

HOUSE OF ASSEMBLY

Wednesday, August 6, 1975

The SPEAKER (Hon. E. Connelly) took the Chair at 2 p.m. and read prayers.

CONSTITUTION ACT AMENDMENT BILL (SALARY)

The SPEAKER: I draw the attention of the House to a proclamation in the *Government Gazette* dated June 26, notifying Her Majesty's assent to the Constitution Act Amendment Act, 1975.

PETITION: COROMANDEL VALLEY LAND

Mr. EVANS presented a petition signed by 257 citizens of Coromandel Valley and surrounding areas stating that the State Government should acquire about 13 hectares, being the property of Mr. Frank Smith, of Coromandel Valley, and praying that the House would bring to the notice of the Minister for the Environment the need for immediate purchase of the land for the benefit of the citizens of Coromandel Valley.

Petition received.

PETITION: SUCCESSION DUTIES

Dr. TONKIN presented a petition signed by 1 070 residents of South Australia stating that the burden of succession duties on a surviving spouse, particularly a widow, had become, with inflation, far too heavy to bear and ought, in all fairness and justice, to be removed. The petitioners prayed that the House would pass an amendment to the Succession Duties Act to abolish succession duties on that part of an estate passing to a surviving spouse.

Mr. SLATER presented a similar petition signed by 2 060 residents of South Australia.

Petitions received.

QUESTIONS

The SPEAKER: In order that a maximum number of questions may be asked and replied to, I make this appeal to all members of the House to make their questions as brief as is reasonably possible and I ask all Ministers to reply in a similar way. I point out to honourable members that unnecessary interjections attract rebuttal and, therefore, prolong the question or the reply.

MONARTO

Dr. TONKIN: Will the Special Minister of State for Monarto and Redcliff give a clear account of the current situation concerning the future of Monarto as a major South Australian growth centre? Has he any reason to believe that the development of Monarto will be affected by the financial difficulties being experienced by the Commonwealth Government? And does he believe that funds will still be available for South Australia in connection with this project? As I understand that there have been recent discussions between the Special Minister of State for Monarto and Redcliff and Commonwealth Government Ministers concerning particularly the flow of financial assistance to this State, I believe that all members of the community would be vitally concerned to hear about what has transpired.

The Hon. HUGH HUDSON: It is not possible at this stage to give a full account of the current position, because certain matters depend on the Australian Government's Budget to be brought down shortly. I think that, as with virtually every area of Commonwealth Government involve-

ment, the amount of support is unlikely to be at the level at which we would wish it to be. However, I believe that support for Monarto will continue and that, by planning the project on a flexible basis, it will be possible to ensure that it gets off the ground. In an ideal situation, it would be desirable to be able to plan the work for Monarto over a period of, say, five years in real terms with an assurance that the money necessary to carry out that amount of work would be forthcoming. However, the practical facts of the situation are that that amount of funding is unlikely to be available and, consequently, we must plan Monarto to take into account what is likely to be available and what can be developed in terms of the funds likely to be available.

A reasonable degree of development can be expected to take place, the Monarto project will continue, and we hope that it can be developed to the stage where, should in the next decade or by some other time a really rapid rate of development be required because of the alternative of a rapid growth of Adelaide, that will be able to take place. In addition, since having this special responsibility, I have been impressed by the degree of support within the community for the Monarto project, not only from those who may be committed to my point of view but also from a fairly widespread section of the community. I believe that, once the freeway has extended through to Murray Bridge, the initial steps have been taken in respect of Monarto, and the initial parts of the project have been got off the ground, it will be a development concerning which we will have little difficulty in ensuring that the number of people for whom accommodation can be provided do go to Monarto and that the requisite industrial development takes place.

Dr. EASTICK: Will the Special Minister of State for Monarto and Redcliff admit that, because of the massive reduction in funds available for Monarto, the funds immediately available to this State for Monarto's development would have greater productive value if directed towards existing towns? It is apparent from the hedging answer we have received from the Minister this afternoon that significant funds will not be available for the development of Monarto and that any funds expended in that area at this time will virtually lie idle. They will be a cost against the State, as they will not provide further facilities for the people of South Australia. However, funds available from the Commonwealth and other sources that were directed into the redevelopment of existing urban areas and major towns would be more productive and beneficial to the people of this State.

The Hon. HUGH HUDSON: I must say in answer to the member for Light that I am interested in this line of questioning because I believed that, during the last six weeks, certain members of the Opposition were trying to duck this matter of Monarto. The Liberal Movement made clear that it intended to can the project altogether, but the Liberal Party, perhaps—

Mr. Millhouse: We don't duck questions; we say what we mean and think.

The Hon. HUGH HUDSON: I would not want to comment—

Mr. Millhouse: We have no regrets about it, and that's exactly what is going to happen, too.

The Hon. HUGH HUDSON: In answering this question, I would not want to comment on whether what the member for Mitcham says and thinks has any relationship to what

he actually means. Certainly, the Liberal Party played ducks and drakes on this issue, perhaps under the influence of the member for Murray. I am interested in the question of the member for Light because I think it firms the view I took during the election campaign that he was an opponent of the Monarto project and did not wish to see it go ahead, although he was not willing to say so at that time.

Dr. Eastick: It was said at Murray Bridge.

The Hon. HUGH HUDSON: The money involved in the Monarto project involves employment of people directly. It is the Government's policy, as was stated during the election campaign, to continue with the Monarto project and to plan it on a flexible basis. That is the policy that the Government will continue. I did not give a hedging answer previously other than to the question of how much money would be available; I am obviously not able to answer that question with regard to this financial year.

Mr. Venning: What about replying to this one?

The Hon. HUGH HUDSON: If the member for Rocky River, who never listens to many questions or answers, would keep quiet and perhaps have someone else explain the matter to him afterwards, we might be assisted. The position is that the planning for a project such as Monarto cannot be turned on and off like a tap. It is either a project that is to be continued or it is not. It is not possible to close the project down and then say that we will get everyone together again and start it up again in one or two years. Therefore, it is necessary to devise appropriate means whereby the project can continue and the people involved and employed in the project can be assured of a continuity of employment. This is essential to ensure proper planning and reasonable morale within the Monarto Development Commission and the ultimate viability of the project itself. It is to these ends that the Government is committed, and therefore I cannot for one moment agree to the kind of proposition put forward by the member for Light, because I believe that the Liberal Party is not concerned with an ultimate prospect of Adelaide extending from Gawler in the north to Willunga in the south. That does not concern that Party for a moment.

Mr. Rodda: That's not true.

The Hon. HUGH HUDSON: If it is not true, I should like to hear some logic from members opposite about what they intend to do regarding the future plan for Adelaide to ensure that we do not repeat here the kinds of mistake that have occurred in Sydney and Melbourne. Like most other people, whenever I return to Adelaide from Sydney and Melbourne I breathe a sigh of relief. I am still firmer in the conviction that I will ensure to the best of my ability that mistakes of this kind will not be repeated in Adelaide, and that effective action will be taken to ensure that the rate of growth in Adelaide is limited and that the ultimate size of Adelaide is limited. From my point of view and that of the Government, that means that the Monarto project must proceed. Therefore, what we are doing in relation to that project is in the long-term interests of every citizen in this community, including even the long-term interests of the members for Davenport and Light, although I have some difficulty in steeling myself to take decisions that are in their long-term interests.

NARACOORTE ABATTOIR

Mr. WHITTEN: Can the Minister of Works, representing the Minister of Agriculture, tell me what steps may be taken to safeguard the employment of people who are

employed at the Naracoorte meatworks? I, like many other members in this House, have received messages expressing grave concern that a company operating an abattoir at Naracoorte has seen fit to close its operations. It is of grave concern to me that many people employed by the company will have to seek other employment, which does not appear to be available at Naracoorte.

The Hon. J. D. CORCORAN: I shall be happy to refer the honourable member's question to my colleague. However, the Minister of Agriculture and the Government did everything in their power to prevent the closure of the Naracoorte abattoir. If members opposite doubt that such action has been taken, I believe they should be well enough informed of the events that have taken place over several months to know what is the situation. Indeed, the Government was extremely anxious to see that the abattoir, which is an export abattoir, continued because it has an investment in those works to the extent of about \$300 000. Moreover, the Australian Government has invested funds through the Industries Assistance Commission so, apart from the employment of so many people being involved, it was not any joy to the Government to see the situation develop as a result of a lack of overseas markets. The quota, which was initially given to the company to allow it to bring meat into the metropolitan area to help get the venture off the ground, has been constantly exceeded in recent months. The Minister of Agriculture and his officers negotiated continually with the company to see what could be done, but the demands made finally by the company to alter the quota were so great that they could not be met by the Government without causing problems in other areas. It was the company, not the Government, that decided to close down the meatworks. Indeed, I hope, as I am sure all members in this House hope, that overseas events affecting the company's export market will improve quickly so that the works can recommence operations. I shall be happy to refer the points raised by the honourable member to my colleague to see whether further information is available. I assure the honourable member that the Government, including the Minister and the Premier, did everything in their power to ensure that the works did not close.

POST OFFICE CHARGES

Mr. GOLDSWORTHY: Can the Premier say what effect the savage increases in postal, telephone and telegraphic charges will have on South Australian Government finances and whether the Government supports the actions of its union colleagues in attempting to block these charges? I saw in a brief press report a statement that the Government was concerned, and rightly so, at the impact of these unprecedented increases in charges. I ask the Premier for more specific information about the way in which he plans to circumvent such charges. A press report in today's *News* states that the militant Postal Clerks and Telegraphists Union plans to go ahead with its move to block the new post office charges. The report also states that further meetings of the union in South Australia, Victoria and the Northern Territory already have decided not to charge the new rates from September 1. In view of these moves, I ask the Premier what will be the impact on this State, what action he intends to take, and whether he intends to support his Government's colleagues in their attempts to block these unprecedented and savage charges.

The Hon. D. A. DUNSTAN: In relation to the cost to the State Government it has not been possible for us to obtain an overall amount. In postage alone it would

be likely to cost the Government about \$1 000 000 if our present practices concerning correspondence were continued. I have instituted a special work party, including members of the Public Service Board and the Treasury, to ascertain whether there are means that we can adopt to reduce the postal Bill to the Government. That is as far as I can take that matter for the honourable member. Regarding a threat by one of the postal unions, the South Australian Government is in no way involved with that. Our Government was not involved in any way with the increases in postal charges: that is a matter for the Commonwealth Government. I point out, in relation to the statements made by the honourable member concerning charges for public services, that the cost of these services either has to be met by the charges for them or the taxpayer has to subsidise the services. If the honourable member believes that the taxpayer should subsidise the services instead of paying for what he uses, no doubt the honourable member will indicate how the extra money can be raised. I am sure that the Commonwealth Government would be interested to know.

SHEEP SLAUGHTERING

Mr. BLACKER: Will the Minister of Works ask the Minister of Agriculture what arrangements have been made to rationalise the killing of sheep at the Government Produce Department works at Port Lincoln under the 75c scheme offered by the Government; secondly, does the arrangement for the slaughtering of sheep include the slaughtering of lambs; and, thirdly, how will the meat that is suitable for human consumption be marketed? Many producers who have been placed in a difficult situation because of the drought in many parts of Eyre Peninsula are grateful to the Government for its acknowledgement of their plight in drought-stricken areas. Whilst it is accepted that this scheme cannot in any way be a means of helping to overcome financial difficulties, it enables producers to free their properties of stock that would otherwise be an embarrassment to them, and also prevents the wholesale slaughtering of stock on farms.

The Hon. J. D. CORCORAN: I will get a report from my colleague for the honourable member. The information I have at present is that people have indicated the need to kill about 4 500 sheep, mainly because many producers are shearing sheep before bringing them to slaughter, and shearing has often been delayed because of rain. The Minister does not intend at present to limit the weight of sheep bought for slaughter, and that seems to indicate that lambs of reasonable size will be accepted. That is the indication I received from the Minister of Agriculture yesterday when I discussed this matter with him. At present there is no limit on weight or on the number of sheep, but this aspect will have to be considered so that some people are not at a disadvantage, compared to others. I am not aware of marketing arrangements but will ask my colleague about this matter. However, I can tell the honourable member that this matter is being handled as flexibly as possible, because the main aim is to get as many sheep as possible to slaughter in order to prevent them dying needlessly in the paddocks.

SCHOOL BUSES

Mrs. BYRNE: Will the Minister of Education ask appropriate officers in his department to consider the desirability of synchronising the times that children leave school in areas in which several schools are serviced by the same school bus service? The Minister will be aware that the time children leave school is now more flexible. This means some children are coming out earlier than the

accepted normal time. This creates problems for bus operators and children in cases where several schools are serviced by the same school bus and some schools alter the departure time, while others retain the normal closing time. Such a problem is affecting some children in my district; I will give the Minister particulars later. There have also been problems with regard to school crossing lights, but I hope that these have now all been solved. I raise this matter here, as it may be a general problem that will have to be watched by the department.

The Hon. D. J. HOPGOOD: The short answer is "Yes." As I believe that the suggestion has much merit, I will certainly have the officers check it. I believe that the honourable member has put her finger on a problem that is not unknown to country members, because buses in the country have long distances to travel.

TEACHER HOUSING

Mr. BOUNDY: Will the Minister of Education say whether the teacher-housing programme for rural areas outlined in reply to a question that I asked on November 28 last will be completed on schedule and, if it will not be so completed, will the Minister say what delay is likely? On November 28 last, the then Minister of Education outlined a programme for 49 such double-unit flats to be provided in rural areas, several of which were to be in my district. To date not all of these have been provided. The present Minister has referred to this programme, and I now ask him whether he can say whether the 1974-75 programme time table will be met.

The Hon. D. J. HOPGOOD: Although I am not aware of any significant delay, I think that in fairness to the honourable member and the House I should get exact predictions and bring them down here.

FLEXI-TIME

Mr. ABBOTT: Can the Minister of Labour and Industry say whether any consideration has been given to the possible introduction of flexible working hours in private industry, following the acceptance of the scheme in the State Public Service? I understand that flexi-time, as it is known, proved extremely popular with public servants when it was tried in the Labour and Industry Department; so popular in fact, that the Public Service Board has extended it to all other departments, where it has been accepted readily. Because of its obvious popularity, I consider that it should be made available to workers in private industry.

The Hon. J. D. WRIGHT: It is a fact that the flexi-time situation has developed much more quickly within the Public Service than one would have thought possible. I understand that about 4 500 employees use it now, and no-one wants to change it. I have spoken to many people in this regard, and they are all extremely pleased with it. Regarding private employers, the system has not commenced at this stage, but a couple of weeks ago I had a meeting with my advisory council and suggested to the council that consideration ought to be given to introducing the scheme. Of course, the big benefit with flexi-time is with regard to the public transport system. Doubtless, if we can get people working different hours, use of the public transport system at peak periods would greatly decrease, to the benefit of the travelling public. Some difficulties have been pointed out to me by the employers and the trade unions. I am personally aware of difficulty in the blue collar area, where there is a sort of chain reaction, with people starting work at the same time, and work in one area being dependent on work in another area. These difficulties in implementation are not stopping me. I intend

to pursue the matter as strongly as possible, and within a few days I will invite employer organisations to send circulars to their members including my ideas and suggesting that we ought to convene a conference to find out where and when it is possible to implement a scheme. From then on, I believe we should make some progress. In reply to the question, I state that I am not at an advanced stage, but I am pursuing the matter, and I know that the Premier also has indicated his support for implementation.

STATE FINANCES

Mr. BECKER: Will the Treasurer give the House a comprehensive quarterly review of the State Revenue Account from now on? We are in the first week of August, one month of the current financial year having already been completed. However, Parliament has not been informed about the present financial position of the State. Later this month or early in September, we will receive the Budget and the Auditor-General's Report. The debate on the Budget and the State finances will take place in circumstances in which almost one-third of the new financial year will have been completed before the people of South Australia will know the the exact financial position of the State. In private enterprise, nowadays companies plan their budget, present it to the board, and then make at least quarterly reviews and comprehensive statements on the company's finances. In view of the delicate position of the State and the rest of this country (as well as the expected effects of the Commonwealth Budget), the need for taxpayers to be fully informed, and the need for the Government to communicate with the people and to carry out open Government, I ask the Treasurer whether he will now institute a system of quarterly reviews of the State Revenue Account.

The Hon. D. A. DUNSTAN: Given the strange statements that were made during the past election campaign, I should have thought that the honourable member, before asking a question like that, would take notice of what had actually occurred. I have already issued a comprehensive review of the finances of the State. It has been issued publicly and detailed in the newspapers. In addition, the monthly provision of the figures has been made as usual, together with the Under Treasurer's explanation.

Mr. Becker: We haven't got it.

The Hon. D. A. DUNSTAN: If the honourable member has not got it, all I can say is that he has not sought it.

Mr. Becker: I wrote to you three weeks ago.

The Hon. D. A. DUNSTAN: I have not seen any letter from the honourable member

Mr. Becker: It takes two days to get it from the "In" basket to you.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The fact is that the information has been issued publicly. I will get a copy for the honourable member if he is, in fact, interested. He will find that the position of the State is not delicate at all, but is robustly healthy.

VALLEY VIEW BOWLING CLUB

Mr. WELLS: Will the Minister for Planning and Development ask the Minister of Tourism, Recreation and Sport to consider favourably an application for a grant for the formation of a bowling green at Valley View, to be the property of the Valley View Bowling Club? This club, which has a membership of about 60, has made two previous applications for grants so that it may build its

green and clubroom. The area that we hope will become a green is located on council property, but the club requires \$35 000 to get the scheme under way. Each of the applications submitted previously was rejected, thus discouraging my constituents and me. We know that some country centres have been given large grants, not for the formation and building of new bowling clubs but merely for the upgrading of existing clubs. We resent that we in Valley View who are interested in bowling and who wish to form an active club are prevented from doing so because of the lack of funds, whereas grants have been made to certain country centres. Club members are paying over \$1 000 a year to another bowling club for the use of its greens so that the Valley View club may continue with its pennant competitions.

The Hon. G. R. BROOMHILL: I shall be pleased to refer the question to my colleague, to point out the honourable member's feelings on this matter, and to indicate to him the obvious need for some sporting activity in the Valley View area.

TROUBRIDGE

Mr. CHAPMAN: Is the Minister of Transport aware that the *Troubridge* has for some weeks been plying between Kingscote and Port Adelaide with little livestock on board, and that sufficient space to occupy between 12 and 14 trailers has been and is likely to be available until the spring and summer tourist traffic returns later in the year? Also, is he aware that a recent survey conducted by the registered stock companies in conjunction with war service land settlement officers has established that there is a surplus of about 42 000 sheep and 7 500 cattle on Kangaroo Island and that, unless some reduced space rate can be arranged, many of these stock will have to be shot and wasted forthwith? It is fully appreciated that no action, whether it be emergency or humane, taken at this stage would be used by these Kangaroo Island people as a precedent later; in fact, the request is specific, having regard to the present crisis. In these circumstances, the Government would not lose, because unless the space rate were reduced neither it nor the carriers would get any business unless action were taken. In the light of these facts, will the Minister give this matter his urgent attention and arrange a realistic space rate by a reduction to, say, \$1 a head on the sheep? This would cause no additional trips outside the vessel's current schedule, but would simply make full use of the vessel. Also, it would provide useful employment to the carrying companies involved and allow those Kangaroo Island growers to dispose of the stock which, under current rates, costs them more to freight than is attracted at the Adelaide market.

The Hon. G. T. VIRGO: I heard unofficially that there was a problem with surplus stock on the island that was not in very good condition (apparently, neither is the member for Alexandra). On inquiring, I was informed that no official application had been lodged. Until that is done, there is not much I can do about the matter.

Mr. Chapman: I understand it's on the way to you.

The Hon. G. T. VIRGO: Until it arrives, I cannot consider it. When it arrives, I assure the honourable member that it will be given every sympathetic consideration possible to see whether a case exists to enable a special rate to be determined. The honourable member will be receiving advice (as will all other members generally) soon that, in keeping with increases in other costs, the costs of the *Troubridge's* freight operations are about to increase.

PORT ROAD

Mr. OLSON: Can the Minister of Transport say whether there are any plans to establish clearways on Port Road? At present, severe congestion is caused by the parking of vehicles on both sides of Port Road, with double ranking being prevalent near shopping centres. This is proving a hazard to motorists at peak periods, as well as creating a difficulty to bus drivers as they pull into and out from the kerb.

The Hon. G. T. VIRGO: I am not aware that specific consideration is being given to Port Road, although some major roads that are currently not clearways are being actively considered. Indeed, we have made relevant requests to several councils, because we pay them the courtesy of first seeking their agreement and support for the implementation of the project. I think that the real problem in the Port Road area will not be solved by a clearway but rather by what I hope we will see in Adelaide soon, namely, exclusive bus lanes. Members will have noticed in the newspapers that we have obtained the Adelaide City Council's agreement to have the kerb-side lane on the western side of King William Street declared, for experimental purposes, as a bus-only lane between 4 p.m. and 6 p.m. I expect that this will be so successful that we will see the start of probably one of the most advantageous moves we can make to move public transport rapidly—to have a bus-only lane. I suggest that that is how the problem to which the honourable member has referred ought to be solved. Accordingly, I will take up this matter with the Road Traffic Board.

PAY-ROLL TAX

Mr. VENNING: Will the Treasurer consider increasing the exemption figure at which pay-roll tax becomes payable, in the light of the effect that inflation has had on true financial values and particularly in the light of his statement this afternoon that the State's finances are robust? I believe that the exemption figure, after which pay-roll tax is payable, is currently about \$20 000, and it is many years since that figure has been increased. With inflation as it is today, I believe there is room for the Treasurer to consider increasing the exemption level. Before the most recent election, he said that the State's finances had never been better and that we had money in the bank.

The Hon. D. A. DUNSTAN: Immediately I have money in the bank the honourable member apparently wants me to spend it. As members opposite have from time to time accused me of being spendthrift, I am afraid I am unwilling to take up the suggestion. In relation to pay-roll tax exemptions, a study is taking place among Treasury officers of the various States. Pay-roll tax is virtually uniform throughout Australia.

Mr. Venning: It doesn't have to be.

The Hon. D. A. DUNSTAN: If it were not uniform, we would run into a number of difficulties. If the States do not agree on the uniformity of the incidence of pay-roll tax, people in other States will stop using the general principles of uniformity and competition will arise in certain areas of exemption designed to attract developments to a certain area. It was agreed from the outset by members of all political Parties in government in Australia that pay-roll tax should remain uniform. The question of the exemption level is now being discussed by Treasury officers. South Australia has been willing to raise the exemption level, but the other States, while looking at an increase in that level, believe that, with an increase in the exemption level at the lower end of the scale, the amount of tax paid at the higher end of the scale must be increased to offset the exemption. That is what is being discussed now.

CAMPBELLTOWN PEDESTRIAN CROSSING

Mr. SLATER: Can the Minister of Transport say whether investigations can be undertaken to ascertain the need for pedestrian crossing lights near the North Eastern Community Hospital on Lower North-East Road, Campbelltown? The matter has been brought to my attention by residents of the area who claim they are experiencing difficulty when crossing that section of the Lower North-East Road at peak traffic hours. It is also claimed that crossing this section is especially hazardous for people crossing from the northern side of the road to catch public transport to the city. It is also hazardous for visitors attending the hospital. From personal observation I have noted that traffic travels quickly along that section of the Lower North-East Road. The need for traffic lights has been accentuated because the Saint Bernard Youth Centre and the North Eastern Community Hospital are in the general area. I therefore ask the Minister whether he would be good enough to have the matter investigated.

The Hon. G. T. VIRGO: I shall be pleased to do so.

GOVERNMENT ANNOUNCEMENTS

Mr. WARDLE: Can the Premier say whether the Government has departed from the past practice of issuing information concerning Government projects through the House of Assembly member for the district? For many months I have observed that, when information is issued in many country held Labor seats, it is issued through the local member; however, because my district is not held by the Government, the Minister issues the information directly to the press and it is two or three days later when I receive a follow-up letter. The latest intrusion is that information is coming to my district through a Commonwealth Senator. When, a few days before the recent election (after 23 years of negotiation, encompassing the period of office of three members for Murray who made deputations to the Minister concerned), something was stirring and there was good news about a project, the local press and radio stations received the news directly, evidently from the Government department concerned by telegram, the first sentence of which states:

Senior officers of the Engineering and Water Supply Department will visit the Callington-Strathalbyn area today to discuss the overall water supply scheme for the area, according to Senator Geoff McLaren.

The information was not necessarily issued by his office, but it came straight from the department concerned and was directed to the media. As the former member for Murray, Mr. Bywaters, was afforded the courtesy of receiving from Premiers, both Liberal and Labor, information concerning the district I represent. I want to know why the present Government has departed from that procedure and is issuing information concerning my district directly through Ministers or through a Commonwealth Senator.

The Hon. D. A. DUNSTAN: During about 12 years in Opposition to the Playford Government I received not one announcement that was made through me to my district of a development to take place within my district. What my Government has done is to depart from that situation and, from time to time, in response to requests from members, it has tried to provide them with information concerning projects in their districts. I point out to the honourable member that the Senator he refers to is extremely assiduous in seeking information regarding the district. The Government tries to provide information for honourable members when it is able to do so, but the Government will certainly not adopt the position

that all announcements about any matters within a district are made by the member concerned. If they are the responsibility of the Minister, they will be made by the Minister.

STREET CLOSURES

Mr. LANGLEY: Can the Minister of Transport say whether he has received a report from the Road Traffic Board on whether the closure of streets leading into George Street and Duthy Street, especially those in the Unley District, have curtailed the accident rate along those streets? Closures have also occurred in the districts of the member for Mitcham and the member for Bragg, who I believe are interested in the findings made regarding this previously dangerous road.

The Hon. G. T. VIRGO: The most satisfactory way to handle this question would be to ask the Road Traffic Board for an up-to-date report, which I shall be pleased to get for the honourable member.

RED SCHEME

Mr. MATHWIN: I ask the Minister of Education what is the situation regarding work at present being undertaken in schools with the assistance of the Regional Employment Development scheme. I understand that several schools have important improvement projects on hand but that the work has been stopped because assistance under the RED scheme has been withdrawn. Warradale Primary School has on site about 300 tonnes of earth, about 30 tonnes of stone, and huge concrete pipes ready for a project. It would be impossible for the school committee to raise the finance or attempt to complete the scheme by using voluntary labour. I therefore ask what is the position regarding the withdrawal of the RED scheme, particularly in the field of education.

The Hon. D. J. HOPGOOD: I recommend in any specific case where such a situation has arisen that the school council concerned should contact immediately the Commonwealth Employment Service so that the exact status of the project being undertaken can be established. I think it is unlikely there will be an overall clarification of the situation until the Commonwealth Budget is brought down. Officers of my department are trying to obtain a clear picture of the situation in relation to projects within the Education Department. When that picture emerges I will give the House the benefit of it, but I recommend that the school council should make immediate contact with the Commonwealth Employment Service.

OUTER HARBOR TERMINAL

Mr. COUMBE: Will the Minister of Marine supply me with information relating to the operation of the modern shipping passenger terminal at Outer Harbor? As there seems to be a reduction in the number of oversea passenger liners calling at Port Adelaide in addition to a lessening of the number of migrants, some of whom now travel by train from Melbourne to Adelaide, can the Minister say what the position is likely to be during the coming financial year and whether any negotiations have been successfully undertaken by the Marine and Harbors Department for more use to be made of this terminal, or is this facility to become a white elephant, a situation that I trust will never occur?

The Hon. J. D. CORCORAN: Knowing the keenness with which the honourable member when Minister of Marine approached this matter, I am pleased to hear him say that he hopes the terminal will not become a white

elephant. The honourable member would know as well as I know that the passenger terminal that existed before the new building was erected had to be replaced, because it was and had been for many years an absolute disgrace not only as the entrance to South Australia by sea but also as a terminal. The construction of the new building involved not only a passenger terminal but also a large cargo shed that has been used, even if passengers have not arrived by sea. As the honourable member is aware, the trend in ocean cruises changes from time to time, and at present there is not as much activity in this area as there has been in the past. However, I believe that this situation will not remain. I have set up a high-level committee to examine the feasibility of using the terminal, which is very well equipped although not airconditioned, for other purposes, such as for conventions or similar meetings. I am now awaiting a report from that committee, which is being chaired by the Director of Marine and Harbors (Mr. Sainsbury) and includes representatives from the Public Buildings Department and the Tourism, Recreation and Sport Department. The Government is trying, quite properly, to do everything it can to make more use than is now being made of this fine terminal. I cannot say off the cuff what passenger vessels are expected to visit Adelaide this year, but I will get that information for the honourable member. I understand that, for the first two or three years after the terminal was constructed, a vessel was arriving there every week, and at that time the traffic justified the decision that was made. I will obtain a full report for the honourable member, and I hope that we can find an alternative use for the terminal, because it is a fine building and can be put to very good use. It has been used as a convention centre. I understand that the recent meeting of the Australian Ports Association was held there, and I know that other organisations have inquired about using it, although I am not sure whether it is to be used for conferences or for cabarets.

FIRE BRIGADE LEVIES

Mr. ALLISON: Will the Minister of Community Welfare ask the Chief Secretary to consider reducing substantially the 1975-76 fire brigade levies in Mount Gambier and district, and review the basis for their calculation? For the past three years the contribution of Mount Gambier City Council has increased from \$11 155 to \$23 016 a year, and one private company pays \$62 000 a year but still maintains its own fire brigade. I understand there are only two voluntarily manned fire vehicles in the Mount Gambier city fire service.

The Hon. R. G. PAYNE: As this matter properly comes within the province of the Chief Secretary, I will bring it to his attention.

MORGAN DOCKYARD

Mr. ALLEN: Can the Minister of Transport say what stage has been reached in the intended transfer of the Morgan dockyard to Murray Bridge? Members will recall that this matter has been raised here for several years, but in the past two years flooding in the river, particularly the latest high flood, has been given as the reason for the temporary abandonment of the workshop. However, since the flood it has been drawn to my attention that \$60 000 has been allocated to upgrade the present dockyard. Does this indicate the postponement of the removal of the dockyard to Murray Bridge?

The Hon. G. T. VIRGO: I will obtain from the Commissioner of Highways a report for the honourable member.

INDUSTRIAL DISPUTES

Mr. MILLHOUSE: Can the Minister of Labour and Industry say how many plants in South Australia are stopped at present because of strikes caused by a campaign by the Australian Metal Workers Union for a \$20 a week increase, in defiance of the policy of the Government for wage indexation, and how many people are unemployed as a result of those stoppages? I remind the Minister, if he needs any reminder, that the strike at Torrens Island power station was one of a number of strikes caused by this union for this purpose, and the disgraceful weakness of the Government in dealing with the concomitants of that strike has undoubtedly encouraged similar stoppages. It is with regard to these similar stoppages, which are going on now, that I seek information. I know of at least one, and I believe there are more at this very moment.

The Hon. J. D. WRIGHT: Dealing backwards with the question—

Mr. Millhouse: I thought so!

The Hon. J. D. WRIGHT: The honourable member has to be told the information, because he does not bother to find out for himself, as always.

Mr. Millhouse: Answer the question!

The Hon. J. D. WRIGHT: I will answer the question when I am good and ready: the honourable member should behave himself.

Mr. Chapman: While you continue to defy the Speaker's request.

The Hon. J. D. WRIGHT: The honourable member is doing the same.

The SPEAKER: Order! The honourable Minister must address the Chair.

The Hon. J. D. WRIGHT: I started to do that, and, if the member for Alexandra will let me, I will answer the question. Concerning the situation at the Torrens Island power station, the men involved saw me about the dispute; I also spoke to representatives of the Electricity Trust and the Metal Industries Association about it, yet the honourable member suggested that it was a disgraceful action of the Government.

Mr. Millhouse: "Weakness" is the word I used.

The Hon. J. D. WRIGHT: Rather than being a weakness, it was only the good offices of the Government that enabled the dispute to end as quickly as it ended. If, in this situation, a Liberal Government had been in power, the dispute would still be continuing and people would have been placed in gaol. Nevertheless, that dispute was settled very quickly. That dispute had nothing to do with the present metal trades disputations in other industries, because there is no doubt there was a catch-up area as described by the Industrial Court in this regard, as I told the men and the M.I.A.

Mr. Wells: You will have to tell them what a catch-up area is.

The Hon. J. D. WRIGHT: I do not intend to do that, because the time for questions has expired. The only stoppage of which I know is at Atco, where I understand there is a full stoppage in regard to an over-award payment of \$20 a week. At 3.30 this afternoon I will be seeing all the shop stewards from Iplex, where there is a dispute regarding this situation, but they have not stopped work; only certain facets of the industry are not operating. In Queensland, where there is a Country

Party and Liberal Party Government in office, metal trades workers in the sugar industry have just been granted a \$27 a week increase, bringing the total wage to \$167. No fitter or any worker in the metal trades industry in South Australia is getting anywhere near that sum of money.

At 3.6 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

ADDRESS IN REPLY

The Hon. D. A. DUNSTAN (Premier and Treasurer) brought up the following report of the committee appointed to prepare the draft Address in Reply to the Speech of His Excellency the Governor:

1. We, the members of the House of Assembly, express our thanks for the Speech with which Your Excellency was pleased to open Parliament.

2. We assure Your Excellency that we will give our best attention to the matters placed before us.

3. We earnestly join in Your Excellency's prayer for the Divine blessing on the proceedings of the session.

RAILWAYS (TRANSFER AGREEMENT) BILL

Adjourned debate on second reading.

(Continued from August 5. Page 16.)

Dr. TONKIN (Leader of the Opposition): Once again we see this Bill presented to the House, but under different circumstances in that there has been a general election between the two occasions. It is a most significant Bill, first because the Premier used it to force an election. He used it as the sole reason for bringing forward the election, in spite of the fact that he has tried to put the blame on another place. I think the action taken in the other place to refer the matter to a Select Committee was entirely proper. The matter was brought before Parliament far too rapidly, and many issues still have not been adequately cleared up. There has certainly been adequate time for ventilation of these serious doubts, but the answers have still not been given, and because these doubts have not been cleared, I believe the passage of this Bill in its present form is not in the best interests of South Australia. There are changes in the Bill as it now comes before us but they are, as the Premier has carefully outlined, not significant changes. The only real change is in clause 2 relating to the commencement. There is now a degree of retrospectivity, because the legislation must be tied to July 1. I understand that new Commonwealth legislation will be necessary to revalidate the agreement from that point of view, but the serious doubts we had previously that this legislation was not in the best interests of South Australia still apply, and I intend to recall for the benefit of honourable members the bases of our objections.

First, we are selling the State's assets at a bargain price. Secondly, there will be a general effect on transport, including road transport in particular, and a definite increase in freight charges and services must result. The doubtful status of the agreement following the passage of the proposed Interstate Commission legislation in the Commonwealth Parliament must be looked at carefully. Generally, constitutionally the passing of further powers to the Commonwealth Government is, I believe, simply a furtherance of Socialist ideology; it is in furtherance of the Socialistic aims of the Australian Labor Party. Let me deal first with the bargain price: \$10 000 000 is the sum offered and accepted by the Premier for the assets

listed in the agreement. I refer particularly to clause 5 and to the second schedule of the agreement, which covers land, minerals, rolling stock, plant and equipment, the current market value of which must be grossly in excess of \$10 000 000. The Premier has consistently refused to give any indication of what is the current market value, and obviously it is in his interests not to do so. The sum of \$26 400 000 has been referred to as a sum that will come to South Australia as a result of the passage of this Bill, but \$16 400 000 is already owed to South Australia from the Grants Commission, so \$10 000 000 is the sum total we will receive.

Speaking financially one asks why is mention not made in the agreement of the proposed \$18 000 000 increase in the base 1974-75 financial assistance grant, which is tied to the ratification of this agreement. The Premier knows, more than anyone, that this State is in this case leaving itself wide open to the whims of the Prime Minister. Surely this matter should be covered in the agreement. There are many other matters that are not clear, and my colleagues intend to ventilate these matters at some length, because they cause them considerable concern. I turn now to the question of wharves and railways on wharves. I understand that wharves will be covered under the terms of this agreement only if they are used exclusively for the purposes of the railways. My information is that there are no such wharves in South Australia. Why put it in the agreement? More to the point, the situation relating to the co-operative bulk handling authority, where silos have been built on railway land leased from the South Australian Railways for a 40-year period, is far less clear. My colleagues will ventilate this matter thoroughly. I am concerned about the effect that this legislation will have on transport generally in South Australia. The matters relate particularly to clause 8 (1) of the agreement dealing with preferential freight rates. The clause provides:

8. (1) 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.

However, the Commonwealth Government is moving to establish the Interstate Commission, as provided in the Australian Constitution, and the effect on South Australia would be to negate any such advantage. That most important section of the Commonwealth Constitution, section 99, provides that the Commonwealth shall not, by any law, regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof. The Interstate Commission, if it were established, would thus be obliged under section 99 to adjudicate on any freight differentials and rule invalid any existing differentials.

In other words, country people in South Australia would be confronted with a freight increase, as all freights would have to be equalised. It is obvious that, in these circumstances, the assurance in clause 8 (1) of the agreement that existing advantages shall not be diminished is worthless. There has been no satisfactory answer from the Premier at any time to refute this statement. I think he knows the situation very well indeed, and certainly the attitude of his Commonwealth colleagues has been made quite clear. In the Senate last year, Senator Cavanagh stated:

At all times there is a desire to make those who use services pay for the service, and it applies to railways.

The Commonwealth Minister for Transport stated during the Bass by-election (which was a lesson that I should have hoped the Government would learn) that the Commonwealth transport services should be made to pay their own way. Obviously, transport services are not regarded by the Labor Government primarily as a service to the community. The Government is not concerned if freight differentials, whether in the country areas or anywhere else, are destroyed. The Labor Government does not care about the effect on the community of the increased costs for goods and services that will result. The Government is making sure that these costs will be paid by consumers.

I suggest that there is a close parallel to be drawn with the most recent savage increases in postal and telecommunication charges, which have been made on the same basis, namely, that the user pays, and from the Labor Party's point of view the user usually pays through the nose. Another issue just as important to country people and to the State as a whole deals with the abolition in South Australia of the present open-road policy. The relevant subclauses in the agreement before us are subclauses 13(2) and 13(5). Under these provisions, the Commonwealth Government can set up parallel road services in competition with existing services and, because the Government services would be exempt from State taxes such as the tonne-mile tax, the private road operators in South Australia would be forced out of business. That is a very real possibility.

I consider that those people who operate road transport businesses are seriously concerned and that, in fact, their future will be desperate if this legislation is passed. We have had representations from many parts of the State, particularly the South-East, where there is a high proportion of these operators. These people have left us in no doubt that they will go out of business and that then a Commonwealth Government monopoly will be established in this State.

My fourth point has been well canvassed previously. As I have said this legislation is in furtherance of the centralist and Socialist policy of the Australian Labor Party. It is in furtherance of the Labor Party's desire to set up a total monopolistic control in Canberra of the transport system and, by so doing, paving the way for further nationalisation attempts. I have stated earlier that this legislation is most significant. It is significant because the Premier used it as "the only reason for the election". What an election it has been! We have had conflicting statements on the Treasury position. The estimates of how much money was in credit or deficit went up and down like a yo-yo during the election campaign period. Grossly inflated estimates of the loss to the people of South Australia over a period of years were published in the press, and, by using a totally twisted and biased level of inflationary calculations, the figure varied from a relatively fair amount up to, I understand, \$800 000 000 in one advertisement as the amount that the people of South Australia would be out of pocket.

Mr. Evans: The Premier will explain to us how he got that figure.

Dr. TONKIN: I do not think he will explain that.

Mr. Evans: Yes, he will.

Dr. TONKIN: I do not want the member for Fisher to be disappointed, but I think that even the Premier would be embarrassed if he had to explain how that figure was arrived at. During the election campaign to which I have referred, we had the payment of money

by the Prime Minister to this State in respect of the railways agreement, despite the fact that the agreement had not been ratified in this House. I am sure that the Prime Minister must have known that the agreement had not been ratified, I am positive that the Premier must have known, because he called for an election on the basis of the matter, so what basis did the Premier have for accepting money paid over by the Prime Minister in respect of an agreement that was not even legally enforceable? I consider that what was done was totally wrong.

The announcement by the Premier of this payment and the offer in electoral advertisements to put money in electors' pockets if he was returned to office could well have been a breach of the Electoral Act. That Act, as you well know, Mr. Speaker, prohibits candidates standing for election to Parliament from offering anything in the way of bribes or exerting undue influence. The Act refers specifically to money, entertainment, food and drink.

Members interjecting:

Dr. TONKIN: Government members may laugh. That shows how poorly developed their sense of moral standards must be, because I believe that, even if an attempt at bribery is made on a grand scale, it is still bribery and corruption. All of us, particularly you, Mr. Speaker, know the results of that election. If I may, I should like to digress for a moment to congratulate you on your election to this House. We were extremely pleased that you were elected. We were also extremely pleased that we gained two new excellent representatives on this side of the House, and I congratulate them, too. However, I do not really think that the Labor Party has anything to be proud of in the results of the election.

I have been told that the Premier went into that election expecting to win two metropolitan seats from us, but in fact the election resulted in the loss of three seats by the Government. I repeat my congratulations to you, Sir, on your success. The Premier certainly did not win the election with any degree of ease. The position was quite the reverse: he lost three seats. The position is as you know it now, Mr. Speaker. You have a particular interest in the result of the election, and, therefore, in this Bill and in the agreement that has been proposed. The Bill is of particular interest to all people in country areas. I have already pointed out that the alleged safeguards that imply that there will be a preservation of the differential system of freight rates will not be worth anything if the Interstate Commission legislation is passed by the Commonwealth Parliament. I consider that preferential freight charges and concessions are extremely important to the people of Port Pirie and to the people in the remainder of this State. One example I can cite is the concession of a 20 per cent rebate in freight costs on the transfer of raw materials to be used in the manufacture of products in South Australian country factories. This is a most important concession and, in many cases, it is one of the few things that keep country industry going. If these concessions were abolished (as they could well be under the terms of the Interstate Commission, when set up) I believe that South Australian industry could suffer considerably. (This would apply to Port Pirie just as much as it would anywhere else).

Another matter which I think should be ventilated now is that I have information which suggests that the economic life of Port Pirie and many other country centres in the State could be seriously affected if this measure was passed, and I believe that this matter should

be discussed carefully now. It concerns the possibility of a serious demarcation dispute, which we believe could occur between the Australian Workers Union and the Australian Railways Union; this is a real possibility, as I am sure that you, Mr. Speaker, will well know. Many employees of the Commonwealth Railways in South Australia (some of whom are based in Port Pirie) are A.W.U. members, whereas the employees being taken over by the Commonwealth under this scheme are mostly A.R.U. members. After the take-over, I wonder which union will aim to control the Commonwealth employees.

A demarcation dispute, which is a real possibility, is much more difficult to manage than are some other straight-out industrial disputes. I should like to hear what the Minister of Labour and Industry (who is a former A.W.U. man) has to say about the matter and how he believes the unions will line up, because I think it would be interesting. This is just one problem, and I respectfully suggest that it should be of grave concern to you, Mr. Speaker, and I know that you will consider these matters most carefully. I repeat that this Government has no real mandate for the passage of this legislation. Indeed, it was most fortunate to avert defeat and, as regards this State's country areas, where the railways are so important, it was soundly defeated.

Mr. Keneally: Railways are important at Port Augusta, and the Government won there.

Dr. TONKIN: Many other areas are still not clear, such as the true value of assets, the position of silos, where they fit into the scheme and to whom they will ultimately belong, the preservation of the present status of railway employees, preferential freight rates, and the value of the safeguard, so-called, written into the agreement: all these matters must be sorted out and examined carefully in a way in which it is not possible for the Opposition to do in the atmosphere of urgency that has once again been introduced with this Bill. Our job is to protect the interests of the people of South Australia, but I cannot think that their interests are being protected by the consideration of this Bill in this way at this time. I believe that the Bill must be referred to a Select Committee. As it is necessary to support the Bill through the second reading stage in order to move that it be referred to a Select Committee so that the matter be further discussed and an opportunity for wider discussion given, I will support the Bill to the second reading stage. However, at that stage I hope to move that it be referred to a Select Committee, because that will provide an opportunity for an expansion of the entire debate, an expansion of the inquiry, and for us to get at the true facts, and not just have worthless promises. I support the Bill to the second reading stage in the firm belief that the wisdom of referring it to a Select Committee will be seen by all members.

Mr. RUSSACK (Gouger): Before speaking to this measure, I offer you, Mr. Speaker, my congratulations on your appointment to the office of Speaker and on the manner in which you have so far carried out your onerous duties. I also congratulate the member for Mount Gambier, the member for Millicent, the member for Heysen and other new members on their election to Parliament.

Members interjecting:

The SPEAKER: Order! I ask the honourable member to stick to the Bill.

Mr. RUSSACK: There are two areas in which the Bill may be considered, namely, political philosophy and finance. The Bill, if ratified, will contribute to the

centralisation policy and will be a step towards the nationalisation of the transport industry in South Australia and Australia. The other aspect put by the Premier is finance, but the comments he has made and the detail he has presented have been most conflicting. If my memory serves me correctly, the *Advertiser* of June 18 states that the Premier said that the State would face a deficit of about \$64 000 000 if the railways agreement was not ratified. At page 3403 of *Hansard* of June 17, the Premier said:

As to 1975-76, papers sent to the Australian Treasury for the purposes of the Premiers' Conference forecast, on the present basis (without special arrangements), a deficit of \$58 000 000 for 1975-76, on the assumption of an increase of 221 per cent in wage rates (used by all States to give consistency), and on the assumption that the railway transfer would be approved, but without taking into account the advantages of Medibank. The Treasury and Hospitals Department have been using a figure of \$25 000 000 as the estimate of net advantage to the State from Medibank for 1975-76, and that would have reduced the estimated deficit to about \$33 000 000. However, the non-approval of the railways transfer would mean a big increase in the estimated deficit. The loss of the \$25 000 000 additional grant to be built into the 1974-75 base and escalated in future years would mean a loss of about \$31 000 000 in Financial Assistance Grants in 1975-76, because the \$25 000 000 escalates in that year to \$31 000 000 and would escalate in all future years to markedly more than the prospective deficits on the railways that we then get rid of. It would take the prospective deficit to about \$64 000 000. This adverse effect could be reduced by continuing the petrol franchise tax that might bring in about \$17 000 000 or \$18 000 000 next year, in which case the prospective deficit would be about \$46 000 000 with the petrol tax.

We are all aware of the blackmail tactics that were engaged in as regards the Business Franchise (Petroleum) Bill and the lifting of the petrol tax. However, several weeks later, we find that the State has a credit balance. A few weeks after an estimated \$64 000 000 deficit was announced, the Treasurer was able to bring the State through the past financial year with a credit balance. South Australia has an excellent Treasurer if that is the case, because every other State Government in Australia, as well as the Commonwealth Government, faces colossal deficits far beyond deficits experienced in the past. That applies particularly to the Commonwealth Government. We must place some doubt on the way the State's finances have been—

Mr. Becker: Juggled!

Mr. RUSSACK: —arranged in the past few weeks so that South Australia now has a credit balance. Involved in the railways deal is a matter of finance. It was because of the railways Bill that we had an election in this State. That might have been a good excuse for an election. The election was announced from Canberra. I believe the Premier had a preview of what the Commonwealth Budget was to be like. If the election had not been held as a result of the railways Bill, I believe it would have been another measure on which the election was fought. A day or two after the election was announced I heard the Deputy Premier say over the air (it may have also been reported in the press) that the railways issue was a dead issue. If that is so, why is it accepted by the Premier that the Government has a mandate in relation to this Bill?

Mr. Keneally: We're back in Government.

Mr. RUSSACK: The Government has been returned only because it relies on the support of the independent member for Pirie. If the railways issue was a dead issue, could I take it that the election was fought not on that issue but on other matters. I do not accept that the Government has

a definite mandate in relation to the railways agreement. People in the city have not been told of the way railway facilities are involved in this measure. I have met many people of standing in the metropolitan area who were not aware that certain areas of railway land in the city would be transferred to the Commonwealth if the agreement were ratified. Such information has not been imparted to the public, especially in the metropolitan area. This measure has always been referred to as being in relation to country rail services.

The second schedule to the Bill sets out at page 12 the city areas to be transferred to the Commonwealth Railways, and includes the Mile End freight terminal, the Islington workshops, the Islington goods yard, the Dry Creek marshalling yard, the Port Adelaide sidings, the Gilman marshalling yard and the siding to Finsbury industrial area, Port Adelaide goods yard and wharf, and industrial sidings on LeFevre Peninsula. I am sure that many metropolitan inhabitants were unaware that this land would go to the Commonwealth if the agreement was ratified. Likewise, I believe that country people were not made fully aware of the implications of the Bill. However, I am assured that the return of country members in districts not previously held by the Liberal Party is proof of the reaction of country people to the measure.

For the reasons I have given, I maintain that the Government does not have a mandate for the Bill. I contend that people, especially people in the metropolitan area, were not well informed about the measure and were not aware of the implications of the Bill, the agreement and the property that would go to the Australian Government. People were not aware that the entire staff of the South Australian Railways would be under the control of the Commonwealth Public Service. Many anomalies will have to be ironed out if the agreement is ratified. It is difficult to understand how such a system can operate satisfactorily and efficiently with staff operating country services owned by the Australian National Railways and other staff operating city services owned by the South Australian Government, with the whole system being administered by Commonwealth employees. I am not suggesting that the employees concerned are in any way inefficient, but I am saying that I believe the South Australian Government is presenting them with an almost impossible task to perform. Certainly there will be difficulties. The member for Davenport referred to some of those difficulties yesterday, but the Premier skirted around the question and did not reply in a direct manner. Clause 13 (3) of the agreement provides:

(3) The Commission will, as a matter of policy, act in conformity with the relevant State legislation affecting the operation of the passenger road services, except where there is a conflict between the law of Australia and the law of the State, in which case the provisions of the law of Australia shall prevail.

I am aware (and it would be pointed out immediately to me that this is the case in all other Commonwealth-State agreements) that this is what prevails. Of course it does, but, after all is said and done, it is set out here in black and white that if the Australian Government wishes to take precedence in any action it has the right to do so.

Mr. Keneally: Do you live in a foreign country?

Mr. RUSSACK: Of course I do not live in a foreign country. Let me deal with the matter on another level. The member for Stuart lives in Port Augusta, which has a third tier of Government—local government. If the State Government started to dictate to the Port Augusta council about certain matters, I guarantee that the member for Stuart would be the first one up in arms if he considered

the council was not getting a fair go. The same principle applies here. South Australia is a sovereign State. The member for Stuart may wish to obliterate South Australia and all the other States, but whilst we are a State (indeed, a sovereign State) we on this side stand up for what South Australia needs and for its rights. If the Australian Government wants to dictate, I say we have the right to protest.

Mr. Max Brown: What about minorities?

Mr. Mathwin: You should talk about minorities!

The SPEAKER: Order!

Mr. McRae: What about section 109 of the Commonwealth Constitution: it's already there.

Mr. RUSSACK: Considerable concern has been expressed about the road transport industry in South Australia. This is a most important part of transport in South Australia, and the Government should support and safeguard this industry. It seems from the clauses of the agreement that the Government can institute services and expand existing services. Under the agreement, "services" are defined as follows:

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.

When the word "services" is used, it refers to any freight or passenger road service. I understand it has been accepted that this means road and passenger services ancillary to the railways.

The Hon. G. T. Virgo: Read clause 10 of the Bill at the same time, because that's relevant.

Mr. RUSSACK: It means that these services can be extended and can be initiated. What is needed is the determination of what is a service that is ancillary to the railways. It could be a service running 100 or 200 kilometres with its termination at a railway terminal, and it could be argued that that service is ancillary to the railways, or that a new service could be instituted. That is how I read the Bill, and that is the concern that has been expressed by the private road transport industry.

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

Mr. RUSSACK: Clause 13 (5) of the agreement provides:

(5) Australia or the Commission shall not be liable to pay any fees, taxes or other charges in respect of the application or approval referred to in subclause (4) or in connection with the operation of the road services referred to in this clause.

This situation would place private road hauliers in an unfair position compared to road services that could be provided by the Australian National Railways, if this agreement were ratified. There is no point in suggesting that these things could not be done: they could be done, and this is the danger that will confront the industry if the agreement is ratified. When a similar Bill was being considered in Committee during the previous session of Parliament, I asked a question of the Premier about wharves, and gave as an example the wharf at Wallaroo along which the railway line carries grain and phosphate rock processed at Wallaroo. A railway line proceeds directly along this wharf at Wallaroo. The definition of "railways" in the agreement states:

—includes all land, railway lines, bridges, culverts, wharves, buildings, structures, roads, depot and barrack facilities for employees, facilities for storage, servicing and maintenance of rolling stock, signalling, road protection and communication facilities, cranes, weighbridges, locomotives, wagons, carriages, and other rolling stock and vehicles,

including road and shunting vehicles, machinery, plant, equipment, tools, and other works, matters and things used, associated, or connected with or appurtenant to the railway system vested in the S.A.R. Commission;

In his reply to my question, the Premier said that the wharf was the property of the Marine and Harbors Department, and therefore would not be involved. I respect that reply and the opinion of the Premier, but conversely three men with legal training, one of them a Queen's Counsel, gave the opinion that the clause allowed such a wharf to become the property of the Commonwealth Government. Because of this difference, an opinion has been given by the Crown Solicitor, and it would be appropriate if I quoted part of it, as follows:

The last few words in the railway definition "... vested in the S.A.R. Commissioner" are not words of limitation on the various facilities described but operate to include those facilities if they are used, associated, or connected with or appurtenant to the railways system vested in the S.A.R. Commissioner.

It seems that the word "exclusively" in clause 5 (i) is the key word. The opinion continues:

The word "exclusively" in 5 (i) is a descriptive limitation on "the land used for the purposes of the non-metropolitan railways and services". Without that limitation the rights agreed to be given would be all of the facilities referred to in the definition "railways", but with the limitation obtained by the use of the word "exclusively" the only facilities agreed to be transferred are those described in the definition "railways" that are used exclusively for the purposes of the non-metropolitan railways.

On my instructions I know of no wharves that are so exclusively used, and I am therefore of the opinion that clause 5 of the schedule gives no rights to the Commission in the wharves of South Australia, and further it occurs to me that, because of the balance land attempted to be caught by sub-clause (2) of clause 5 and the particular lands referred to in the schedules, the only rights which the Commission has to use any railway on a wharf is that contained in clause 12 which reads:

The Commission and the State Authorities shall have the right to run their rolling stock over the railways of each other subject to reasonable terms and conditions, to be agreed between them, including a term or condition relating to apportionment of costs, and failing agreement the matter shall be determined by arbitration.

Although I respect the conclusions of the Crown Solicitor, I am dismayed that the word "wharves" is used in the agreement if there are no wharves affected in South Australia. Secondly, the word "exclusively" is used in clause 5 (a) (i), which 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;

Therefore, because the wharf is not used exclusively and because the land (and I realise it is over sea water, too) on which it stands is not used exclusively for railway purposes, it does not pass to the Commonwealth under this agreement. By the same token, I suggest that any land on which stand the installations of South Australian Co-operative Bulk Handling Limited is not used exclusively for or by the railways, and therefore that land will not be transferred to the Australian National Railways Commission. That is a logical conclusion. If the land on which the co-operative installations stand is transferred, the wharf would be transferred. I would not like to see a wharf transferred to the Commonwealth Government, although it might be a good thing if that Government did look after a wharf and if it had the responsibility for its maintenance, but who would have the wharf charges? I think consideration should be given to this and other implications in relation to it.

While I pay respect to and accept the opinions that have been given, in matters of legal opinion there is frequently a diversity of view. When we come to the courts of law, if an opinion is given by the judges there is invariably a difference in their opinions; whether it be a matter of arbitration, the opinion of the Supreme Court or the High Court, or whatever it might be, there is always the possibility of a difference of opinion. Because this agreement contains so many things to which answers have not been and cannot be given, and because so many factors must be considered, I stand by the indication given this afternoon by my Leader; I would support the second reading of this measure for the express purpose of having it referred to a Select Committee. By that procedure all people who wish to give their views, who are well informed, who have the ability to impart the necessary information, and who are able to express their opinions on the matter will have the opportunity to give their views. In this way correct information would be collated, and I am sure that such a report would be to the benefit of the South Australian Railways and the Australian National Railways, as well as to the benefit of this Parliament and the people of South Australia. As I have indicated, I will support the second reading of this measure for the express purpose of hoping that this matter will go to a Select Committee. I am sure that would be the only logical procedure to be adopted in such a situation.

Mr. GOLDSWORTHY (Kavel): First, let me congratulate you, Sir, on election to your high office. This is the first opportunity I have had to wish you well. I think if today's proceedings are any indication of the future, first impressions would have to be most favourable. We on this side wish you well as Speaker. It is a difficult task at the best of times, and with the House at a line ball, with the numbers equal on each side, your task is made more difficult. Let me now address a few remarks to the Bill. I did not speak in the second reading debate when the previous measure was before the House, but I believe I should do so on this occasion. If some points I make have been made by other members I make no apology, because they are important and fundamental in this argument.

I repeat the point made by others that the tying of this Bill to a measure to remove the petrol tax is a form of political chicanery and blackmail which we on this side of the House do not appreciate and which we certainly are not willing to accept. It is the sort of chicanery and political blackmail not unknown to those on the Government benches, but if this Bill is not capable of standing in its own right and being debated as a measure in its own right it should never have come before this House. To tie it to some other financial measure and to say the two are linked is blackmail, pure and simple. I repeat that it follows the centralist policy of the Labor Party throughout this country. Its members are willing to hand more and more State instrumentalities and authorities to their colleagues in Canberra. We are opposed diametrically to this view on the grounds of political philosophy. It is one of the fundamental differences between those on the Labor side of politics and those on this side. We believe that by the diffusion of decision making and by the decentralisation of this policy we ensure the liberty and the freedom of the citizens of this country. We would be opposed on philosophical grounds to this measure, even if we could see some financial advantage in it.

The fundamental proposition, quite frankly, is ridiculous. It is proposed that the Commonwealth of Australia will control the railways of Tasmania, the country railways of South Australia, and no other country rail services throughout the Commonwealth. No doubt it is the aim of the Commonwealth Government to take over the railways of the other States. Perhaps this agreement is seen as the first step in that process, but the fact is that the Labor Government will not be able to do that because it will not be in office in Canberra for sufficiently long to do so. The end result will be a hotch-potch created in the railway systems of Australia of the type I have just outlined. In South Australia it will lead to duplication. We will have two railways administrations, that which administers the metropolitan railways and that which administers this unique country system, quite unlike anything happening in the other States. This seems completely ridiculous. We will have two railways commissioners and two separate staffs. It seems that there will be considerable difficulty in the movement of these staffs, but nevertheless the duplication will be increased as a result of the passage of this measure.

The Government may claim a mandate for the passage of this Bill, but the people who will be affected by it are the country people of South Australia. Country people, country producers and country carriers are the ones who most certainly will be affected by this Bill. If ever the Government got an indication from that part of the State that this Bill was not on, it got that at the State election. Government members cannot deny that here was an overwhelming vote against the Government from the areas affected by this Bill.

Mr. Evans: Adversely affected.

Mr. GOLDSWORTHY: Yes. The Government just scraped in. The Government did not actually win the election, but because of an arrangement made after the election, Mr. Speaker, the Government occupies the Government benches; however, it did not in fact win this election in its own right. It certainly did not win the election in those areas that will be affected by this Bill. The Premier and other Government members talk about the safeguards in the Bill. Clause 8 is supposed to safeguard freight rates. From my relatively short experience in Parliament and my experience before that, it seems to me that, once the Commonwealth Government has control of an instrumentality, any safeguard written into the agreement or legislation is not worth the paper it is written on. I quote as an example the watertight agreement for the building of Chowilla dam. There was a binding agreement with the Commonwealth that it proceed with the building of that dam. I will not go through all the arguments put forward and withdrawn by the Walsh Government and the Hall Government. The State thought it had a watertight agreement with the Commonwealth Government but it came to nothing.

I do not consider that the so-called safeguards written into the agreement are worth the paper they are written on. Once the Commonwealth has control of our country railway services, it will do what it likes with them. If it wants to put up rates or close lines, it will find a way of doing so. All it will mean is that the process will be less painful because the decisions will be made one step further away from the people affected, namely, the country people of South Australia. When this matter was first mooted, I was in the Parliamentary dining-room one evening and I heard an eminent statesman, a former Premier of this State, say, "If I lived in the country and this Bill came before the House, I would be screaming like hell." I think the election results indicate what country people think

about this measure. The member for Gouger has referred to the effects of clause 13. It is all very well for the Premier to say that there is nothing sinister in this, and that the Commonwealth cannot start up in opposition to road transport, because an ancillary service must be ancillary to the railways. What is meant by "ancillary services"? What is meant by "arbitral clauses"? As the member for Mitcham says, this agreement will be a lawyer's paradise. I believe the assurances that we ask to be spelt out in this agreement will not be worth a cracker when the chips are down and the Commonwealth decides to follow a certain course of action in regard to our country railways.

The Premier made a great deal of play in his second reading explanation of the financial benefits that will accrue to this State. In referring to the long-term financial benefits, he said:

The State is to become a non-claimant State once again from July 1, 1975.

The Premier was critical of Sir Thomas Playford when this State ceased to be a non-claimant State. I do not believe the supposed long-term financial benefits will be as great as the Premier would have us believe. In a time of rampant inflation, in a time when South Australia has become a high-tax, high-cost State, and we have lost our low-tax, low-cost advantage over the other States as a result of the deprivations of five years of Labor Government, the long-term financial benefits will be completely illusory. I believe the only course to be followed in this regard has been outlined by the Leader: this Bill should be referred to a Select Committee. Difficulties in relation to the railways are not new. In 1959, it was decided that South Australia should become a non-claimant State. The 1959 Grants Commission report shows that an identical problem existed then. At page 18, paragraph 22, the 1959 Grants Commission report states:

Another major cause of budgetary difficulties in all States in recent years has been the losses incurred on railway operations. However, there are wide differences among the States in the relative losses and also in the scale of railway operations. The losses are most severe in those States where there is low density traffic arising from the widespread nature of the system.

The 1959 Grants Commission report also referred to a policy which is held by this side of the House to be fundamental in connection with transport, whether it be rural or otherwise, and that is that free enterprise and competition should be allowed to exist. That report also stated:

The commission has obtained much valuable information from the submissions made by South Australia over a period of several years and from the discussions at the hearing during that time. The commission believes, however, that there has been a tendency for its views and those of South Australia to be somewhat at cross purposes. When South Australian submissions and the State railway authorities refer to the practical upper limits of railway charges and to the difficulties of raising charges they are obviously discussing charges against the background of circumstances in the State which make railway charges particularly sensitive to competition. The question remains whether or not these circumstances should be taken into account in arriving at the amount of an adjustment in respect of railway finances. It has emerged from discussions at the hearings that South Australian transport policy has an important bearing on railway charges and that this policy is founded upon wider considerations than railway finances. The commission does not think that these considerations which relate to the economic development of a State should be taken into account in the specific Budget adjustment which it makes for the impact of railway finances on the Budget. As with other adjustments, the adjustment for railways is intended to show how the Budget result might have been affected if charges similar to those in the non-claimant States had been imposed and similar levels of expenditure had obtained with allowance for differences in the normal

natural conditions of operations. For the purposes of the specific Budget adjustment which the commission endeavours to make in respect of business undertakings it is desirable to avoid as far as possible the effect of policies such as assistance to industry.

South Australia pursued a definite and commendable policy in relation to railway freights and in relation to what is referred to as our open-road policy and our policy for the development of this State. If the Premier is willing to sell out the South Australian country railways, he is willing to throw overboard the decision made in connection with those policies, policies which are held to be vital by those on this side of the House. We should not give away an area of decision-making that is so important to rural industries and the rural economy of this State, to the rural people, and to the new members who have been elected to this House. These members have been elected simply because of these policies we have pursued over the years.

Mr. Keneally: So the election was on the railways Bill, after all.

Mr. GOLDSWORTHY: It was certainly on the railways Bill in those areas that would be affected by the Bill.

Mr. Keneally: We did get our mandate, then.

Mr. GOLDSWORTHY: The Government did not get out from those areas affected by the Bill. The honourable member has missed the point, which is that in those areas affected by this Bill (and they were the only significant areas surely in relation to this Bill) the Government took a complete hiding. Do members opposite suggest that people in the metropolitan area of Adelaide not affected by this Bill would treat it as a major election issue? I do not think they would. They may be affected in the sense that some of them may have swallowed those fancy figures that the Premier conjured up, which changed from day to day during the election campaign, but they would not have been affected by the broader issue that affected the people whose livelihood depended on the freight rates and the conditions of competition that exist for our country rail services.

There is only one course open to this House, and that is to refer this Bill to a Select Committee. I further suggest that precedent would dictate that, as far as you, Mr. Speaker, are concerned in this measure, it will go to a Select Committee. If one examines Parliamentary precedent, one can be assured that, with the numbers being equal on each side of this House and with the Speaker in the Chair, this Bill will be referred to a Select Committee. I trust that this House will have the wisdom to follow that course. For that reason and that reason only, I support the Bill at the second reading stage.

Mr. MILLHOUSE (Mitcham): The Liberal Movement supports this Bill. We do so for one reason, if for no others, and that is the simple reason of democracy, that it was an issue in the election. In fact, it was the issue that precipitated the election, at which the Government was returned to office. As was pointed out earlier today by a member on the Government side, the Government is there in office, and that is the fact of the matter. That was the best answer that the people of South Australia gave at the general election. That, to me, dislike though I do this Bill, is amply sufficient reason for passing it. It is a pity that this elementary fact of democracy seems to have escaped some members, anyway, of the Liberal Party. I am thinking, I must say, particularly of the member for Kavel, who has just spoken and has been, I think, the authentic voice of his Party

on this matter. Let me, however, remind members who may be minded not to allow this Bill to go through what the then Leader of their Party said during the election campaign. I must say it took me a little by surprise when I first read it in the *Advertiser* but there it was. This is what the member for Light said. He was re-elected—to Parliament, anyway. A report quoting his remarks states:

The Opposition would allow the country rail services transfer Bill to pass if the Government was returned, the Leader of the Opposition (Dr. Eastick) said yesterday. Asked whether the Liberal Party would recognise the Government's mandate for the transfer if the Government was returned—

and it was returned—

Dr. Eastick said: "If Labor did win—and it won't—clearly it would be a major issue which had been taken to the people. If the Bill is returned in precisely the same form, we would highlight the deficiencies we see in the legislation. But I would accept that, after the matter had been discussed before the public, it needed to pass."

That is what the then Leader of the Opposition said, presumably speaking for his Party; but we can get even higher authority than that.

Mr. Wells: Mr. DeGaris.

Mr. MILLHOUSE: Exactly.

Mr. Wells: He's the boss.

Mr. MILLHOUSE: He, as I think I heard the member for Florey say a moment ago, has survived in his position as Leader of the Liberal Party in the Upper House. I regret that, but he has done it. He was even more direct about this matter than his counterpart in this House. This appeared in the same report:

The Leader of the Opposition in the Legislative Council (Mr. DeGaris) said last night that if Labor won and the Bill came back to the Council there would be no objection. "I do not believe we would have the right to object to the Bill any longer if it came back after a Labor victory," he said.

I suppose, if it suits him, he will say, and other members of the Liberal Party will say, there has not been a Labor victory.

Mr. Chapman: Of course there hasn't been a Labor victory.

Mr. MILLHOUSE: Well, there you are; there is immediate confirmation, but the harsh fact (and I regret it at least as much as the member for Alexandra does) is that the Labor Party is still the Government of this State. It did, as clearly as one can find any answer to the election, win the election, and the Labor Party is still in office. That is for the member for Alexandra as it is for me a harsh fact of life, and I suggest that he and other members of his Party should accept it.

Having said that, let me say again what I said a moment ago, that I strongly dislike this Bill and propose to quote what I said about it in my policy speech. I cannot remind you, Mr. Speaker, because you were not here at the time, but it was, I think, when I spoke in this debate on the first occasion in the House and picked out some of the most objectionable features of it which have since been made much of by the Liberal Party. Let me quote from what I said in the Liberal Movement policy speech on this matter, because it sums up as best I can my view of the Bill as a Bill. I said this:

The Liberal Movement will be happy to see the formation of a national railways system. It is contemplated in the Constitution drafted 80 years ago, and besides the State cannot go on any longer carrying the financial millstone of the railways around its neck. The Liberal Movement upholds the principles of the Australian federal system of Government. We should prefer to see the

transfer at the same time by all the States, of the whole of their railways to the Commonwealth, and as part of the overall rearrangement of powers between the States and the Federal Government. But that is not to be.

The agreement which the Premier has made with the Commonwealth is not the magnificent deal which he has so loudly asserted. That is why it should be renegotiated. It has been estimated that the total value of the land used by the railways is \$300 000 000 to \$400 000 000. That does not take account of the value of the service which they give, particularly in the country, nor of the rolling stock facilities, and so on. The financial advantages to the State under the present agreement in future years will be largely an illusion. There is no financial magic in a transfer from State to Commonwealth, except that purely State taxes will not have to rise. Anyway, how do we divide—

and this is a question I should very much like honourable members on the Government side to answer because we have never had an answer to it—

the South Australian Railways into metropolitan and non-metropolitan? South Australia has one railway system, not two. Its division, either physical or from an accounting point of view, will be difficult if not impossible. It must mean duplication of staff. Yet it is only the non-metropolitan railways which are to be transferred. This is artificial and absurd. It merely means the creation of a new separate railway system for Adelaide, an eighth railway system for Australia. Obviously, we should transfer the lot if we are to transfer any. The terms of the agreement itself give no enforceable rights to the State. We simply hand over control of our railway system to the Commonwealth. It is noticeable that not once, either in Parliament or since, has the Premier or the Government sought to defend the terms of the agreement. They merely say, in a vague way, "We can trust the Commonwealth to do the right thing." Well, we cannot.

I remember that, when I got to the next sentence, there was sympathetic response from the audience. I stated:

Ask the wine industry about that. The Premier has cleverly created a situation in which people have not read the small print of the agreement. I say deliberately that it goes much further than the transfer of the railways system. It endangers all private road transport within this State as well.

Then I quoted clause 13 (2) of the agreement and stated:

That gives the Federal Government an open go to compete on whatever terms it likes with private road transport in this State. I have no doubt that it is meant to give this power, and the Labor machine in Canberra is waiting for the opportunity once the agreement is ratified. There is no reason why this clause should remain in an agreement for the transfer of the railways. It should be drastically amended, if not cut out. Now, we must take things as we find them. The L.M. does not like the agreement. We realise that the railways, preferably all of them, should go to the Commonwealth, but on just terms. We would approach the Federal Government to renegotiate the agreement to get a better deal for the State. This is urgent, because the State must have the proper financial benefits of the transfer in time for the next State Budget in August.

That sets out what I proposed to the people of this State before the election, but we were not successful in that. The Labor Party was successful, and no-one can deny that this was an issue at the election, so in my view the Bill must pass. Since the election, of course, I and other members have received several letters and telegrams from various organisations and people, some in other States, stating that the Bill ought to be amended, that the agreement ought to be amended. That is what I suggested during the election campaign, but naturally that would mean a renegotiation of the whole thing, because an agreement is a whole. When a Parliament is doing what we are invited to do (that is, ratify an agreement), we cannot chop it and change it. We must either reject it or accept it. It is impossible to do anything else, because as soon as we make one alteration in the agreement we have broken that agreement and the whole thing goes back into the melting pot again.

For that reason, which is harsh, to use a word I have used previously, I simply cannot accept the requests that road hauliers, transport associations, and so on, have made to me to cut out this bit or that bit from the agreement. We just cannot do that. We must either reject it and let it be renegotiated or pass it. I have stated that I consider that clearly we are under an obligation, following the election, to pass it, however much we regret having that obligation.

There has been talk this time, as there was last time, of a Select Committee. Last time I moved for the appointment of a Select Committee on the Bill and members of the Liberal Party supported me on that, but we were not successful. I do not intend again to move for the appointment of a Select Committee but, if there is such a move by the Liberals, as I think there will be, I will support it. However, I make the point that that Select Committee could not really achieve much. The only thing it could do (and I not even go firm on this) is recommend variations to the Bill itself. The committee could not possibly recommend any amendment to the agreement without that being tantamount to rejection, because that would mean referring it back to the Commonwealth Government to renegotiate. Therefore, whilst on the last occasion I was strongly in favour of that course being taken, the situation has changed and on this occasion I am doubtful about the effectiveness of a Select Committee, except perhaps to make sure that everyone would know what was in the agreement. Nevertheless, I would support such a move here.

Finally, I make the point that, if the Bill is passed here in the form in which it stands, I see no point at all in having a Select Committee of the Upper House. I believe that it is here that the matter must be ironed out. As I stated in my policy speech (I did not quote that part today, but it has been stated again and again), the Upper House was wrong to reject the Bill out of hand, as it did on the previous occasion. I cannot see any point now in referring this Bill to a Select Committee of the Legislative Council. That is all that I have to say, and I follow what has been done by the other three members who have spoken. They have been commendably brief. All that needs to be said at this time has been said: we are faced with a situation that is now absolute. This was the issue that precipitated the election, the Government won the election, and the Government is insisting on the Bill. As a matter of plain democracy, it is entitled to have it passed.

The Hon. G. T. VIRGO (Minister of Transport): I am indebted to the member for Mitcham for drawing the attention of his colleagues, if I may use that term (certainly, those who sit on the other side of the House with him), to the whole stark facts of life in relation to this measure. Perhaps I could take the matter a little further and remind the Leader of the Opposition of something that perhaps he has forgotten because of his change from being now not only the member for Bragg but also Leader of the Opposition. The concluding words in the present Leader's speech in this House on June 11 on the previous Bill were:

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 stand idly by and see their State sold down the drain.

We did put the issue to the people. The members of the Liberal Party in the Upper House had rejected the Bill and challenged us to take the matter to the people. The present Leader of the Opposition challenged us to take it to the people, and the member for Light (the

former Leader of the Opposition) challenged us to take it to the people. We did that, and now members opposite will not accept the judges' verdict.

Mr. Mathwin: You lost seats, and you are a minority Government.

The Hon. G. T. VIRGO: Whether we lost districts is not the issue: the issue is that the Government of the day, led by Don Dunstan as Premier, accepted the challenge by the present Leader of the Opposition, the former Leader of the Opposition, and their colleagues on that side, together with members of the Upper House, and now, as a result of the election, the Dunstan Government is still in office, but members opposite are too dumb to understand that.

Mr. Jennings: What happened in the Upper House?

The Hon. G. T. VIRGO: I do not think members opposite really want to talk about that. This matter has been referred to the people on four occasions. It was taken to the people by the Prime Minister late in 1972 and was endorsed by the people of Australia. It was taken to the people in February, 1973, by the Premier, in his policy speech, and it was again endorsed by the people. It was taken to the people by the Prime Minister in December, 1974, and again endorsed by the people. Now it has been taken to the people again and endorsed. These are the hard, cold facts associated with this measure. Now we have the Leader of the Opposition suddenly talking about taking the matter to a Select Committee. Why? If one was honest in referring a matter to a Select Committee, one would do so for the purpose of obtaining further information with a view to passing legislation, yet the Leader is on record as saying that he is totally opposed to the transfer. Why is he not honest enough to come out and say just that, instead of indulging in this tomfoolery of having the matter dealt with by a Select Committee, which he knows is just political dishonesty? The Leader is trying to make a name for himself as the new Leader of the Liberal Party, which received the lowest vote on record. He is trying to live that down, but he has the shadow of a Leader behind him.

The member for Kavel did not even consider this Bill to be worth talking about in the last Parliament before he became Deputy Leader, yet now we suddenly find that in his new role he believes that he had better make a name for himself. He is the Deputy Leader and he should say something on the Railways (Transfer Agreement) Bill. How dishonest can Liberals get?

Mr. Goldsworthy: I was not in the House at the time.

The Hon. G. T. VIRGO: The honourable member was not in the House, but he should have been here. He is paid by the people of Australia to serve in this House and not run around playing politics elsewhere. We have heard the Leader say that this matter is another step towards centralism and nationalism. What a wonderful catchery! The founding fathers responsible for the Australian Constitution in the late 1890's said that there should be a national railway. They were more forward thinking than is the Leader of the Opposition in 1975. On the question of centralism, it would be interesting to know what the Leader's attitude would be if we were setting up a railway system in Australia today. Would he advocate the establishment of six separate State railway systems, all with different gauges? Is that the type of thinking that we have in the Liberal Party of Australia?

Mr. Venning: That is not the situation.

The Hon. G. T. VIRGO: Why does not the Liberal Party operate on a State basis? The Liberal Party operates on a national basis.

Mr. Venning: Rubbish!

The Hon. G. T. VIRGO: It is, and I appreciate the comment made by the member for Rocky River. The Liberal Party is rubbish, but as it still operates on a national basis presumably it is a centralist organisation. What are we nationalising that gives the Leader something to talk about? What are we nationalising by transferring the State railway system to the Australian National Railways?

Mr. Venning: You would like to nationalise everything.

The Hon. G. T. VIRGO: That is the sort of comment one would expect from the member for Rocky River. It is one that I did not expect to hear from the member for Fisher, but he made it, and I was amazed to hear that comment from the member for Gouger a short while ago, because I thought that even he would be a little too cunning to fall for that sort of garbage. The member for Gouger talked about the problems of the people not knowing what was involved in the Bill. That is true, and I am pleased he said that.

Mr. Venning: He's done his homework.

The Hon. G. T. VIRGO: I hope the member for Rocky River will do his homework, too. The transfer agreement, which was a preliminary document that was signed after protracted negotiations involving our officers, the Australian Minister for Transport and me, as well as the Prime Minister and the Premier, was tabled in the Australian Parliament and became a public document about three months ago. Obviously members opposite did not know what was in it, and that illustrates that they do not pay much attention to those matters that they later claim are their concern. They then criticise everyone else for failing to make public these matters, when, in fact, the relevant document was tabled and debated in the Australian Parliament. I believe that there are still one or two South Australian Liberal members in the Australian Parliament, and perhaps members opposite should be castigating their own colleagues for failing to keep them properly informed.

It has been said (quite erroneously by the member for Gouger and his Leader) that we are transferring the country railways to the Commonwealth. What absolute rubbish! We are transferring the non-metropolitan services, and there is a vast difference between the two.

Members interjecting:

The Hon. G. T. VIRGO: The member for Gouger can laugh, but he has never read the document to realise what is being retained and what is being transferred. The honourable member is amazed, when he finally starts the reading that he should have done three months ago, to find that we are not concerning ourselves with those aspects within the metropolitan area that are strictly associated with the non-metropolitan services. A classic example of this is the Mile End freight yards. We are retaining in South Australia the metropolitan passenger service so that we can have one urban passenger service throughout the metropolitan area, and so that our buses, trams and trains will all be part and parcel of the one metropolitan urban passenger service.

These are the fundamental factors associated with the decisions which were taken in relation to the transfer and which obviously have escaped completely the understanding

and comprehension of members opposite. That is why, unfortunately, they are using these foolish terms about transferring the country rail services.

Mr. Blacker: Why split up the non-metropolitan area, anyway?

The Hon. G. T. VIRGO: I should have thought that the comments I have just made explained that: that it is the policy of our Government to retain the metropolitan passenger services, be they rail, tram, or bus, within a single unit. Indeed, this Parliament was asked to pass legislation to give effect to that concept, and that legislation was passed unanimously only about 18 months ago. Despite that, we get silly questions being asked about why are we splitting up the rail services. That decision was taken when the State Transport Authority legislation came before this Parliament.

Mr. Venning: We don't agree as regards the country services.

The Hon. G. T. VIRGO: I do not care whether or not the member for Rocky River agrees. I do not think he would agree with anything that did not line his own personal pocket. Unfortunately, many falsehoods have been deliberately spread in relation to this transfer, and I believe they must be answered. I have received telegrams over the last day or two (another one today) urging an amendment to the transfer agreement to restrict future Government road freight services and requiring that all fees and taxes be paid by the railways, the same as in the case of private road operators. Is any Opposition member asking that the Government withdraw its activities in these areas? Or is the Opposition simply asking that the Government leave the road operator field to private enterprise just so long as it is showing a profit, but that the moment it fails to show a profit the Government should come in and take it over and carry the losses?

Mr. Venning: They'll show a profit, if you let them.

The Hon. G. T. VIRGO: We gave the *Troubridge* an opportunity of showing a profit.

Mr. Chapman: You're joking, of course!

The Hon. G. T. VIRGO: Although the *Troubridge* had the opportunity of showing a profit, it was unable to do so. A previous Government then subsidised it to the extent of \$200 000 a year, and the next step was that the Government had to come in and buy the vessel. If Opposition members will give me even the faintest hint that we should withdraw from that service, I will do it tomorrow. I will give it back to private enterprise. I shall be pleased to give it to the member for Alexandra, because this year it is expected to cost the people of Australia \$850 000.

Mr. Chapman: Under your management!

The Hon. G. T. VIRGO: Let us examine the question of the railways paying the fees and taxes paid by private enterprise. I have not noticed former Liberal Governments requiring road services run by the Government to pay tonne-mile tax or registration fees. Why must there suddenly be a change? It does not make sense, and it is typical of much of the propaganda that has been used in connection with this transfer arrangement in an attempt to inject some hysteria into the issue so that people will oppose the transfer. I am indebted to the member for Mitcham, who could not resist the opportunity of again reading part of the Liberal Movement policy speech, which he read at the meeting in the Town Hall. True, the policy speech (or my reading of it in the newspaper) indicated that, if

elected to Government, the L.M. would renegotiate the agreement. I give the honourable member full marks for at least being realistic and acknowledging that the L.M. was not elected to office; neither was the Liberal Party. The Labor Party was returned to office, so that all that the Premier has said must now be given effect to.

Indeed, if the word of the former Leader of the Opposition cannot be respected, the credibility of his Party is at stake, and no longer will people be able to accept an assurance given by him. If the assurance was valid that he gave 24 hours after the Premier called the election that, if the Labor Government was re-elected the Bill would be passed without delay, there is no choice but for the Bill to be agreed to by every member of the House. Every member is bound.

I turn now to another point about which, regrettably, there has also been much misconception, namely, employment. Efforts have been made to try to engender fears in the minds of those persons who currently are South Australian Railways employees and who, with the passage of the Bill in due course after the processes of the interim period, will become employees of the Australian National Railway Commission. Undoubtedly, the future of those persons is completely safeguarded, and there is no justification for the claims which have been made that there will be duplication of employment. It is ridiculous for people to talk about two stationmasters at Adelaide, or two Railways Commissioners, as has been suggested today. It is infantile to be talking along those lines. It is equally infantile and mischievous to say that those employees who will be transferred to the A.N.R. will be disadvantaged, because a clear undertaking has been given that no employee will suffer. Whether in the area of position, opportunity for advancement, or superannuation, etc., an undertaking has clearly and simply been given that no employee will be disadvantaged.

Mr. Evans: What about those housed at Peterborough?

The Hon. G. T. VIRGO: I should have thought "no employee will be disadvantaged" was a clear and simple term that even the member for Fisher and the member for Glenelg would understand. If they cannot understand it, I am not going to worry about trying to explain it to them. The plain facts are that these assurances have been given. Indeed, for the past three months negotiations have been proceeding at union level to try to iron out some of the industrial difficulties involved. It is not a matter of being able to pick up a complete blueprint and say, "Look, this is what will apply," because different factors are associated with different types of operation. At present, the union officials concerned, under the chairmanship of the Secretary of the Australian Council of Trade Unions (Harold Souter), are working on these problems with a view to finding solutions. The question of superannuation has now been satisfactorily answered, despite the stirrings of one or two people. Answers have now been given to the satisfaction of the superannuation committee, which I think it is called.

All in all, I believe, as I have said before, that we are about to enter a historical era from Australia's point of view. We will have an Australian national railway that will extend over a considerable part of Australia. Further, we will have within South Australia the headquarters of the Australian National Railways Commission. We will pave the way for what I believe will be the beginning of a truly national railway, as was visualised by our founding fathers. Whilst people may say at this stage that it will be only a merger of the Commonwealth Railways, the

South Australian Railways and the Tasmanian Railways, this is as of now. We heard a few months ago that Medibank would operate only in South Australia and Tasmania; no other State would have a bar of it! I suggest that we will find that, once the benefits to Australia are appreciated, there will be a different attitude on the part of the four Liberal States.

Dr. Tonkin: Have you seen today's *News*?

The Hon. G. T. VIRGO: I do not know what the Leader is talking about, but at the meeting of the Australian Transport Advisory Council last Friday, the representative of one of those States was again asking what could happen from that State's viewpoint. The Leader may feel smug on this issue, but surely no-one in his right senses could advocate the retention of a railway system with multiplicity of operation where, because a railway line crosses a notional line drawn on a map, suddenly the crew has to get off the train and a new crew has to get on.

Mr. Arnold: Why didn't you hand over the metropolitan railways, too?

The Hon. G. T. VIRGO: The honourable member should read *Hansard* to find out. This matter has been considered four times by the people of South Australia. To do other than pass the Bill now would not only be dishonest but also bring into question the credibility of assurances given by the then Leader of the Opposition prior to the election. I ask the House to pass the Bill.

Dr. EASTICK (Light): In the very short period that you, Mr. Speaker, have been in this House you have had some excellent lessons. Yesterday afternoon you had lesson No. 1. When asked a question by the member for Eyre, the Premier indicated that a newspaper report about his statements in respect of you, Mr. Speaker, was not correct. I refer to the *Hansard* pull; yesterday the Premier said:

I did not read the *Recorder*. In reply to a question asked at a meeting at Port Pirie, I stated that politics was not an ego trip but was a question of policies.

You, Mr. Speaker, would know as a person residing in Port Pirie that the statement that appeared, reporting what the Premier said, was as follows:

Anyone who stands against the Party is automatically out, he said. I am always necessarily sad that someone is so much of an egotist that he is prepared to break the Party pledge and stand against the Party.

I refer to this matter, because this afternoon members used a newspaper report of what I, as then Leader of my Party, said prior to the election; members also took the statement in that report as being the total statement I made and the only statement about the future passage of this Bill. In point of fact, on many occasions publicly and on television programmes with the Premier, I indicated that there would always be an argument as to what was a mandate and whether a return of the Labor Party in this State would be accepted as a mandate in respect of this Bill. I pointed out that it had been the subject matter of calling the election, publicly anyhow. Actually, everyone appreciates that the Premier called the election because he did not want an election after the Commonwealth Budget, to be announced this month. The Premier brought forward the election and, by political chicanery and by using prior knowledge of a series of facts, sought to paint members of this House into a position that called for an election—an election of convenience.

The situation was clearly pointed out during the earlier debate, and it was pointed out publicly, that there were areas of contention in this measure. Day by day the areas of difficulty multiply. Only this morning in consultation with colleagues and with Government officers, it was

apparent that there were new areas of doubt as to the meaning of the Bill and the circumstances that would follow its passage. It is completely the responsibility of every member of this Parliament to take every available opportunity to ensure that those difficulties are ironed out before they are irrevocable.

Mr. Keneally: Are you opposed to the principle of the Bill, or just to the Bill?

Dr. EASTICK: I am opposed to measures in the Bill. I am not opposed to a properly integrated railway service throughout Australia, be it metropolitan or country. When I travelled overseas recently, I was astonished at the degree of integration and co-operation existing on the European continent and the benefits that accrued to all countries involved. We could have that kind of situation in Australia if the Commonwealth Government and the State Government went about the task responsibly and properly. During the election campaign an attempt was made to show a difference of opinion between the Premier of Queensland (Mr. Bjelke-Petersen), the Premier of Victoria (Mr. Hamer), and me. However, there was no difference of opinion on the basic issue—that there was a need for proper discussion around the table about these measures.

There was to be no acceptance by those people, or by the Premier of New South Wales (Mr. Tom Lewis) or the Premier of Western Australia (Sir Charles Court). There was to be no sell-out of their States' assets to assist the present Commonwealth Government. However, there was a realisation and acceptance of a responsible forward-looking attitude to this whole matter so that the people of Australia would benefit. But the method being applied in this State is of no benefit. On the surface it may appear to be beneficial to the people of the State, with some of the debts we have had over a period directly associated with the railways to be taken over by the Commonwealth. However, it is important to note that the Commonwealth will not run the railways any more efficiently than the State has run them; in fact, there is some question about whether the railways will be run as efficiently. The people involved in providing the services will be precisely the same people. Yesterday, by way of interjection during Question Time when the Premier was talking about what had taken place in discussions with railway union officials, I said that the action they had taken was not spontaneous. Those members came to see me and some of my colleagues at Parliament House, and they indicated clearly that they had decided that the railways measure should be passed but that they had serious doubts about it in the first instance. They believed, but were not certain, that the replies they had received from the responsible Ministers corrected the problems originally foreseen by the unions. However, they were still uncertain, and they left no doubt in my mind and in the minds of other people that some of the problems affecting railway employees would not be solved for at least 18 months.

Statements made a few minutes ago by the Minister of Transport indicate that not all the problems have been solved, that negotiations are still proceeding and that there are still areas to be considered in this regard. Indeed, any member of the railway union hierarchy would say exactly what I have been saying. Meetings are held on an almost bi-weekly basis in other States trying to resolve the difficulties associated with this matter. Where, then, is there a guarantee of not only employment but also terms of employment for people currently employed by the South Australian Railways?

Mr. Keneally: You did not refer to employees when you spoke about the Bill before.

Dr. EASTICK: Yes I did. From the time this measure was introduced (and public statements are available to back me up) I said that more important than any other issue was the guarantee of employment and terms of employment for many South Australian employees. The member for Stuart can go back to the first announcement and find those statements if he wishes.

Mr. Keneally: I am reading your speech.

Dr. EASTICK: What we heard this afternoon from the Minister is typical: when he is on shaky ground, he gets louder and louder and more abusive. He even denigrated the member for Rocky River. The Minister cannot take it; so that is another lesson you, Mr. Speaker, will have learnt. The Opposition was asked that this matter be ventilated, and it is only right and proper that it should be ventilated here, even though it was ventilated earlier. It is rather galling to discover that a member who was most vehement in his opposition to the Bill and in his criticism of it has perhaps seen a need to allow it to pass. I believe in keeping my word. I said earlier that I believed this measure was against the best interests of South Australians in its present form. Nothing has altered to change my mind in that regard. Members are being responsible if they take action to correct difficulties that they see existing in this measure. Clearly, the real issues and difficulties of this matter have been hidden behind a facade of misleading advertising. Only a few weeks ago we were hearing all about the great train robbery. The question constantly being asked at that time was, "Who is the robber?" The answer, of course, was that the Premier was the robber. He was blatantly using (as he did so much in his election advertising) misleading information. The Premier issued a series of figures.

The Hon. D. J. Hopgood: What has this to do with the Bill?

Dr. EASTICK: It is all very well for the Minister of Education to enter the debate. Figures relating to urban land prices in this State were doctored. The price of a block of land which was said to be \$5 840 should have been \$6 950. It took a television interview to air that matter publicly. The Premier admitted that he had doctored the figures by excluding some of the land sales made in South Australia so that he could arrive at the figure of \$5 840. The Premier also spoke of massive deficits in other States and indicated that Sir Charles Court faced a \$20 000 000 deficit in Western Australia. Sir Charles pointed out clearly that, as at June 30, 1975, he had a clean slate. Mr. Hamer, Mr. Lewis and Mr. Bjelke-Petersen were able to shoot holes in the misleading advertising used regarding deficits associated with their State Budgets. The Premier's misleading advertising about the great train robbery referred to a sum of more than \$800 000 000, but that involved an inflation rate of 22½ per cent which was compounded. No wonder members on this side draw attention to the total disregard for the truth in the presentation of matters relating to the railways issue.

Recently there has been tremendous public debate about the financial affairs of this State. The member for Hanson indicated only this afternoon that, notwithstanding the Premier's assurance, after two written requests we on this side had not received the type of information the Premier claimed he had distributed to us. Neither he nor his officers have made available to members on this side documents relating to the State's finances. From the accounts of this State we find that, to May 31, 1975, (a period of 11 months) the excess of payments over receipts was

\$18 928 000. However, the figures to June 30, 1975, suddenly showed that the excess of receipts over payments was \$8 384 000. In other words, in 30 days the financial situation of the State had changed to the extent of \$27 312 000. It has been indicated that some of it came from the Commonwealth Government. In a letter dated July 17, there are some useful passages to which I should like to refer.

Mr. Keneally: That's after the election.

Dr. EASTICK: Precisely, and at about the same time as we were hearing announcements about the impossibility of proceeding with the Redcliff project, something that we had known for months, other statements were suddenly made turning down the implementation of Monarto. It was stated during the election campaign that the sum of money forthcoming to this State during the 1975-76 financial year would be less than \$5 000 000. I refer also to the hedging operation by the Minister which we saw this afternoon. Now that the Minister is back in the Chamber, I should also like to refer to a statement attributed to the Minister of Education when he returned to this State on June 23, 1975, with the great headline in the *News* being, "Monarto a Goer." Of course, the Minister was not responsible for drawing up the headlines, but he went on and said that he was convinced that a city like Monarto could be developed from virtually nothing. Obviously, his colleague does not believe that \$4 500 000 is anywhere near enough to develop Monarto from nothing. These figures relating to the State's finances are indeed pertinent to the railways issue. In his letter to me dated July 17, the Premier said:

You will see that on Consolidated Revenue Account the opening balance as at July 1, 1974, was a debit balance of \$536 000, but with the receipt of a completion grant of \$8 500 000 assessed by the Grants Commission in relation to the year 1972-73 and received in December, 1974, and an amount of \$6 434 000 being an amount temporarily withheld in accordance with Grants Commission procedures but received in June, 1975, the amount standing to the credit of Consolidated Revenue at June 30, 1975 in respect of past years' operations was \$14 398 000.

The surplus on Revenue Account for the year 1974-75 was \$8 384 000. This takes account of the \$20 000 000 received late in June and deriving from the special arrangements I had concluded with the Australian Government in relation to the take-over of non-urban railways. I should point out that \$10 000 000 of this sum represents an estimate of the completion grant which in other circumstances would have been assessed by the Grants Commission and paid to the State in due course, so that, to this extent, the receipt of \$10 000 000 is merely brought forward in point of time.

I make the significant point that we have the announcement that \$8 500 000 for the completion grant for 1972-73 was paid in December, 1974, and now we have had \$10 000 000 before the end of June, 1975, which would not otherwise have been expected until December, 1976—18 months later. So, we have sold out our future in this respect: we are taking into account a sum of money which has never been, in the Government's estimates for the purpose of its forward planning, and which, having been received once, we will not be able to receive in 18 months time. Therefore, one must question the overall forward benefit of this.

A further significant point in this statement was that this takes account of the \$20 000 000 received late in June and deriving from the special arrangements that the Premier had concluded with the Australian Government in relation to the take-over of non-urban railways. What does the Premier mean by that statement? Is this the pre-election rearrangement? Is this the political bribery and pay-off effected between the Premier and the Prime Minister before they fell out of favour with one another? Clearly, the

Bill which passed in the Commonwealth Parliament does not allow for the payment of this sum of money at this time. That Bill, introduced into the Commonwealth House by the Minister for Transport, Mr. Jones, clearly pointed out that the money would be available only when a certificate of the House, to the effect that the measure had passed in South Australia, had been received. There is no authority whereby the Australian Government can pay this sum of money into this State's Treasury.

Mr. Coumbe: It sounds like an I.O.U.

Dr. EASTICK: It certainly is an I.O.U. But it had another aspect that was revealed later under questioning. In the event that this Bill does not pass, the sum of money to which I have referred has to be repaid, with interest. In other words, the election gimmickry associated with the marginal return (as you, Mr. Speaker, will know with other assistance) of the Labor Government in this State is at a potential cost to the people of this State. Had members of another political persuasion been sitting on the benches opposite today and not seen fit to proceed with this sell-out of the State's resources, they would have been landed with a financial burden, that is, the interest to be paid to the Commonwealth Government. So much for the honesty of a Premier who would accept the funds, and of a Prime Minister who would offer, or make available, such funds, at a cost, to the people of South Australia.

If that is the means (and this can be the only reason) by which members opposite occupy the Government benches at present, I do not believe that they will be able in future to rest lightly on the fact that their positions have been bought at the taxpayers' expense. I am firmly convinced by the argument which has been advanced by many of my colleagues and which will, no doubt, be forthcoming from others, that the best interests of the people of this State in respect of the future of our railway system will be to identify the areas of difficulty and to undertake a course of action that allows those difficulties to be completely spelt out and, where necessary, renegotiated with the Commonwealth Government.

Much has been said about the Commonwealth Government's not being in a position to renegotiate. It has also been stated that that Government cannot do this and that. I have highlighted where the Commonwealth Government has shown an ability to do illegal things by making available the funds that came to this State immediately before the election. I am not asking the Commonwealth Government to do anything illegal: I am simply asking it to accept the direction from this State that alterations be effected within the agreement and the enabling Bill at the time that that Government must put a further Bill before the Commonwealth Parliament. It is clearly pointed out that, on the passage of time as between this Bill going through in June and now having to go through in August or September, or whenever it may be, it will be necessary for the Commonwealth to give effect to new enabling legislation, amending the Bill passed in May. It is quite competent for the Commonwealth to accept alterations that are to the long-term advantage of the people in this State. I believe that is a course of action that should be undertaken and I look forward to you, Sir, recognising the importance of the railway system in your own town, giving due consideration to that matter.

I want to make one or two more brief points. The first relates to the employment of railway members. In the absence of the Minister, I indicated that we were concerned for their future. This question consistently came up during the course of the election campaign from

people in areas with a large railway population. It was raised with my colleague the member for Frome, from Peterborough in particular, and with the member for Murray, from the very large population at Tailem Bend. It was raised in my own district of Light and my colleague the member for Mount Gambier will point out clearly the position in that area. I believe, on the statements of the union—

Members interjecting:

The SPEAKER: Order! The member for Light has the floor.

Dr. EASTICK: I believe, on statements made by union officers, that they have a number of questions which are unresolved and which require resolution in the interests of their members. The Premier yesterday gave an indication that he had invited union organisers or union officials to discuss this matter. Again, I pose the question as to whether he invited them in or whether the Minister of Transport was invited to South Terrace to have a close look at the whole measure before he could even get it past first base.

Mr. Wells: That is not so.

Dr. EASTICK: Here we have another conflict that goes back to the first lesson I talked about. The media have been known to misquote.

The Hon. G. T. Virgo: When was that?

Dr. EASTICK: Here again, we have a situation where, thank you very much, Mr. Minister, you have indicated that the position relating to your going to South Terrace has been misquoted.

The Hon. G. T. Virgo: When did I go to South Terrace?

The SPEAKER: Order! The honourable member for Alexandra.

Mr. CHAPMAN (Alexandra): I thank you, Sir, for the opportunity to speak briefly in this debate. I refer, first, to clause 10 (b), which states:

(b) the administration, maintenance and operation in the State of any railways constructed or extended by the Commonwealth or the Commission with the consent of the State and of any services principally or mainly incidental or supplementary to or associated with the railways referred to in this paragraph.

It is that paragraph that attracts me to comment on this Bill. Incorporated in it is a very dangerous inclusion regarding supplementary services and associated services beyond the rail points in South Australia. Those are the private enterprise services which serve those rail points. I believe in all fairness that in the protection of a community that depends directly on those private enterprise services it is fair and reasonable that the point should be ventilated in this place.

I know that a number of subjects have been raised during the debate before the Chair. I do not propose to stray from the subject brought to our notice, for I believe the Bill is sufficiently important for us to speak strictly within the ambit of the Bill. I should like to make it quite clear that I support a properly integrated and total national rail service throughout Australia. I did not comment when the Bill was introduced into this place before the recent election, and I was reluctant to comment on this occasion, but now that the opportunity has arisen I place on record my feelings about the principle of rail services in that regard. What does concern me is the haste and urgency with which this measure has been brought to our attention, and the attempts to bulldoze it through this and the other place.

On June 10 we were presented with a Bill incorporating an agreement between the State and the Commonwealth, an agreement already prepared and for which the Premier sought the endorsement of this Parliament. Just one day after its presentation in the form of a Bill we in this place were required to debate it; that was on June 11. Only one week later, on June 18, when the Legislative Council rejected the passage of the Bill we had, not the usual tirade by our Premier of abuse about what we had or had not done, but in fact his declaration that there would be an election. That leads me to the point referred to so often this afternoon, the mandate that the Government has gained in relation to this proposal. The Minister of Transport said that this matter had been put before the public four times: once in 1972, in 1973 by our own Premier, in 1974 when our Commonwealth colleagues went to the polls, and again in 1975.

Let me respectfully remind you, Mr. Speaker, and the members of this House that the measure put to the people related to a section of the community, the outer metropolitan section. I submit that that same outer metropolitan area section of South Australia has clearly and distinctly rejected the measure. I do not have to go into great detail, and in fact specific detail of the extent of that rejection is not yet known, but quite clearly from the polls that have been declared the people in South Australia who were directly affected and directly involved with the outer metropolitan area rail service issue have rejected its flow by virtue of their vote. The Minister went on to say in his address to the House this afternoon that the urban railway system, in the opinion of this Government, is ultimately to provide a train, tram and bus passenger service; in fact, he said, a single unit Government owned and Government administered passenger service.

If he is fair dinkum about this, and if the Government intends to preserve and promote a total passenger service within the metropolitan area, incorporating not only train and tram services but bus services, can we take it that his interpretation of the outer metropolitan area transport service is also to be a total single authority? It is that very point that concerns me, because I believe it is a clear admission of what he has truly in mind, that the outer metropolitan area transport service is to be Government owned and Government administered from go to whoa. I return to this paragraph in clause 10 where, quite obviously, it is clear that it is not only the outer area railway transport system that is proposed to be taken over, but in fact all associated links with it. For the first time, the Minister has clarified that point for me. On this occasion he has made clear that his Government has in mind that there will be two forms of Government owned and Government administered transport, one applying to the urban area and one to the remainder of the State.

I cannot let the occasion pass without referring to the other form of transport which applies in South Australia and to which the Minister referred again in this place during a spate of much mirth and sarcastic comment directed at this side of the House, particularly at me, regarding the sea transport system in South Australia, the *Troubridge* operation. I suggest to the Minister that, if the space rate on that vessel was reduced to within the reach of the people (for example, reduced to the space rate applying to the mainland railway service), even that operation could be viable, whether privately owned or Government owned. As the operation is Government owned, I suggest that, if by a rationalisation of the rates a rate within the reach of the clients was introduced, both the Government and the people concerned would be well served.

Earlier today I referred to the *Troubridge* operation. That vessel is running back and forth, half loaded or less than half loaded, like many of our railway services. That is not because no cargo is available but because the rate established by the present owners of the service is far beyond the reach of the clients. Much freight is available to be packaged and transported to the mainland from the community on Kangaroo Island. Many tourists from other States and, doubtless, from overseas would use the service if the rate was reasonable, but I refer to the service in the terms that the *Troubridge* operation is, like its owners, too big, too slow, and too expensive.

Mr. Langley: What would you do about it?

Mr. CHAPMAN: I think I have said that I believe that the first action in the interests of its owners and the people is to bring the rate back to a point where it will attract custom. Much trade could be obtained if the Government was sufficiently realistic to assess the position and attract that trade in the ordinary course of operation.

There is little else to which I want to refer during this debate. I have made the point in relation to this Bill in relation to the principle of a national railway system and my fear about its hand-over and take-over under the present agreement. Because of that fear (and I am sure that many country people also have it), I support the delaying of the measure, at least so as to have answered the questions that clearly have been unanswered up to this stage.

The Hon. G. T. Virgo: What do you think—

Mr. CHAPMAN: The Minister may react if he wishes to do so, but I repeat that only this morning I attended a meeting at which a senior Government officer was present and at which questions were asked of him. Some of the questions were answered and some were not. While we are at a stage where the Ministers and officers cannot answer questions regarding the fears held by the public, we ought not to proceed hastily with the Bill. I do not consider that it is in the interests of the State generally or of the country areas in particular to rush through this legislation at the rate at which it has been promoted.

A previous speaker has referred to the mandate that this Government has. I do not think the Government has a mandate: I see as extremely creditable to the Opposition the fact that we on this side gained two districts that were in areas where this railway issue was an election issue to the core. The issue was applicable to both the District of Mount Gambier and the District of Millicent. As a result of the ventilation of the matter in those communities, despite the Premier's efforts in visits there to explain the true situation, the Government lost representation of those districts. Although I do not know the details of your district, Mr. Speaker, there is obviously a colourful history of events which led up to your election. I congratulate you on this and look forward with great interest to your stand on this matter.

Mr. DEAN BROWN (Davenport): I wish to repeat briefly the policy that I expressed when a similar Bill was before the House previously, but I also wish to introduce some new material. As I said in the debate on the previous Bill, I fully support the concept of a national integrated rail service. I believe that, unfortunately, Australia has not at present got this system and, urgently needs it. Of course, implementing it means making sure that some of the inconvenience of changing crews at the State border, as we now have to do, does not exist in future.

As I pointed out in the previous debate, merely transferring the non-metropolitan South Australian service to the Commonwealth Government in no way helps to achieve

the objective of an integrated service for the whole of Australia, and this State Government should, with all other State Governments, transfer whatever services are necessary to produce an integrated service. Whereas in principle I agree to the transfer, no transfer should take place until all States have agreed to it. Unlike some people in this place who have decided to change their way of voting since the last occasion, I reiterate that I will vote against this Bill unless it is referred to a Select Committee. I consider that it should be so referred so as to get answers to some important questions that were raised during the debate on the previous Bill.

Many of the questions that I asked the Premier then have not been answered. For example, I asked him how many houses in country areas would be transferred to the Commonwealth Railways. The Premier could not say then and he still has not given the information. I think that shows the big lack of research or knowledge about what this transfer involves. As I have said, my principles in regard to voting on this Bill will remain firm, as they were firm on the last occasion. They will not change merely because there has been an election. I believe that principles should be made of much sterner stuff.

I raise now the issue to which I drew the Premier's attention yesterday during Question Time. That was the possibility of a major inter-union dispute within the railways if this transfer took place. I refer again to the subject matter that I used on that occasion, because the Premier, in replying to me, in no way alleviated my fears about the likelihood of such a dispute occurring. In explaining my question, I stated:

At present, guards, signalmen, gangers, and other weekly-wage employees of the Australian Railways belong to the Australian Workers Union, whereas men performing similar functions in the South Australian Railways belong to the Australian Railways Union. The latter organisation is restricted under its constitution—registered, I may add, with the Commonwealth Arbitration Commission—

to enlisting members only within the State railway systems. It is allegedly under Communist control, and would not take kindly to the loss of its members if the transfer to the Australian Railways takes place.

I know the extent to which trade unions will fight to maintain members and work for the members. We saw that effectively last year in the steel dispute, which I will again refer to later. The National Union of Railway Workers, which is strong in New South Wales, has long wanted to infiltrate the Australian Railways. A change in the situation in South Australia would give this union the opportunity to compete with the A.W.U. and A.R.U. to increase the size of its membership, which is the aim of every union organiser. No honourable member opposite can deny that. The Premier said yesterday that he would not register that union in this State.

Whether the Premier registers that union in this State or not in no way alleviates the possibility of that union's supporters affecting this State. Of course, the unions can produce exactly the same disastrous effects for South Australia by having a dispute in another State concerning the transportation of cargo to South Australia. Therefore, the pious wishful thinking of the Premier that, because he will not register that union here will solve our problems, is absolute fallacy. I suggest that, if South Australia's railways are transferred, South Australia might suffer from a breakdown in the supply of essential goods, reminiscent of the steel dispute of 1974.

Most honourable members recall that disastrous strike only too clearly, because we then saw for a protracted period of 22 weeks the Government of this State

taking no action. We saw the Government, of which members opposite are members, being too spineless to take any action to resolve that dispute. Informed sources claim that the cost to South Australia of that dispute was over \$16 000 000, yet the State Government took no firm action to resolve that dispute. Moreover, the losses that could result from likely stoppages on the railway system could nullify the saving of the \$31 000 000 claimed by the Premier. The Premier should have taken those possible financial losses into account when boasting to the people of South Australia of the great financial benefits that would apparently accrue to the State.

It is in this area that I have grave reservations. These are the same reservations that can be added to the other reservations I have already referred to concerning this Bill. I believe that, if the Government is sincere in seeking to do its best for South Australia, it will have no hesitation whatever in referring this Bill for consideration by a Select Committee. The Government could then bring before that committee representatives of the various unions involved, as well as other people and other issues, to resolve any uncertainty that might still exist. If that were to happen, we might be able to accept the rather glib and superficial statements of the Premier which so often lend to be totally in conflict and totally wrong. I am amazed at the continued and repetitive nature of the Premier's conflicting statements. He is either a man who deliberately sets out to lie to the people of South Australia, or he is a man who just does not understand the facts involved in this matter, and I will leave it up to honourable members to determine the true position. For this reason [I will vote for the Bill to be referred to a Select Committee and, if the Government will not allow this, I will vote against the Bill.

Mr. ALLISON (Mount Gambier): I should like first to offer my sincere congratulations to you, Mr. Speaker, on your appointment, and I am sure that, with your experience in local government and your personal integrity, these qualities will stand you in good stead in the ensuing years, and I wish you well. I was concerned earlier this afternoon to hear the Minister of Transport give an almost apoplectic misrepresentation of what the Opposition is seeking to do in this House today. We are not opposing the Railways (Transfer Agreement) Bill in principle: we are opposing certain clauses contained in the agreement.

Section 85 (III) of the Australian Constitution provides that the Commonwealth shall compensate the State for the value of property passing to the Commonwealth. If no agreement can be made about the value of the compensation, the value shall be determined by laws to be made by Parliament. It is an interesting exercise to contemplate whether valuation has yet been made of plant, rolling stock, real estate and other items of the South Australian railways system. If such a valuation has been undertaken, what is the actual valuation? I have not been able to ascertain from any source what the valuation is. If no valuation has been made, how can we accurately assess the value of the financial deal that we are asked to enter into and to compare it with, say, the agreement between the Commonwealth Government and Tasmania?

I am assured from Tasmanian sources that South Australia has received a worse deal than that obtained by Tasmania despite the Premier's assurances that we will have obtained the best possible deal that can be negotiated. Is the \$10 000 000 that has been paid the assessed value of South Australian rolling stock, plant, equipment, and machinery? Was that value assessed by the Commonwealth

Government? These same assets have been assessed conservatively by others as having a value of \$200 000 000, and this afternoon we heard figures of \$300 000 000 to \$400 000 000 referred to. I maintain that a 10 per cent repayment on \$400 000 000 represents \$40 000 000 a year to which the State would be entitled if it had sold its railway assets as a going concern under the normal conditions of sale and purchase.

Why, in his letter to the Premier, on May 21, 1975, did the Prime Minister agree to pay \$10 000 000 to South Australia but then say that he deemed it neither appropriate nor necessary to include the balance of the financial arrangement in the agreement? The Prime Minister's own words "neither appropriate nor necessary" speak for themselves. I maintain that it would be appropriate and necessary in the interests of the South Australian public that Opposition members know exactly what those terms are. What is the value of the goods we are selling? What kind of arrangement is it where 5 per cent of the total sum is paid and the rest is to come on the never never? This hardly appears to be a convincing sale. Moreover, those terms are not contained in the agreement now before us, and they are not contained in the Commonwealth Government Bill relating to the transfer of the railways. Does this whole financial deal rest on the Commonwealth Government's sense of honour? Could the financial arrangements not have been included in the Bill?

I am sure that the Premier intended that these arrangements be included originally, when he gave his approval on the matter to the Prime Minister early in April this year. However, it is the Australian Prime Minister who decided that these details were not to be included in the final agreement. Instead, he has said that he would merely undertake to honour clauses 12, 13 and 14 of the principles originally laid down. Again, I refer to the honour of the Commonwealth Government. Despite assurances yesterday to the contrary from the Premier, I cannot but help question the legality of the payment of \$10 000 000 to the South Australian Government. Clause 2 of the Commonwealth Government Bill provides:

This Act shall not come into operation unless an Act of the Parliament of South Australia approving the agreement has come into force on or before July 1, 1975.

However, that legislation was not passed, and the certificate that the Prime Minister requested to be forwarded to Canberra was not forwarded, but the \$10 000 000 was paid to South Australia with remarkable pre-election convenience. Sections of the agreement that we are opposing are of special concern to constituents in my district, and possibly to constituents in your district, Mr. Speaker.

Subclauses (2) and (5) of clause 13 of Part II deal with new freight or passenger road services. True, South Australia has the right to introduce ancillary road services, but people in South Australia, especially at Mount Gambier, believe that the State Government is far more likely to be sympathetic toward country districts than the Commonwealth Government would ever be. Furthermore, the State Government is that much more readily accessible to Mount Gambier than is the Commonwealth Government. We would have a very small voice in Australian politics, but a relatively important one, we hope, in State politics. Secondly, and following directly from that, South Australian road transport operators and, indeed, many people in Mount Gambier, are very concerned that the ancillary rights would entitle the Commonwealth Government or the Interstate Commission, when ultimately set up (which would have judiciary powers that could not be appealed

against), to impose unfair competition on the South Australian road transport industry to the extent that they did not have to pay pay-roll tax, import duty on vehicles, income tax, petrol tax, road tax and many other taxes which are imposed on normal private enterprise and which the present railway system does not have to pay.

Franklin Delano Roosevelt, about 40 years ago, said that, in politics, nothing happened by accident; if it happened, you could bet your life that it was planned that way. Yet, here we are with apparent loopholes in the agreement permitting an attack on the South-East road transport industry. People in the South-East have memories of the unsuccessful Walsh Government legislation of 1965 which proposed oppressive restriction on the routes and the types of goods that could be carried by road transport. They ask, "Will the Commonwealth Government finish the job on the South-East road transport system that the Walsh Government failed to do?" I am opposing not the transfer of the State railways to the Commonwealth but the inclusion in the agreement of such clauses as leave the road transport industry in Mount Gambier wide open to take-over or to unfair competition that may ultimately force the transporters out of business. Several hundred families in Mount Gambier are involved in this issue. Transport is a major decentralised industry, and this Government has frequently stressed the importance of such ventures in country areas, and I support that concern.

However, I am far less interested in the politics of the agreement than I am in the implications it has for my district. Section 109 of the Australian Constitution emphasises that a Commonwealth law prevails over a State law in the event of any inconsistency, and section 99 precludes the giving of preference to any State or part thereof over another State by any law or regulation of trade, commerce or revenue; yet clause 8 (1) of Part II of the agreement purports to maintain fares, freight rates and other charges which have already established a relative advantage to users. I maintain that this can hardly be deemed to be valid when tested against the Australian Constitution. Are we encouraging constitutional deviousness by the very nature of the agreement, however favourable it may seem to South Australia? How long will it be before Commonwealth freight rates, recently increased by 15 per cent, will be imposed to the detriment of both metropolitan and country South Australians who send their produce and who travel by rail extensively?

There is no guarantee that the levels of employment or the present standards of rail service will be maintained; clause 9 of Part II of the agreement confirms this. Many railway employees are located not only at Mount Gambier but also in Adelaide. I question whether the State Government would be willing to contest the legality of the agreement it is asking us to approve against any possible future contrary action by either the Australian Government or the Interstate Commission. Would it stand up for South Australia's rights when it came to the question? Does metropolitan Adelaide realise that it, too, could be adversely affected by the increased charges in Commonwealth freight rates and by the transfer of staff interstate if South Australian terminals are reduced in staff?

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

Mr. ALLISON: Before the dinner adjournment I was questioning whether the metropolitan Adelaide dwellers realised that they, too, could be adversely affected by increased Commonwealth freight rates and by possible staff transfers to other States if South Australian terminals were reduced in staff. The Premier is to be praised for

his earlier efforts last April in the principles agreement that was originally submitted to Canberra for approval; he sought to have the Commonwealth Railways headquarters transferred to South Australia. However, in his letter of May 21 to the Premier, the Prime Minister merely offered to consider this proposition. The Opposition believes that this will not come to fruition.

In conclusion, I reiterate that we do not object to the principle of having a national railway system. That the railways ultimately be controlled by the Commonwealth Government is obviously desirable from a study of the Australian Constitution, which provided in 1901 for exactly such a contingency. Indeed, the failure to standardise the railways has been a strong limiting factor in obstructing trade between States for many years. One only has to consider the problems of Albury-Wodonga and the several gauges in South Australia to realise that. However, we do object to the passing of this Bill in its present form. Admittedly, any delay in its passing could prove to be a financial embarrassment to the State but, in view of the claimed current high liquidity in South Australia, I am sure that the South Australian Government could earn nothing but praise in reconsidering before a Select Committee the contentious issues at present troubling us. It seems rather odd to assume that the Commonwealth Government and the South Australian Government could be so inflexible as not to be able to consider any amendments to the agreement. There are very few issues on which we seek clarification. The Premier himself has admitted that Mr. R. J. Watts, the Parliamentary Draftsman, worked day and night to draw up the present agreement and the Commonwealth Bill. This seems to us to have been undue haste. If the agreement were considered by a Select Committee and if these problems were ironed out, I am certain that the Bill would be overwhelmingly supported by the Opposition when brought before this House in the future.

Mr. GUNN (Eyre): I congratulate the member for Mount Gambier on the outstanding contribution he has made to this debate. Members on this side are very pleased to see him here, because we are sure he will make a fine contribution to the welfare of the people of this State. It would seem from the attitude already being displayed by Ministers and Government members that they believe that this measure will benefit the people of South Australia. However, I and my colleagues believe that this Bill has an attractive wrapping, but what is inside will have a significant effect on the people of South Australia. It is all very well for the Deputy Premier to treat the matter as a joke. He saw the writing on the wall. He was not game to stay in the South-East. He baled out. He knew what the people of the South-East would think of this type of legislation. The people of South Australia, whom this legislation will drastically affect, showed their dislike for it by virtually destroying Labor Party representation across the State. It is all very well for the member for Stuart to laugh; I will deal with his attitude later. During the election campaign this matter was discussed at great length in the districts in which I travelled. Wherever I went there was virtually total opposition to this proposal.

Members interjecting:

The SPEAKER: Order! The honourable member for Eyre has the floor.

Mr. GUNN: Thank you, Mr. Speaker. I appreciate your protection. Country people were concerned that, if this measure was passed by this House and became the law of South Australia, their rights and transport systems

would be affected. Why does the South Australian Government want to get rid of the South Australian railways? Is it because the Premier and his Government are incompetent and cannot run the railways? Do you, Mr. Speaker, think that, because Don Dunstan cannot run the railways, Gough Whitlam would make a better job of it? Mr. Whitlam has wrecked the economy, so what would he do with the railways?

Mr. Olson: What would he do with you?

Mr. GUNN: I am pleased that the silent member for Semaphore is starting to interject. I refer to the drastic increase in freight rates to Tasmania imposed on the Australian National Line. I believe the member for Price has an interest in Tasmania, where there are problems. However, we will allow him to sort the problems out. If he does not do so, the Tasmanian electors will do the job. Using the Tasmanian example of what the Commonwealth Government did, we notice that the Commonwealth Government did not even consult its colleagues in the Tasmanian Government when the freight rates were increased by 40 per cent. So, what will the Commonwealth Government do to South Australian freight rates?

The Hon. G. T. Virgo: What will it do?

Mr. GUNN: It will increase the freight rates. If the Minister was honest, he would tell the people the true situation.

Dr. Tonkin: He doesn't know.

Mr. GUNN: That is right. I believe that the basis of this agreement is to further the Labor Party's Socialist philosophy—to centralise all control in Canberra.

The Hon. Hugh Hudson: What do you—

Mr. GUNN: The executive of the Trades and Labor Council is making the South Australian Government toe the line so that Mr. Whitlam can fulfil his great aim. I want to quote from a speech that the Prime Minister made in 1957, which is most relevant to this matter. I do not know whether the Premier still believes that he has such a fine friend, as he did in the past; we will see. The Prime Minister said:

There are few functions which State Parliaments now perform which would not be better performed by the Australian Parliament or by regional councils.

Mr. Jennings: Hear, hear!

Mr. GUNN: I am pleased that the honourable member agrees; that is on the record, so that we can inform the people of South Australia. The member for Davenport earlier reminded the House that the Prime Minister believed that we should have regional centres in South Australia and that we should get rid of State Governments. The Prime Minister believed that we ought to have about 40 City of Brisbane concepts and have all power in Canberra.

The Hon. G. T. Virgo: Is that a cookery book you're reading from?

Mr. GUNN: I am reading from three papers delivered by Mr. Whitlam. One was the Chifley Memorial Lecture of 1957. Another was entitled "Socialism within the Australian Constitution", the Curtin Memorial Lecture of 1961, and the third was entitled "Labor Policies and Commonwealth Powers", Australian Labor Party 25th Commonwealth Conference, 1963. If the Minister believes that the Labor Party policy is like a cookery book, that is for him to decide. We on this side are stating clearly what are the ultimate aims of the Labor Party on this matter. That Party wishes to use all available means at its disposal to transfer to the Commonwealth the powers that are now

in the hands of State Governments. If the Premier of South Australia sells the South Australian railways this year, what will he want to sell next year to try to balance his Budget? He has proved he is incompetent and that he cannot operate the South Australian railways efficiently. The people who will be affected by this measure have stated clearly that they do not want this course of action to take place.

The Hon. G. T. Virgo: Who said that?

Mr. GUNN: People in country areas. If the Premier cannot run country rail services, why is he not transferring metropolitan rail services? Why are the metropolitan railways being left in the hands of the State Government at this stage? We do not know for how long that situation will continue, because no assurance has been given that next year the Premier will not go to Canberra and try to talk the Prime Minister into taking the South Australian metropolitan railways. Will the Premier next year sell our hospital services to the Commonwealth? He has virtually done that now under the Medibank scheme. Perhaps he will sell the Education Department, or will try to sell the Minister of Works Department. Perhaps it will not be long before you, Mr. Speaker, are presiding over a Chamber that has little responsibility. We—

Members interjecting:

The SPEAKER: Order! The member for Eyre has the floor.

Mr. GUNN: Thank you, Mr. Speaker. We on this side believe that the proper course of action is to refer the Bill to a Select Committee so that those people in the community who believe they will be affected by this legislation will have the opportunity to state their case before such a committee. Surely that is a fair and reasonable proposition. In a democracy (and I gather from the attitude of Government members that they do not believe in people having their democratic right) people should be able to appear before a body such as a Select Committee and state clearly what are their fears in relation to this measure. That is not unreasonable, and it would take only a few days to accomplish. If the Premier believes that the measure he has put before Parliament is reasonable and if people in the community who are expressing grave fears could be heard, and it could be proved that those fears were unjustified, surely the matter would be cleared up once and for all.

It would be interesting to observe what is the attitude of Government members on this measure. Moreover, it would be interesting to see what the community at large would think of the Government if it refused to refer the matter to a Select Committee. I believe that people in my district employed by the railways would like to see the measure referred to such a committee. On a previous occasion the member for Stuart tried to cast aspersions on me, and spoke about what would happen to me during the recent election in relation to Commonwealth railway employees who live in my district. I am pleased to say that, during the last election campaign, I received considerable support from them.

Mr. Keneally: Where's all the—

Mr. GUNN: The honourable member should look at the results, which were in the face of what the member for Stuart and his colleagues tried to do. I was pleased with the results. I am looking forward to this coming Saturday when I will have further discussions with several Commonwealth railway employees. During the election campaign I spoke to several such employees who raised this

matter with me and who said they had not been consulted about it. They were concerned about what effect it would have on them if the proposition were to become law. What about their future employment? Are they to be transferred to other parts of Australia? What about the promotions some of them are expecting in future? They believe such promotions will not be forthcoming, and they are concerned about it. However, we have not heard anything from the member for Stuart about that, and it will be interesting to see whether he will take part in this debate.

Mr. Duncan: When he does he'll tidy you up.

Mr. GUNN: I am pleased to see that the member for Elizabeth is at least for once taking an interest in debate. I challenge the honourable member to state his views instead of being a voting machine for the Government, making snide remarks but never making a contribution.

The Hon. J. D. Wright: What's this got to do with the Bill?

Mr. GUNN: If the Minister wishes to make a speech, he is entitled to do so. I will make my speech, and I do not need his assistance.

Mr. Duncan: If you didn't have interjections you'd have nothing to say.

Mr. GUNN: As one who represents a country area and whose area relies greatly on road transport, I am concerned about the wide powers this Bill will give to the Commonwealth Railways if it sees fit to use those powers in future. Only a fortnight ago I had the opportunity of speaking to the Eyre Peninsula Carriers Association, whose members are gravely concerned about their future if this legislation is passed. They believe that the terms of the agreement could soon make it impossible for them to carry on in business. Clause 13 of the agreement enables the Australian National Railways to operate its own transports and buses. The Commonwealth will not have to pay any State taxes or other charges that normal carriers have to pay, which is discrimination in favour of the railways. There will be no guarantee in times of emergency, such as when the State is faced by industrial problems, and obviously under this agreement tremendous industrial disputes may take place, especially in relation to demarcation disputes to decide which unions will have control over the employees of the Commonwealth Railways.

My constituents, and the constituents of the member for Flinders, are concerned about their future; they believe that soon they will not be able to cart past Whyalla, where the Commonwealth Railways has its rail-head. What will happen to all those people who currently own trucks and have spent many thousands of dollars to purchase suitable vehicles to provide a good and efficient service to people who live on Eyre Peninsula. The same applies to other carriers throughout South Australia who are giving good, cheap and efficient service to the people of this State. What will happen to those carriers and their employees? What will happen to the services they are providing? Will the Commonwealth Railways give the same service? Of course it will not.

This Government, like the Commonwealth Government, has a particular dislike for country people. If ever there has been a Government that has set out to punish country people because they will not support Socialistic concepts, it is the present Commonwealth Government headed by the Prime Minister (Mr. Whitlam), who is nothing more than a political rogue, which is the only apt way to describe him. Labor Governments obviously take strong exception to country people and will inflict on them unrealistic

controls, because this measure must be considered in the light of legislation currently before the Commonwealth Parliament to set up the Interstate Commission, which will have wide-ranging powers to control transport and the movement of all goods in Australia. With this agreement and the powers of the Interstate Commission, it will be a sorry day for road transport in South Australia. If this Government is to take a proper course of action it will at least allow those people whose livelihood is at stake to state their case before a Select Committee. In view of the circumstances that have been outlined, there is no other proper course of action. I wonder what action the Minister of Transport has taken as a result of the number of requests that he has obviously received from the carriers' association, because Opposition members have been approached by carriers across the State and by their organisation.

I referred earlier to the services that the Commonwealth Railways would be able to provide after it had prevented road transport from operating. How will it transport stock to market? Will it be willing to work on weekends and pick up stock at 5 a.m., or to transport stock at night in the summer months? Of course it will not, as the penalty rates and other charges involved will make it impossible for the Commonwealth Railways to do so and, if Government members were realistic, they would realise this. If this Bill is not referred to a Select Committee I certainly will not support its third reading. I am happy to take the consequences, whatever the Premier has in mind, as I believe it would be completely irresponsible if I was to support the third reading of the Bill, because the problems that would be inflicted on my constituents and other country people in South Australia in future would be immense.

The Premier has said much about the financial benefits that will accrue to South Australia from this Bill. Every day during the election campaign he made a series of statements and, by the time he finished, it seemed that after this Bill had passed the people of South Australia would be living in a land of milk and honey and that dollar notes would be falling from the sky. But I put it to you, Mr. Speaker, and to Government members that what the Premier and Prime Minister tried to sell to the people of South Australia was a proposal that, if we agreed to this transfer, everything would be right and that the present South Australian Railways deficit would be wiped off and we would not have to worry about it in the future. However, I do not believe the Premiers of New South Wales, Queensland or Western Australia will be willing to subsidise the South Australian Railways, because under this proposal that will be the situation, unless the Prime Minister deducts from the general grants that we receive the amount that the South Australian Railways is losing each year. Otherwise, we will be asking the other States to subsidise our railways. That would be all right if we could get away with it.

Mr. Evans: But those States have the greatest voting powers.

Mr. GUNN: That is so, but do Government members think that those other State Premiers will agree to this? Of course they will not. Can one imagine what the Queensland Premier would say?

Mr. Harrison: You ought to know. You had him over here.

Mr. GUNN: I did not come in contact with him—

Mr. Harrison: Well, he was here, as were the Premiers of Victoria and New South Wales.

Mr. GUNN: —during the last election campaign. However, I have had the pleasure of discussing this proposal with his Ministers in Queensland and, when I suggested perhaps they would follow suit, the Minister who was having lunch with the Queensland Premier nearly choked. He said, “Do you really think we would be willing to hand over the Queensland Railways to the Prime Minister?”

Mr. Harrison: No, he gets around in an aeroplane.

Mr. GUNN: Of course they would not, and the Queensland, Western Australian and New South Wales Governments have adopted a responsible attitude on this matter. The Opposition is not opposed to a co-ordinated rail system in this country, but let us do it in a sensible and proper fashion so that the people's rights will be protected and they will not be trodden on and squashed by the socialistic philosophy behind this proposal, merely so that Mr. Whitlam can get machinery in operation to achieve his ultimate aim: to have one Parliament in Australia. He wants to abolish the Senate and have only one House, creating a situation in which the people will be in the hands of a few bureaucrats. That is what we have been asked to approve, and I sincerely hope that you, Mr. Speaker, representing an area that has a great interest in railways, will take the normal course of action when the decision has to be made by this House, and vote for referral of the Bill to a Select Committee, thereby giving all sections of the community a democratic right. If you do, you will be taking a step in the right direction and doing democracy a great service.

Mr. Duncan: When are you going to start doing democracy some service?

Mr. GUNN: I will again ignore the nonsense that has been emanating from the member for Elizabeth. As usual, he makes snide interjections, but he rarely gets on his feet and makes any concrete statements. During the election campaign we saw the amazing spectacle of the Premier completely disowning the Prime Minister. We saw large advertisements in the daily press, with the Premier giving us undertakings that the Prime Minister had assured him of certain things. Now that we have reached the situation in which those two gentlemen are hardly on speaking terms, do those undertakings still stand? What is the situation? Are they on speaking terms, or have they fallen out completely? The Premier has not told us.

On another occasion during the election campaign the Premier implied that the other States were in grave financial straits because they would not hand over their railways. When the Victorian Premier arrived in South Australia he claimed that, if a private organisation had been involved, it would have been charged with misleading advertising if it had followed the same course of action that the Premier had followed. The Western Australian Premier said he did not know from which source Mr. Dunstan got his figures, as Western Australia had a balanced Budget. That is the type of half truth and misleading information that has been given to the people of South Australia so that the Government can sell this confidence trick that is now before the House. If the Government truly wants co-ordinated and efficient rail services in this country, why does it not go about the matter in a sensible way instead of putting up this nonsense that we have been asked to accept?

Mr. Keneally: Would you make a suggestion?

Mr. GUNN: Yes. I think a conference ought to be called between all State Premiers and Transport Ministers

and the Commonwealth Minister so that they can discuss the matter in a realistic and sensible manner.

Mr. Keneally: A.T.A.C. meets regularly, and it has discussed this.

Mr. GUNN: I am well aware of that. If such a conference was called, this matter could be discussed and thrashed out, and the eventual agreement that I am sure could be reached would not contain such objectionable clauses as those that we are now being asked to approve. If that course of action was taken, I am sure all Opposition members would give their wholehearted support to such a reasonable proposition. However, we are not willing to sell out South Australia's rights to further the Prime Minister's socialistic aims. I make no apology for making that statement, and in no circumstances, either now or in the future, would I support legislation of this kind that would have such a serious effect on the welfare of the country people of this State. We have had no clear statement from the Premier about what will happen to the facilities built on railway property and owned by Co-operative Bulk Handling Limited.

Mr. Harrison: That is poppycock and you know it.

Mr. GUNN: We have had many conflicting statements regarding what will happen to the wharves. The Premier has made one statement, yet a different opinion was given by the former Attorney-General. They were in conflict with one another.

Mr. Mathwin: They didn't even know there was a wharf at Wallaroo.

Mr. GUNN: Of course they did not know that. I do not want to continue to delay the House, but I sincerely hope that members opposite will at least display a reasonable attitude and give all those people in the community who are greatly concerned about the effects of this legislation the opportunity to come forward and state their case. If members opposite believe that this measure will not affect those people, why do they not allow people to come forward so that the Government members on the committee can, once and for all, dispel any fears people have? If the Government does not take that course of action its members must have something to hide. There is no other way out of the situation. If the member for Stuart went around the country, to Mount Gambier, Millicent, and to Eyre Peninsula, talking to the carriers, he would know that what members on this side have been saying is correct.

Mr. Mathwin: They might lynch him.

Mr. GUNN: He would probably run that risk, but I am sure we could look after him. We would chaperone him around those areas so he would not get into too much trouble.

Mr. Coumbe: But he is the agricultural expert.

Mr. GUNN: Yes, that is right. I will support this Bill to the second reading stage so that it can be referred to a Select Committee, but I will oppose the third reading if the Government will not take a reasonable course of action.

Mr. KENEALLY (Stuart): Mr. Speaker, I am sure that if you were to take the trouble to ask around among the various members of Parliament who are here, as well as those who are not here at the moment, they would tell you that the member for Stuart is a fairly intelligent and clear-thinking young man. It is quite obvious that the House would agree with that little homily. However, the member for Stuart has, I can assure you, Sir, been completely confused by the various stances taken today by the Opposition on this Bill. I should like to comment on some of the

contradictions that seem to be coming from the various members who have spoken. The current Leader of the Opposition said that he was violently opposed to Socialism and centralism and that this Bill embodied both, but that nevertheless he would support the Bill. The Deputy Leader, the member for Kavel, said that philosophically his Party was completely opposed to the Bill because of what the Leader had said, because of those centralist and socialistic attitudes, and that his Party could not accept this or agree with it in any way whatsoever, but nevertheless he would support the Bill. Then the honourable member for Light, the honourable member for Alexandra, the member for Davenport, and the member for Mount Gambier all gave their various interpretations of the dreadful effects this Bill would have on South Australia, but they intend to support the Bill, nevertheless.

Mr. DEAN BROWN: On a point of order, Mr. Speaker, the honourable member has just misrepresented what I said. I did not say I would support the Bill. I said that I would support it into a Select Committee and that if it did not go to a Select Committee I would vote against the Bill.

The SPEAKER: There is no point of order.

Mr. KENEALLY: Thank you, Mr. Speaker. It goes to show how clearly I was confused by the various points of view put forward by the Opposition. I am bound to make a mistake here and there, because so much has been said that is conflicting and contradictory that, without reading *Hansard* tomorrow, no-one would be able to list what honourable members have said. The reason for the recent election in South Australia was the Railways (Transfer Agreement) Bill.

M. Venning: You know that is not true; it was nothing to do with the railways.

Mr. KENEALLY: It depends upon which member of the Opposition is talking. Some members say that we had an election because of the Railways (Transfer Agreement) Bill, and other Opposition members deny that that is true. I suggest that, before they come in here and speak on the Bill, they should get together and have a chat among themselves. They might be able to have a more interesting discussion and come here with a clearer policy towards the Bill, and that would be to the benefit of the House and the benefit of South Australia generally. The honourable member for Light, who was then the Leader of the Opposition, as the leading speaker for the Opposition in the debate, said:

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.

I suppose one could be forgiven for believing that, if that issue was put to the people of South Australia and if they voted to return the Government, that would be taken as a mandate, but for some reason the Opposition denies that as well. The present Leader of the Opposition was the member for Bragg in the last Parliament. It is all very confusing to try to keep up not only with the moves that go on in the Opposition but also with the different philosophies its members bring before the House. The member for Bragg, as he then was (he is the Leader of the Opposition temporarily at the moment, but he was then the member for Bragg), said:

If the Premier really believes that people can be hood-winked 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:

It is incredible to see what has happened since then. He continued:

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.

Those two statements on June 11 in the previous Parliament somewhat conflict with the attitudes of those two honourable gentlemen today. They no longer are prepared to accept the verdict of the people. The Opposition having challenged the Government to go to the people, to put this matter before them, and to see how they would vote, one would expect that, if the people voted to return the Government, those gentlemen would have accepted the verdict, but not on your life. They were interested in accepting the decision of the people only if they were elected, and they were not.

Mr. Mathwin: You did three seats cold, didn't you?

Mr. KENEALLY: We have come back with a reduced majority, certainly, but I remind honourable gentlemen opposite that the winners can laugh and the losers can please themselves, and all the grinning and the snide remarks in the world will not alter the situation one whit. Members opposite are in Opposition for the term of this Parliament. We are in Government, and they have to learn to live with that. If they are not prepared to accept the verdict of the people they are denying the very basis of democracy, the thing they spout about in this Parliament on numerous occasions. Democracy obviously applies to someone else. When they are talking about it, it is not expected to apply to them.

One thing that interests me greatly about the arguments of members opposite is that they believe that, if the railways were ceded or given or transferred to the Australian Government, that would be an act of Socialism. I think that was the word they used, and they use it fairly often. It is a good emotive word; they do not understand it, but nevertheless they use it. They say it is an act of Socialism, but apparently for some reason that I cannot fathom they support State Socialism but do not support national Socialism, or Socialism on an Australian basis. Some years ago in my district a gentleman stood on a number of occasions for the Liberal Party in the Australian Government elections. He would tell the people that he was completely opposed to Socialism in all its forms, but each time after being defeated he went straight back to work for a socialistic organisation, where he had worked previously. It is that sort of moral philosophy that members opposite seem to support: Socialism is all right for them as long as they are participating in it but it is no good for anyone else.

It interests me that Opposition members speak as though there was only one railway system in South Australia. They ask what will happen with the duplication of railway services and if we have an urban system and a non-metropolitan system. They ask that on the basis that these things have not happened previously. However, there is already in South Australia a State railway system and an Australian national railway system previously known as the Commonwealth Railways. We already have what they say will be a unique thing if this Bill is passed, because we have a national railway in addition to the State Government railway in South Australia. Throughout this debate members opposite have spoken as though there is no such entity as the Commonwealth Railways or the Australian National Railways.

It exists, it is viable, and it does not operate to the detriment of the people it services. With the non-metropolitan services being taken over by the Australian National Railways Commission, the services will be of the same standard as is enjoyed by the people of Port Augusta, Whyalla, and Port Pirie and the people living all along the east-west trans-Australian railway whom the member for Eyre represents. The service provided to country people in the northern part of the State is provided by the Australian National Railways Commission. All this hysteria that the taking over of the non-metropolitan service in South Australia by the same organisation will react adversely to the people is stupid. Why has it not reacted adversely to the people of Port Augusta, Port Pirie, Whyalla, and beyond those towns?

The member for Mount Gambier and the member for Eyre referred to the possible increases in freight rates, but we are not having any difficulty regarding freight rates with the Commonwealth Railways system in South Australia. The Deputy Premier has reminded me that freight rates are part of the agreement, and members opposite know that but wish to overlook it for the sake of their argument. Those freight rates in South Australia cannot be increased without the approval of the South Australian Parliament. I congratulate the member for Mount Gambier on his maiden speech. One of his most significant remarks was that about 40 years ago Franklin Roosevelt said that little in politics happened by accident. I assure the honourable member that there was a political accident in Mount Gambier this year, but it is likely that that accident will be remedied soon.

The honourable member also said that State Governments would be more sympathetic to country people than would Australian Governments. That statement has come from a man who supports a political Party that was in office in Australia for 20 years controlled by the then Country Party. His statement is a complete indictment not only of his colleague Dr. Forbes but also the whole National Country Party of Australia. I agree with what the honourable member has said: his statement that Australia would be better off with one national railway system and one national authority was right on the spot, although it was a trifle Socialistic and a complete contradiction of what the member for Kavel and the member for Eyre said.

Another statement that Opposition members have been making frequently is that all the people who live in the country areas and who were concerned about the transfer of the railways have voted against the present State Government, but this statement is complete hogwash. In Port Augusta, Whyalla and Port Pirie where we find the only people in South Australia who know what the Australian National Railways can do, the vote for the Liberal Party was a magnificent 20 per cent! Are these people concerned? Of course they are not. They know what the Australian National Railways can do for them and they know that they will not be inconvenienced in any way by the transfer.

Mr. Mathwin: Read in the *Herald* what your candidate for the District of Pirie said about the railways.

Mr. KENEALLY: I ask the honourable member to read in the *Herald* what the intelligent and clear-thinking member for Stuart said about the railways. The central issue is whether we should have one Australian national railway system or a conglomeration of systems such as we have now. I ask the anti-Socialists and anti-centralists opposite whether, if we had no railway system in Australia and had a requirement to build one, they would give this work to private enterprise. I do not think they would

do that. The Government would be required to build it. Would members opposite split up the railway system organisation into seven different systems? I do not think they would. If they did, they would be even more stupid than I think they are, and I would doubt that anyone could be so stupid. Members opposite would have one Australian national railway system.

All the arguments put by Opposition members are academic, and the question is whether the Australian people would be better served by having one Australian national railway system. I believe that, if one were to approach members opposite individually, one would find that most of them would accept that principle, and that is what we should be aiming for. Certainly, in any venture of this magnitude there will be some difficulties and some people may be inconvenienced. However, for some reason, which I do not know and which was not apparent previously, members opposite have suddenly become the greatest supporters of unionists and the people working in the railways.

When the member for Flinders was speaking in the first debate on this Bill he said that he was concerned about the welfare of these people and that was the first time anyone opposite had considered them. Several speakers opposite, including the Leader and the Deputy Leader had given no consideration to that matter at all. However, suddenly they are all concerned. I ask members opposite whether they would be equally as concerned if a large multi-national monopolistic company took over a large South Australian company? Would they be so concerned about the welfare of the people involved in that situation? Of course they would not. They could not care less about the unionists who would lose their jobs in any rationalisation resulting from such a take-over.

I should now like to put forward two propositions but I do not want to see Opposition members later describing them as the Government's view, because these are my own personal views, and I merely take this opportunity to put them forward. First, I believe that South Australia and Australia generally would be much better off if we had to pay the Australian Government to take our railways from us. We would be much better off as a nation, and South Australia would be much better off as a State.

Mr. Mathwin: Where would the funds come from?

The SPEAKER: Order! The honourable member for Stuart must continue.

Mr. KENEALLY: As the situation will not arise that question is purely academic. I am just saying what my political view is on this matter: I believe that we would be much better off if we had to pay the Australian Government to take the railways from us, which is why I am such an enthusiastic supporter of this agreement. Certainly, we will be much better off than we otherwise would be. This move contains much that is to be desired. Secondly, there has been much hysteria about what the Opposition believes to be the intention of the Australian Government in respect of country road services. I have been most amused by what has been said: I was amused at the thought of the Commonwealth Railways running a truck out to a property at 5 a.m. to load up with cattle to bring them to market. The member for Eyre said that they would not do that; the whole idea is laughable, and such infantile objections to the Bill are ridiculous. My view is that the Australian National Railways Commission is entitled to run its own road-feeder services, especially in the cities. I can see no reason whatever why the Thomas

and Mayne Nickless transport companies should be able to run profitable feeder services throughout city areas and the—

Mr. Russack: What about outer-metropolitan and other country areas?

Mr. KENEALLY: They can run them outside in the larger country towns if they wish. I would run such services in the city, frankly. I believe that the Australian people are entitled to have Government instrumentalities operating in profitable areas. We have become accustomed to the old farmer ideology: socialise your losses and capitalise your gains. We have another example of that philosophy here again: let the taxpayer pick up the tab for all unprofitable or uneconomic services; let the Government run those, as the taxpayers can pay and the cost can be spread right across the community. However, if there is a possibility of making a dollar, keep the Government out and let private enterprise in! Capitalise the gains, which is good for private enterprise.

Why is it not a viable proposition for Governments to take part in profitable business? I believe that the Australian taxpayer is entitled to see this happen, and I believe that a national railway system is a much better system and can give a much better service if it is allowed to do just that. I was interested to listen to the comments made by various members since the member for Mitcham spoke. He clearly pointed out two important factors. First, the Labor Party is the Government in South Australia; it has been returned by the South Australian people; the major issue on which it went to the people was the Railways (Transfer Agreement) Bill; and now members opposite want to reject the decision of the umpire.

Mr. Mathwin: You lost three members.

Mr. KENEALLY: I would be pleased if the Leader would point out which two of his three new members are reasonable. He said that two of his new members are good, but who is the other member? The member for Mitcham pointed out that the election had been fought and won on this issue, I believe it is Parliament's responsibility to accept the decision of the umpires, and I believe that the attitude of the Opposition in this matter does it no credit whatever. The member for Davenport said that, merely because one takes a principle to the people and they deny it, it should not stop one from sticking to that principle and supporting it. That is an admirable position for the honourable member to take, and it will ultimately see him return to the university or wherever he came from, because people become intolerant of members of Parliament who do not take any notice of their views.

The second point made by the member for Mitcham concerns the ruse of the Opposition in wanting to refer this Bill to a Select Committee, that the whole agreement would have to be renegotiated. Members opposite are either for the Bill or against it. Certainly, the ploy of referring the Bill to a Select Committee does not fool anyone and, when the chips are down, members opposite must either support or vote against the Bill. If the South Australian Government wants to question any part of that agreement, it must renegotiate and the whole process must be gone through again from the beginning. If that is what members opposite want, let them say so, but do not disguise their attitude by saying that they want to refer the Bill to a Select Committee so that people can put forward their views on it. That is just so much hogwash. There has been ample opportunity for members opposite to put to the people of South Australia their views on what is contained in this Bill. Members opposite complained when the

Bill was brought before this House six or seven weeks ago that they have had no time to look at it. However, they have had all this time to consider the matter, and now their contributions are so much the worse.

The last point I wish to make concerns the question asked about the eagerness of the new Leader to support the member for Light in the honourable member's efforts as the then Leader to have an election. The reason is obvious, and we have the results here before us. The member for Bragg is now the Leader of the Opposition but, nevertheless, both his contribution and that of the member for Light were entirely confusing and conflicting. I support the Bill wholeheartedly.

Mr. BOUNDY (Goyder): Before referring to the Bill, I should like to extend my congratulations to the member for Mount Gambier on taking his place in this House, and on making his contribution to this debate, and I hope that his term as a member here will be most rewarding to him. I was interested to hear the member for Stuart suggest that the presence here of the member for Mount Gambier was accidental. I submit that the presence of the member for Mount Gambier in this place is no more accidental than is the Labor Party's occupancy of the Treasury benches. I shall speak only briefly to the Bill and the agreement now before us, because this matter has been ventilated extensively both last session and earlier today. I support the concept of an integrated railway system throughout Australia, with proper safeguards for the people of the various States—not the "bitzer" agreement now before us that carves up this State's railways into two sections. I submit that my colleague, the member for Mitcham, amply ventilated the deficiencies of the measure now before us when it was first introduced.

All country people are concerned at the implications of the agreement. People in areas such as my district who rely almost exclusively on a road transport system are particularly concerned at subclauses (2) and (5) of clause 13 of the agreement. Such is their concern that these two subclauses have been referred to by almost every Opposition speaker, and, therefore, it is unnecessary for me to read them out. I merely refer to the fact that they allow for new freight and passenger road services to be implemented or for existing services to be extended. Although we have the assurance of the Minister and the Premier that this does not mean the nationalisation of road transport, and while it is true and agreed that the South Australian Railways already has the power to extend road transport but has not done so, most of us subscribe to the philosophy that the best Government is that Government which is closest to the people.

Transfer to the Commonwealth without proper safeguards is a dangerous possibility. Add to this clause 13 (5), which exempts the commission from paying fees, taxes and charges on the operation of its road services, and this would lead any fair-minded person to believe that this concession would work against the viability of free-enterprise road transport. Clearly, there is considerable uncertainty regarding the implications of these measures. When this agreement was before the House last session, my colleague, the member for Mitcham, moved that it be referred to a Select Committee so that the unsatisfactory clauses could be modified and so that country people could be given proper assurances for their protection, particularly regarding road transport. Since the elections, I and my colleagues in the Liberal Movement have been subjected to considerable attack, both in the daily and in the provincial press, mainly from my constituents in Goyder, some of whom belong to the Liberal Party.

I have heard of the olive branch being extended between the non-Labor forces in this State, but I think I would be excused for thinking that I have been set about with a mallee root. My critics have castigated me for supporting the nationalisation of road transport in Australia, but I stand firm on the principle of support for private-enterprise road transport, as well as on the greater principle of supporting the democratic process after proper test. I believe that that test has been made. The then Leader of the Opposition, at page 3319 of *Hansard*, threw down the gauntlet for an election on this issue alone. I deplore the result, because I do not believe that the Government can operate at present with any great confidence. Certainly, it won, but only by a handful of votes which, unfortunately, is all it needed, and it still sits on your right, Mr. Speaker. I believe, unfortunately, that, as a result, this measure is no longer negotiable. Although I support the passage of the Bill, I hope that the Government is sensitive to the precarious nature of its position and that it will agree to proper safeguards being incorporated for the protection of the interests of the rural community.

Mr. VENNING (Rocky River): I oppose the Bill and I believe that, because its hidden implications need to be spelt out, it should be referred to a Select Committee. I believe that the committee would recommend that parts of the measure be withdrawn so that the Bill would contain different provisions from those it contains today. The history of the Bill is most interesting, especially as it relates to the most recent elections. Everyone knows how the Premier went to the Premiers' Conference and while there received the message about the Bill being defeated. He said that we would have an election on the strength of it. We know also how the \$10 000 000 would be forthcoming from the Australian Government to the State Government if the railways were handed over to the Commonwealth. Notwithstanding the Bill's defeat, the \$10 000 000 came from the Australian Government to the Treasury here, and the Government may have used the railways as a means of financing the election.

On television the Premier put over stories about the State's finances in relation to the railways. He talked about \$10 000 000 and got it up to more than \$800 000 000. The problem with South Australians is that their memories are too short. In making his policy speech, the Premier said that the State's finances had never been better; in fact, we had money in the bank. He has said this on previous occasions at election time, when in only a matter of a few days the position has deteriorated so that he has had to introduce other taxing measures. We have had the increase in water rates on top of the Premier's statement that the State's finances have never been better.

A few days before the Premier went to the Premiers' Conference, he said that the State's finances were in a shocking state. However, as his statements vary from day to day, it is difficult for the people in this State to follow the situation. In presenting his policy speech, the then Leader of the Opposition (the member for Light) said that he would not make any promises to the people of the State until he had an opportunity to examine the State's finances. The Premier said that the Leader could at any time see what the State's finances were. However, one just could not tell what the position was. One only needed to listen to the Premier himself: one day he said that the finances were in a shocking state; the next day he said that the finances had never been better; and then a few days after the election he said that the whole situation had deteriorated. I am concerned about the

silos throughout the State which are mainly built on railway property. An estimate of the cost of constructing these silos would be about \$30 000 000, but the value today would be between \$60 000 000 and \$80 000 000—almost as much as the value of the deal made with the Commonwealth Government. The growers have been very concerned about the position regarding the silos in this transaction.

I congratulate you, Mr. Speaker, on being elected to your high office. The South Australian Co-operative Bulk Handling Limited appreciated the co-operation and assistance given by you, as Mayor of Port Pirie, in relation to our facilities connected with silo construction in that city. Two or three of us have been in consultation with the Parliamentary Counsel. We had hoped to have the silo situation spelt out in detail in consultation with the Parliamentary Counsel. There were some complications, but we hope that tomorrow a joint statement will be made by the Premier and the Prime Minister as to what will be the situation in connection with silos built on railway property. I refer to the non-metropolitan area. It seems that the word "country" is not very popular with members opposite: the term must be "non-metropolitan". It appears that I represent a non-metropolitan area. An article, headed "Country won't lose rail benefits, says Virgo", in the *Chronicle* of June 20, quotes the Minister as saying:

The State Government has given an assurance that the Federal Government's take-over of country rail services . . . So, it is reassuring that the Minister still thinks there is some merit in talking about country rail services, whereas this afternoon he insisted that they be known as the non-metropolitan rail services of this State. It has been said that members on this side of the House oppose a national railway system; that is not true, nor is it the situation before us at present. We have our rail system here. If we were going to build a railway system in Australia for the first time, the situation would be considerably different. The member for Goyder referred to this matter. I believe that country members should be very concerned about this Bill in relation to country transport.

The Bill allows the Commonwealth Government to bring in its own feeder services to the railway. I know exactly how a Labor Government operates in this regard. We have seen it operate in our State with regard to private bus services. It has held the operator down to its charges and it would not allow him to increase them. As a result, he has had to close down his services, but he should have been permitted to increase his charges when costs increased as a result of inflation. The State Government has taken over such transport systems. This would be the situation in the non-metropolitan areas. We have an excellent transport system throughout the State.

On many occasions, when it has been suggested that certain country rail services should close, there has been some consternation among growers that, if we take the rail away and leave it entirely to road transport, charges would increase. They believe that competition between rail and road would be sufficiently great to keep costs down. There are areas, particularly on Eyre Peninsula, where there are no rail services and we rely entirely on road transport; those charges are considerably less than comparable freight rates where the railway is used. I refer to heavy transport as well as to passenger services; they are providing a real service to the community at competitive rates.

Knowing the history of Labor Governments in the State and in the Commonwealth, I believe that they would be looking to kill private enterprise wherever possible. If

this situation was reviewed by a Select Committee, the provision would be redrawn to provide safeguards. Not only during this session but on previous occasions it has been said that the unions associated with the take-over of non-metropolitan railways had been consulted and were in agreement. Why were the people who use the railway not consulted? The Minister said today that we should have gone to Canberra and looked at the Bill laid on the table of the Commonwealth Parliament.

When the Bill was introduced in this House, we had to deal with it forthwith. We were not given sufficient opportunity to study it. You, Mr. Speaker, will see that Bills are shanghaied in and they go through at the rate of knots. It is most unfair to Opposition members, who are given only a few hours to research Bills. Because of the complexity of the Bill and because of the unknown quantities, I hope that this House will agree to the appointment of a Select Committee, where the best information can be obtained to improve this legislation, if it is to become effective in this State.

Mr. ARNOLD (Chaffey): I take this opportunity to offer my congratulations to you, Mr. Speaker, on being elected to this Chamber and on your election to the high office of Speaker of this House. I trust that discharging your duties as Speaker will bring great personal satisfaction to you. I also take this opportunity to refer to the valuable contribution made to this debate by the member for Mount Gambier. His contribution was highly technical and well researched. My object this evening is not to enter into technicalities relating to the Bill or the agreement, but to make several observations that have been made by people living in country areas and throughout South Australia. The Premier says that he has a mandate to proceed with this legislation. The Government has been returned with the assistance of you, Sir, as the Independent member for Pirie.

This Bill deals with country railways in South Australia. The result of the recent election clearly indicates the attitude of country people to the measure. We saw three country seats change hands. You, Sir, won the seat of Pirie, and the seats of Mount Gambier and Millicent, as a result of this legislation, went to the Liberal Party. There is no doubt that that result is a clear indication from the country people of South Australia that they are vitally affected by this legislation that we are reconsidering. The Premier has reintroduced the measure with minor alterations, but the basis of the legislation is identical to that which was introduced before the recent election. The object of the measure is to transfer country railways in South Australia to the Commonwealth. Does the Premier in so doing say that the South Australian Railways Commissioner does not have the ability to run the railways efficiently? Does he believe that country railways will be run more efficiently by the Commonwealth? I find that extremely difficult to believe and cannot accept it in any way.

I firmly believe that the South Australian Railways is in a far better position than the Commonwealth to run effectively the railways of South Australia. This concept can also be related to the Education Department. On many occasions I have said that the Commonwealth Minister for Education has an important role to play, basically, by co-ordinating education throughout Australia. However, no-one is in a better position to manage educational facilities and staff than is the Minister of Education in this State. Unfortunately, we have seen an increasing influence by the Commonwealth Government by way of financial strings it is tying to all grants made by Canberra for education.

The South Australian Minister of Education finds himself completely tied to the strings attached to money being made available from Commonwealth sources for education in this State. The Commonwealth is making money available in educational fields that do not necessarily need additional funds. Other areas, such as school building programmes and the provision of other facilities, are crying out for additional funds because of the drastic shortages that exist in many areas throughout South Australia. This is the type of situation that will occur if finance and management are controlled from Canberra, which is too remote to handle effectively the railroad system of Australia. To do so would be to handle it by bits and pieces, which is what will happen if the Commonwealth Government takes over South Australian country railways. Such a take-over will just not work in such a piecemeal manner.

If railways throughout Australia were being taken over completely in one exercise by the Commonwealth there could be some sense in the exercise. The standard of services that will be provided to the people of this State will certainly not be better than those already provided; in fact, they will probably be reduced by this action. During the recent State election campaign the Premier, on July 9 in the *Advertiser*, stated in a large advertisement:

Our opponents want you to believe we are to blame for Canberra's mistakes.

This evening he is asking us to accept a Bill that cannot be amended; he is asking us to accept an agreement between this State and the Commonwealth that cannot be amended either. The Opposition has therefore adopted the only logical course available to it in such circumstances: it is attempting to refer the Bill to a Select Committee where all the uncertainties of the Bill and the agreement can be properly aired. Such a procedure will give everyone in the community an opportunity to put forward his point of view. In support of that statement I refer to an article that appeared in the *Advertiser* on May 6, this year, that was attributed to Mr. Moorhead (Federal Secretary of the Australian Federated Union of Locomotive Enginemen), which is headed "Government grandstanding on State rail services. Unionist slates handover of country lines." The article states:

The South Australian Government was accused yesterday of grandstanding in an attempt to split the State's railroad services.

That comment was made by another section of the community; so much concern and dissension exists throughout South Australia. Those people are not satisfied that the agreement is in the best interests of South Australia or that the Bill, which ratifies the agreement, is in the best interests of the people of this State. It is for that reason that it is imperative that the Bill be referred to a Select Committee to give South Australians the opportunity to voice their opinions and to put forward their point of view. The agreement was drafted by competent people, but they were a selected few. No matter how well the agreement was drafted it was still in the hands of a few people, and people at large were not given an opportunity to put forward their viewpoints on the various aspects of the measure.

Such beliefs are borne out by comments made throughout South Australia in union circles and private circles alike. It is important therefore that the Bill be referred to a Select Committee. During his contribution this evening, the member for Stuart stated that it was the Opposition's objective to keep the Government out of any profitable undertaking and to leave such undertakings to private enterprise. He accused the Opposition of inviting the Government, through the railways or other facilities,

to take up undertakings that were unprofitable. I refer, for instance, to the State Government Insurance Commission. That is an example of a field in which private industry has been involved for a long time. Since the Government has entered that field with the State Government Insurance Commission, it has been in open competition with private insurance companies, and the South Australian taxpayer must pick up the tab for the losses that it incurs. Government members know that this runs into many millions of dollars. So, once again, we have the same thing. The Government cannot lose in any of its undertakings, because the taxpayer must always pick up the tab. The same applies to the railways. It does not matter whether they are owned by the State Government or the Commonwealth Government: the taxpayer is still the same person, whether the authority involved is a State or a Commonwealth one. The Government is trying to say that the Commonwealth department will run the railways more efficiently than does the State department. What an admission for the Government to make! On what basis does the Premier honestly believe that the Commonwealth department can operate more efficiently than can the State department?

Mr. Duncan: Possibly on a more financially viable basis.

Mr. ARNOLD: If one looks at other departments such as the Postmaster-General's Department, and its recent increases in charges, it does not altogether prove the point made by the member for Elizabeth.

Mr. Venning: That's quietened them down.

Mr. Keneally: That's got nothing to do with it.

Mr. ARNOLD: The national shipping line is another example, with a recent increase of 40 per cent.

Mr. Keneally: If you were to tell me something about fruit blocks, perhaps I would listen to you.

The SPEAKER: Order!

Mr. ARNOLD: I have yet to be shown by Government members that any Commonwealth Government department can operate more efficiently than can a State Government department. If the Commonwealth Government is to take over South Australia's country railways, it will make the same losses that the South Australian Railways now makes. If the Commonwealth Government was genuine and not out purely to take over and centralise everything in Canberra, it would make the money available to the State department, by way of grants, to enable it to manage the railways from South Australia.

Mr. Keneally: You don't understand the mechanics at all.

Mr. ARNOLD: I understand the mechanics, and I know what are Canberra's ultimate objectives. All funds that are made available to the States by the Commonwealth Government have strings attached to them, and every Minister in this State is faced with the same problems in the administration of their departments because of the strings that are attached to the finance that is made available from Canberra, with the ultimate result that, sooner or later, another section of South Australian control must be handed over to the Commonwealth Government.

Earlier, Medibank was referred to, it being stated that all States had joined the scheme. Of course, they had to join the scheme. There was no other way they could survive if they stayed out, because of the Commonwealth Government's financial stranglehold. This is exactly the same thing again. It is not new. It is typical of the present Government's philosophy, and it will continue along these lines as long as that Government remains in

office in Canberra. I should like now to refer once more to the educational aspect. One should listen to the comments made by school principals and school councils, and think of the problems with which even the Minister is faced. He would readily acknowledge that, if money was made available from Canberra without strings attached to it, he could do more for education than he is able to do at present.

We have instances in which various facilities are forced on to schools even if they already have them, merely because that is the basis on which money is made available from Canberra. At the same time, we have schools with buildings that are a complete and utter disgrace to any Government. It does not matter whether it relates to education only or to any other field. The Minister of Transport, for instance, is in exactly the same boat. The stranglehold that the Commonwealth Minister has placed on transport and roads in this State is exactly the same. This is the general pattern throughout. It is the basic philosophy of the Commonwealth Government and, as I have already said, as long as that Government remains in office in Canberra we will see more and more of this, and next year it will be something else.

As I said at the outset a transport system operated completely by the Commonwealth Government throughout Australia is a feasible and real possibility. However, for the Commonwealth Government to try to implement such a scheme in bits and pieces, by running the Tasmanian railways and South Australia's country railways, is typical of the overall shambles in which the Commonwealth Government at present finds itself. I again return to the point I made earlier regarding the advertisements that this State's Premier inserted in the press during the election campaign. He said that the South Australian Government was being blamed for the mistakes made by the Commonwealth Labor Government in Canberra and that the South Australian State Government did not want to be tied to those mistakes. Yet we are being asked to accept this agreement and this Bill without any opportunity of amending them. We cannot amend the agreement or the Bill.

The only way in which we can ensure that the people of South Australia are safeguarded is to refer the whole matter to a Select Committee. Only on that basis will the people of South Australia have an opportunity to indicate clearly their desires on this matter. The country people have already done this, and we know the results of that. Once the result of the Select Committee's inquiries is known, the Bill can be returned to Parliament and the necessary amendments made. The Government can then re-negotiate the agreement because, after all, the ratifying Bill has to be returned to the Commonwealth Parliament as this Bill was not passed by the South Australian Parliament before July 1. If the member for Mallee checks on the legislation (and this was pointed out to us only last evening) he will find that it will have to be corrected in the Commonwealth Parliament. Therefore, such an opportunity does exist, and it is of vital importance to South Australia that the terms of the agreement are clearly spelt out in the minds of the people of this State and to the satisfaction of all concerned. Only then will the Opposition be willing to support this measure.

Mr. BECKER (Hanson): Most of the main points regarding this Bill have been dealt with by my colleagues in their usual efficient manner. However, we have heard very little from Government members. We expected the usual tirade from the Minister, and it is most interesting to note that again he has not led the debate on this Bill.

The Minister made some fleeting reference to a mandate held by his Party. The State policy speech in 1973 contained the following clause on the railways:

Negotiations are proceeding with the Commonwealth concerning a possible takeover of the State country and interstate railway systems. In this, we are ensuring that there are adequate safeguards to protect the employment of railway workers and the service to our country areas. In the event of a conclusion of such an arrangement, a new Department of Transportation to manage all urban transport in the State will be established.

That was contained in the 1973 policy speech and that is what the Government claimed at the time was a mandate for the Bill now before us. Since the State election, in which more publicity was given to this matter than in 1973, the Government is still claiming that it has a mandate, but what it is not telling the people and what it did not tell them during the election campaign is the truth. The Government still has not been honest with the people of Australia.

Mr. Keneally: You did not talk about it at all.

Mr. BECKER: We tried to warn the people of South Australia, and I am quite sure that they are fully aware of certain implications in relation to the Labor Party's pulling the old trick and saying, "We have a mandate." Turning now to the branch rules of the Australian Labor Party, the item on transport (and the Minister of Transport no doubt has been the architect of this policy and has fought for it over many years) states:

1. The State to actively campaign for annual grants from the Commonwealth specifically for modernising, expanding and maintaining the public transport systems.

The Hon. G. T. Virgo: We are getting that, too.

Mr. BECKER: The public transport systems would cover the whole of South Australia, because this is the State platform. The document continues:

2. All public transport systems to be co-ordinated and subject to the control of the Minister of Transport.

Therefore members on this side claim that the Minister has failed to do his job if he cannot adequately control the systems as far as the non-urban lines are concerned. He has proved to the people of South Australia how incompetent he really is. Now let us look at the Commonwealth platform of the A.L.P. in relation to transport. The document states, in part:

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

(g) The Australian Government to compete actively with private enterprise in interstate transport by sea, air or road.

(h) A referendum to give the Australian Parliament complete powers to make laws with respect to all forms of transport.

The handing over of the country rail services and other lines as mentioned in the Bill may be the beginning of the implementation of Labor policy, but nowhere and at no time during the election campaign were the various Party platforms of the Government given to the South Australian people.

The Hon. G. T. Virgo: You are joking.

Mr. BECKER: Government members cannot expect to come out with a few lines in a policy speech and say that gives them a mandate, and then sweep it under the carpet, as was done in 1973. It was quite difficult to find where that gentleman in Canberra mentioned very much about it in the 1974 election. However, the people of South Australia realise that once we start handing over portion of the railways and the transport authority we give away the chance to control and co-ordinate the whole of the planning of the transport system throughout the

whole State. We are not representing only the metropolitan area, but we are representing South Australia as a whole, and if the Minister wants to carry out the Party platform I cannot see why he would want to give away part of his transport system, but that is what he is doing.

The Government is giving away part of its services, the railways, to a Commonwealth Government which is willing to make some financial deal. It is difficult to find out just what that financial deal will be worth. We saw the advertisements which stated it would cost South Australia \$800 000 000 over 10 years. This proves that the Government has something to hide by escalating figures over a 10-year period, putting it on a grand scale to try to fool Mr. and Mrs. Average Citizen. However, they were not fooled because they realised that, no matter who owned the railways, as taxpayers they would still have to pay. It does not matter whether it is going to an incompetent Commonwealth Government or to an incompetent State Government; we will still be taxed to high hell to finance the system. As far as it concerns people in the metropolitan area, we get rid of these lines, we hand them over to the Commonwealth Government, and we get a certain amount of money to help balance the Revenue Account. That looks very nice, and we have a surplus of \$8 300 000 at June 30.

However, people were awake to the additional grants given to the State on June 30, 1975. The Government tried to hoodwink the people with its financial deals and by the greatest piece of misleading advertising that has ever been put to voters in any election in this State, but the people are now a wake-up to what the Government is like. The integrity of the Government and of the Minister has always been under question; they will do anything they can to obtain and keep Government. It is the old story that those who cheat their way into this place will do anything once they get into Government and they do not care what system they use to cheat.

I compliment my colleague the member for Mount Gambier on his excellent opening speech. He expressed concern about the transport system in the South-East, particularly in relation to private operators of road transport. When we consider that, according to its platform, the Australian Government is to compete actively with private enterprise in interstate transport by sea, air or rail, we know that under the Bill the Australian National Railways Commission can, if it wishes, operate any road transport system in the same way as the South Australian Railways. This Government will do anything at all if it wants to do it. There is no principle involved. The Government would do it and drive anyone out.

There is also a hidden clause about a referendum to give the Australian Parliament complete powers to make laws with respect to all forms of transport so that it can control transport in the country areas, dictating to the private operators and to the people in the country how far they can go with road transport vehicles. It will be a complete dictation of the whole of the transport system and the whole of the transport operation within the State. We had the unusual situation in the last debate when some Government members said one minute that they were South Australians and in the next breath that they were Australians, but they quickly dropped the Australian Government when the news came out about the integrity of that Government in arranging overseas finance. When we have a Government dealing in such huge sums which, with very little care, is prepared to deal with traders behind tents and the bottom class of money-lending systems,

people become worried and concerned about the hidden financial deals, even in relation to the railway system.

It is most important to South Australians that they should control the destiny of their State. It is most important to South Australians that they, as taxpayers, are entitled to know what arrangements have been made in relation to this transfer agreement. It is important to the Opposition, as well as to the taxpayers, to be satisfied that those who are employed in the railways will have the usual protection in relation to transfer of employment and conditions. The Government members attack us, because the moment we come out on the side of the workers, they smell a rat. The Government says that we on this side do not care for the worker, but it knows that that is completely untrue and that it is another story it has been peddling over the years. The Liberal Party represents all sections, and the worker is amongst the average citizens in the community.

The Hon. G. T. Virgo: You'll fool yourself soon.

Mr. BECKER: I do not have to fool myself, because I was a member of an association during the most informative years of my life and for a time was President of that association. I know what it is like to work for a boss, and I worked damn hard. I do not believe in denying any person his rights, but the Minister cannot understand that we want to ensure that the workers transferred to the Australian National Railways Commission will have their rights protected and will get a fair go.

There is nothing sinister in what we want to do. After all, we represent people. I support the suggestion that this Bill be referred to a Select Committee, because any people or any organisation having any doubts could then ask questions before the committee and give a point of view. I believe that the people of South Australia still have not been fully informed of all the ramifications of this matter. Our Standing Order 392 states:

When a committee is examining witnesses, strangers may be admitted, but shall be excluded at the request of any member, or at the discretion of the Chairman of the committee, and shall always be excluded when the committee is deliberating.

I interpret that to mean that, if a Select Committee is appointed, the hearing could be an open public hearing, and I support that. After all, the taxpayer must foot the bill and should be entitled to be present at any committee meetings, as should the media. It is about time the Government started practising open government.

The Hon. G. T. Virgo: Tell me about the majority of one that Dr. Tonkin won the leadership by.

Mr. BECKER: I do not know what the Minister is talking about.

The SPEAKER: Order! The honourable member for Hanson must stick to the Bill.

Mr. BECKER: It would be in the interests of democracy for the taxpayers of the State if we referred the Bill to a Select Committee and made the hearing public. For that reason, I support the second reading.

Mr. SIMMONS (Peake): The hour is already late and, as it seems from the way the Opposition is going that it will be extremely late before we conclude the debate, I will not take up much time. I am sick of having thrown up the reference to the value of the assets that the Opposition would have us believe are being handed over for a song. The member for Mount Gambier was given the courtesy of an interruption-free maiden speech but that does not mean that the House will accept either now or in the future statements that are arrant nonsense. I refer to

his statement that the consideration for the sale of the railway assets was inadequate because he put a value of as much as \$400 000 000 on them.

Mr. Allison: I think it was Mr. Millhouse who said that.

Mr. SIMMONS: No, I think it was the honourable member who said it, and he said, on that basis, assuming a 10 per cent return, the Government should have been given about \$40 000 000. Whether the member for Mount Gambier or one of his colleagues advanced that argument is beside the point: the argument is fairly common and is cuds-wallop. It is about time the people of South Australia were free of this misrepresentation that the Opposition delights in putting forward. I refer now to the most recent annual report, that for 1973-74, of the South Australian Railways Commissioner, which in this House on March 26, 1975, was ordered to be printed. In that report Appendix I shows that the value of the fixed assets of the railways at cost, less depreciation and retirement of assets, was \$179 050 558. The excess of current assets over current liabilities was an additional \$10 952 990, leaving a total net assets value of \$190 003 548. I accept that, if the real assets were valued at current market prices instead of historical prices, they might be worth more, but I do not know how one values the land on which a railway runs through a depressed rural area.

I strongly suspect that, if the railways assets were put under the hammer at present, the value would be much less than the \$190 000 000 at which they are valued in that report. I turn now to a more realistic view of the annual value of the South Australian Railways. Over the past 20 years the State railways have lost more than \$237 000 000. The last year in which they made an operating profit was 1944-45, a year in which there was little private transport. That time was long before the days of the Holden motor car. It was a war year and petrol rationing was in operation. In that year, when everything was in favour of the railways, the operating profit, which was the most recent operating profit, was less than \$900 000.

However, when we consider the interest payment by the railways of about \$2 700 000, even in those favourable circumstances, the last time that the railways made an operating profit the loss was still about \$1 800 000. Appendix 19 of the report is a statement of earnings, working expenses, and interest from the commencement of the railways to June 30, 1974. This statement shows that accumulated working expenses and interest payments to June 30, 1974, amounted to \$1 374 400 000. The total earnings, grants by the State Treasurers, and aid under Act 1629/24 amounted to about \$1 305 900 000, leaving an excess of expenses over earnings of about \$68 535 000.

I suppose that that is not so bad, but the catch is in the reference to grants from State Treasurers. In 1971-72 those grants amounted to \$19 500 000, in 1972-73 to \$22 500 000, and in 1973-74 to \$30 000 000. That is, the accumulated grant by the State Treasurer towards the railways deficit for the past three years was \$72 000 000. In other words, the accumulated loss shown in the annual report of \$68 500 000 would have been more than doubled over the past three years alone if the Treasurer's grants had been taken into account. These are the valuable assets that we are criticised for accepting \$10 000 000 to hand over. It always amazes me that members opposite, who pretend that they are businessmen and that they know something about what goes on in the world of business, will put up such a stupid argument. I refer them to the

sale of Port Jackson ferries some years ago, when the private company that was making a considerable loss was happy to accept \$50 000 for the whole concern, provided that it was kept going. That is an example of how private enterprise was happy to get rid of a so-called asset that was making a substantial loss.

The member for Chaffey also had the hide to refer to the State Government Insurance Commission. The biggest single reason why the Commission is making a loss is that private enterprise insurance companies have ducked out of their responsibilities in areas of loss and have handed over the responsibility entirely to S.G.I.C.

Members interjecting:

The SPEAKER: Order! The honourable member for Peake has the floor.

Mr. SIMMONS: I was merely referring to a point raised by the member for Chaffey. It seems to be deliberately misleading the people of South Australia when Opposition members keep referring to the sale of these assets at a give-away price to the Australian Government. In fact, South Australia, as the Premier has often pointed out, is doing well from this deal. Moreover, all the argument about referring the Bill to a Select Committee is only another attempt to defer the final decision, which has already been adjudicated on by the people of South Australia. If honourable members opposite say, as they have said several times this evening, that the real facts have never properly been put before the people of South Australia, I would have thought that, if an election was called on this matter, and it was, the Opposition would have done something about informing the people what the facts were. Instead, all they did was bring in people from other States and get away from the facts at hand.

Mr. Becker: We didn't bring them—they came voluntarily.

Mr. SIMMONS: I am grateful that they came, whether voluntarily or not, as I had the assistance of Mr. Snedden and Sir Charles Court doing some door knocking, and in the areas where they did that my vote went up. I could speak for hours on the points that have been raised by honourable members opposite tonight, but I want only to straighten out the argument raised about giving away valuable assets for nothing. Any private enterprise undertaking would have given them away long ago, but the State is responsible for providing a transport service to the people and, if the Australian Government is willing to take the responsibility for this area of our railways, we are doing well in getting rid of them.

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

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr. BLACKER (Flinders): First, I congratulate you, Mr. Speaker, on your appointment to the Chair. I have noted the interest you have shown in this Bill, which vitally affects people in your district. I also take the opportunity of congratulating the member for Mount Gambier on his maiden speech. Certainly, if his maiden speech is any indication, we will hear many more fine, factual and specific speeches.

As this debate has proceeded it has become evident that the prime motive behind the whole exercise involved in the transfer of the railways has been political philosophy. Tonight the Minister has freely admitted that this has been the philosophy of the Labor Government and that it was intended to nationalise or at least centralise the

railways in this way. It is evident that this Bill merely carries out the policy of the Australian Labor Party, whose policy was endorsed and subsequently publicised at the Terrigal conference.

Although a similar Bill was introduced in the last Parliament and during the first debate in June, and despite the ensuing election and subsequent debate this evening, the people still have not been told what value and protection is afforded to South Australia in the agreement. There is no enforceable way in which South Australia can be protected by this legislation. I emphasise that point because, despite all the good faith in which this transfer agreement may have been drafted, there is no way in which South Australia can hold the Australian Government to it.

It has been proved by court action that where a difference arises between a State and the Australian Government, the Australian Government has the absolute and final say. Furthermore, there is no court to which the State can go to challenge this aspect. That fact is important in considering this agreement. It is an overriding aspect of the Bill, and I believe that it makes the whole transaction invalid and subject to the whims of the Australian Government. This is the aspect about which I am concerned, because, even though the State in all good faith transfers the railways to the Australian Government, the whole transfer can be invalidated by the actions of the Australian Government.

Much conjecture has been raised about whether the recent election was held on the railway transfer alone. The pros and cons of the argument have been presented, but without any doubt it must be accepted that the election was called on the railway transfer issue. The Leader of the Liberal Movement stated that it was an elementary fact of democracy that this should be so, but then he went on to give additional reasons for his support of the Bill, if necessary.

However, I must state that in my electorate the people voted overwhelmingly against the Bill. In my district it was presented first and foremost on the platform on which I spoke, and in my district the Labor vote was, I think, the lowest that Party has received since single-member electorates were introduced. I stand to be corrected on that statement, because I have researched the figures for only the past 30 years. This trend appeared in almost every country district: where the people were directly involved in the Railways (Transfer Agreement) Bill, they voted overwhelmingly against the measure.

Only the composition of the State, in which there is metropolitan dominance, has enabled the Labor Government to be returned with a slender majority and to continue to govern and falsely, I believe, claim to have a mandate on this matter. Therefore, I believe it would be wrong of me to come out in support of this Bill, even though the Government is claiming a mandate in this matter. In my opinion, I have a mandate to vote against the Bill, and, therefore, I must approach the Bill with caution, in that I believe it must be referred to a Select Committee in order that the public be fully informed and understand the implications behind this legislation, because currently we just do not know.

Much has been said by the Minister about maintaining the transport system within the metropolitan area under the one portfolio, resulting in a complete amalgamated transport system. On the other hand, the Minister is happy to relinquish the non-metropolitan railway portion of the State's railway system. This action is contradictory. How

can the Minister claim to want overall control of the total transport concept in the metropolitan area if he is willing to relinquish one part of it and subsequently divide control, which he is obviously doing in respect of the non-metropolitan area. The Minister has said that he will still retain control, and I certainly hope that that is the case. However, I point out that the Australian Constitution has overriding powers in this matter, and I still believe that, despite the fine print contained in the transfer agreement, sections 99 and 109 of the Commonwealth Constitution override many of the aspects about which the Minister is so confident.

I believe that there should be an obligation on the Government to provide services, and I hope it will retain control of those services. Certainly, at some time in the future, perhaps even the immediate future, the Minister may have to justify his actions in respect of that aspect of the agreement. The Interstate Commission has also been referred to this evening. Once again, we still have not had an explanation by the Government of how South Australia will be protected or of how Co-operative Bulk Handling Limited will be protected. Despite the assurances that have been given, probably with the best of intentions, we still have no guarantee that the moneys and the efforts expended by the graingrowers and the co-operative will be protected.

Another aspect that has not been mentioned is that much of the rolling stock of the railways, particularly on Eyre Peninsula, has been financed to some degree by the grain carried. I have not heard any mention of whether there has been co-operation or deliberation between the graingrowing organisations on this aspect. Considerable mention of finances has been bandied about. All kinds of sums have been mentioned, but I do not think that anyone has got down to a specific figure. Regardless of the deficit the Government has claimed that it will alleviate itself from, I do not know that there is any difference between an Australian taxpayer and a State taxpayer. Regardless of whose books the deficit is entered in, it still affects every taxpayer. As all of us are taxpayers, we must foot the bill.

Mr. Coumbe: It'll be even more.

Mr. BLACKER: Yes, because of added administrative costs. During the last election campaign I encountered only one query regarding the transfer of the railways. This person believed that it would be a good thing. He was a railway employee, who raised a query regarding superannuation; that was the only aspect he raised, because he believed that the Australian Government had a better superannuation scheme. Whether or not that is the case is irrelevant, because superannuation is an administrative matter; it can be sorted out and brought into line by State administration. That, in itself, is no just reason why the Bill should be passed. Throughout my district, the attitude of people was very much against the transfer taking place. Once again I return to the question: Why not transfer all the railways? The Minister has said that we must keep the transport system in one group and not divide it, whereas he is happy to separate the non-metropolitan lines. I will now refer to two areas of concern that have been brought to my attention. The first is clause 13 of the agreement, which provides:

On and from the declared date and notwithstanding any Act or law of the State the Commission is authorised and empowered—

(a) to administer, maintain and operate in the State the railways and services acquired under the agreement.

That makes it a very broad agreement. Clause 16 provides:

(1) The Governor may make such regulations as are necessary or expedient for the purpose of giving effect to the provisions or objects of this Act.

(2) Without limiting the generality of subsection (1) 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 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. This, in itself, can completely override any aspect of the Act and give the Governor sweeping powers over and above those in the Bill we are debating. One of my greatest criticisms when debating the Bill during the last Parliament was that the whole approach to the subject was indecisive, and the concern I expressed at that time has not been allayed to my satisfaction. Other criticism was the lack of assurances about the protection of the road transport system. The member for Stuart indicated his support for Government-owned road transport. I remind the House that since the measure was last before us the Government has made no further assurances regarding the protection of the interests of South Australia. The long-term effects of the Bill are unknown and, despite what the Minister and his colleagues have said, we have been told nothing about how the South Australian transport system will be situated even within as short a period as a year. Surely this is a matter that no responsible citizen could support and at the same time know that the State would be protected.

At least a responsible Government would not allow such a sweeping measure to be passed without proper scrutiny by a Select Committee and without the opportunity for members of the public to make submissions. The member for Stuart raised a point that I believe should be answered. He said that the Commonwealth could not change freight rates without consultation with the State. Although I believe that the Commonwealth would probably consult the State wherever possible, the Commonwealth could change freight rates without State consultation and could completely override anything decided by the State without any appeal from the State Government.

I believe that the Bill is a matter of great concern and, although we have been to the South Australian voter on this matter, I do not believe that it has been presented in a correct manner. I believe that wherever it has been presented in country areas and in areas that have been affected by the rail system there has been a decisive "No" vote. Every member representing a country district seems to be unanimous in the view that his vote was higher than previously. It has been acknowledged by the Government that the election was fought on the railway issue. Therefore we must accept that, whatever the outcome of this Bill, the country people (those directly involved with the services of the railways) have voted against the measure passing this House. With Government members exercising a majority, it is apparent that the Bill will pass further than just the second reading stage. I support the second reading, anticipating that the Bill will be referred to a Select Committee. Should a Select Committee be refused, I will have no alternative but to oppose the third reading.

Mr. RODDA (Victoria): I join with my colleagues in extending to you, Mr. Speaker, my congratulations on your assuming the Speakership of the House. I have some close association with the situation in which you find yourself, because in 1968, when I was a member of the

Government then in office, I had the somewhat dubious privilege of being Government Whip, and I know the great responsibilities that attach to the office that you have assumed. The Speaker at that time was a very experienced member of Parliament. I congratulate you, Mr. Speaker, on the manner in which you spent your first day in this House as Speaker. This Bill was the subject of a State election. Like the people in the Flinders District, the people in my district were strongly opposed to the Bill. This was reflected in the voting at the election. I see the Minister of Mines and Energy glancing in surprise.

The Hon. Hugh Hudson: Are you saying that with a straight face?

Mr. RODDA: It is quite true. I had the best figures I have ever had.

The Hon. Hugh Hudson: A few other things happened in the election campaign.

Mr. RODDA: We had record figures, for some reason. We had an absolute majority in every box in my district for the first time in my memory. This happened because the Government is selling off the assets of this State for a pittance of \$10 000 000 plus a built-in figure of \$25 000 000 in the base in the financial agreement. The member for Peake referred to what he called the arrant nonsense of the member for Mount Gambier. If the member for Peake goes to Mount Gambier or Millicent or the Victoria District, he will realise that the people in the South-East are very unhappy. I am speaking about the Bill now as a result of the phone calls we have had today about it. I did not speak when the Bill was previously before this House. The member for Peake gave some interesting figures about losses. I hope I can quote him correctly; he said that the losses attaching to the railways were \$237 000 000 in the past 20 years. In his policy speech the Premier made some extravagant statements about losses, and he projected his figures ahead 10 years. I listened to his speech fairly carefully; he said that the Legislative Councillors, by rejecting the Bill, gave away a gross profit to this State of \$600 000 000 for a loss of \$800 000 000. I think the Premier said that South Australia could not afford such expensive Legislative Councillors; I think those were his words. It is no wonder that the people of South Australia were confused when the Premier gave those figures. One can work this out in a dozen ways and get a dozen different answers. This did not go down with country people, and this is why there is much concern. We put the value of the assets at about \$150 000 000. We are to receive a direct grant of \$10 000 000, and then a building-in to the financial agreement. I was interested in a letter from the Prime Minister, addressed to "My dear Premier", on May 21. The letter says:

I believe that you have some concern that during the interim period the State may, if clause 6 of the agreement should be held to be invalid, incur damages, costs or expenses arising out of the administering, maintaining and operating of the non-metropolitan railways, and which may not be recoverable from Australia under the agreement. You have my assurance that, in these circumstances, my Government will recommend to the Australian Parliament that any such damages, costs or expenses shall be reimbursed to your Government.

So, there is some doubt, even by the Prime Minister, about whether this agreement could be held to be invalid. So, it is not beyond the realms of possibility that the agreement could be subject to challenge. The letter also says:

I have also taken the view that it would be neither necessary nor appropriate for the matters set out in the following paragraphs that were included in the principles to be included in the agreement.

I assure you that, subject to an evaluation by the Bureau of Transport Economics showing them to be economically desirable, the Australian Government will agree to the construction and operation of a rail connection to the container terminal at Outer Harbor, and will improve and where necessary replace the main line to Murray Bridge to ensure a high-standard service to the growth centre at Monarto.

The Australian Government agrees with the South Australian Government that a separate rapid transit system in South Australia is a desirable long-term objective and studies will be initiated to establish the technical and economic feasibility of a complete or partial separation between the systems.

I reaffirm that the terms and conditions of employment of persons transferring to the Australian Government service will be no less favourable to them than those presently applied.

The Australian Government will again consider transferring the headquarters of Commonwealth Railways to South Australia.

In his letter the Prime Minister did not say that it would be appropriate to include those things in the agreement. I point out that an agreement to build a Northern Territory railway has not been honoured. Clause 13 of the agreement provides:

(2) Nothing in this clause shall operate to restrict the introduction of new freight or passenger road services or the extension of those freight or passenger road services which exist on the commencement date by Australia, the commission, the State or the State authorities . . .

(5) Australia or the commission shall not be liable to pay any fees, taxes or other charges in respect of the application or approval referred to in subclause (4) or in connection with the operation of the road services referred to in this clause.

As has been pointed out by the member for Mount Gambier, we have a very efficient force of road transport operators in the South-East, and they may be forced to meet opposition from a Government body that could be set up. It is claimed that there are 300 Volvo vehicles under wraps to do this. A Commonwealth corporation would not pay fees and taxes, yet it would be in competition with private enterprise, which would have to pay fees and taxes. This is a matter of very real concern to these people and to the State. This is why the Opposition asks that the Bill be referred to a Select Committee. As the member for Mitcham has pointed out, we cannot do very much about the agreement; that would be subject to wholesale renegotiation with the Commonwealth Government. However, these matters should be ventilated before a Select Committee in the interest of the vote that was recorded at the recent election. You, Sir, are in the House, not with the blessing of the Labor Party but because the people of Port Pirie sent you here. It is your business that you keep the Government in office, but the Government has a real responsibility to the people of South Australia. It is a serious situation that faces us now, and for that reason I take the stand that I have taken in this short speech.

Mr. ALLEN (Frome): I, like other members on this side, believe that this Bill should be referred to a Select Committee. Most of the salient points relating to this measure have been dealt with by other honourable members on this side, so I intend to deal only with those matters that directly affect my district. As most members know, my district is large and is serviced by both the Australian National Railways and the South Australian Railways. It is rather ironical that, when one goes north to the Leigh Creek and Marree area and discusses the various aspects of this Bill with local people, they say they want the State railways to take over the Australian National Railways, because they are receiving a shocking passenger service. When one comes further south into the area covered by the State railways, one finds people wish their rail service could

be taken over by the Australian National Railways, because they claim that that service is better than the service operated by the South Australian Railways. It is interesting to hear the various views of people who are served by rail services in this State. The Minister of Transport this afternoon made the following statement:

... a clear undertaking has been given that no employee will suffer. Whether in the area of position, opportunity for advancement, superannuation, etc., an undertaking has clearly and simply been given that no employee will be disadvantaged.

What does the Minister mean by "disadvantaged"? No reference was made by him to the railway employee who owns his own house and is transferred to another town, thereby suffering considerable financial loss. In reply this evening to an interjection by the member for Fisher about what would be the situation in relation to housing at Peterborough, the member for Stuart said that Peterborough housing was only a side issue. Such a statement will make really good headlines for the local press. Imagine the headlines "Keneally says, 'Housing for Peterborough is only a side issue'." I am sure the people in that area will not appreciate that remark. The member for Stuart went on to say that railway employees affected by the take-over could be transferred to Port Augusta and that they would be appreciated there. Perhaps that is so, but if that is the attitude adopted by the honourable member I am sure he will not be the member for Stuart for much longer.

Most members in this place will recall what happened many years ago at Quorn when the standard gauge line from Port Augusta was redirected through to Leigh Creek and Marree. There was much speculation at the time that Quorn would become a ghost town. Most of the railway employees were transferred to other places, with the result that the price of houses in Quorn dropped considerably and many farmers moved into Quorn, bought houses quite cheaply, and now live in the town and run their properties. Over the years the situation has improved greatly. People have recognised that the climate and living conditions at Quorn are far better than they are at Port Augusta, so about 60 people live in Quorn and commute to work each day to Port Augusta, with the result that it is now difficult to buy a building block at Quorn. Many new houses have been erected in that town over the years.

The same situation has occurred at Terowie. Members will recall that Terowie used to have a break in gauge and that all Leigh Creek coal was transhipped at that town to a different gauge and subsequently brought to Adelaide. When the break of gauge was removed from Terowie people claimed that the town would become a ghost town. This had the effect of employees moving out of town and selling their houses for only a few hundred dollars. Pensioners and people of retiring age moved to Terowie and bought houses quite cheaply, so that every house in Terowie is now occupied, although some shops in the main street are not. I am afraid that, unless we can get an assurance from the Government, if the workshop at Peterborough is removed to Port Augusta (and that is what most of the people of Peterborough are afraid could happen), railway employees will be forced to move to other centres and to sell their homes at a considerable discount.

We have had no reassurance whatever from the Government on this aspect. Houses in Peterborough do not now bring the premium that houses bring in other large country towns. If the workshop is removed, house prices will drop considerably, so I appeal to the Minister to consider this aspect. Over the past six months I have tried

repeatedly to get an assurance of this kind from the Minister and the Premier but have had no success whatever. An article that appeared in the *News* on January 17 this year and headed "South Australian Railways Handover Talks: Terms to be settled—Dunstan" stated:

The Premier, Mr. Dunstan, said today terms and conditions for any transfer of the South Australian Railways to the Commonwealth were still being negotiated. An initial report from Canberra last night that South Australia had agreed to hand over control of the South Australian Railways to the Commonwealth was not correct.

The article continued:

Transport Minister, Mr. Virgo, today described Dr. Cairns' statement as "extremely misleading and one could almost say mischievous."

Looking back to last January, I am at a loss to recall which portfolio Dr. Cairns held. Was he a Minister before being elected Treasurer and Deputy Prime Minister, or had he just been demoted to a Minister? I do not believe it was when he was demoted to the back bench, because that was only a few weeks ago. If anyone opposite could tell me what portfolio he held at that time I would be interested to know. Mr. Dunstan went on to say in that article that South Australia was prepared to hand over its metropolitan railways to the Commonwealth but only under certain conditions. The Premier laid down five conditions under which the railways would be handed over. The first was the retention by South Australia of metropolitan railways; the second was the guarantee that jobs would be retained; the third was that services would be retained, at least at the level operating at the time of the take-over; the fourth related to freight charges and fares; and the fifth was that reasonable Budget provisions be made. As a result of that newspaper article I wrote to the Premier, pointing out to him that I was particularly concerned about railway employees at Peterborough and what would happen to them on the changeover. I also said that the second and third points, to which I have already referred, caused me most concern. In the last paragraph of that letter, which I wrote on January 21, 1975, I said:

When you are laying down conditions for the take-over by the Commonwealth Government, would you be prepared to give consideration to also putting in a condition that Peterborough, as a workshop and centre, be retained as near as possible to its present standard? If an assurance of this nature could be given, I think it would alleviate the fears of the residents of Peterborough at the present time.

I received the following acknowledgment, which was signed by Mr. Bakewell and dated February 3, 1975:

The Premier has asked me to acknowledge your letter of January 21, 1975, suggesting that the Peterborough workshop be retained at its present standard when the Commonwealth takes over the South Australian Railways. Your letter has been forwarded to the Minister of Transport for his information.

However, until now, I have received no reply or even an acknowledgment from the Minister of Transport on this matter. I waited until the February/March session of Parliament and it so happened that one day the member for Davenport asked the Premier for an assurance regarding the Islington workshops. The next day, therefore, I asked whether the Premier would be willing to give the same guarantee regarding Peterborough employees as he had given the member for Davenport regarding the employees at Islington. In reply, the Premier said:

In discussions with the Commonwealth, the workshops at Peterborough have been taken into account equally with those at Islington.

However, some time during May the Peterborough corporation saw fit to write to the Premier and ask for clarification

of the reply that he gave to my question. A report in the May 15 issue of the *Review Times* is as follows:

The mayor of Peterborough, Mr. D. T. Dowd, reports in his latest newsletter that a letter was written by the Town Clerk, Mr. M. Dunstan—

who, incidentally, is no relation to our Premier—

Mr. Mathwin: He'll be pleased you said that.

Mr. ALLEN: He always stresses that when anyone is speaking to him. The report continues (referring to the letter written by the Town Clerk):

to the Premier seeking clarification of the statement made in Parliament regarding the future of Peterborough. The following reply has been received:

Dear Mr. Dunstan, I write in reply to your letter of April 3, in which you seek some assurance as to the future of the Peterborough Railway Workshop following the recent negotiations with the Commonwealth. The Premier has asked me to say that in these negotiations this matter received earnest attention, and you need have no apprehension. The principles which were tabled in the House of Representatives recently contain a provision that there should be no reduction in the level of employment of railway workshops without prior agreement of the State Government.

It states in that letter that the Commonwealth Government cannot make any reduction in the level of employment without the State Government's agreement, although it does not give any assurance that the State Government will not give that permission. That is the last communication that I have received on this subject. I am still awaiting a reply from the Minister of Transport to the letter I wrote to the Premier on January 21 this year, which is over six months ago. With those few remarks, I support the suggestion that the Bill be referred to a Select Committee.

Mr. MATHWIN (Glenelg): First, I should like to congratulate you, Sir, on your election to the high office of Speaker of this House. I also take this opportunity of congratulating my colleague the new member for Mt. Gambier on his excellent maiden speech which he delivered today. It was an excellent speech which contained a wealth of information for those who cared to listen. Those who did not listen will be able to read it tomorrow and learn something. I support the second reading of this Bill, with the intention that it should be referred to a Select Committee. That is the only way in which I will support the Bill, hoping that it will be accepted by the Government as a Select Committee Bill.

I believe it contains too many areas of conflict. There are too many unexplained questions and, indeed, questions that cannot be explained, anyway. The opportunity has been given to the Premier and others to explain the many grey areas, but they have been unable to explain them to the satisfaction of members and the South Australian public. It is apparent that members of the South Australian public is of the same opinion: that the Bill is not a good one. They have shown this in no mean manner. The Premier called this election, because it suited him to do so on the pretext of this Bill, but he fell flat on his face, having lost the three seats of Millicent, Mount Gambier and Port Pirie.

Mr. Jennings: He's still on the right-hand side of the Speaker.

The SPEAKER: Order!

Mr. MATHWIN: Only by the grace of the Speaker, as the member for Ross Smith well knows. He knows the situation just as well as I do: the Labor Government lost the three seats of Millicent, Mount Gambier and Port Pirie.

Mr. Jennings: Who did?

Mr. MATHWIN: The Labor Party's candidate for Pirie was severely thrashed by the Independent candidate.

The SPEAKER: Order! I draw the attention of the honourable member for Glenelg to the Bill under discussion.

Mr. MATHWIN: Thank you, Mr. Speaker. The Bill was made an issue by the Premier for an election, and he tried to frame the election on it. I should now like to refer to the feelings of the various candidates, one of whom, Mr. Phelan, was the Pirie protege until he was beaten. He said that the railways are a vital link in Port Pirie's industrial base. The A.L.P. candidate for Port Pirie told *The Herald* (the editor of which we all know, and he would not stretch the matter far):

Port Pirie is the core for Commonwealth Railways' operations spreading across the continent. It is frightening to think what may happen if the State Government were unsuccessful in its bid to sell S.A. country railways to the Commonwealth. Every thinking person in our industrial north is fully aware of the importance of the existing rail systems which would be integrated into a single entity under the Commonwealth-State rationalisation agreement.

The report continues:

Jack Phelan said Port Pirie's growth relies heavily on future development of the railways. This can only proceed if the Dunstan Government is returned to office to bring the venture to a successful conclusion.

So said this gentleman from Port Pirie. That is a quotation from *The Herald*, and was no doubt contained in the speech he delivered at Port Pirie. However, he was thrashed, so those people undoubtedly did not agree with the situation as far as he was concerned. On page 5 of this publication we see the following report of remarks made by the Minister of Transport on the same issue:

As a result of the Bill's rejection, the South Australian Government just cannot afford to lift the petrol tax. We have to balance the books just as any other organisation does.

The Minister has at last admitted that, as a State, we have to try to balance the books; we are quite willing to pawn anything at all to balance the books. The report continues to quote the Minister as follows:

South Australia stood to lead the nation in railway reform. We in South Australia had been in the box seat to lead the way in the reforms until the Legislative Council stepped in. The top legal experts agree with us, the Federal Opposition in Canberra agree with us, and the unions agree with us.

So said the Minister of Transport, but what unions was he talking about? Was he saying that all the unions agreed with him? He would know that that was not quite true. I turn now to a report in the *Advertiser* on May 6, 1975, under the heading "Government 'grandstanding' on State rail services", which states:

Unionist slates hand-over of country line. The South Australian Government was accused yesterday of "grandstanding" in its attempts to split the State's rail services.

This was quoted from Mr. G. R. Moorhead, who said in Adelaide that the decision to hand South Australian country rail services to the Commonwealth Government was clearly political. He said:

It is the sort of thing we would have expected from the non-Labor States. It looks like jobs for the boys, clutching long-established areas of authority to their bosoms. When can Australia's railways be freed from political opportunism and pecking like this decision?

Obviously, the Minister does not talk to this member of a union, and obviously he wants to wash his hands of this man, just as the Premier wished to wash his hands of one of his colleagues, his Siamese twin from Canberra, when it suited the Premier to drop him like a hot cake in the midst of the election campaign. I refer, of course, to the Prime Minister (Mr. Whitlam). Even the Minister of Transport

did not really know what was going on when he referred to the unions as being behind this Bill. It is quite obvious that he does not listen to the boss of that union. I believe it would be wrong to push this Bill through without a proper opportunity being given to all concerned to give evidence, if they wish, to a Select Committee. With that in mind, I shall support the second reading in the hope that the Government is sufficiently responsible to accept the suggestion that the Bill should go to a Select Committee.

Mr. EVANS (Fisher): I will support the Bill at the second reading stage in the hope that it will go to a Select Committee. The member for Stuart this evening set out to attack the member for Light in such a way that I never believed possible of him. I think his snide, cynical remarks were not in keeping with his normal approach to politics, and I believe that the attempt he made did him very little good in the sense of honesty or decency. The member for Light made a speech that was factual and honest. That man, regardless of what the member for Stuart may say, has qualities that no member in this House should be ashamed of, regardless of what the member for Stuart might attempt to imply.

Mr. Keneally: I would go along with that.

Mr. EVANS: The member for Stuart said that we need one co-ordinated rail service throughout Australia and that we should not have an arbitrary line between one service and another. May I ask the honourable member, in supporting this Bill, whether there will not be an arbitrary line between the urban and non-urban areas? All he has done is bring it from the State border to a point nearer the capital city, but there is still an arbitrary line. When he speaks of academic arguments he needs to think a little more deeply than he has tonight. The honourable member says the new arrangement will be more efficient because there will be only one administration. Some of my colleagues have used the example of the Postmaster-General's Department. Judging by the increased charges we must face, we must have the most inefficient postal service in the world. For a country such as Australia to face an increase of virtually 100 per cent in postal charges in one year shows that a Government owned instrumentality with one central control is ridiculous, inefficient, and not acceptable to the community. The sooner we introduce deliveries by private enterprise (at least of mail) on a contractual basis, the better it will be for the people in this community. If this is to be used by the member for Stuart as an example for the take-over of railways by the Commonwealth Government, saying that one central authority will be more efficient, his argument will collapse. The Australian National Line is another example in the transport field. Shipping freight has increased by 40 per cent this year.

Mr. Keneally: What private company—

Mr. EVANS: If any private company attempted to do that in this country the honourable member opposite, through his Commonwealth colleagues, would say the company was profiteering, and they would immediately say that the charges could not be made. He knows that as well as I do. What he is suggesting in his statement on efficiency is that the present employees in the State railways are loafing, and that immediately they are taken over by the Commonwealth authority they will work harder and be more efficient (or, as my colleague the member for Mallee says, they will be paid less money).

The member for Peake used as an example the losses shown by the railways, saying that therefore they were valueless, but he would not support a suggestion that farmers should pay no land tax and no water rates, when

water mains passed their properties, because their properties were valueless and that they should not be rated because they had shown a loss. He would not accept that argument. Much railway land is rural land, and in my own area the railway land on present value is worth about \$2 000 or \$3 000 an acre (.4 hectares). How could he argue that that land is valueless? Yet the member for Peake tries to argue that the railway assets and land are valueless because they show a loss.

I believe the Federal Australian Labor Party has conducted a survey through one of its committees showing undoubtedly that the percentage of under-privileged people is greater in rural areas than in any other part of our community, but we are prepared to cast aside any real consideration or guarantee for their future, or not even to allow by the Government's approach at this stage (the final decision will be in your hands, Mr. Speaker) an opportunity for people to give evidence to a Select Committee to make sure that some of their doubts about this proposition with the enabling Bill and agreement are resolved.

I am thankful that departmental officers were made available to give information, but it was established that those officers were not sure of the ramifications of the Bill regarding land rights. The officers can only give an opinion and cannot give a guarantee, yet we are asked to accept that there are guarantees. The people who advise the Premier cannot give a guarantee and are still waiting for more advice and communication from the Commonwealth Government authorities about the real rights to the land. Unless different advice is given to the Premier, that is still the case.

The statement that the Australian Labor Party won the election is not true. No Party in this State won the election, but the A.L.P. retained Government after a discussion between you, Mr. Speaker, and the Premier. You contested the election as an Independent against the A.L.P. candidate and you were elected with support from all shades of politics. The people of your district, like those of other districts, have an interest in this Bill. In asking that the Bill be referred to a Select Committee, we are not saying that the Bill will be defeated. The Bill's reference to a Select Committee would give everyone an opportunity to find out the real facts. Already, several weeks after the legislation has been introduced, some departmental officers do not know the answers to all the questions.

You have the job, as a person who has accepted the responsibility to represent a group of people as an Independent, of making an independent decision. The delay would not affect the Government, because it has the money, and it would not affect the people adversely. If you were back in your district, Mr. Speaker, and it was just before election time, you would see the benefit of referring the Bill to a Select Committee, and the people of your district put in you a trust to think independently. I support the second reading stage and trust that you will see the need to think in terms of getting more information without defeating the Bill and in terms of allowing the measure to be referred to a Select Committee.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I should like to deal briefly with a few matters that have been raised by honourable members opposite. First, the Leader of the Opposition and other members have suggested that the financial benefit to South Australia under this agreement is slight and that it is not satisfactorily proved. The Leader has referred to the actual financial benefit to South Australia from the agreement being \$10 000 000. He also referred to matters that I had set forth during the

election campaign as to the actual cost over a 10-year period to South Australia if we failed to accede to this agreement and he stated that these were grossly inflated figures. They were not, and they were not manipulated, either. The provisions of the financial arrangements, as I have explained to the honourable member previously in this House, involve sums in relation to both the purchase of the railways and buying South Australia out of the Grants Commission on terms that are the most beneficial ever given to any State on its being bought out of the Grants Commission.

In particular, the effect of our being bought out of the Grants Commission and the effect of a \$25 000 000 per annum payment built into the base of our financial assistance grant is that the sum of \$50 000 000 escalates each year, and escalates in the way provided in the formula. It is not only \$10 000 000: it is \$10 000 000 for last financial year, an early payment under the Grants Commission of money in excess of what we would normally have got from the Grants Commission, and, from the beginning of this financial year on, a sum of \$50 000 000 built into the base of our financial assistance grant, escalating according to the formula.

Mr. Nankivell: Will you please explain that amount built into the base?

The Hon. D. A. DUNSTAN: The \$25 000 000 was the figure we agreed in replacement of the Grants Commission figure. That gets built into the base in addition to the \$25 000 000 per annum that is not offset.

Mr. Nankivell: This is new information, is it?

The Hon. D. A. DUNSTAN: It is not. It has been given often.

Mr. Goldsworthy: You tell us a different story every time.

The SPEAKER: Order! The honourable Premier has the floor.

The Hon. D. A. DUNSTAN: The honourable member should look back and see what has been told to him time and again. The Treasury officers have made this information available. There is \$25 000 000 specifically in respect of the assets of the railways undertaking. That \$25 000 000 is not offset. In other words, while normally we would have had an offset of \$32 000 000, \$25 000 000 of that \$32 000 000 is not offset and that \$25 000 000 is built into the base of our financial assistance grant and escalated in accordance with the formula.

In addition to this, in future, in place of the Grants Commission money, we get \$25 000 000. It may be argued that we would get \$25 000 000 in any event. I can only say, from the forecast results for this next financial year, that the \$25 000 000 is more than we would have got, but that \$25 000 000 is built into the base of the formula, so that the escalation factor then takes our money this year. The extra money that we get in this year alone (beyond the money from the Grants Commission) is \$31 000 000, and it goes up each year so that the most conservative estimate that one could get on the escalation of the formula would provide us with \$80 000 000 extra 10 years hence—\$80 000 000 in that year. If one adds up these sums over the next 10 years one gets to a figure of \$600 000 000.

Mr. Venning: Where does the \$800 000 000 come in?

The Hon. D. A. DUNSTAN: I will tell the honourable member if he will just wait. There is the sum of \$600 000 000 over the next 10 years alone, and it will escalate constantly thereafter. The \$800 000 000 figure

about which the honourable member asks is the figure we would have to pay in railway deficits if we retained that dubious right of paying railway deficits from here on.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: The effect—

Members interjecting:

The SPEAKER: The honourable Premier has the floor.

Members interjecting:

The SPEAKER: Order! Honourable members must cease their constant interjecting. I appeal to all honourable members to allow the Premier to continue without interruption. The honourable Premier must continue.

The Hon. D. A. DUNSTAN: Thank you, Mr. Speaker. The position is that the amount to be paid to us over the next 10-year period, beyond what we would otherwise have received, is at least \$600 000 000. That is the direct benefit to this State's revenues. The projected figure for railway deficits is on the basis of a projection of the escalation of all States' railway deficits. I point out to members that, under the beneficial management of Liberal Governments in New South Wales, the deficit in respect of the railways of that State in this financial year will be greater than \$200 000 000, and will escalate at a rate of more than 30 per cent annually.

Mr. Venning: We are talking about the South Australian Railways.

The Hon. D. A. DUNSTAN: Every time that members on this side of the House point to the record of Liberal Governments elsewhere, members opposite try to say, "Of course, we are only talking about South Australia". Somehow or other the Liberal Party in South Australia would do much better than their counterparts elsewhere, and they say, "Let's not talk about mismanagement by Liberal Parties elsewhere". However, when honourable members opposite are talking about the Australian Labor Party, they say, "We don't want to talk about what happens in South Australia, we want to talk about what the Labor Party does somewhere else." In other words, when things are different they are not the same. Members opposite always want to suggest that somehow or other they are different from Liberal Party members elsewhere, but they never want to give the credit that is given, I point out, by their Party colleagues elsewhere in Australia to the Labor Government in this State, saying that we have a darned good Government in South Australia and it has been proved to be competent. I should like now to deal with—

Members interjecting:

The SPEAKER: Order! I appeal to honourable members on my left to cease their interjections. The honourable Premier will continue.

The Hon. D. A. DUNSTAN: Members opposite have then raised the matter dealing with the Interstate Commission. They have been given the advice of the Crown Solicitor in this matter, and it is quite clear. The contentions in regard to section 99 relating to the present agreement are quite baseless. Members opposite then say, "But this is overridden by the provisions of the Interstate Commission." Any provisions of any State railways would be overridden by the Interstate Commission. They would be overridden, if the Interstate Commission is to operate in that way, regardless of whether the railways were run by a private undertaking. The agreement we have made in no way affects the position of the Interstate Commission.

However, it establishes a position which, under the agreement, gives benefits to South Australia that are not

overridden by section 99. Section 99 has been shown clearly, on the advice of the Crown Solicitor, to be completely irrelevant. Opposition members have then raised the question of the wharves. Apparently, as I pointed out to them in the previous debate, they did not look at the fact that the definition of "railway" is not a definition relevant to clause 5 of the agreement, because it is not the railway that is being transferred. Therefore, one does not read the definition of "railways" into clause 5: one reads into clause 5 the actual words of transfer, and the words of transfer do not provide for a transfer of the wharves.

Mr. Mathwin: You're talking like a one-armed lawyer: on one hand we're got this, and on the other we're got something else.

The Hon. J. D. Corcoran: You mean a two-armed lawyer.

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: Actually, the honourable member is right: I am talking about a one-armed lawyer, because in this case there is only one hand to talk about. The honourable member cannot count, even on two hands. In relation to the question of silos, I point out to members that precisely the same position obtains: since the land upon which the silos are built is not used exclusively for railways, that land does not transfer under the agreement. If it did transfer (which it does not), and if one were to assume the things that members were worried about, the State does not give a better title than it already has: no-one can. One cannot transfer a better title than one has and, therefore, whatever title were transferred would be subject to the very leases currently involving the co-operative bulk handling company. In neither case, and under neither contention, can it be said that the silos will transfer to the Australian Government.

The member for Fisher has said that the advisers of the Government are waiting for advice from Commonwealth authorities as to the position on which they will advise the Government. That is not so. What the officers are doing is to wait for advice from the Commonwealth authorities that has been requested by Opposition members. There is nothing wrong with that.

What is different is that the member for Fisher has said that our advisers who are waiting to give us advice on the actual position are waiting on the advice of Commonwealth authorities; that is not true. The advisers to the Government have advised the Government clearly of the position. That position is right, and the advisers accept it. Our advisers do not need to wait on any advice from Commonwealth authorities. Opposition members have asked them to get some statements from Commonwealth authorities to assist them. We will get that advice, but since it was requested only last evening we could not within this time obtain it, the Prime Minister being incommunicado at present and not being available until tomorrow morning. He is taking a well-earned rest until tomorrow morning, when I will get a statement for the members of the Legislative Council if they are so interested in it.

Mr. Coumbe: Are you on speaking terms with him again?

The Hon. D. A. DUNSTAN: I have never ceased to be on speaking terms with the Prime Minister any more than I have been with the honourable member, though we have had our differences. I have never disowned the Prime Minister at any time. I point out that the statements to which apparently they jocularly referred in

the election campaign were made with the knowledge and consent of the Prime Minister. I do not need to take any directions. I am able to find my own sense of direction, and that is why I am sitting in this seat now. All of these matters have been previously canvassed in the House. The explanations and the advice have been given. Indeed, several Opposition members who at present seem so keen to refer this matter to a Select Committee rejected the idea of its being referred to a Select Committee when the Bill was previously before the House and said that they had all the information that was required. There is not the slightest reason now, after this matter has gone to a general election at which electors were asked for a mandate on this matter, to refer the matter to a Select Committee. The matters involved have been canvassed at a general election; the people have voted on it and have made their decision on the matter, and this House must obey the direction of the electorate. I now move:

That, pursuant to contingent notice, the Speaker do count the House and do declare whether or not the question for the second or third reading of the Bill be carried and, if so, by an absolute majority of the whole number of members of the House.

Motion carried.

The SPEAKER: I have counted the House and there being present more than an absolute majority, I put the question that this Bill be now read a second time. For the question say "Aye"; against say "No". The Ayes have it. I declare the second reading of the Bill to have been passed by an absolute majority. The honourable Leader of the Opposition.

Dr. TONKIN (Leader of the Opposition) moved:

That Standing Orders be so far suspended as to enable him to move a motion without notice.

The SPEAKER: I have counted the House and, there being present an absolute majority of the whole number of members of the House, I accept the motion. Is it seconded?

Mr. GOLDSWORTHY: Yes, Sir.

Motion carried.

Dr. TONKIN: I move:

That the Bill be referred to a Select Committee.

I thank honourable members for their co-operation. The Premier, when speaking recently, said that there was not the slightest reason for referring the Bill to a Select Committee, particularly because of the time which had elapsed since the Bill was first introduced in the House. I submit that, despite the time which has elapsed, the situation is far from clear. There is a great need to ventilate the facts, to clarify the situation which badly needs clarifying, and to give everyone in the community an opportunity of putting forward his point of view. The only way that this can reasonably be done is by referring the Bill to a Select Committee, which can only suggest changes to the Bill and not to the agreement, as pointed out earlier today. As I understand it, a new agreement will have to be negotiated anyway by the Commonwealth Government because the time limit has now expired beyond July 1. I see no reason why the agreement should not be renegotiated if the present agreement is unsatisfactory. In any event, although a Select Committee can only recommend on the terms of the Bill itself, I believe that we should use this opportunity to sort out some of the tangle and to get some clear precise facts regarding the ramifications and long-term results of this legislation.

Mr. GOLDSWORTHY (Kavel): The Premier made the point that, as the Bill has been before the public for a suitable length of time, it needs no further reflection. As time has elapsed, public reaction in those areas of the State that are affected has increased. Today, we received a sheaf of telegrams from several areas in the State that are affected, seeking our support to see that some changes are made to the Bill. As has been said, it will be difficult to alter the agreement. At least, a Select Committee will have the benefit of bringing to the Government's attention the fears of the people who are concerned at the legislation. I believe that the Government has no option but to accept the motion. Indeed, if it does not accept the motion it will be roundly condemned by all those people vitally affected by the legislation.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I oppose the motion. The honourable member has said that we will stand condemned by people who are opposed to the measure, but they had their opportunity to raise their objections at a time when this matter was judged by the people.

Mr. Goldsworthy: Not in the right areas, though. What about the country vote?

The Hon. D. A. DUNSTAN: The Opposition challenged the Government to take this matter to an election. We took up the challenge, and the Opposition can hardly complain at the result. The position is that the Commonwealth Government's offer to the State is that, if the measure is passed and the original agreement ratified, the benefits contained in the agreement will be maintained to South Australia. I point out that the agreement we got from the Commonwealth Government in respect of the transfer of our railways is markedly better than the agreement which the Tasmanian Government got from the Commonwealth Government in respect of the transfer of its railways. In fact, it is the best financial deal that this State has had in its history, and there are many people in the Commonwealth Parliament who are having more than second thoughts about the benefits that South Australia got out of this agreement, because those benefits are so significant.

Mr. Dean Brown: What about Tasmania?

The Hon. D. A. DUNSTAN: Tasmania did not get anything like the benefits we got. The benefits we got do not relate to the nature of our railways: they relate to our overall financial position. The benefits we get in the overall financial arrangements are very markedly better than those of Tasmania. If we were to relate the transfer arrangements simply to the capital value of the railways we would come out with an enormously lower figure than the figure we are getting. The Government does not intend to go into an investigation and a renegotiation of this agreement. Honourable members opposite put it as their policy that there should be a renegotiation of this agreement.

The SPEAKER: I must call the honourable Premier to order. We must stick to the matter under discussion—whether this should go to a Select Committee or not. It should not be as wide ranging as the previous debate was.

The Hon. D. A. DUNSTAN: I appreciate your direction, Mr. Speaker. There is no reason in these circumstances to go into a further investigation. The decision has been made. There is only the question of the ratification of this agreement or not, and that is not now a matter for a Select Committee, having been passed on by the people of the State.

Dr. EASTICK (Light): I support the motion. In the last 10 minutes the Premier has injected into this debate

different information from that which he gave the House earlier. I draw the Premier's attention to *Hansard* for June 17 (page 3403). In replying to a question from the member for Elizabeth, the Premier spoke of \$25 000 000 going into the base, and never was there any indication that it would be a \$50 000 000 benefit to South Australia. I make this point as a clear example of the type of subterfuge we have had to suffer in this Parliament and in this State for a long time from the Premier, who conjures up new figures from time to time. There is a vital need, in the interests of South Australia, for this matter to be thoroughly determined in the public mind by referring it to a Select Committee. I look forward to your support, Mr. Speaker, on this matter. Section 105a of the Commonwealth Constitution indicates that it is possible to renegotiate agreements that are not in the best interests of either party. Section 105a provides:

(1) The Commonwealth may make agreements with the States with respect to the public debts of the States including:

- (a) the taking over of such debts by the Commonwealth;
- (b) the management of such debts;
- (c) the payment of interest and the provision and management of sinking funds in respect of such debts;
- (d) the consolidation, renewal, conversion and redemption of such debts;
- (e) the indemnification of the Commonwealth by the States in respect of debts taken over by the Commonwealth; and
- (f) the borrowing of money by the States or by the Commonwealth or by the Commonwealth for the States.

Section 105a (4) provides:

Any such agreement may be varied or rescinded by the parties thereto.

There is ample opportunity for the State to benefit in total from a reconsideration of the aspects of this agreement that disadvantage South Australia. It behoves all members who believe in justice to give this opportunity. The Commonwealth Parliament does not commence its next session until August 19, and the consideration of the Commonwealth Budget will take precedence over all other business. The Bill to go before the Commonwealth Parliament to give effect to the alterations required through this State's failure to pass the Bill earlier will certainly not be before the Commonwealth Parliament until the end of August or until September. So, to suggest that haste is necessary through the immediate passage of this Bill tonight and to suggest that it should be passed by another place in the next 24 hours or so is pulling the wool over the eyes of the people of South Australia. I seek your support, Mr. Speaker, to ensure that the people have the advantage of a proper consideration of these contentious issues.

The House divided on the motion:

Ayes (23)—Messrs. Allen, Allison, Arnold, Becker, Blacker, Boundy, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Millhouse, Nankivell, Rodda, Russack, Tonkin (teller), Vandeppeer, Venning, Wardle, and Wotton.

Noes (23)—Messrs. Abbott, Broomhill, and Max Brown, Mrs. Byrne, Messrs. Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, Langley, McRae, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

The SPEAKER: There being an equality of votes, I give my casting vote for the Noes. I do so for the reason that the Speaker's vote should be in support of past decisions and actions of the House which, with regard to this Bill, in the last Parliament was to refuse a suspension of Standing

Orders whereby a motion to refer the Bill to a Select Committee was prevented and, in effect, the House thereby refused to refer the Bill to a Select Committee. The question therefore passes in the negative.

In Committee.

Clauses 1 to 10 passed.

Clause 11—"Consent by the State to future constructions."

Dr. EASTICK: This clause provides that the Commonwealth can extend its services in the metropolitan area along routes provided for transfer. Under the agreement that we shall debate soon the State can extend its services into other cities of an urban nature, such as Whyalla, Port Augusta or even Mount Gambier. It could perhaps be even extended to Monarto if it should ever get off the drawing board. Can the Premier therefore say what arrangement has been reached between the State and Commonwealth Governments to prevent the Commonwealth from conducting a passenger service along a route by upgrading services in the metropolitan area?

The Hon. D. A. DUNSTAN (Premier and Treasurer): The State has an agreement with the Commonwealth that relates to urban and non-urban operations. The agreement gives the Commonwealth the right to extend its services and relates to proposals that the State has advanced to the Commonwealth because of certain railway lines that need to be extended. Extensions to wharf facilities being built at Outer Harbor are needed. It is proper that the State should make such arrangements with the Commonwealth. If the honourable member believes that the Commonwealth will suddenly provide intra-urban passenger services when the losses on such services are as high as they are and because such services are already operating, he can see a largesse on the part of the Commonwealth Government which, quite frankly, I have never found with any Commonwealth Government. Under the provisions of the agreement there would be no difficulty for the State to provide rapid transport systems in developing cities in the country areas of South Australia. It would be proper for us to pursue urban transit of that kind because we seek to see that, in any urban situation, we have a co-ordinated transit system and we have to leave it open to run a rapid transit of a rail variety if it proves that that is the appropriate technology.

Dr. EASTICK: Obviously, apart from the explanation the Premier just gave about the cost factor, no guarantee exists that the Commonwealth will not in future enter into a passenger service in the metropolitan area. Clause 3 of the schedule, which is pertinent to this matter, provides:

Nothing in this agreement shall prevent the construction, extension, administration, maintenance and operation by the State or a State Authority of a passenger railway system within an urban area outside the metropolitan area.

Obviously the State could enter that field in future. I want to know what agreement exists that the Commonwealth will not enter the field of passenger services in urban and metropolitan areas.

The Hon. D. A. DUNSTAN: Under the provisions of clause 11 of the Bill, the State consents to the construction of railways by the Commonwealth on the lands described in the second schedule to the agreement. These areas are limited and would not allow the Commonwealth to run a general passenger service in the metropolitan area with sidings or crossing loops connected to a non-metropolitan railway from areas within the metropolitan area. In other words, there is no way the Commonwealth can use that provision to run a general metropolitan passenger service.

Clause passed.

Clause 12 passed.

Clause 13—"Powers of Commission."

Dr. TONKIN: There has been much discussion, debate and concern expressed about the exact interpretation of subclause 13 (b), which provides:

to construct and extend railways in the State in accordance with the agreement—

and that is quite clear—

and to administer, maintain and operate railways so constructed or extended and services principally or mainly incidental or supplementary to, or associated with, those railways.

The queries arise regarding "and services principally or mainly incidental or supplementary to, or associated with, those railways". It is far from clear exactly what those services may be: whether they will be bus services or other road transport services, how far they will be extended, whether they will be limited to feeder services, and so on. Will the Premier say what those services may be?

The Hon. D. A. DUNSTAN: They have principally or mainly to relate to something that is connected with railways.

Dr. Tonkin: Could it be a feeder bus service?

The Hon. D. A. DUNSTAN: It could conceivably be a feeder bus service. We have currently a whole series of services ancillary to the railways and necessarily associated with them. For a considerable period, we ran a bakery to provide the rolls that the honourable member eats in the morning when he goes on the Overland to Melbourne. We had to run a laundry service, and we run refreshment and tarpaulin services. All these services relate to the railways, and we had to provide in the arrangements that the Commonwealth Government was able to run the same sort of ancillary services. That is all that this relates to. The suggestion that, quite independently of the railways, the general road transport system in this State could be taken over by the Government is not borne out by this clause at all.

Dr. TONKIN: In that case, could I clarify the matter a little further? I am sure the member for Alexandra would like to know whether the *Troubridge* could in any way be tied in with this if a railway link was established to the terminal. More particularly, would it be possible under the terms of this agreement to see a situation in which a railway line was closed to passengers and the service replaced by a bus service?

The Hon. D. A. DUNSTAN: It would be very difficult for it to occur under this clause unless the bus service specifically related to railways operations. If the railway disappeared, I do not see how it could.

Dr. Tonkin: If it is replacing a rail service, surely that is ancillary or supplementary to it.

The Hon. D. A. DUNSTAN: I do not think it is "supplementary to" or "associated with". It is not "supplementary to" if it is a "replacement of" a railway. Certainly, the suggestion about the *Troubridge* would have no basis at all.

Clause passed.

Remaining clauses (14 to 16), schedule and title passed.

The Hon. D. A. DUNSTAN (Premier and Treasurer) moved:

That this Bill be now read a third time.

The SPEAKER: Pursuant to order, I count the House. There being present more than an absolute majority of the whole number of members of the House, I put the

question: That this Bill be now read a third time. For the question say "Aye", against "No". The Ayes have it.

Dr. Tonkin: Divide!

The House divided on the third reading:

Ayes (25)—Messrs. Abbott, Boundy, Broomhill, and Max Brown, Mrs. Byrne, Messrs. Corcoran, Duncan, Dunstan (teller), Groth, Harrison, Hopgood, Hudson, Jennings, Keneally, Langley, McRae, Millhouse, Olson, Payne, Simmons, Slater, Virgo, Wells, Whitten, and Wright.

Noes (21)—Messrs. Allen, Allison, Arnold, Becker, Blacker, Dean Brown, Chapman, Coumbe, Eastick, Evans, Goldsworthy, Gunn, Mathwin, Nankivell, Rodda, Russack, Tonkin (teller), Vandepeer, Venning, Wardle, and Wotton.

Majority of 4 for the Ayes.

The SPEAKER: I declare the third reading of this Bill to have been passed by an absolute majority.

BUSINESS FRANCHISES (MISCELLANEOUS PROVISIONS) BILL

Adjourned debate on second reading.

(Continued from August 5. Page 17.)

Dr. TONKIN (Leader of the Opposition): We support this Bill. When the original Bill was introduced in November, 1974, to impose the business franchise on petrol it was brought in despite the Premier's having said that the South Australian Government would not have to increase State taxes. He was reported in the press on September 12 as having said that he would not consider imposing a petrol tax. He had already imposed considerable taxation increases by way of stamp duty, pay-roll tax, motor vehicle charges, and other imposts, and suddenly the people of this State were hit with a petrol franchise tax and a tobacco franchise tax which were further additions to the already excessive amounts of State taxation. Basically, the tax on petrol was introduced because of the Whitlam Government's squeeze on South Australia.

I must say that I look forward to and will welcome the early return of a Commonwealth Liberal Government, when South Australia will be guaranteed a fair and fixed proportion of income tax revenue. At least we will not have to go through this appalling and degrading business of selling off the State's assets. We welcome this Bill. We said in our policy speech that we would remove this tax as soon as we possibly could. As it happens, we are now in a position where we can support its removal, but I must say we would have been much happier if we were bringing in the legislation ourselves from the other side. Nevertheless, many people, especially petrol resellers, will welcome the removal of the tax. It has given them additional bookwork, and has presented them with quite severe financial difficulties.

Motorists have been directly affected, while consumers generally have had to pay increases in the costs and charges of everyday life because the increased charges have been passed on to them. But at least the legislation is being repealed. I do not much care for the conditional nature of the legislation, and I protest most strongly, on behalf of my Party, that the passage of this Bill has been made conditional on the passage of the Bill we have just considered. I regard this as the most extreme form of political blackmail, and it does the Premier little credit. In fact, it amounts to disgraceful behaviour on the part of the Government generally. I support the repeal of this legislation, not because of the threat that was issued but because I believe that it is in the best interests of South Australia.

Bill read a second time and taken through Committee without amendment.

SESSIONAL COMMITTEES

The Legislative Council notified its appointment of Sessional Committees.

ADJOURNMENT

At 11.40 p.m. the House adjourned until Thursday, August 7, at 2 p.m.