

are prepared to go out amongst the people, find out what is required, and fulfil those needs. By that, I do not mean that hand-outs should become universal. If the Department is over-staffed, then it is time an effort was made to correct that state of affairs. The Government must have courage in order to improve the railways service and put it on a profitable basis. There are many kinds of traffic to which the railways are particularly suited, but the whole service, despite the millions of pounds that have been spent, has gone downhill simply because the administrators are not sufficiently skilled in public relations to induce the public to travel by rail.

The Hon. G. J. NICOL (Monash Province).—I congratulate Opposition members on the volubility with which they have debated this motion, but I feel that their loquacity is little more than a cloak for a barrenness of ideas. The one constructive suggestion put forward was that the railways should enter into open and straight-out competition with road transport. I agree with that proposition, because the Government always welcomes open competition. However, the honorable member who made the suggestion showed a lack of appreciation of the current financial position of the State when he contended that the Railway Department should build up a huge fleet of road trucks. He apparently overlooked the substantial capital outlay which would be involved in implementing such a policy. Members of the Opposition must admit that one of the greatest problems of Victoria at the present time is lack of capital. Great play has been made of the effects of high rates of interest offered by various businesses and commercial organizations have on the raising of loans in Victoria. However, no honorable member has admitted the undoubted fact that it is not so much the activities of business organizations which are affecting the loan programme as the very tight curb which is imposed on this State by the Federal Government in the operation of the Loan Council. If controls were substantially lifted, the prosperity of this State is such that

we would have little, if any, difficulty in raising all the loan capital required for the effective government of the State.

I was disappointed not to hear one reference to what undoubtedly is—and has been for a number of years—the major factor in this State's financial situation, but that is to be expected because it is realized that the Labour party cannot admit that the system of uniform taxation is at the root of Victoria's financial troubles to-day. Uniform taxation was imposed on the States by a Federal Labour Government, and it is regretted that subsequent non-Labour Administrations have seen fit to carry on this iniquitous system. It is obvious that the grip of the Federal Government on all State finance is becoming such that unless it is loosened, if not completely removed, the inevitable result will be the financial strangulation of all State Governments. For some time past, the Federal Government has had, and still has, an inordinately swollen Treasury and disburses funds with almost complete prodigality. Recently the Federal Treasurer said that the feathers cannot be put back on a plucked fowl, but he need not have stressed that comment by throwing Federal moneys around like a cloud of feathers from the plucked bird.

The Auditor-General has recently, and in past years, criticized Federal Governments for what he considered to be expenditure far greater than necessary on a number of items, which are doubtless well known to members. Much of the funds that have in many ways been dissipated by Federal Governments could well have been allocated to Victoria so that this State would be receiving a much fairer return of the amount of taxation paid by its citizens. However, that is a rather minor aspect of the uniform taxation position. The only true solution is the complete abolition of the system, and it is well within the powers of any Federal Government to take that step. I realize that the Labour party hesitates to tackle a solution of the uniform taxation problem because, although a Labour Government would undoubtedly

prefer to have its own taxation powers returned as is the case in New South Wales, where a Labour Administration is in office, the general feeling is that it is afraid to have them restored because it doubts its ability to handle the difficulties involved.

This Government is determined, as it has been for the past three years, to continue the fight for the complete abolition of the uniform taxation system so that Victoria may achieve financial justice which the Government believes is due to the citizens of a State which is developing so rapidly. The present picture is that of an extremely rich State with a Government which is impoverished because of the effect of the operation of this system of uniform taxation. If honorable members on the Opposition side would give some attention to this problem, which is at the basis of all this State's financial troubles, the Government would welcome their co-operation in order to secure for Victoria and for the other States of the Commonwealth the recovery of the taxing powers which we believe are essential to the welfare and continued progress of the State.

The House divided on the motion for the adjournment of the House (the Hon. G. S. McArthur in the chair)—

Ayes	9
Noes	24
Majority against the motion	15

AYES.

Mr. Galbally	Mr. Thomas
Mr. Machin	Mr. Todd.
Mr. O'Connell	<i>Tellers:</i>
Mr. Slater	Mr. Merrifield
Mr. Smith	Mr. Walton.

NOES.

Mr. Bradbury	Mr. Mack
Mr. Bridgford	Mr. Mair
Mr. Byrne	Mr. Mansell
Mr. Byrnes	Mr. May
Mr. Cameron	Mr. Swinburne
Mr. Chandler	Mr. Thom
Mr. Dickie	Mr. Thompson
Mr. Feltham	Mr. Walters
Mr. Fulton	Sir Arthur Warner.
Mr. Gawith	<i>Tellers:</i>
Mr. Grigg	Mr. Garrett
Mr. Gross	Mr. Nicol.
Mr. Hamer	

The Hon. G. J. Nicol.

ADJOURNMENT.

Sir ARTHUR WARNER (Minister of Transport).—I move—

That the Council, at its rising, adjourn until Tuesday, September 23.

That means, Mr. President, that the Council will meet the week after next. The reason for adjourning until then is that next week the Lower House will be dealing with the Budget. Most of the Bills that are at present ready for Parliament are money measures which cannot be introduced in this Chamber. Accordingly, there will not be a great deal of work for the Council to do until such time as Bills come forward from the Assembly.

The motion was agreed to.

The House adjourned at 11.11 p.m. until Tuesday, September 23.

LEGISLATIVE ASSEMBLY.

Tuesday, September 9, 1958.

The SPEAKER (Sir William McDonald) took the chair at 4.10 p.m., and read the prayer.

RAILWAY DEPARTMENT.

GOODS AND PASSENGER SERVICES:
FINANCIAL RESULT: INCREASED
FREIGHTS AND FARES: COBURG-FAWKNER LINE EXTENSION.

Mr. FENNESSY (Brunswick East) asked the Minister of Forests, for the Minister of Transport—

1. What is the estimated profit or loss for the current financial year on—(a) country railway freights and passenger services; and (b) metropolitan railway services?

2. When the last increase in country freights and fares was applied?

3. Whether, in view of the curtailment of passenger trains on the Coburg-Fawkner line, it is still the intention of the Government to extend the electrification of the line beyond Fawkner to terminate at a siding on the site of the works of the Ford Motor Company of Australia Proprietary Limited?

4. What is the estimated cost of this proposed extension?