be able to have a carrier pick up his products at the site of production and have them delivered to the consumer. In no other way can costs be kept down.

Let us consider the other methods of transport that are available in relation to the handling of grain and superphosphate on Eyre Peninsula. It has been recognised (and I subscribe to the view) that the railway service on Eyre Peninsula provides a good, reasonable service to primary producers. However, such producers are extremely impeded by the failure of this Government (and I am willing to suggest successive Governments, too) in not keeping pace with modern trends in agriculture. It is indisputable that, unfortunately, the railways have not kept pace with agricultural developments and have not provided adequate bulk handling facilities for superphosphate. The process of providing adequate bulk wheat trucks has been long and arduous.

Mr. Keneally: That won't exist once the Australian National Railways can use all the funds it has at its disposal.

Mr. GUNN: The situation will not alter. If the Government wanted to increase the efficiency of the South Australian Railways it should have looked at them in a businesslike manner instead of adopting the narrow attitude it has adopted. The railways have not kept pace with modern trends in agriculture. People in many parts of Eyre Peninsula will not use rail services because they are inefficient. Who would go 30 kilometres or 40 kilometres to a small railway siding and be put to the inconvenience of offloading bulk superphosphate from a railway truck when he could have it dumped by a carrier in a shed on his property. That situation will continue.

Mr. Keneally: The capital costs to upgrade that sort of rail facility would be better met by the Australian Government than the South Australian Government.

Mr. GUNN: A large proportion of the service has just been upgraded. If the member for Stuart looked at the figures for South Australia he would find that the railways on Eyre Peninsula were running closer to a profit than any other rail service in South Australia. If he was to examine the figures relating to Kevin, where there is a gypsum works, and the line that runs to Thevenard he would find they are running close to even. I believe they could certainly run at a profit if they did not have to pay the ridiculously high interest rates levied on them. During his remarks the Minister of Transport decided that as usual, he would misquote and tell untruths to the House. He deliberately misquoted the views expressed by Mr. Nixon (the shadow Minister for Transport representing the combined Opposition Parties in the House of Representatives). I should like to read to the House exactly what Mr. Nixon said on June 2, 1975, as reported at page 3137 of *Hansard*.

Mr. Keneally: Why don't you quote the passage from page 3134 that the Minister quoted?

Mr. GUNN: He said:

The Opposition holds the view that because the Bills are the result of agreements between the Federal and State sovereign governments they should not be opposed. The Opposition believes that the State Parliaments themselves should decide whether or not they are prepared to allow the central government dominate this important area of State activity.

That is a complete contradiction of what the Minister of Transport said. I will go further and quote what Mr. Kelly—

Mr. Keneally: Nixon supported the Bill.

Mr. GUNN: —(the member for Wakefield) said at page 3145 of Commonwealth *Hansard*, as follows:

The first criticism I make is that it is the wrong way to go about it. I think there should have been from the South Australian Parliament an expression of the opinion that it wants this agreement.

I entirely concur in those remarks. The proper course of action for this Government would have been to call Parliament together and put forward the broad proposals to see whether or not we agreed in principle before entering into an agreement to transfer the South Australian railways to the Commonwealth. I do not believe the Government has the right to sign such an agreement without Parliamentary approval.

Mr. Nankivell: We're faced with a *fait accompli*.

Mr. GUNN: That is certainly the Premier's attitude, but I hope another attitude will prevail. It is interesting to ask why none of the other States of Australia has agreed to transfer their railways to the Commonwealth. Why has not the Queensland Government transferred its rail services? When I was in Queensland recently I took the opportunity to ask two Queensland Ministers whether they were going to hand their railways over to the Commonwealth Government, but they just laughed at the suggestion. In no way would they agree. What about Western Australia? Why has it not agreed to this suggestion? It has not agreed because it is not willing to hand over the railways on the terms and conditions that the Commonwealth Government is trying to inflict on the people of South Australia and Australia. When one considers the effect of the Interstate Commission that the Commonwealth Government is trying to set up, and the term "the National Railways Bill", one can come to only one conclusion if one looks at the matter in a reasonable and logical manner. I believe that, unless the people are prepared to fight hard, the people of Eyre Peninsula will not be able to cart past Whyalla by road. If the Commonwealth Government is successful in its attempt to set up the Interstate Commission, it will use the powers of that commission to destroy road transport. The member for Stuart reinforced my views in this respect during his speech, because he advocated the Australian Railways having its own fleet of trucks. I wonder how that fleet will operate. Will the drivers be willing to deliver superphosphate and pick up stock on weekends and at 5 a.m.? Will they be willing to call in at various properties in the middle of the night on the same conditions and at the same freight rates?

Mr. Keneally: They will not be running out picking up stock: they will be delivering in cities, and things like that.

Mr. GUNN: The honourable member has already contradicted the arguments advanced. However, I will not waste any more time on the honourable gentleman. I am pleased that he made his speech tonight, because it will give me considerable pleasure to tell the people in my district what they can expect from the Labor Party. It will give me much pleasure to read those comments around South Australia during the next few months, so that the people will be fully aware of the true position. When the Prime Minister and his large entourage arrived at Tarcoola to commence construction on the Alice Springs to Tarcoola railway line, the Prime Minister, in his normal, bland fashion conducted a back-scratching exercise

for the benefit of Minister of Transport, Mr. Charlie Jones, a man who has wrecked most things he has touched. I fear for the future of the railway system if it is placed in the hands of a man such as Mr. Jones, who has caused havoc in the transport system of this nation. If he is going to start varying the fares by .5 per cent a day—

Mr. Venning: Assisted by several of his colleagues.

Mr. GUNN: That is so. I wonder, then, how people will know what their freight rates are going to be. I do not know what it cost to take the V.I.P. train to Tarcoola on that occasion, although I heard that it cost the taxpayers \$80 000. I believe I was treated with utter contempt on that occasion because, as the local member, I was not even afforded the right to go on the train. The Prime Minister then told the people that it had been a great week for the railways in Australia, saying that his Government had done three things: first, it had changed the name of the railways. I do not know what significance there was in that.

Dr. Eastick: The significance is that it will cost \$1 000 000 to change the signs on the sides of the engines.

Mr. GUNN: That is so. They named one engine "Gough Whitlam" and another "Charlie Jones", but that is not important. The Prime Minister then told us how the Government was going to re-enact the Interstate Commission and how it would take over the South Australian railways. However, he did not tell the people on that occasion about the ulterior motives that he and his colleagues had regarding this proposal. This whole piece of legislation is designed to take control of the distribution of goods in this nation.

Mr. Keneally: No, to provide a better service. Can't you look on the right side? You should not be such a negative person.

Mr. GUNN: I wish I could be sufficiently charitable as to accept the proposition advanced by A.L.P. members but, if one examines the Bill and reads what the Prime Minister has said on other occasions, one can come to no other conclusion. I refer now to the May 16, 1975 issue of *Industry News*, published by the Associated Chambers of Manufactures of Australia.

Mr. Duncan: They would be able to present an independent view!

Mr. GUNN: I consider that they would. This certainly reinforces the argument that members on this side have advanced tonight about this matter. Referring to the proposed Interstate Commission, the report states:

There are at least two major areas of concern. The first of these is the way in which commission's power can be boosted merely by the use of delegated or subordinate legislation which is not, and cannot effectively be, subjected to the accepted approach of Parliamentary scrutiny. Second, the Bill creates an incredibly powerful administrative tool that is not subject to judicial review except in the most meagre fashion. While the Commission will have to live within the Constitution it can, and probably will, exert such a fundamental influence, in view of its extremely wide powers, on the trade and commerce of Australia as to be capable of surpassing the influence of the States and other federal institutions or bodies. Is such a commission with all these powers absolutely necessary?

Any person who claims to be a good Australian will oppose this Bill. The Opposition does not want to destroy the railways system; nor does it have anything against the people who operate it. However, the Government has much to answer for regarding the operation of the South Australian railways. The Minister, a couple of years ago, set up a committee known as the Lees Committee, which made a report containing 198 recommendations.

Mr. Venning: That was the report we had a job to get copies of, wasn't it?

Mr. GUNN: That is so. The Minister would not make individual copies of the report available to Opposition members, because he was not willing to put into effect the major recommendations that would have helped the railways. I challenge any Government member to justify his action on that occasion, when the Opposition had to photostat the sole copy of the report that it had. The Minister referred to the letter headed "Handling of railway problems gutless" which Mr. Fitch wrote to the Editor of the *Advertiser*. I ask the Minister to table the report made by Mr. Fitch so that everyone will know what he recommended. The Minister took the opportunity to attack Mr. Fitch and, although I have not always agreed with Mr. Fitch, I believe he did at least have the interests of the railways at heart. Every time Mr. Fitch made a recommendation, if the unions would not agree, the Minister sided with the unions, as has been proved on many occasions. Not one member opposite can say that that is not true. Mr. Lees recommended setting up a board, also recommending that the railways should follow the lead of Sir Henry Bolte when he selected from private industry the top executive to take charge of the railways in Victoria. However, this Government would not take a progressive step such as that.

If the Whitlam Government wants to assist the S.A.R., why does it not take the logical step of writing off the interest that the State has to pay on past capital works? No longer should we tolerate this farcical situation. If the Prime Minister is willing to take over responsibility for the railways, why does he not first do as I have suggested, and then we would not have a bill of \$14 000 000 appearing on the balance sheet of the S.A.R.? If the Prime Minister can find the money to bribe the South Australian Government to hand over the railways to the Commonwealth so that he can continue his centralist and Socialist programme and if he is a good Australian and not the plausible rogue Mr. Wentworth talks about, why does he not make that money immediately available to the State Government? We know that it is typical of the attitude of the Commonwealth Government that it is not willing to allow the States to discharge their proper constitutional role, keeping government reasonably close to the people and thus involving them in government. The Commonwealth Government believes that all wisdom emanates from Canberra; it wants control and power to be centralised there. If that Government took the logical course it would give the money to the States to administer their railway systems properly.

It is a shady Government that attempts to stampede the Opposition into accepting this Bill by tying the deal to the petrol franchise legislation. If the Premier and Government want to behave in that fashion, let them take the matter to the people; let them tell the people that the Opposition has denied the Government's will. I am happy to take the consequences, because I believe the people will judge Government members as a shady group of double-dealers who cannot be trusted and who are willing to put short-term political gain ahead of the proper welfare of the people of the State. I will not be stampeded into supporting legislation of this type. As usual, the Premier has tried to put a bit of sugar on his bitter apples. To vote for the Bill would be to abrogate my obligations to the people who sent me to the House. I am willing to be judged by them for the action I take this evening. I am sure that if we supported this legislation we would be

committing every primary producer and other person using country railways to a huge increase in rail freight charges.

From my examination of clause 8, I believe that there is nothing surer than that railway freight rates in this State would be increased to bring them into line with the high rates in New South Wales and other States. I challenge the Premier when he replies to give an undertaking that rail freight rates in South Australia will not be increased to bring them into line with the other States. If he fails to do that, I believe he will not be honest, and will not deserve the confidence of the people of South Australia. Has the Premier discussed the matter with the Prime Minister?

Mr. Venning: And other matters.

Mr. GUNN: Yes, and many other matters one can point to in relation to the Bill. I want to know whether the Premier is willing to write into the legislation a protection for graingrowers and others in isolated areas who use the railways, or is he willing to allow the Bill to pass as it stands? It would then be in the hands of the Prime Minister, a man who cannot be trusted. How can we take his word? We have had three Commonwealth Treasurers in less than 12 months. How many Prime Ministers will we have? In view of the way in which the Prime Minister has been behaving and the way in which Clyde Cameron has the knife after him, it will not be long before Mr. Whitlam is replaced.

The SPEAKER: Order! The honourable member must come back to the Bill.

Mr. GUNN: Certainly, Sir, but that was an interesting comment because the knives are out. It is nice to see the Minister of Transport come back into the House. He deliberately misled the House. He charged Opposition members with being traitors, a comment unworthy of any Minister. The manner in which he has behaved in the House is a disgrace to any Minister of the Crown; it was deplorable and should not be tolerated. He has not only attempted to destroy the rights of the people of South Australia but has also reduced the role of a Minister to the rabble where he belongs. When they fully understand the situation, I believe that all South Australians will stand behind the Opposition. If the Premier has the courage of his convictions, let him put this matter to the test. The Minister said that the people had twice voted on this issue. That is untrue. Let him allow this question to be decided at an election or a referendum. He should not try to hide behind false arguments in an attempt to deceive the people. I oppose the Bill.

Mr. VENNING (Rocky River): From my first-class seating berth, as it were, in a South Australian Railways coach, I rise to speak to the Bill, which it seems we are to take through this evening. I am sorry that the member for Heyssen is not present, as he would have immensely enjoyed this debate about handing over the State's railway service to the Commonwealth. Like my colleagues, I am most concerned about this legislation. I deplore the way in which the Premier has brought this matter forward. I am amazed that a man of his education and so on should have said that we must pass this Bill or he will continue to impose the petrol tax. I recall that not long ago the Minister of Transport said he would remove road maintenance charges and impose in lieu a petrol tax. We still have road maintenance charges and a petrol tax. There is no guarantee that, even if this Bill were passed, before long the Premier would not again raise additional revenue through a petrol tax. As a country member, I am concerned

about the situation as I know what results from such legislation, especially in the hands of a Labor Government. When Sir Thomas Playford was Premier he did much for the development of this State by providing freight concessions for people living many miles from the main centres. He reduced freight rates by up to 33 per cent for people in areas such as Quorn and Pinnaroo. However, when he went out of office the first thing the new Labor Government did was remove those concessions. The member for Mallee referred to railway lines being closed in his district. The reason for this is that Labor Governments have not considered keeping the railways open by continuing concessional freight rates.

In certain areas freight rates were determined according to the direct route (as the crow flies). If this were still done many railways would still be operating on a successful financial basis throughout the State. From Quorn, road transport to Port Pirie is half the distance of the railway. I cite Andrews, in the Port Adelaide Division, as another example. I believe that growers would deliver to Andrews even though their freight goes to Port Adelaide, so long as the freight rate was based on the distance to Port Pirie as the crow flies.

There are many ways that this State's railways could have been upgraded, thereby removing the necessity for this Bill. This problem results from maladministration by the Labor Government. Indeed, I am reminded of the chap who sold his wife for a bottle of beer. His friend asked him some time later whether he was sorry, and the man said, "No, but I am thirsty again." This is the situation as I see it. Having sold the railways to the Commonwealth Government for a short-term benefit, the Government will find that it will be only a matter of time before, through maladministration, we are back where we were and our assets will have gone. For this reason I oppose the Bill with its many indefinite aspects, as already outlined by other members.

As a country member, I am concerned about the rolling stock to which many primary producers have voluntarily contributed. This rolling stock will be handed over to the Commonwealth Government without consideration for those who contributed financially to it. The member for Eyre reminded me this evening of the report presented to the Minister of Transport two or three years ago recommending ways and means to upgrade our railways. I was reminded of the Minister's refusal to make that report available to Opposition members. Many of the problems that exist are problems existing within the department itself. Certainly there have been too many chiefs and not enough Indians, and that is the opinion of many railway men themselves. In recent years when travelling by train I have often spoken to train crews about railway problems and about their concern generally.

If the Government of the day had the strength to stand up to the unions and carry out some of the changes suggested in the report, the situation would probably now be much different. I am reminded of the biblical story of Esau, who sold his birthright for one morsel of meat. This is exactly what is happening now in South Australia. I am strongly opposed to any move to hand over our State railways to the Commonwealth Government. The lack of security in the situation has been referred to by the member for Mitcham. Moreover, I listened with much interest to the members opposite, who spoke, so they said, on a national basis. However, they have no real concern about this matter. It is easy for them to make such speeches, as they are not concerned with the

rural community, which produces South Australia's main exports. Primary industry should be protected by Parliament, and I intend to vote accordingly tonight.

If the matter was not so serious it would have been funny listening to the legal member on this side of the House referring to the shortcomings and inadequacies of the Bill. For this reason, too, we should deal harshly with the Bill. While members opposite believe that there are no problems with the Bill, I see many areas of concern and insecurity, and for these reasons I oppose the measure.

Mr. EVANS (Fisher): I intend to point out some of the shortcomings of the Bill before referring to other aspects of it. South Australia has operated its own railway system for over 100 years, while the Commonwealth Government has operated its railway system for 63 years. There is no proof as to which system is better. The member for Stuart claimed (I thought rather narrowly) that the Commonwealth Government had the ability to make moneys available. However, such funds come from the people. True, the Commonwealth Government has the taxing power, and no-one denies that. However, the honourable member said that we did not have to worry about that: we could just lean on the Commonwealth and take money from it. Does the Premier, the member for Stuart, or anyone else really believe that Victoria, New South Wales, and Queensland will sit back and say, "That's all right", that they will not lean on the Commonwealth Government and say, "Even if we do not hand over our railways, we want some of the debt and some of the costs taken up by the Commonwealth Government"?

Does any Government member believe that the 79 of the 127 members of the House of Representatives who are elected from New South Wales and Victoria will tell their States that they have bought part of the South Australian Railways just before an election to help their colleagues, but that they will not help their own States? It is not on.

I admit that the Australian Labor Party Government has been elected by the people, but it has been elected to manage State business, part of which is the South Australian Railways. It is selling land at Islington and Mile End for a measly \$10 000 000. I admit that the book value of that land is much higher than the market value because of the interest debt, but the Government should come along with a business-like proposal and say that the land is worth \$60 000 000 or \$70 000 000 and that it will get that in the first place. That has not been done and the Government, like a hungry monkey has put its hand in the nut jar and grabbed, regardless of whether it can get its hand out.

The Premier is concerned about whether he will win the next election, but he has no right to sell a State asset to a Commonwealth Government at below market value only because income tax powers and other money-raising powers have been given to the Commonwealth Government by the State. The State Government must try to give all the people similar service and consideration. The A.L.P. set out to do that when it undertook massive projects for community development in the lower-income areas, such as places like Ingle Farm, costing millions of dollars. There were problems in those areas and the people there lacked facilities.

At the same time, the Government is selling the rail service to the Australian National Railways at a moderate figure, without any idea being given to the people about what service they will receive. Whether the Government in South Australia is Liberal or Labor, the Commonwealth

Government will lean on it if it wants to cut out a line that it considers is costing too much to operate. If the line is not cut out, the Commonwealth Government will reduce its payments in another area. We do not need to make the move provided for in this Bill. About two or three years ago the State A.L.P. asked the railway authorities to investigate the possibility of passing the railways over and, if the Government made available all the detail that passed between the Minister and the railways since then, the Opposition and the public might be helped to make a decision. I believe that the public will make the final decision, and I appreciate its right to do that. The report showed that it was not practical, viable or business-like to give over part of the railways. The Premier invites businessmen to his office and gives them a few drinks and something to eat to try to prove that he is a great Premier and that he knows how to run a business. Let him run the business of the State in a proper way.

At the beginning of this year the Prime Minister (unfortunately, he still is the Prime Minister) said that he would like to take over the whole of our railways. The present Minister of Transport wants to operate urban transport under one authority, and that policy was first promoted by Murray Hill when the L.C.L. was going into an election in 1970. No-one can deny that, and the Minister sees the benefit of it. The Australian National Railways is to take over 10 000 employees and then debit against the South Australian Railways the costs incurred in the urban section. Imagine the book work! Perhaps the Government is trying to help the employment situation, but no businessman would tell his managers to form two different companies, employ all the men in one company, and debit the labour cost from one company to the other. One of the biggest pitfalls in the Bill is that we are creating inefficiency, and it is the job of the Opposition to ensure that we have efficiency if possible.

Reference is made, in the papers that have been given to us, to the Transport Bureau in relation to the development of services to Monarto and to some degree of electrification. One of the biggest costs that Adelaide faces is the cost of electrifying the urban railway services, if that is the policy of the present Government. It is the policy of the Liberal Party, and the cost will be massive. The sum of money we will receive from the Commonwealth Government from this sell-out will be insignificant in comparison with the cost of electrification.

I challenge the Premier, next time his Minister of Transport ventures into the development of a new line with electrification, to call tenders for the development of the work and to let the Engineering and Water Supply Department also call tenders. Private enterprise will do the job much more cheaply than the Engineering and Water Supply Department has done, and South Australian people are looking for an opportunity to draw comparisons. The day-labour system used by the Engineering and Water Supply Department on the Christies Beach project is increasing the deficit of the railways, unfairly so. The cost is \$32 000 000 and it could go to \$42 000 000 this year, and people are ashamed to admit that they work for the South Australian Railways. The fault lies with the Minister of Transport, who has allowed the South Australian Railways to become run down and inefficient. That was unnecessary, because a pattern was set in 1968 to 1970, starting a trend towards arresting the deficiencies in railway operation.

Perhaps the Minister will say why the jigs for the building of the "red hen", the "blue bird", and the Overland carriages at Islington workshops have been cut up and thrown into the scrap heap. Why is the Islington

workshop not to build any more? It took 20 years, from 1953 to 1973, to build them up. What about the 80 special bulk bin trucks being made? When 20 had been made the project was dropped because there had been so much industrial strife. Will the Minister say why these projects have been dropped and why the morale of the people at the Islington establishment is so low? The man who claimed he would do the right thing by the railway workers did not do so. He gave them monetary and service payments, but he could not give them pride in their work. They had a genuine desire to do the right thing, as they had under Murray Hill, a Liberal Government Minister, but the present Minister could not get that co-operation.

The member for Mitcham has said that, if the agreement goes through, the urban section of the railway will finish at Belair. That is in my district, and the member for Mitcham is conversant with the area because he lived there for some time. The people of Stirling, Aldgate, and Bridgewater are metropolitan people and they should be included in urban train services. Had they lived at Port Adelaide, Mansfield Park, Elizabeth, or Noarlunga, the Premier would have considered them. He would not have had the courage to tell his colleagues that those areas were to be excluded. I know the argument: the Government is going to develop the line through to Monarto and the cost of construction is high. The Premier and his colleagues accepted the responsibilities of governing this State and of giving equal service and equal consideration to people in all areas.

I have received a letter from a person who, until recently, was employed by the South Australian Railways, and he has told me that, using the figures for the cartage of fertilizer and grain in 1973-74, the rural sector will have to pay an extra \$1 600 000 in freight rates under this agreement with the Commonwealth Government when freight rates are brought up to the average of the other States. For 1974-75, on present indications the figure will be \$1 300 000, an average of \$1 500 000 a year. Other aspects of cartage to country areas will involve more than \$2 000 000. The service will be no more efficient under national operation and the cost will be greater. It has been said that administration costs will be lower, but that will not be so. No Commonwealth Government department operates more efficiently or more cheaply than a State Government department operates.

The working people in small or large country towns, as well as the farmers, will be affected. Their food costs will go up, as will the cost of carting of goods. I accept that the Australian Labor Party does not get many votes from those areas, so it is prepared to forget its own supporters. It does not really give a damn about them as long as it gets the money to buy the votes in the areas it wants to win at the next State election. The Labor Government has allowed the economy of the State to reach its lowest ebb and now it wants to sell one of our assets to try to climb back up the ladder. Some members are keenly interested in knowing whether or not they will be allowed to attend a convention—

The SPEAKER: Order! Back to the Bill.

Mr. EVANS: I am doing that, because the convention will decide the fate of many of the monetary issues of this country, and if any of our Government members are denied the right to make representations at such a convention it will be detrimental in the short term to this State but—

The SPEAKER: Order! There is nothing in the Bill about conventions.

Mr. EVANS: One convention we are breaking is that of selling a State asset to the Commonwealth Government at a figure much below its real value. My colleagues have mentioned the Interstate Commission. If that commission becomes a reality we are wasting our time debating this Bill, because the Commonwealth Government will be able to do what it wishes with transport. Little will be achieved by continuing the fight we are fighting now. One small area that has not been mentioned is that people who have leased land for different purposes from the State railways have entered into complex agreements, although some I believe are short term and would not be difficult to overcome. I know that the agreement in the Bill provides that these people will be protected—but for how long? What guarantee can we as a State Government or State Parliament give them once we hand the system over to the Commonwealth? There is no guarantee we can give them, and we all know that. The Premier has tried to tie this issue to the petrol tax. He and I know that he had to impose the petrol and other taxes because of his own bad judgment, his own inability to run the economy, and because of magnificent promises he made to the people for great spoil.

Now he has shown us that, if we have the spoils, we have to pay for them. There is no good his blaming the Opposition. He can blame his Commonwealth colleagues to some extent, but he knew that, when he supported and encouraged them to win the election, they had the same political philosophy as he has. He had been in Government long enough to know that his own political philosophies would not work in practice and should have been wise enough to tell South Australians not to vote for the Commonwealth Labor Government because it would be bad in the long term for the economy of the country and for the way of life of its people, but he did not have enough common sense, courage or respect for the Australian people to do that. What the Premier and the Australian Labor Party are asking us to do is what sometimes the son of a farmer asks his father to do, namely, to sell a paddock to save the farm; but if one has sold a few paddocks, one does not have a farm.

I think the South Australian people would prefer that we took a responsible approach and kept the farm and managed it in a proper manner. I do not support selling one of the paddocks much below its market value to help a bad Government continue its bad policies for South Australia. I would prefer to be given the opportunity of managing the farm and proving it to be productive. If the Premier wishes to have an election, let us have it so that the people can decide and show that we are willing, as a Liberal Party, to manage the State's economy in a responsible manner.

Mr. MATHWIN (Glenelg): I oppose the Bill. The Minister of Local Government said earlier that anyone who opposes the Bill is a traitor to South Australia. That was a ridiculous statement, and typical of the Minister when he gets fired up on these matters. The Minister looks at railways only in relation to their losses and not in relation to the assets. If the Minister considered the assets he would have to bear in mind the rolling stock and the real estate (I speak mainly of the Mile End yards, the Dry Creek yards, the Islington workshops and all the other marshalling and goods yards throughout the State). I would like the Premier (the genius of finance in this State!) to make some estimate of the worth of those assets, if he

dare, and to give it to the House when he replies to the debate.

Surely there must be some price on the rolling stock and the real estate the railways own; therefore some figure could be placed on the assets. The excuse given by some Government members with regard to this matter was the loss incurred to the South Australian people and to the taxpayers, but whether this is incurred by the South Australian Railways or under the garb of the Commonwealth railways, as the member for Mallee stated, the same people, that is, the taxpayers, will have to foot the bill. Regardless of what the losses are the Government thinks that, immediately the Commonwealth takes over these lines, they will become more viable. However, the opposite could well be the case and, therefore, the same people will be footing the bill. It was surprising that, when the Premier gave his second reading explanation, he said, mainly as a challenge to the Opposition, that he was as a Shylock wanting his pound of flesh and that, if he did not get this Bill passed, the petrol tax would not be removed. He has had a free ride on that tax for six months, and has also had the benefit of the tobacco tax. These taxes have not been imposed by most of the other States.

It appears to me that the Premier wants his hands on big finance, because he can spend money just as fast as he gets it, with all the schemes he has in mind. This being an election year the Premier will be able to lash out and buy the votes he needs to win. The other reason for the legislation is the principles of the doctrine he follows: centralism. I remind the House of the words of the Commonwealth boss, the Prime Minister, part of which has already been quoted by other members, including the member for Mitcham, but I will quote another part from the lecture he gave on the Constitution versus Labor at the Chifley Memorial Lecture in 1957. Under the heading of "The role of State members" he said, in part:

Their role is to bring about their own dissolution. When the Labor Party holds office in the Commonwealth Parliament, the States which have Labor Governments could readily make agreements under section 51 (xxxiii) and (xxxiv) for the acquisition and construction and extension of railways in the States by the Commonwealth and under section 51 (xxxvii) for the reference to the Commonwealth of many of their present functions.

So the exercise now being performed by the Commonwealth and State Governments was advocated by the now Prime Minister back in 1957. The memorial lecture booklet contains a wealth of information on what we can expect in the future from the tie-up between the State and Commonwealth Labor Socialist Governments. It is obvious that the Prime Minister's tactics are working well and that he is forcing the States to grab at any possible finance on which they can lay their hands. If the Prime Minister really wants to help the States, the best way to do it would be to wipe off the State's debt, which is the main problem facing the railways in this State; a worsening problem that must be faced each year. Instead of dangling a \$10 000 000 carrot in front of the Premier's nose the Prime Minister should wipe off the State's debt. I do not believe it is possible that railways generally will become more efficient if they are taken over by "big brother". Employees will not know whether they are working for the South Australian Railways or the Australian National Railways. When the Minister replies he should clarify the matter. The member for Stuart referred to superannuation. Section 84 of the Commonwealth Constitution provides in part:

... pension or retiring allowance, which would be permitted by the law of the State if his service with the Commonwealth were a continuation of his service with the State. Such pension or retiring allowance shall be paid to him by the Commonwealth; but the State shall pay to the Commonwealth a part thereof, to be calculated on the proportion which his term of service with the State bears to his whole term of service, and for the purpose of the calculation his salary shall be taken to be that paid to him by the State at the time of the transfer.

Any officer who is, at the establishment of the Commonwealth, in the public service of a State, and who is, by consent of the Governor of the State with the advice of the Executive Council thereof, transferred to the public service of the Commonwealth, shall have the same rights as if he had been an officer of a department transferred to the Commonwealth and were retained in the service of the Commonwealth.

That situation needs to be clarified, too, because the Minister has not seen fit to enlighten us so far about the matter. Providing superannuation benefits to employees could involve the State in the outlay of many thousands of dollars. As far as employees are concerned, it is certainly a problem. I oppose the Bill because it is of no benefit to South Australia. It is a matter of saying to South Australians, "Get rid of anything that is not making money. Shed your responsibilities." As far as I am concerned the benefits of this measure are hard to find.

Mr. BECKER (Hanson): Ever since Parliament has controlled the railways there has been considerable debate for and against the continuation of the service and the financing of the operation. The Railways Department has always been the Achilles heel of the Labor Party. Unfortunately, history is repeating itself because the Government is in a situation where it cannot control the mounting deficit of the railways that is being experienced through the Revenue Account. We are being asked to consider whether the Government has efficiently handled the railways, whether through its own policy it is trying to arrive at the best solution. I can see no real advantage for the future of South Australia if we dispose of non-metropolitan railway systems. We will lose part of the control and planning to co-ordinate the various forms of transport throughout South Australia if we transfer rail services.

The most successful forms of transport system are not necessarily in the metropolitan area but extend throughout country areas. Because we as a Parliament have a responsibility to the people of South Australia we should consider the matter from that viewpoint. It seems that the State Government is willing to sacrifice non-metropolitan rail services for its own selfish means in the metropolitan area. The Government is doing so under the guise that, to transfer non-metropolitan services, it will be of benefit to the State. In doing so the State is saying that the Commonwealth Government is best equipped to handle that system. We heard the incredible statement from the member for Stuart that we must think as Australians and not as South Australians. That is a new angle from the Government. We have switched suddenly from being responsible to the South Australians who elected us to this place and are now considering matters as a nation. How does Australia benefit if South Australia transfers its non-metropolitan railway system to the Commonwealth? Does it form part of the policy aims of the Labor Government in this State and the Commonwealth? That is the ultimate aim, because the platform of the Australian Labor Party under the heading "Transport" states:

(c) The Australian Government to operate any railways, ports, air routes, shipping services or pipelines referred to it by any State or States.

(d) To ensure that the railways play their proper role in the Australian transport system and in development opportunity, and to achieve integration and efficient and much more economical operation in management rather than the present fragmentation—the administration to be placed under a single nationwide rail transport authority appointed by and subject to the control of the Australian Minister for Transport.

(h) A referendum to give the Australian Parliament complete powers to make laws with respect to all forms of transport.

Labor Party policy falls into a pattern in relation to the future of our transport system. I believe the State Government is admitting defeat in handing over the problems associated with our railway and transport systems. To link those problems to the petrol tax legislation, which was enacted late last year, is an unfair comparison. When introducing this measure the Premier said that there are three main benefits this State will achieve. He stated:

In the first place, the Commonwealth Government is to take over the assets of the non-metropolitan system as from July 1, 1975, and is to take over from the same date the outstanding liabilities which correspond to those assets. The liabilities themselves are of three main kinds, namely, part of the State's public debt, special borrowings under rail standardisation arrangements and current liabilities such as sundry creditors.

If the figures contained in the sixth schedule to the Bill relate to the debts to be taken over by the Australian Government, debts that amount to \$124 000 000, and consider the public debt in South Australia of \$1 844 313 000, the sum of \$124 000 000 is a mere drop in the ocean. However, it will have a beneficial effect on the State's Revenue Account. Even so, it is only part of the story. What will be the real benefit when, in the past, we have had special arrangements with the Commonwealth Government to take over the public debt? This Government has a poor record in relation to building up the public debt. Indeed, since the Government has assumed office the public debt has increased by \$350 000 000. If one adds \$130 000 000 that the Commonwealth Government took off last year, the figure is \$480 000 000. Now, we are to get the benefit of another \$124 000 000. It is hard to ascertain, on the information provided in the railways accounts, how this sum of \$124 000 000 was arrived at. No doubt someone has worked out that this is part of the average of the non-metropolitan railway system as well as of other parts of the railways that are to be disposed of. Of course, this will reduce considerably the Railways Department loan accounts.

There is no guarantee that the metropolitan railway system will operate viably even after this huge sum of Loan money is taken into consideration. Members know that the Government has an expensive plan regarding upgrading the metropolitan service. Also, the Commonwealth Government is keen to promote a new type of passenger carriage. Therefore, the South Australian Railways will be faced with heavy capital expenditure in the metropolitan area with no great prospects of expanding, as well as having to update its rolling stock. When one considers the first part of the benefit to accrue to the State, one wonders whether in the long term it will be of great value. Also, when one considers the current rate of inflation and how, regrettably, it will continue to run in future, one can see that we may not be getting the best end of the deal. The Treasurer said that the Commonwealth Government is to make a special grant of \$10 000 000 to the State for the financial year 1974-75. That will be paid immediately and will, therefore, assist the Treasurer in his Budget. The State is also to receive an extra \$6 400 000 as the completion of the grants arrangements for 1973-74. That, therefore, will be an immediate benefit.

The Treasurer then referred to the benefit that we will receive in future. He said that a special grant of \$25 000 000 is payable to the State, as a claimant State, for 1974-75. This comprises an advance grant of \$15 000 000, included in the Budget papers, and a \$10 000 000 completion grant now to be paid. The Treasurer referred to a sum of about \$50 000 000 as a part of a series of other benefits. Then, after admitting that the whole thing sounded a little difficult, he continued in general, vague terms. This is where one becomes suspicious and wonders to what we are agreeing in financial terms in relation to the sale of this part of the railway system. The public wants to know how the valuations were arrived at, what we are going to receive in the future, what the effects will be of South Australia's giving away its rights with the Grants Commission, and so on. No great details are given regarding the whole business.

We are being asked to ratify an agreement, although we are being told in only general terms what it will be worth. If one examines all the figures involved, one arrives at the colossal sum of perhaps \$50 000 000 or \$60 000 000. I wonder whether the agreement has been designed so that we are not being told of the whole situation. It is only fair and reasonable that the people of South Australia should be told what the true situation is. Is it just a catch for the Government to say that this measure is linked up with the petrol tax? From this point of view, the Bill has been poorly presented, and the taxpayers are entitled to know what the financial arrangements are. If eventually the Commonwealth Government must come to the aid of the State Government it will probably mean that we will have to give away part of our own destiny. In this respect, one wonders how far the State Government will go to protect our rights.

The House divided on the second reading:

Ayes (21)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Crimes, Duncan, Dunstan (teller), Groth, Harrison, Jennings, Keneally, King, Langley, McKee, Olson, Payne, Simmons, Slater, Virgo, Wells, and Wright.

Noes (17)—Messrs. Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick (teller), Evans, Goldsworthy, Gunn, Mathwin, Millhouse, Nankivell, Russack, Tonkin, and Venning.

Pairs—Ayes—Messrs. Corcoran, Hopgood, Hudson, and McRae. Noes—Messrs. Allen, McAnaney, Rodda, and Wardle.

Majority of 4 for the Ayes.

Second reading thus carried.

Mr. MILLHOUSE (Mitcham): I move:

That Standing Orders be so far suspended as to enable me to move a motion without notice.

The SPEAKER: Is the motion seconded?

Mr. BOUNDY: Yes, Sir.

Mr. MILLHOUSE: At this time of the morning I hope there is no need for me to speak at great length on the motion, which is to allow me to suspend Standing Orders so that I can subsequently move to refer this Bill to a Select Committee. I am forced to seek the suspension of Standing Orders because of the unseemly haste with which the Government has pressed this Bill once it was introduced in the House. My first opportunity to give notice contingently of referring the matter to a Select Committee was yesterday afternoon when the House met, being the first day after the Bill was introduced. It was put right through to this stage in the same sitting, and therefore there is no

other way, except to suspend Standing Orders, by which the question of reference to a Select Committee can be debated. I hope that enough has been said already to show that the agreement between the Commonwealth and the State should be looked at closely by members, and far more carefully and in greater depth than can be done in the House itself or in Committee. For those reasons I seek the suspension of Standing Orders so that we may debate the question of reference to a Select Committee.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I do not intend to agree to the suspension of Standing Orders proposed by the honourable member. This Bill is a measure of considerable urgency.

Mr. Millhouse: And importance to the State.

The Hon. D. A. DUNSTAN: No-one would deny that for a moment, but this House is perfectly adequate to deal with the matter in Committee in proper form. The provisions of the Commonwealth appropriation relating to this matter depend on the railways transfer coming into force by July 1. It is essential for this Bill to pass, and to be passed in time effectively to take advantage of the legislation already passed by the Commonwealth Parliament. As that is a matter of urgency, there is simply not the time to proceed with a measure such as the honourable member proposes, and I do not intend to grant the suspension of Standing Orders.

Mr. Millhouse: So you ride roughshod over the Parliament.

The SPEAKER: The honourable member for Mitcham has moved for the suspension of Standing Orders. For the question say "Aye"; against "No". As I hear a dissentient voice, it will be necessary for the House to divide. Ring the bells.

The House divided on the motion:

Ayes (17)—Messrs. Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Millhouse (teller), Nankivell, Russack, Tonkin, and Venning.

Noes (21)—Messrs. Broomhill, Max Brown, and Burdon, Mrs. Byrne, Messrs. Crimes, Duncan, Dunstan (teller), Groth, Harrison, Jennings, Keneally, King, Langley, McKee, Olson, Payne, Simmons, Slater, Virgo, Wells, and Wright.

Pairs—Ayes—Messrs. Allen, McAnaney, Rodda, and Wardle.

Noes—Messrs. Corcoran, Hopgood, Hudson, and McRae.

Majority of 4 for the Noes.

Motion thus negatived.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 1.54 a.m. the House adjourned until Thursday, June 12, at 2 p.m.