

HOUSE OF ASSEMBLY

Tuesday, June 8, 1976

The House met at 12 noon pursuant to proclamation, the Speaker (Hon. E. Connelly) presiding.

The Clerk (Mr. A. F. R. Dodd) read the proclamation summoning Parliament.

After prayers read by the Speaker, honourable members, in compliance with summons, proceeded at 12.7 p.m. to the Legislative Council Chamber to hear the Speech of His Excellency the Governor. They returned to the Assembly Chamber at 12.40 p.m. and the Speaker resumed the Chair.

DEATH OF SIR MELLIS NAPIER

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

That the House of Assembly express its profound regret at the death of the Hon. Sir John Mellis Napier, K.C.M.G., K.St.J., Q.C., LL.D., former Lieutenant-Governor and Chief Justice of this State, and place on record its appreciation of his long and distinguished service to this State; and that as a mark of respect to his memory the sitting of the House be suspended until 2.15 p.m.

Sir Mellis Napier gave very great service to this State. He became a judge at an early age, and served as a judge of the Supreme Court for 43 years (for more than half of that time as Chief Justice of the State); he was a remarkably able judge to whom tributes have been paid in every jurisdiction in this country; he was well and affectionately known to members of the legal profession in this State as a man concerned with the work of justice; and he was concerned to see that, where he thought justice lay, the law should see to it that justice was given. He was well known in legal circles for propounding and giving effect to that view.

He served the State not only in the capacity of Chief Justice but also as Chancellor of the Adelaide University. Sir Mellis was commissioned by Her Majesty to be Lieutenant-Governor of the State (from memory, I think he was the first person actually appointed Lieutenant-Governor of South Australia), and held that commission over a long period and after he had retired as Chief Justice of the State. He served effectively as Governor of the State, in place of other Governors who had been appointed, longer than any Governor in the history of the State. He presided over Executive Council many times and took a close interest in the work of government, ensuring that the duties of the Lieutenant-Governor were properly dealt with and that the Executive of this State was keeping within the bounds of the authority given to it by the Legislature. There has been no-one, I think, in the history of this State in the law or its administration who has given longer or more valued service to the State. I am sure all members will join me in this motion and in expressing our sympathy to the Napier family.

Dr. TONKIN (Leader of the Opposition): The Opposition supports the motion. Sir Mellis Napier was indeed a great man. The best comment that can be made about him is contained in the headline to an article written on his retirement that stated that he brought honour to us all. It is not common for people in their lifetime to receive the recognition and honour due to them for the remarkable services they have performed for the State, but Sir Mellis was fortunate enough to have enjoyed the honours that he justly deserved. In addition, he was fortunate to enjoy a relatively long retirement, in spite of his remaining in the

positions which he held, which he carried out with much distinction for such a long time. The bust of Sir Mellis on North Terrace, the various other references to the Napier name, and the memories he leaves in the hearts of South Australians who are concerned for South Australia, I am sure will be of great comfort to his family. The Opposition associates itself with the Premier's remarks and supports the motion.

Mr. MILLHOUSE (Mitcham): I, too, support the motion. The names "Nape" and, later, "the Chief" were bandied about in our family long before I knew to whom they referred. Even before I entered the profession and, soon after that, this House, I had come to know Sir Mellis Napier personally. I came to know him as a judge of the Supreme Court and also off the bench. He was, as has been said, a man of outstanding intellect and of great ability in many ways who was capable, in appropriate circumstances, of considerable charm. He was a dominating figure in our community for more than half a century.

I may have been the last member of this Chamber to see and speak to him. On February 14 this year I visited the Mitcham Private Hospital, where he had recently come to live. Although he was by then physically very infirm he was as mentally alert as ever I had known him, and I enjoyed talking to him for some time. I could not help reflecting then on the sad fact that a man who had lived to so great an age had outlived most of his contemporaries and friends. Within a few weeks he was dead, and I mourn his passing.

Motion carried by members standing in their places in silence.

[Sitting suspended from 12.50 to 2.15 p.m.]

APPROPRIATION BILL (No. 2)

His Excellency the Governor, by message, recommended the House of Assembly to make appropriation of such amounts of the general revenue of the State as were required for the purposes set forth in the Supplementary Estimates of Expenditure for the financial year 1975-76 and the Appropriation Bill (No. 2).

SUPPLY BILL (No. 1)

His Excellency the Governor, by message, recommended the House of Assembly to make provision by Bill for defraying the salaries and other expenses of the several departments and public services of the Government of South Australia during the year ending June 30, 1977.

ART GALLERY ACT AMENDMENT BILL

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

GOVERNOR'S SPEECH

The SPEAKER: I have to report that this day, in compliance with the summons from His Excellency the Governor, the House attended in the Legislative Council Chamber, where His Excellency was pleased to make a Speech to both Houses of Parliament, of which I have obtained a copy, which I now lay on the table.

Ordered to be printed.

PETITION: PETERBOROUGH-TEROWIE MAIN ROAD

Mr. ALLEN presented a petition signed by 135 electors and residents of Terowie, praying that the House would urge the Government to expedite completion of the sealing of the Peterborough-Terowie main road.

PETITION: OLD BELAIR ROAD

Mr. MILLHOUSE presented a petition signed by 563 residents of Mitcham, praying that the House would request the Government to take no further action with the proposed plans for the widening of the Old Belair Road, and in particular the area of the Mitcham Reserve.

PETITION: CAPITAL TAXATION

Dr. TONKIN presented a petition signed by 4 331 citizens of South Australia, praying that the House would pass legislation to ease the burden of capital taxation and to make it apply equitably.

PETITION: FISHING INDUSTRY

Mr. BLACKER presented a petition signed by 35 residents of Eyre Peninsula involved in the fishing industry, praying that the House would urge the Government to amend the Fisheries Act to alter the conditions under which B class licences were issued.

Petitions received.

QUESTION

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

KING WILLIAM STREET TRAFFIC

In reply to Mr. LANGLEY (February 19):

The Hon. G. T. VIRGO: The following accidents involving pedestrians have occurred on King William Street between North Terrace and Flinders Street at locations other than at intersections:

Year	No. of pedestrians injured	Fatalities
1972	13	1
1973	15	—
1974	11	—
1975	12	—
Total	51	1

Regulation 3.04 of the Road Traffic Act prohibits pedestrians from crossing the carriageway outside and within 20 metres of a marked cross-walk adjacent to traffic lights while such lights are operating. Only three of these 51 pedestrians injured crossed the road within 20 m of a signalised intersection along King William Street.

The number of accidents and injured pedestrians is noticeably fewer for the four-year period 1972-1975 (as shown above) than for the four-year period 1968-1971, when 68 pedestrians were injured and one killed.

OVERSEA STUDY TOUR

The SPEAKER laid on the table the report on the overseas study tour in 1976 by Mr. C. J. Wells, the member for Florey.

Ordered that report be printed.

PUBLIC WORKS COMMITTEE REPORTS

The SPEAKER laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Modbury Hospital Development, Stage II, Phase I,
Parks Community Centre, Angle Park.

Ordered that reports be printed.

**MOTION FOR ADJOURNMENT:
TRADE UNION ACTIVITIES**

The SPEAKER: I have received the following letter dated June 8, 1976, from the honourable Leader of the Opposition:

I desire to inform you that this day it is my intention to move that this House at its rising adjourn until 1.30 p.m. tomorrow, for the purpose of discussing a matter of urgency, namely:

That there is a deep and increasing community concern at the use and threat of black bans and industrial stoppages by unions in attempts to—

- (1) force union policy upon members of the community on matters which do not relate to conditions of employment;
- (2) force employees to join unions against the will of the individual; and
- (3) force voluntary labour to be subject to the conditions of industrial awards.

I call on those members who support the motion to rise in their places.

Several members having risen:

Dr. TONKIN (Leader of the Opposition): I move:

That this House at its rising adjourn until 1.30 p.m. tomorrow,

for the purpose of discussing a matter of urgency, namely, that there is a deep and increasing community concern at the use and threat of black bans and industrial stoppages by unions in attempts to—

- (1) force union policy upon members of the community on matters which do not relate to conditions of employment;
- (2) force employees to join unions against the will of the individual; and
- (3) force voluntary labour to be subject to the conditions of industrial awards.

This has become a matter of extreme urgency. The action I am taking has not been taken lightly, and it has been precipitated as a matter of urgency following matters that have been ventilated in the public media in the past few days. Categorically, I can say that never before in the history of South Australia has the community been so completely subject to the activities and pressures of certain trade union officials as it has become recently. For reasons that remain obscure to concerned and rational members of the community, various trade union officials are holding the people of this State and the rest of the country to ransom, without any real regard for the welfare of the people they are supposed to be serving and representing; in fact, their actions are placing the livelihood of thousands of workers in jeopardy, because they seem to have lost sight completely of the fact that the prosperity of any industry is the most important factor in retaining prosperity for the workers.

The actions of certain trade union officials are bringing the whole trade union movement into disrepute and ridicule. If South Australia wants to preserve its existing industries and attract new industry, it must have stable industrial relations. Continued stoppages and guerilla tactics do nothing whatsoever to attract industry, and indeed may well be the fundamental cause of industry going elsewhere.

Mr. Langley: Name some of them.

Dr. TONKIN: I can assure honourable members opposite that they will hear, not only in this urgency debate but in a number of debates to come, full and exact details of the charges we are making, and the charges will be specific. The present outbreak of industrial lawlessness has had the effect of grinding down productivity, raising production costs, disrupting the flow of goods and services

to the community, and reducing the quality of living by increasing living costs. We cannot have increased quality of living if the cost of living increases. The most important feature that has come out from all these activities (and has come out quite clearly in the past few weeks) is that the present Labor Government is totally and absolutely powerless to take any action to stop this sort of thing from going on.

Dr. Eastick: Even if it wanted to.

Dr. TONKIN: Indeed. I am convinced that some Government members may want to take action. Let us be fair. I think one or two members of the Government really regret what is happening to South Australia under this Government.

The Hon. G. T. Virgo: Who are they?

Dr. TONKIN: The Premier cannot sit there and not have regrets, but I am sure that the Minister of Transport would not fit into that category. No doubt there must be some regrets, but the point is that no matter how well meaning the Premier or members of the Government may be, they are tied hand and foot and can do nothing about the activities of left-wing trade unionists in our community who are so very successfully dictating to the people of this State just what will happen to them. As for the Premier being here or not being here, I do not think anyone missed him while he was away, because the Government just ground on, making blunder after blunder, during his absence.

Because my time in this debate is relatively limited, let us consider some of the matters under the three headings set out in the motion. There is a deep and increasing community concern about what is happening and, I repeat, the people of this State are becoming sick and tired of it and also very much alarmed. I refer to the Lachs case first. I have no need to go into details, because this matter will be dealt with at some length by one of my colleagues in a subsequent debate, but there was a threat to pull out every employee from the Marine and Harbors Department if this man did not join a union. These were stand-over tactics, but did the Government in any way stand up for what it says it believes in, namely, the principle of the Universal Declaration of Human Rights? I believe the Premier really does believe in that. Did the Government say, "This man does not have to join a union"? No, it discharged him. Not only can the Government not do anything about the matter, but it actively encourages the left-wing of the trade union movement to take part in this sort of activity.

Let us consider the activities of the bread carters and transport workers union as they affect the general community. Everyone wants cheap bread, but for some reason, in spite of price control in this State, bread is selling at a higher figure than it is in many other centres. Discount bread is something which the community would like to have and from which it would benefit, but the trade union movement says, "No". People may not sell discount bread, and the union refuses to deliver to these outlets. A similar situation applied in the petrol dispute, when the Transport Workers Union said that it would not deliver petrol to discount outlets. One would have thought that the workers' representatives (so-called, anyway) would have been anxious to promote this activity, but that was not the case. They have taken every opportunity to back the unions. The Government has backed them to the extent that it is impossible to obtain discount petrol and discount bread to the extent that it would otherwise be available.

I refer now to the Ansett Gateway Hotel demarcation dispute between the unions, another matter that will soon be thoroughly discussed here. That dispute does not relate to conditions of employment. There is a dispute between the builders labourers and the bricklayers, and we have seen the ridiculous situation in which there was a threat that a wall that had been built would have to be knocked down before the workers would begin work again. That is no way of increasing productivity in this State.

The Hon. G. T. Virgo: I thought the commission had solved that problem.

Dr. TONKIN: Yes, thank goodness the commission has now solved that problem, because the Government took no action in that respect. Similar dispute action has taken place at the Flinders Medical Centre. However, the most important problem we face concerns the stand-over tactics being used by trade union officials to force people to join unions against their will.

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

Dr. TONKIN: A number of examples will be given. The Minister need have no fear: by the time we have finished, he will not be asking for information.

The Hon. G. T. Virgo: I am asking now: name them!

Dr. TONKIN: The clothing industry and the retail automobile industry are just two cases in which we have documented proof of the activities that have been undertaken by officials of the trade unions involved. Not only is the Government unwilling but it is also unable to take action. I go further: following what we have heard earlier today, we can now say that the Government, tied hand and foot and acting purely as a mouthpiece for the Trades and Labor Council and Trades Hall, is now to make it compulsory for members of Government departments, and everyone else it can get its hands on, to be members of a union. The practice will be called preference to unionists and not compulsory unionism, but I defy Government members to come up with an honest explanation of this. Preference to unionists means compulsory unionism, and it is the principle that is important.

Let us consider the position that will apply in the Housing Trust. Under industrial democracy proposals for the trust, sections of the trust will elect local councils, which will elect representatives to the employee council, and will elect six members to the management council, with two members being elected to the board. This sounds reasonable to a limited extent, but the over-riding condition that is being applied is that no-one can be elected to any such position unless he is a member of a union.

The Hon. D. A. DUNSTAN: I rise on a point of order, Mr. Speaker.

Mr. Gunn: You can give it, but you can't take it.

The Hon. D. A. DUNSTAN: I am trying to keep the Leader to the motion, because he is wandering from Kamchatka to Patagonia.

Members interjecting:

The Hon. D. A. DUNSTAN: The motion is that there is a deep and increasing community concern at the use and threat of black bans and industrial stoppages by unions in attempts to do certain things. What that has to do with the Government's industrial democracy programme fails to excite my notice, because the industrial democracy programme has nothing to do with black bans or industrial stoppages.

The SPEAKER: I must uphold the point of order.

Dr. TONKIN: Thank you, Mr. Speaker; I am interested that the Premier saw fit to waste so much of my time in bringing it up. The third part of the motion deals with forcing voluntary labour to be subject to the conditions of industrial awards. The threats that have been made in that respect are not in any way to be taken lightly and are not being taken lightly by the people who have been threatened. The people who have been threatened are the people who organise school canteens and social clubs, the many clubs that exist throughout our community. Those people have been told straight out that they must abide by conditions which have been set down under the award for trade unionists. We will see everyone in the community who wishes to serve in a school canteen or behind the bar of a club forced to become a member of a trade union.

Indeed, we are getting to the stage which was in jest referred to in the cartoon in yesterday's *News*. From memory, it concludes by saying, "And then everything came to a dead stop." Unless we are careful there will be nothing in this society of ours, full of quality of life though it may be, that we can do for ourselves without joining the relevant union. How ridiculous! I repeat that the tragedy is that the Government itself can do nothing to stop the left wing of the trade union movement from undertaking these activities. Indeed, the Government stands damned for supporting with legislation a matter that is totally against the Universal Declaration of Human Rights and the rights and liberties of the individual.

The Hon. D. A. DUNSTAN (Premier and Treasurer): I have listened to the best Falstaffian entertainment this afternoon that this House has heard for a long time. If ever there was a piece of huffing and puffing persiflage, that is what we have just listened to. The Leader has moved a motion to which he has not bothered to speak, because not one case, not one single specific, did he cite. He has used a whole series of general statements about the general condition, the dreadful condition, of industrial relations in South Australia. Let me just cite figures relating to the industrial situation in South Australia; I know the Leader will be interested in them. Working days lost through industrial disputes in South Australia during February, 1976, totalled 4 100, 2.1 per cent of the total days lost throughout Australia in that month, and we have 10.2 per cent of the work force. We have the best record of industrial peace of any State in Australia. The Leader should take a swift trip to Victoria and see the magnificent things that the Government of Victoria, that great example constantly cited by Liberal Parties in Australia, is doing to produce industrial peace, because Victoria has nearly three times the number of industrial disputes that we have.

Mr. Becker: And three times the work force.

The Hon. D. A. DUNSTAN: I mean three times in terms of proportion; I am talking about percentages. We have only 2.1 per cent of the industrial time lost. That is half of what happened under Liberal Governments previously in South Australia. The Leader has said there are all these black bans and industrial stoppages in South Australia. At times there have been black bans and industrial stoppages in South Australia and, alone of the Governments in Australia, this Government has intervened to get settlement. The course taken by this Government is vastly different from that taken by Liberal Governments in office. I well remember when there was a Liberal Minister for Labour and Industry, and the one thing his colleagues then did was to get up on the

Government benches and ask the Opposition to use its good offices to get industrial peace; that was the magnificent thing they did about industrial peace in South Australia.

The Leader then said that the community wanted cheap bread and could not get it because of industrial action. The cost in South Australia of bread arises from the fact of the structure of the bread industry in this State, and the decisions made by the proper tribunals of conciliation and arbitration about the form of baking hours and payments. If the Leader wants to get some release from that by by-passing the decisions of our proper industrial tribunals in South Australia, of course that is what he can advocate. It is not surprising that workers in the bread industry want to maintain the conditions which are theirs by law and which have been established by the proper tribunals. They have come about not by Government dictation, or union dictation, but by the decisions of the conciliation and arbitration courts and commissions in South Australia.

Then the Leader cited discount petrol. There is discount petrol in South Australia, and the problem does not relate only to unions in South Australia. The problem of discount petrol does not immediately concern the Transport Workers Union: it concerns the owners of private petrol stations who are being driven out of business by the discounting practices of oil wholesaling companies. The greatest protestor against discount petrol is not the Transport Workers Union: it is the South Australian Automobile Chamber of Commerce. The Leader says there is a demarcation dispute at the Gateway Hotel. There was; it was brought before the commission, which dealt with it. I point out to the Leader that in the past 20 years the only time that Governments in South Australia have solved demarcation disputes has been under the Labor Government; we are the only ones who have solved demarcation disputes. When it has been within our jurisdiction to do so (and it is not always within our jurisdiction when it is a Commonwealth dispute—and I point out to the Leader that his present Commonwealth colleagues do absolutely nothing about conciliation in these areas), we have solved demarcation disputes.

Mr. Mathwin: Like you did on the wharf; nine months!

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: It was not nine months, but we solved it, and I point out to the honourable member that, while he was able in here to huff and puff about it, industry in South Australia expressed its public gratitude to me for doing that. The Leader went on to say that there were standover tactics in the clothing industry and the retail automobile industry, but he did not cite what they were, who was indulging in them, how, where or when. Then he said that it was a terrible thing that it was suggested that the manageresses of school canteens should be paid at industrial award rates. Dreadful! When people are employed full-time in a job covered by an industrial award they should get an appropriate payment for it. That is the only proper thing for this community as a whole to do. Where is this standover tactic in industrial action that is involved in this matter? If ever there was a rambling, utterly ill-supported, hopelessly vague address—

Mr. Gunn: It's your reply now.

The Hon. D. A. DUNSTAN: No, it is what the Leader said to the House this afternoon. As usual when he does not have any case, he huffed, puffed and shouted and played the mountebank, and carried on with a great deal of

rodomontade in order to try to provide this House with some kind of reasonable case. In the old phrase, he attempted to give an air of verisimilitude to an otherwise unlikely narrative but he did not manage to do it. If that is all he can come up with after the adjournment of the House, we are doing all right.

Mr. DEAN BROWN (Davenport): The Premier refused to admit at any stage in his speech that there was any concern whatsoever in the community about industrial disputes in this State. He was not even willing to try to refute that issue because he knows that there is grave concern in many areas, and I will come to them shortly. The community is concerned at the actions of a minority or radical trade union leaders and some union members.

Mr. Abbott: Name them.

Mr. DEAN BROWN: I will name them shortly, don't worry about that. It is a pity the Premier did not try to deal with some of these matters. He completely dodged the issue, because he has no defence. In fact, 86 per cent of the preselection of the Labor Party in this State is controlled by the trade union movement here. No wonder the Premier dodged this issue; he is the puppet of the trade unions.

The Premier claimed that his Government had settled some demarcation disputes. He went on proudly to talk about the steel dispute. This is not a very proud record for this State when it cost an estimated \$300 000 000 to \$400 000 000 in lost production in South Australia. True that dispute was settled after four months. It was settled because the Premier removed a promise not to stop the use of civil action in industrial disputes. The employers were then able to go ahead, the Premier having removed that promise, and use that threat against the unions involved, so the demarcation dispute was quickly stopped. Today we have heard the Premier promise he will again introduce that measure into this House. The Government has promised to remove from the legislation the right for civil action against industrial disputes, so the very tool the Premier used after a desperate industrial demarcation dispute he will reintroduce into this Chamber. He will again pander to the radical unions.

The Premier made some play about figures for number of days lost in February this year (he mentioned one month only, not a year), and compared our position with that of other States. Are these figures significant when we are talking about the threat of industrial action? Of course they are not, because we are talking about threats. In many cases, threats have not led to a dispute, because the community has backed down in the face of the blackmail attempts of the unions. The community realises it has little chance of standing against such powerful men who can use such numbers to cause economic destruction. It is no wonder people back down once the threat is used.

The very fact that the Premier's figures were low suggests the tremendous power in this State that union leaders have, with the rest of the community having to meet their demands. Since this Parliament last sat there has been a continual abuse of union power by a minority of union leaders who have attempted to hold a portion of the community to ransom while they have pursued policies totally unrelated to the conditions of employment. We are not condemning people because they strike concerning conditions of employment. That is their right. We are talking about actions by radical unionists who wish, for one reason or another, to black ban certain sections of the community to achieve objectives other than those relating to conditions of employment. Some of their

actions have already received much publicity, simply because they are so destructive and disruptive to the community. There has been a plea from the Government for specific cases. There is the case of Mr. M. J. Kingston-Lee and a fellow employee employed by a private company in Adelaide. The Transport Workers Union went to the company and insisted that these two gentlemen join the appropriate union. For personal reasons they did not wish to join. The company was then informed that, unless the two gentlemen joined the union immediately, a black ban would be placed on the company. That is a typical case of a threat imposed by a trade union; that is a specific case.

Dr. Eastick: Who were the proprietors?

Mr. DEAN BROWN: I do not wish to name the company involved but I have named the person involved, Mr. M. J. Kingston-Lee. The Minister's department has correspondence concerning this dispute, so he can take it up with the department if he wishes.

Dr. Eastick: It is exactly the same as was done to a Salisbury contractor.

Mr. DEAN BROWN: It is what has been done to many companies to which I will refer. In this case, not wishing to be ruined economically (and one can understand the position of the company), the company dismissed the two employees. Another unfortunate aspect of this matter is that Mr. Kingston-Lee went to the Labour and Industry Department and sought its advice. Under the legislation of this State, action for improper dismissal must be taken within a period of three weeks from the time the person is dismissed. About five weeks after the person had been to the department, he received a letter saying that the department could not take any action, but that it advised him to see his solicitor. That was five weeks after he had originally gone to that department and two weeks after it was too late to see a solicitor because it was past the time set down in the legislation.

The Hon. J. D. Wright: Are you going to be specific or are you going to generalise?

Mr. DEAN BROWN: I have specified the person concerned. If the Minister was so rude as to talk to another Minister, he does not deserve to hear the case; I have given all the details already. The second case involves Mr. Werner Lachs, who was employed by the Marine and Harbors Department. The union involved approached the department, stating that Mr. Lachs must join the appropriate union. For reasons of conscientious objection, Mr. Lachs refused to join the union. He was therefore dismissed by the department on the grounds (although this was not stated in writing) that he refused to join the appropriate union. Mr. Lachs took the Government to court and won his case for improper dismissal, under section 15 (1) (e) of the Industrial Conciliation and Arbitration Act of this State. That is another specific case. The union threatened to go on strike unless a person joined the union and, because the department did not wish to have its employees on strike, the person was dismissed. I emphasise that justice in that case seemed finally to be done, because Mr. Lachs was granted compensation under the Act.

The Hon. J. D. Wright: Why didn't he return to work?

Mr. DEAN BROWN: I do not think I need to state the case of Mr. Lachs, because he has already stated it publicly. However, he did not return to work because he had another job and there was no point in destroying contracts he had on a long-term basis simply to go back to

work for a matter of principle. I can refer to similar cases. The Caledonian Inn at Robe is a case in point. About two or three weeks ago the proprietor of that inn, Mr. Whitehead, telephoned me because a black ban had been imposed on him by the union involved. There are 12 employees at the Caledonian Inn, 11 of whom refused to join the union.

Mr. Whitehead allowed the union to put its case to his employees, who specifically wrote to the secretary of the union saying they did not wish to join. One employee was a member of the union, and he supported the other 11 employees who did not wish to join. There was mutual consent that the arrangement they had was adequate, but a black ban was imposed by the Federated Liquor and Allied Industries Employees Union.

That is a specific case; one of many where the community as a whole is being black banned and threatened by industrial disputes that are completely unrelated to conditions of employment. I could go on. There was a demarcation dispute earlier this year between storemen and packers and shop assistants—

The Hon. J. D. Wright: When are you going to name—

Mr. DEAN BROWN: I suggest that the Minister reads *Hansard* tomorrow, because I have already given those details.

The Hon. J. D. Wright: I want you to name him.

Mr. DEAN BROWN: The gentleman concerned, as I have already said, is Mr. M. J. Kingston-Lee.

Mr. Mathwin: How do you like that!

The Hon. J. D. Wright: We will check the details.

Mr. DEAN BROWN: It is a fundamental principle of any democracy that no minority group should be able to force its opinion on a community. Companies have been forced to operate under a code of practice laid down by legislation such as the Companies Act, the Trade Practices Act, and numerous other Acts that have been introduced in this Parliament and in Federal Parliament for consumer protection. The public demanded that Governments take action to stop exploitation by individual companies. This Government has taken that action, as have many other Governments, too. As a community we have supported that action. Trade unions were created out of the exploitation of labour. That exploitation has now been stopped through various industrial Acts that have been introduced and also by Government action.

Mr. Wells: Through the strength of unions.

Mr. DEAN BROWN: The community is now seeing the power of some militant unions turned against the community so that the economic welfare of the community is being exploited for the unreasonable benefits and demands of individual unions and their leaders. A similar sort of exploitation led to the birth of trade unions, but present exploitation being conducted by these unions is destructive and disruptive, is against the interests and well-being of the community, and is similar to exploitation by companies in the past.

Despite the effects on the community, the South Australian Government is unwilling to condemn, to act, or to legislate to outlaw such actions by unions. We have a classic situation where we see that the real dictators to this State Government are not the people who have put the Government in power at elections but the people who put them there at their preselection—the trade union movement. We see in the Governor's address not only a threat by the Premier to remove the right for people to take civil action against trade unions for an

industrial dispute but also the Government's trying to impose on the community compulsory unionism. This imposition will be against the Universal Declaration of Human Rights, article 20 part II of which states that no-one may be compelled to belong to any association, yet the Premier and the Cabinet of this State are willing to go against that declaration and force all employees to join a union.

I should like briefly to quote certain statements made by Mr. Paul Johnson, who I think has clearly stated the position as he sees it. His comments regarding the manner in which trade unions are acting are supported by many people in the community. Unfortunately, however, I will not have time to do that. I have produced definite evidence that trade unions are, through threats and in practice, imposing black bans and causing other industrial disputes throughout the community. The Leader of the Opposition has quoted certain cases and I, too, have quoted specific cases. I know that the Government will not be able to knock down those cases but will try to skirt around the issues and try to raise other aspects that are completely unrelated to this motion.

Some radical trade union leaders in this State are abusing their power and rights. They are powerful men who conspire to squeeze the community in a way similar to that used by gangsters. Let us identify them and, as a Parliament take action to protect the well-being of the community at large.

The Hon. J. D. WRIGHT (Minister of Labour and Industry): We are probably dealing with one of the fundamental issues that is a dividing line between the Opposition and the Government. It is my view (and I hold it very strongly) that anyone who wishes to work in an organised industry should be a member of that organisation. He has a real responsibility to do so, a responsibility similar to that of the person who wishes to join a tennis, cricket, croquet, bowls or any other sort of club: he does not join that club and use its facilities unless he pays his way.

Members interjecting:

The Hon. J. D. WRIGHT: I should like members of the Opposition, who have not referred to this matter, to say what difference there is between using trade union facilities and using club facilities. I understand that Heini Becker is a member of every club in his district. I do not blame him for that; he needs to be for electoral purposes.

Dr. TONKIN: I rise on a point of order, Mr. Speaker. I think the Minister has been in the House long enough to know that one refers to honourable members by the name of their electorate.

The SPEAKER: I uphold the point of order.

The Hon. J. D. WRIGHT: I realised I had made that mistake, but I was hoping members would have the courtesy to accept it. The member for Hanson smiled at me because, although he knew I had made a mistake, he accepted what I had said.

The Hon. G. T. Virgo: He knew what you were saying was correct.

The Hon. J. D. WRIGHT: Yes. I have explained that there is a fundamental difference between the policies of the two Parties in this regard. My party believes that if you are going to work in an industry you should pay your way. Your Party believes in breaking up the trade union movement so that it will have no finances.

Mr. Gunn: That's not true.

The Hon. J. D. WRIGHT: It is true: It is what you want to do. You want to destroy trade unionism by lack of membership.

Mr. Gunn: You want to force them into unions.

The SPEAKER: Order! I must call to order the honourable Minister and the honourable member for Eyre, both of whom are using the term "you", which is not acceptable in this Parliament.

The Hon. J. D. WRIGHT: Members of the Opposition want to destroy the trade union movement by avoiding membership so that unions will have no finance. That is what this motion is all about.

Members interjecting:

The Hon. J. D. WRIGHT: If members opposite will listen, they may learn something; however, I doubt whether the member for Glenelg will do so, because I think he is beyond the point of learning. First, I want to deal with the most wishy-washy speech I have ever heard from the Leader of the Opposition. I must give some commendation to the member for Davenport, because he, at least, spoke to the motion. Although I do not agree in any way with what he said, he tried to stick to the motion. However, I suggest that the Leader of the Opposition engage a new speech writer as quickly as he can, because he made what I consider to be the worst speech I have heard him make, and it may be his undoing in relation to his leadership. As he did not specify any particular case, it is difficult for me to try to answer him. He made no attack on any specific union, but merely generalised. The Leader referred to the Gateway dispute, but it is on record publicly that I intervened in the very first dispute that occurred on that project. I called in all the unions, had a 4½-hour conference with them, and, as a result, the employees returned to work. I want the Opposition to make honest accusations. The Opposition has made a dishonest statement. It said that the Government had made no attempt to resolve the Gateway dispute, yet before going overseas I was in constant contact with that project, and it was proceeding fairly well.

Mr. Mathwin: The Acting Minister let you down?

The Hon. J. D. WRIGHT: No, I am not suggesting that. I do not deny that there is a real problem with that dispute, and real problems will occur as long as we have so many unions operating in Australia. I would be the first to admit, and I am recorded in *Hansard* as saying, that more than 300 unions are too many to manage effectively. We ought to be amalgamating unions, and that is Labor Party policy. Let us examine what the Opposition Parties did in the Federal sphere. When Mr. Cameron, as Minister, tried to simplify union amalgamation, the Opposition blocked it. I have just returned from Germany, where 16 unions operate and where there has not been a demarcation dispute for 24 years. It was Mr. Aneurin Bevan, the British Labour Parliamentarian, whose ideas were responsible for styling the German trade union set-up. If we had had the opportunity of styling a similar type of unionism, we would not be in the difficulties we are in today, as a result of inheriting the British style of trade unionism.

I abhor demarcation disputes, because they are difficult to solve, and if the Opposition is ever in Government (and I doubt very much that it will be), it will not be any more successful in solving demarcation disputes than any other Government has been. No matter where one moves, one is stopped in every corner. Opposition members should not sit back on their haunches and say, "The Government has not solved this or that dispute." The

Opposition should try to find a solution, and I will be the first to accept any real and honest proposition the Opposition or anyone else brings forward. As long as we have about 330 unions operating in Australia, the position will remain much the same as it is now.

I will now deal with one other matter, around which the Leader of the Opposition briefly skirted. He made some accusation about what was happening in school canteens. That statement, made by a supposedly responsible person in the community, was about the worst statement I have ever heard. Neither he, nor the person who wrote his speech, checked the facts. I made a statement yesterday, which cleared the position to everyone except the Leader of the Opposition, so that everyone else in South Australia understood the position clearly. I will state the position again so that it will be recorded in *Hansard*. There has never been any organised movement by the Labour and Industry Department to examine school canteens, and I am assured by the relevant trade union that there has never been any organised movement to sign up members in that industry. Opposition members continue to laugh about the situation and not try to accept the facts. They sit back blindly behind their Leader, who has made accusations he cannot support. If they want, like the member for Eyre, to get up blowing and puffing wind, let them do so. The member for Eyre never knows anything about a subject. I doubt whether he knows how to grow grass!

The Leader of the Opposition has not even attempted to find out that, in 1972, a Bill on this subject was introduced in this Chamber and passed by another place, and I do not have to remind members what the situation was like in 1972. My Party at the time had only four members in another place. The 1972 Bill, which brings in charitable and other organisations employing people full time, has operated for four years. However, it is not necessary (and this is what I said to the press last evening) for those organisations to employ full-time people if they do not want to employ them. If they want to continue to use voluntary labour, they can continue to do so. This crescendo of people talking about closing canteens is so much rubbish. For the Opposition members to talk such tripe is absolutely ridiculous, because only a small number of people are employed full time in the canteen system. The member for Eyre does not like what I am saying, because he is learning something about the canteen system for the first time. Only a minority of people employed in the canteens is required to be paid the full award rates of pay. In 1973, the hourly rate of pay was \$1.42, whereas in 1976 it is \$3.20. I do not apologise for members of my department who give the correct information to those who ask what is the law. Do any Opposition members object to members of my department divulging what employees are entitled to receive? That is what my department has done, and I congratulate it for doing it.

Mr. Mathwin: You agree with it, do you?

The Hon. J. D. WRIGHT: Yes, and I would instruct them to tell people they are entitled to receive award rates of pay. I would recommend the dismissal of any officer who did not carry out his duty in that regard. That shows the protection my Party gives to people of the working class. I will now deal with another vital matter. This attack has really come about because of two things, the first of which is the instruction issued by the Government in relation to its employees with regard to trade unionism and their joining rights, which was issued about eight weeks ago.

Dr. Tonkin: What were the terms of the instruction?

The Hon. J. D. WRIGHT: The Leader's Party has the information. On entry into the department, an employee must sign an application form that he will join the union—and so he should. The real attack by the Opposition comes as a result of what appears in the Governor's Opening Speech. Somehow there has been a leak on that, because the press asked me at the court this morning what it meant. I do not know how the press got hold of it, but it had it. They did not get it from me, because I had not seen the Governor's Speech, although I was asked in the Industrial Court this morning to explain certain of its provisions. There is no question in my mind that this is one of the genuine attacks by the Opposition in this regard.

Dr. Tonkin: Do you mean to say that you were not aware of a major policy statement in the Governor's Speech, even though you are a Minister?

The Hon. J. D. WRIGHT: I have not seen that document. Remember, I have just come back from an oversea trip. I had not seen it this morning when I was challenged at the court, but the press had got hold of it, so it is reasonable for me to assume that members of the Opposition had, too, hence this pious resolution. For the information of members opposite, preference and almost compulsory unionism has been operating in Western Australia since 1938. If one studies the situation in that State during that period, one finds that, although the Government has changed from Labor to Liberal, and so on, no Government has attempted to change that policy. It is mandatory under Western Australian law that, within seven days of joining an industry, one must apply to join a union. The provisions I am hoping to be able to take out of the industrial legislation now will provide the court with power to make such a determination.

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

Mr. GOLDSWORTHY (Kavel): I shall refer in the few minutes available to me to the remarks of the Premier and of the Minister who has just resumed his seat. The Premier referred to the Government's magnificent record in relation to intervention in strikes. We recall a time when steel was piling up and rusting at Port Adelaide, and the Premier's answer then was, "We cannot intervene, because it was not within our jurisdiction." His solution after about four months was to say that he would encourage the people to take it to court. Now the Government proposes to make that action illegal. We have noticed this in the Governor's Speech.

We recall the situation prevailing quite recently in the wool handling dispute. What was the answer of the Minister in that situation? It was to urge the farmers to get behind the unions and grant what they wanted; in other words, the Government's solution to industrial trouble is to cave in. For the Minister's edification, let me refer to the comments of his colleague, the member for Florey, who has just returned from an oversea study tour. In commenting on the situation in Germany, a situation vaunted by the Minister in reply to comments from this side, the member for Florey said:

I found that working conditions in Hamburg were extremely unfavourable when compared to those in operation in Australia or in Italy, that is, dockers may be called upon, and often are, to work double shifts which means 16 hours continuous duty, the first shift being paid at the appropriate day rate, and the second shift being worked for the meagre addition of 15 per cent to the day rate. This of course would be totally unacceptable to Australian waterside workers and as these double shifts are worked

so frequently, I pointed out that if those practices were not followed, the employment of a greater number of dockers would be required by the shipping authorities to ensure the fastest turn-around of vessels possible.

He goes on in that vein. The fact that only 16 unions operate in Germany obviously does not do a great deal to increase the weal of the unionists in that country. Other conditions that obtain in Germany account for the tremendous production in that country since the Second World War, making it, with Japan, streets ahead of anything in this country.

I hope we do not go too far down the road in this country, in the same way as has happened with union muscle and power in Great Britain. That country is virtually bankrupt, and it is being run by the unions. Many articles written by journalists from that country testify to this fact. Governments in this country, particularly the Labor Government in this State and the other Labor Governments, are powerless to control their union colleagues, and the unions are progressively being taken over by the left wing of the trade union movement, making conditions in this country virtually intolerable for fair-minded citizens. In South Australia, the Trades and Labor Council election at the beginning of this year resulted in the election of left wingers. The left wing controls the union movement in South Australia at present, and no doubt that accounts for the following particularly disturbing reference in the Governor's Speech:

A Bill to amend the Industrial Conciliation and Arbitration Act will be placed before you. It will give effect to the undertaking contained in the policy speech of my Government, before it was returned at the last election, that civil action for damages should not be taken in industrial disputes, but that disputes of this nature should be resolved in the tribunals specifically provided for the purpose. The Bill will also propose the removal of the present limitation on the power of the Industrial Commission to provide in its awards for absolute preference to members of trade unions.

That is giving notice to the public of South Australia that the Government is bowing to the left wing controlled T.L.C. in this State. If ever there was a denial of freedom in this country, that statement in the Governor's Speech is such a denial.

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

LOCAL GOVERNMENT ACT AMENDMENT BILL

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

That the Local Government Act Amendment Bill, 1976, be restored to the Notice Paper as a lapsed Bill, pursuant to section 57 of the Constitution Act, 1934-1975.

Motion carried.

The Hon. G. T. VIRGO moved:

That the Select Committee on the Bill appointed by this House on February 19, 1976, have power to continue its sittings during the present session, and that the time for bringing up the report be extended until Thursday, June 10, 1976.

Motion carried.

SOUTH AUSTRALIAN HEALTH COMMISSION BILL

The Hon. R. G. PAYNE (Minister of Community Welfare) moved:

That the Select Committee on the Bill appointed by this House on February 18 have power to continue its sittings during the present session, and that the time for bringing up the report be extended.

Mr. MILLHOUSE (Mitcham): In supporting the motion, I wish to make only a couple of comments, and I hope that the first of them will not be taken in any way as self-congratulation. I remember that, towards the end of the previous session, it was at my insistence that this Bill was referred to a Select Committee. At that time I had three colleagues, one in this place and two in another. The two in the other place, who were prepared to support me on this, were, I think, decisive in the Government's consideration of the request for a Select Committee. We have got a Select Committee, and it has met on a number of occasions. I do not propose to canvass any of the material put before it, but, if ever a Bill should have been referred to a Select Committee, it was this one. In my view there is much to be said for always referring a Bill of this nature to a Select Committee, even if it looks on the surface to be all right and innocent. I do not say that this one did to many members in this place and another place, but there was much hesitation about whether it should go to a Select Committee.

I am very glad that the political situation at the time enabled us to refer it to a Select Committee. Quite apart from matters of policy which will be the subject of the report the Select Committee will bring forward in due course, many errors and omissions of draftsmanship have been found which would have rendered the Bill as it stood a dangerous document indeed. These things came out only when members of the committee got into their consideration of it. I hope that, when the Select Committee reports, I shall be able to concur in the majority report: whether or not I will, I do not know, because we have not got to that stage. I support the motion because I think the Select Committee was absolutely vital on this Bill. I hope that the main principles of the Bill will be upheld and that we will see it in the form of legislation before the end of this session. I can say that it will be, I hope, a much improved Bill because of the work of the Select Committee, compared to the Bill as it was introduced in this place.

Dr. EASTICK (Light): I, too, support the motion. It has been a salutary experience to have served on this Select Committee for several of the reasons outlined by the member for Mitcham and also for other reasons. I say this not so much as a warning to the Government but as an example that the Government may consider for the future: without doubt where an authoritative body (and in this case it was the Bright committee) has been responsible to the Government for preparing an outline of a measure that would eventually benefit the community, it ill-behoves a Government to allow an assessment of that report to be entirely an assessment by Government officers. I do not say this as an admonition of any individual officer who was placed in the invidious position of having to prepare legislation within the framework of the Bright committee report. I am referring to several of the principles and directives of that committee.

For the Government to have suggested this was a measure that embraced the Bright committee recommendations was false, and it ill-behoved the Government to have claimed that against the Bright committee and all of its members. As has been indicated, the draftsmanship will require much reconsideration. Whether at the end of that reconsideration the Bill will be able to be supported in this House remains to be seen, but I make the point that, having served on the Select Committee, I believe that the health services of this State could benefit from a properly drafted and presented Bill on this matter.

Motion carried.

APPROPRIATION BILL (No. 2)

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act for the further appropriation of the revenue of the State for the financial year ending June 30, 1976, and for other purposes. Read a first time.

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

That this Bill be now read a second time.

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

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

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

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

The South Australian Government has consistently stressed the interdependence of private and public sectors. We have warned that the Federal Government's moves would create more unemployment and cause confusion and uncertainty in the community. They would cut back consumer confidence and lead to further unemployment and a reduction in investment. The other Premiers are now agreeing. The impact of Federal policies on South Australia is disturbing. When I introduced the Appropriation Bill (No. 1) earlier this year, I said that the State faced many economic unknowns, and that the consequences of those problems would greatly influence our budgetary situation. It would be pleasant to be able to tell the House that the country now has a clearer idea of the Federal Government's policies, and that State Governments were now better able to plan their future commitments.

Unhappily, it is not possible to say that. Confusion surrounds almost every aspect of Federal Government policy, be it Medibank, wage indexation, education spending, Aboriginal affairs, or urban development. Medibank is to be changed for medical services, and the Federal Government is trying to force the States to agree to changes in the Medibank hospitals agreement. Funds for the school dental care programme have been cut, and the threat of no funds at all for that scheme has been made. Public transport funds have been drastically reduced, water filtration funds put under threat, education given a niggardly increase in real funds, and hospital funds given no increase of a real nature at all. The result of these and many

other cut-backs, both known and anticipated, is that the State's financial resources will have to be used to support these programmes.

This means that our healthy revenue surplus and reserves will be used to continue providing services previously funded partly by the Federal Government. Without a surplus and a strong level of reserves, it would be difficult for us to continue to provide welfare schemes, hospitals, roads, schools, and the other services that the people of the State rightly expect from their Government. The good Budget position we find ourselves in is the envy of the other States. The Revenue Budget presented to the House on August 28 last forecast the possibility of a balance of operations for the year 1975-76. This forecast took into account an estimated increase in the level of average wages of about 21 per cent as advised by the Commonwealth Treasury for the purposes of financial assistance grants.

After taking into account the provisions built into departmental estimates of payments as a result of the carry-over effect of wage and salary awards that came into effect in 1974-75, it was calculated that a further round sum allowance of \$82 000 000 would be required to give safe cover against new awards that could come into effect during 1975-76. Because increased salary and wage rates could be expected to be accompanied by higher prices for supplies and services, it was desirable for a round sum allowance to be provided for this purpose also and, accordingly, the Budget included a provision of \$16 000 000. We had had to provide extra for the increase in costs of goods and services in the previous year. In February it became necessary to ask Parliament to consider Supplementary Estimates to provide appropriation in order to cover changed circumstances in a number of areas, and I gave an explanation of the main financial trends which had occurred during the first seven months of the year. At that stage it was clear that there would be a great improvement in the year's Revenue Account result and it appeared that a surplus of as much as \$25 000 000 could occur.

There were five main reasons for that broad estimate. First, wage indexation had been working well and there had been a responsible approach in the community in the area of wages and salaries. The net benefit of this factor to the Budget, that is, the excess of savings in cost over reductions in formula grants and other revenues, was expected to be about \$4 000 000. Secondly, the differences in timing in wage awards (particularly in 1974-75) have meant an absence of consistency between wage movements in State Government employment and those in the Australian community as a whole, that is, during 1974-75 we had a higher level of wage increases than in the general community, but the fact that that was an over-compensation in that period meant that there was some under-compensation during this financial year.

The favourable effect of this factor was thought to be about \$10 000 000. Thirdly, the favourable effect of wage restraint flowed over into prices for goods and services which, combined with careful expenditure control in departments, suggested savings of some \$10 000 000. Fourthly, improved State revenues in some areas indicated that receipts as a whole could be, perhaps, \$5 000 000 above estimate. Fifthly, these four favourable effects were expected to be offset by net increases in payments of about \$4 000 000. The estimate which was derived from these five major factors was for a surplus of about \$25 000 000.

I have given only the briefest of summaries of what was explained more fully in February. For those members who

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

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

At the moment, perhaps I could sum up by saying it seems that all of the favourable influences I mentioned in February are turning out to be even more favourable than was forecast and that many State revenues have been very buoyant despite a general slackness in the economy. One other factor is that the net benefits of the Medibank arrangements for Government and subsidised hospitals are likely to be more favourable this year than was expected. This surplus of, say \$50 000 000 is emerging at a time when there is great uncertainty about the future of State finances and when there is the possibility of dislocation in many areas which have been the subject of assistance by way of specific purpose grants and loans from the Commonwealth Government. I point out that in the discussions at Premiers' Conference it had been intended that any absorption of specific purpose grants into general revenue grants be the subject of a further Premiers' Conference and an adjustment of the rate of general revenue assistance grants.

Dr. Tonkin: Next week?

The Hon. D. A. DUNSTAN: I do not know of anything next week. I know we are meeting on Thursday, but the question of the absorption of specific purpose payments is not on the agenda. There will be discussion, however, about Medibank and housing.

The availability of the 1975-76 surplus and of the reserve of \$25 000 000 built up on operations to June 30, 1975, will enable the Government to go a long way in avoiding or minimising the dislocation and disruption which would have occurred inevitably in the absence of those reserves. Members will recall that I have spoken before about the dangers of being bound too firmly to the rather artificial period of a financial year and about the desirability of longer-term planning. The present circumstances certainly illustrate the wisdom of that approach and I am now able to say to members that, because we have adopted a responsible and planned approach to Budgets, because we have set ourselves longer-term targets and because we have avoided the easy short-term solutions, we

are now in a much stronger position to cope with the uncertainties of the next few years. I do not wish to go into any detail yet about prospects for 1976-77 and our possible approaches to the problems of that year, but I do believe it is both possible and appropriate to give a few broad indications. In three areas my comments have a bearing on the provisions in the Supplementary Estimates.

My major comment is that we must continue to look at the overall financial situation and seek to make the most effective use of all the funds available to us. It is neither sensible nor really effective to look at Revenue and Loan Accounts separately and to disregard the links between the two. Indeed, this is not done in Victoria, but one general provision is introduced to deal with both Loan and Revenue Accounts in one. The common situation in the past has been one of great pressure on Revenue Account because prospective taxation and other revenues have appeared inadequate to cover the cost of essential services. This has carried with it the need to hold Loan funds in reserve to cover possible revenue deficits.

At the moment, with Loan Account likely to be in deficit at the end of June to the extent of about \$7 000 000, the situation is reversed, though perhaps only temporarily, and we see that the greatest pressures are in the areas of capital works with the possibility open to us of giving some support to essential works from the Revenue Budget. As to the prospective Revenue Budget situation in 1976-77, I believe that it will be possible to achieve a balance without the necessity to increase taxes. Charges for services, of course, will need to be kept under review as in the past. The new tax-sharing arrangements introduce a new element of uncertainty into next year's Revenue Budget forecast but, as far as can be foreseen at this stage, the arrangements should be more favourable to the States in 1976-77 than the old formula would have been.

It follows then that there is not likely to be the requirement to call on our revenue reserves of say \$75 000 000 (that is, \$25 000 000 built up to June 30, 1975, and \$50 000 000 in 1975-76). Therefore, it would be practicable to call on these reserves to a significant extent to support the capital programme and other areas of special need in the future.

Accordingly, my Government proposes to appropriate in the Supplementary Estimates and in this Bill a sum of \$55 000 000 for the following purposes:

	\$
	million
Urban public transport	20
General support of the Loan programme ..	20
Unemployment relief works	10
Special electricity and road works	5
	55

Urban public transport is the area hardest hit by the decision of the Commonwealth Government to cut previously planned expenditure heavily. We have entered into contracts for the supply of urgently need buses in the expectation that the special urban public transport programme would continue and that the State would be able to attract two-thirds of the cost of those buses in accordance with the established arrangements for that programme. Under the main contracts (those for the purchase of 310 Volvo bus chassis and bodies), the total outlay will be over \$20 000 000. In addition it is quite unavoidable that the Government should upgrade and add to the fleet of suburban rail cars at a cost of over \$10 000 000. Other works are also urgent.

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

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

Because of its concern about the unemployment situation the Government has approved special allocations in 1975-76, first to extend the period of special schemes using Commonwealth grants and then for State projects. The schemes have been financed by allocations of up to \$2 000 000 at a time and this has allowed planning for only relatively short times ahead. I may say that until today we were the only State running such a scheme and providing directly for unemployment relief works within its State. Victoria today announced it would give the munificent sum of \$1 500 000 for rural unemployment relief alone. It is the only other State which has so far taken an initiative in the matter. We are concerned now that the immediate effect of cost-cutting exercises announced by the Commonwealth Government will be to accentuate the unemployment problem, and we believe a continuation of State schemes of works to provide jobs is necessary. There would no doubt be advantages in planning and in more effective use of resources if sufficient funds for a longer period could be assured. Therefore, we have decided to appropriate out of the surplus a sum of \$10 000 000 to be transferred to a special deposit account and to be used from that account to finance works to provide jobs through the first six months or so of 1976-77. The smaller appropriations for special electricity and roadworks are dealt with later in the departmental explanations.

APPROPRIATION

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

Appropriation Act—Special section 3 (2) and (3): The main Appropriation Act contains a section which gives additional authority to meet increased costs resulting from any award, order or determination of a wage fixing body, and to meet any unforeseen upward movement in the costs of electricity for pumping water. This special authority is being called upon this year to cover part of the cost of the Revenue Budget of a number of salary and wage determinations with the remainder being met from within the original appropriations. It is not available, however, to provide for the costs of leave loadings and other special decisions of that nature. Where these cannot be met from the Governor's Appropriation Fund then Supplementary Estimates must be presented. As the rest of the explanation is technical and is in the hands of members, I ask leave to have it inserted in *Hansard* without my reading it.

Leave granted.

REMAINDER OF EXPLANATION OF BILL

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

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

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

The appropriation available in the Governor's Appropriation Fund is being used this year to cover several individual

excesses above departmental allocations, and this is why some of the smaller departments do not appear on Supplementary Estimates even though their expenditure levels may be affected by the same factors as those departments that do appear. It is usual to seek appropriation only for larger amounts of excess expenditure by way of an Appropriation Bill supported by Supplementary Estimates, the remainder being met from the Governor's Appropriation Fund.

DETAILS OF THE SUPPLEMENTARY ESTIMATES

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

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

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

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

At present electricity is supplied at Port Kenny, Poochera, Streaky Bay, Wirrulla, and Ceduna from local diesel power stations operated by, or under contract to, the district councils concerned. Because of steep increases in oil prices

and wage rates, the cost of this local generation has risen considerably during the past few years, and it would now be more economic to supply these places from the Electricity Trust's transmission system. This extension, which has been requested by the councils concerned, will enable local generation to cease. The savings in costs of electricity supply that this will achieve will result in substantial reductions in future Government subsidy payments.

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

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

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

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

State Supply: During the year attempts have been made to stabilize the work force employed at the Port Lincoln freezing works by maintaining a more constant level of

activity. In pursuance of this objective, the Produce Division of the State Supply Department has been successful in obtaining export contracts through the South Australian Meat Corporation up to June 30, 1976. The increased processing has generated earnings for the department that will be reflected in revenue receipts. However, the associated costs were not included in the original Estimates, and appropriation is now required to meet salaries and wages of \$350 000 and contingencies of \$50 000. Accordingly, \$400 000 has been included in the Supplementary Estimates for the State Supply Department.

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

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

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

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

The clauses of the Bill give the same kinds of authority as in the past. Clause 2 authorises the issue of a further \$61 340 000 from general revenue. Clause 3 appropriates

that sum for the purposes set out in the schedule. Clause 4 provides that the Treasurer shall have available to spend only such amounts as are authorised by a warrant from His Excellency the Governor, and that the receipts of the payees shall be accepted as evidence that the payments have been duly made. Clause 5 gives power to issue money out of Loan funds, other public funds, or bank overdraft, if the moneys received from the Australian Government and the general revenue of the State are insufficient to meet the payments authorised by this Bill. Clause 6 gives authority to make payments in respect of a period prior to the first day of July, 1975. Clause 7 provides that amounts appropriated by this Bill are in addition to other amounts properly appropriated. I commend the Bill for the consideration of members.

Dr. TONKIN secured the adjournment of the debate.

SUPPLY BILL (No. 1)

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to apply, out of the general revenue, the sum of \$160 000 000 to the Public Service for the year ending June 30, 1977. Read a first time.

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

That this Bill be now read a second time.

It provides for the appropriation of \$160 000 000 to enable the Public Service of the State to be carried on during the early part of next financial year.

In the absence of special arrangements in the form of Supply Acts, there would be no Parliamentary authority for appropriations required between the commencement of the new financial year and the date, usually in October, on which assent is given to the main Appropriation Bill. It is customary for the Government to present two Supply Bills each year, the first covering estimated expenditure during July and August and the second covering the remainder of the period prior to the Appropriation Bill becoming law.

The amount of the Bill now before the House is for the same amount as that provided by the first Supply Bill last year. Despite the higher levels of costs now prevailing, I believe this Bill should suffice until the latter part of August when it will be necessary to introduce a second Bill probably for a further \$150 000 000 to \$160 000 000.

The absence in the Bill of any detail relating to the purposes for which the \$160 000 000 is to be made available does not give the Government or individual departments a free hand in spending during the early months of 1976-77. Clause 3 of the Bill ensures that, until the main Appropriation Bill becomes law, the amounts made available by Supply Acts may be used only within the limits of the individual lines set out in the original and Supplementary Estimates approved by Parliament for 1975-76. In accordance with the normal procedures, members will have the opportunity to debate the 1976-77 expenditure proposals fully when the Budget is presented. This Bill takes the normal form of a Supply Bill and it is not unusual in any way.

Dr. TONKIN secured the adjournment of the debate.

SESSIONAL COMMITTEES

Sessional Committees were appointed as follows:

Standing Orders: The Speaker and Messrs. Arnold, Dunstan, McRae, and Russack.

Library: The Speaker and Messrs. Allison, Broomhill, and Simmons.

Printing: Messrs. Max Brown, Harrison, Slater, Vandepier, and Wotton.

ADDRESS IN REPLY

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

That a committee consisting of Messrs. Broomhill, Langley, Olson, and Wells, and the mover be appointed to prepare a draft address to His Excellency the Governor in reply to his Speech on opening Parliament, and to report tomorrow.

Motion carried.

ADJOURNMENT

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

That the House do now adjourn.

Mr. KENEALLY (Stuart): I could take my whole 10 minutes speaking about the performance of the gentleman in the North, Mr. Bjelke-Petersen, well-known friend of members opposite who acts in a way with which I am sure they agree completely. I could also spend 10 minutes speaking of the only gentleman in Australia whose dishonesty and ineptitude exceeds that of Mr. Bjelke-Petersen, our present Prime Minister. However, I want to spend a few minutes speaking about the good work being done by the Highways Department in my district. I am sure the Minister will be pleased to hear what I am saying. For many years the area around Port Augusta and Whyalla has been notorious for road accidents and I think that for the first time, certainly to my knowledge, the Government is now doing something about it. One cannot always overcome the ineptitude of drivers, but by improving the standards of roads within the district accidents will be minimised. The Highways Department is doing a first-class job on the road between Port Augusta and Whyalla, and the work is proceeding quickly. The electors in the District of Stuart are delighted about this. I would also like to compliment the Highways Department on the road recently built between Horrocks Pass and Port Augusta, and on the road currently under construction between Port Pirie and Port Augusta. This will provide people in the North with an adequate and decent road system that will be of great advantage to them.

I should also like to compliment the present State Government on its decision to go ahead with the sewerage project at Port Augusta. When the Federal Liberal Party was elected to Government, there was great concern at Port Augusta that the sewerage scheme that had been commenced under the previous Whitlam Government was under threat, and there was no doubt that it was. There is no certainty now that these moneys will be made available from the Federal coffers but the decision by the State Government, as explained in the Governor's Speech today, to go ahead with the scheme at Port Augusta is of great benefit to the people of that city and we are delighted.

Another small matter that concerned me and my constituents at Port Augusta was the future of the Great Western bridge. People who have travelled through that city know that the old bridge, which gave such tremendous service for many years, is now looking rather forlorn alongside its magnificent brother or sister, but that bridge, one hopes because of the decision of the current Minister for the Environment, with the assistance of his colleague the Minister of Transport, will be leased to the Port Augusta City Council, or the Coast Protection Board more particularly, and it will be used as a recreation facility, which is badly needed at Port Augusta.

It would be disastrous if the bridge itself was destroyed. It can be upgraded, and I suggest to the Highways Department that, if it used the funds set aside to pull down the bridge to upgrade the bridge and the fences

around it, it would provide for Port Augusta a much appreciated recreational facility, which could be used not only for swimming and fishing but also as a boat harbour, etc. There is another project at Port Augusta that has suffered because of the decision made by the Federal Government—the grant of \$20 000 that was to be provided for the making of tennis courts at Port Augusta. It may not seem much money, but it is a lot of money to a sporting organisation like a tennis club that has not great reserves among its own members.

The Fraser Government has decided to deny to Port Augusta this money after it had been granted by the previous Whitlam Government. This has placed great stresses upon the recreational facilities at Port Augusta and it indicates quite clearly the attitude of the present Federal Government. It is prepared to go back on all promises made by the previous Government—promises, incidentally, that were made by the current Prime Minister and his supporters before the last Federal election. Whatever he said at that time, anyone who was so foolish as to believe him then knows full well now that his policy speech was absolutely and completely dishonest. He had no intention of honouring the agreements that the previous Government had made or even of honouring the promises he had made before the election.

Mr. Gunn: You are talking about Mr. Whitlam, are you?

Mr. KENEALLY: I am talking about Mr. Fraser. I do not blame the member for Eyre for trying to shift the subject away from the present Prime Minister, because he and his colleagues are embarrassed by the dishonesty and ineptitude of that gentleman. We have heard in this House during the last two or three years the most virulent attacks on the Federal Government, and one would be interested to hear the attitude taken by those honourable gentlemen now, these great supporters of the Federal system, towards the present Prime Minister and his activities, which will destroy the Federal system that they so strongly support. There is absolutely no doubt that if ever there was a gentleman—

Members interjecting:

The SPEAKER: Order!

Mr. KENEALLY: —hellbent on destroying the Federal system, it is the present Prime Minister. I question the economic philosophies of the man who denies money to education and hospitals, because it is inflationary, but can find \$12 000 000 000 to spend on defence. If public spending on education, hospitals, urban transport, water filtration and transport is inflationary, I cannot for the life of me understand why massive expenditure on defence is not inflationary. It is a peculiar attitude and is a philosophy that we have with the present Federal Government. That Government introduces piecemeal legislation. It does not know what it is doing, but hops from one leg to the other hoping that it will come up with something that the people of Australia will accept.

It is all right for members opposite to keep parroting on, but I should like the member for Eyre to hop up in this House and support cutbacks to water filtration, urban transport, education and hospitals in South Australia. If he wishes, he might also support the Federal Government's attitude towards Medibank. I defy him to do any of those things.

Mr. Gunn: Would you—

Mr. KENEALLY: The honourable member knows full well that the two or three years when Australia had a

Federal Labor Government will be a watershed for the rest of this century. Historians will show that the Whitlam period was the period of greatest improvement in the quality of life for the Australian people. The Government following immediately the Whitlam period will, I am absolutely certain, go down as the most disastrous Government this country has ever had the misfortune with which to be landed.

Mr. CHAPMAN (Alexandra): I rise to bring to the attention of the House the true plight of certain war service land settlers whose accounts and futures have been the subject of State and Federal departmental review recently. In particular, I rise to bring to the attention of the House the circumstances under which those Kangaroo Island settlers, their wives and families, have been caused painful and unnecessary anxiety. I accept that, to do justice to this subject, it will take much more time than I have available to me now; however, if necessary I shall spend all my calls available in the grievance debate on this matter because I believe it deserves the full ventilation that it will get either in this or in another place in future. Today, I will give a brief history of this matter, a matter of which the people to whom I have referred are a real part.

The total area of Kangaroo Island is 1 070 231 acres, of which 146 500 acres are taken up by the Flinders Chase reserve. The estimated area outside Flinders Chase that is considered to be unsuitable for development involves about 280 360 acres whereas the estimated arable area, included in War Service Land Settlement perpetual lease land, is 242 000 acres. It is in this area that our soldier settlers, or at least some of them, are battling to cultivate their land profitably. It has been stated previously that that Crown land that was taken over by the War Service Land Settlement Department had been ignored by the community until after the Second World War. It was not regarded as being suitable for use as agricultural land by the primary producers in their own private right. However, with the introduction of trace elements and as a result of other tests, it was considered that that land ultimately would be suitable for profitable war service land settlement in the long term.

The summary of the development shows that the total area held under war service lease now is 255 698 acres. The total area developed for pasture by the then Land Development Board was 142 712 acres. The average size of the holdings in that community is 1 483 acres, the average pasture area of which is 828 acres. That is the developed area. In today's terms, or in terms of previous days, this may seem to be an adequate area, and I believe that ultimately, when that dirt becomes arable soil, it will be an adequate area from which to derive a reasonable income. The structural improvements included a house, shed and fencing, with required water holes or dams, as did all other agricultural areas developed for war service land settlement, and that community received no special treatment.

Over the years, those people have had their ups and downs, as have other people engaged in agricultural and rural pursuits. The recent rural depression has hit that community somewhat more severely than perhaps it has hit other people, because of the isolated features of the island generally and the extreme costs involved in the transport of produce, and so on. However, I will not dwell on the individual factors that have led to the distressing and somewhat serious financial position facing these people and in fact all island producers: I am referring to the 21 settlers who were having their accounts reviewed by

Commonwealth and State officers recently, and I refer particularly to the disgraceful way in which those officers acted in their work, either by direction from their respective Ministers or without that direction. I suspect, from a careful investigation of this matter, that the latter was the case.

Those officers told our people, amongst other things, that they were insolvent. It is apparent, from following discussions with those officers, that they determined this state of insolvency as a result of considering the size of the debts (the debts being matters of fact) against the size of the officers' estimated valuation of the assets, which were the leases, plant and stock involved. It was stated regularly to the settlers under review during that interview that they were insolvent. A further regular comment to those people was that they were a burden on the taxpayers of Australia and could no longer be carried. A further direction was that the people concerned would have six or nine months in which to quit their properties and that there was little that could be done other than that, under some secondary form of rehabilitation, they would be found a place to live.

They would qualify, if they did the right things, including relinquishing their leases, for a \$3 000 rehabilitation grant, and if other employment could not be found for them, they could spend their last years providing for themselves and their families from the unemployment benefits. This matter hit Kangaroo Island as a whole like a karate chop, and those people are depressed and distressed, as I have said, to a stage of anxiety that should not be tolerated in this or any other land. I have not directed my criticisms on this occasion particularly to the officers (although I have done so before and I will do so in later speeches in the House), but I want to draw members' attention to the contents of the letter written to these settlers under the hand of one of our Government Ministers. On April 27, the South Australian Minister of Lands wrote the following circular letter to the entire 21 settlers referred to:

Dear Sir: The war service settlers scheme on Kangaroo Island has been in operation for more than 25 years. During this period a number of investigations have been carried out and various assistance programmes implemented to give settlers better opportunity to successfully establish as farmers. For several years a number of settlers have been concerned about their future for a variety of reasons, advancing years and retirement being just two of these problems. The time has now been reached when a critical examination of your future prospects must be made and in this regard the Minister for Primary Industry (Mr. Sinclair) has requested information from individual settlers. To this end, Mr. H. C. McConnell of the Department for Primary Industry will be on Kangaroo Island during the week commencing Monday, May 10, 1976. The Acting Director of Lands (Mr. G. P. Roe) will accompany and assist Mr. McConnell with his inquiries. It is proposed to visit your property on As it is essential this interview be held, I would be pleased if the appointment is confirmed with the officers at Kingscote.

There was nothing sinister in that letter. It was an approach to establish a banker-client relationship, which has long been overdue throughout the Kangaroo Island scheme. I agreed with the Minister when the approved letter was prepared and with its being forwarded to that community, but the whole exercise broke down miserably. I firmly believe that those officers acted grossly outside their authority, and to this date neither Mr. Sinclair (as Minister for the Commonwealth) nor Mr. Casey (as Minister for the State) has come out to protect his officers or to give us any indication what his view is in relation to their practice on the island. I refer to a letter that has been directed to those Ministers to that end, as follows:

To date they have received no official advice to the contrary and the resultant uncertainty is causing further social stress to that community.

I plead with the Minister of this State—

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

Mr. ABBOTT (Spence): The Federal Government, under the leadership of Prime Minister Fraser, has done nothing but puzzle and confuse the Australian community by its interference in and messing about with Medibank. The whole scheme is so puzzling that, as a first step, a massive \$500 000 of taxpayers' money has been spent to try to explain to the people the many health insurance choices available to them. It is obvious now that this \$500 000 has gone down the drain. It has just been wasted, not because the postal unions refuse to deliver the pamphlet but because it tells us nothing. I will quote what the President of the Voluntary Health Insurance Association of Australia (Mr. W. K. Moon) had to say, as reported in the press:

A Federal Government pamphlet released to help clean up Medibank uncertainties would not be of any assistance to the public The 6-page brochure is not specific enough It is merely a condensed version of what has been said from time to time by the Health Minister, Mr. Hunt. It won't help at all, because it is not specific enough. It talks about a fund contribution of around \$350, about a \$300 direct payment to Medibank if you want to opt out and they are only estimates at this stage Frankly, I don't think it will help people at all in determining their future position in relation to Medibank.

Each passing week gives further evidence of the Fraser Government's intention to tear down the achievements of three years of the former Federal Labor Government. The present coalition Parties try to justify this ruthless destruction of many of those achievements in the name of economy and of avoiding waste and extravagance, yet in the same breath they announce massive handouts for their rich grazier friends and themselves by the restoration of the superphosphate bounty. We know that the Prime Minister will gain financially from the restoration of that bounty. What they are now doing is hitting those sections of the community who had no voice until the Labor Government came to power and who are certainly not being listened to by the Fraser Government. I refer to the weak, the under-privileged, the less fortunate, the sick, and the ordinary little man in our community.

The axe hangs over Medibank, in spite of repeated promises made about maintaining the scheme in the way in which it was introduced. Medibank was one of the former Australian Government's most important social initiatives. It was an initiative from which every Australian at some stage of his or her life would benefit. Medibank was established for every citizen of this country, including the 1 300 000 people who had no health insurance cover before the scheme was introduced.

The new scheme does not retain the principle of universal cover. How can it retain that principle, when more than 60 per cent of the people will be forced right out of Medibank? Because of the attack that is being made on the Australian worker, the trade unions are now asking employers to include in their awards an industrial condition for the payment of the 2.5 per cent Medibank levy. This action is being taken because the workers were not told in the policy speech of Prime Minister Fraser delivered before the December 13 election that a Medibank levy would be imposed. The Prime Minister said in his policy speech that Medibank would stand. He did not say that his Party would look at Medibank

after the election result: he simply said it would stand. So, the trade unions have a legitimate argument when they say, "We are not going to accept 2.5 per cent of our salary being chopped off or our living standards reduced."

Not only has the Federal Government gone back on its word and broken another promise but also it has caused and created a serious breakdown in industrial relations. It will cause major industrial unrest. What else can do it? The underprivileged and chronically ill will all be deprived of Medibank. The Federal Government could well do with some long lessons in industrial relations. Otherwise, we will see the whole country brought to its knees. The debate on stricter unionism that we heard this afternoon is typical of the union bashing that we heard in the debates during the last session. I could not see anywhere in His Excellency's Speech that was delivered this afternoon in another place any reference to compulsory unionism. It was not mentioned in His Excellency's Speech, and no-one can show it to me there.

Union membership agreements have been operating for many years and, what is more, they work exceptionally well. Why should not all workers contribute to the cost

and effort that is involved in improving their working conditions? Some persons walk in off the street and enjoy the benefit for which all the other workers have contributed for many years. The trade unions simply ask that these people contribute a small amount to the cost and effort involved in fighting before the industrial courts of Australia for better working conditions.

Some reference was made in this afternoon's debate to the retail motor industry. I know that, from a trade union point of view, it is a difficult industry to organise, and little co-operation is given by the employers. I know of a union organiser who was chased by an employer and bashed around the head with a mop because the employer would not let him talk to the men on the job to see whether or not they wanted to join the union. His suit was ripped, but fortunately through the Arbitration Commission we were able to get the organiser a new suit, paid for by the boss. The debate we have heard this afternoon is a continuation of union bashing, and it is a whole lot of rubbish.

Motion carried.

At 4.31 p.m. the House adjourned until Wednesday, June 9, at 2 p.m.