

FINANCE BILL PASSES

LEGISLATIVE COUNCIL

Attempt To Limit Deficit To £1,500,000 Defeated

NO RESTRICTIONS

An attempt to amend the Appropriation Bill by limiting the deficit to £1,500,000, was defeated in the Legislative Council last night by 10 votes to 9, and the Bill passed through all stages without alteration.

The amendment was submitted by Mr. Tassie and, during the debate, members suggested means by which economies could be made. It was suggested by some that savings could be made in the education vote. Before the amendment was voted on, Opposition members of the House drew attention to the serious position that would arise if it were carried. Sir David Gordon and other members of the Opposition voted with the Government and brought about the defeat of the amendment.

Sir David Gordon (Lib.), in resuming the debate on the second reading of the Bill, said that, for the third time, they were asked to budget for a deficit. When they entered the intensive period of depression, beginning in 1927, Governments had found it impossible, because of fixed charges to balance accounts, despite efforts to reduce expenditure. There was no possibility of increasing the revenue by higher direct taxation, and the only hope was to cut expenditure even more than at present.

A prominent financial officer of the Government service, when asked by him if the economies were in accordance with the Premiers' Plan, said the Plan had been carried out more faithfully in South Australia than in any other State, especially in regard to the reduction of salaries and wages.

There Must Be Economies

"No Minister today controls his department with respect to expenditure and promotion, because of the operations of the Arbitration Courts," declared Sir David Gordon. "Parliament has lost control of the public purse to an extent which greatly affects the budget figures, but I hope that, by economies, the Government will be able to finish the year with a smaller deficit than that shown in the Bill."

Members of Parliament, he said, would have to accept reductions in public services. If there were to be reductions in the Education Department it could only be done by closing schools. No country member would subscribe to the closing of small schools, and others would object to restricting secondary education. Reductions in salaries and wages could not be carried much further unless the public was prepared to accept reduced services. That was a matter which Parliament controlled. He supported the Bill, because he saw no alternative.

Everybody On Dole

Mr. Mills (C.P.) said every effort should be made to reduce expenditure, and highly salaried administrative officers should be paid according to the success they made of their departments. If expenditure were not curbed in the Public Relief Department, everybody would be on the dole eventually. Special attention should be paid to the railways, and a cheaper plan evolved for carrying freight, either on the railways or by road.

Mr. Tassie (Lib.) said the Government should review the sources of revenue more closely, and special attention should be given to small matters, which in the aggregate would reach a large sum. Last year £1,802,175 was collected in income tax, and this year the Treasurer had budgeted to receive £1,350,000. Incomes had been greatly reduced, but he thought that the new system of collecting the tax would result in roping in many people who previously had evaded taxation. Hospital receipts could be increased if further enquiry were made into the ability of patients to pay fees, and country hospitals were too close together with the present-day transport conditions. Several of them might be closed, and the patients taken in special ambulance vans to the Adelaide Hospital. A big saving could be effected in this way. State and Commonwealth observatories were not necessary, and there could be a big reduction by closing the State institution.

Economies In Education

There was room for economies in the Education Department. He would reduce expenditure in high schools and secondary education, and compel all except those who won bursaries to pay for high school education. The sum of £100 a week could be saved in salaries in certain "luxury" schools. The Government should make heads of departments responsible for the amounts on the estimates not being exceeded. He would probably move later that a clause be inserted in the Appropriation Bill to limit the deficit to £1,500,000.

Secondary Education Should Be Paid For

Mr. Ritchie (Lib.) said if the Government found that it could not keep within the deficit of £1,500,000, it should call Parliament together and place the position before members. He could not see why the Government should object to a clause fixing the limit at £1,500,000. Cuts should be made in the Education vote, but not in primary education, to which every child in the State was entitled. People requiring secondary education should pay for it.

Mr. McCallum (Lib.) said the advent of the motor car had made it possible to close the small schools and convey the children to larger ones, where they would receive a wider education.

Government's Difficult Position

Mr. Young (Lib.) said the Government had his sympathy, because it had carried on under difficulties greater than those of any previous Government. The public, however, was looking to the Legislative Council to perform its duty, and see that the Government did not exceed the deficit provided in the Bill. The present Railways Commissioner (Mr. C. B. Anderson) was doing excellent work. He had reduced expenditure by £1,000,000, and for the first time for years had shown a profit for the first quarter.

Mr. Blesing (C.P.) said that the remarks of other members indicated that they were not prepared to trust the Government to keep the deficiency down to £1,500,000. Education had been singled out in that House for drastic cuts. He would oppose strenuously any attempt to close small country schools, and force mothers to teach their children by the correspondence system. If pressure were brought to bear on the Government the Education Department would suffer.

"Attempting Too Much"

Mr. Condon (Lab.) declared himself against the Premiers' Plan. The Government was attempting too much in a short time. Those whom members had attacked that night were the man on the dole and the children and their education, but they had put forward no practical suggestion. He supported the Bill.