The House of Representatives has now been sitting for three
weeks. By far the greater part of that time has been devoted to debate
on the Government's Budget. Many Members from both sides have spoken.

Government Members have been in general happy and wholehearted
supporters of what the Treasurer has done in his efforts to maintain our
rate of growth and development as a nation. In this is included the
important immigration programme and, of course, financial assistance
for the States. I have already heard some people criticise the
Government because it has budgeted for a surplus of over £100 Million.
In actual fact all of this money is earmarked for two purposes. The
first is to guarantee State loan funds raised under the auspices of the
Loan Council. This has been necessary because Governments have found
it almost impossible to raise all the capital funds they require from
the loan market and therefore the Federal Government has adopted the
practice of guaranteeing these loans for State works, up to a certain
limit, out of current revenue. The second reason for the surplus is
this: Large sums of wartime loans are falling due this year and it is
almost certain that they cannot be met by further calls on the loan
market and therefore the Government has had to provide for them out
of current revenue. These two items I have mentioned will absorb all
the budget surplus.

Various Government members brought up matters in the
House that they themselves in their own judgment felt had not been
fully answered by the budget.

This doesn't necessarily mean any wide divergence of
opinion from the Government. It is merely the individual back-bencher,
exercising his proper right to say what he believes to be true. Subject
mentioned in this way were the problem of people on fixed incomes and
the harm done them under inflation. This is a real problem that no
country in the world has fully mastered as yet. I believe that it is
one that requires a great deal of work and research before the true
incidence of hardship can be judged and the best way of meeting it found.
Let me show what I mean. It is possible for a married couple, both
on the pension to get £15 a week (£14 each pension and £2 10/- permissible
income) and own their own home. It is also true that a pensioner,
man or woman, may have just the bare pension of £4 and nothing else. Government aid to both is equal but the very real hardship of one is not comparable to the comparative well being of the other. We have a lot to learn yet about social services and national well being and the manner in which available funds are given the needy. It is worth remembering that over £200 million - a fifth of the Federal budget - is spent on social services.

In the Budget debate I made some criticism of the fact that I felt that we were trying to do too much in too short a time. I gave a short summary of my talk last week in which I said we should slow our rate of progress a certain amount so we can consolidate our position, master inflation and make more progress with some essential capital works, like roads, inside Australia.

I was disappointed with the majority of the speeches from the Opposition benches. They dealt with matters that are important and they criticised the high inflation is obviously having on certain sections of the community but they did not offer constructive suggestions about how they thought we should be tackling our problems. They should really have done this for their criticism to be fully useful. Kim Beazley from Western Australia was one of the exceptions to this rule. He made an interesting critical analysis of our present position.

Suez - The shadow of Suez has been on every Member's mind for the last two weeks. The future of the British Commonwealth could well hang in the balance. There is little I can say on this but I do want to tell you, the people of Wannon, that it is occupying the minds and thoughts of Members more than anything else.

One final thing. If any of you are puzzled over the points I tried to make in my Budget speech, I do hope you'll get in touch with me. I believe they are important.