

HOUSE OF ASSEMBLY

Thursday, March 31, 1977

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

MOTION FOR ADJOURNMENT: ADVANCED EDUCATION

The SPEAKER: I have received from the honourable member for Mitcham the following letter, dated March 30, 1977:

I desire to inform you that on Thursday, March 31, it is my intention to move that this House at its rising do adjourn until 1.30 p.m. on Tuesday, April 5, for the purpose of considering a matter of urgency, namely:

That no action whatever be taken to carry out the recommendations of the report to the South Australian Board of Advanced Education on co-ordination of colleges of advanced education in South Australia before the report of the Committee of Inquiry into Post-secondary Education in South Australia (the Anderson committee) is received and evaluated and that the Minister of Education explain immediately to the House why the contents of the above report to the Board of Advanced Education were made public by its Chairman, Dr. J. A. Sandover, as his doing so has caused widespread consternation and concern.

Members interjecting:

The SPEAKER: Order! In my opinion the matter raised is not one of urgency, and I therefore rule it to be unacceptable as an urgency motion. Important though it may be, I believe other avenues are available to all members in this Chamber to air matters such as this.

QUESTIONS

ADVANCED EDUCATION

Mr. ALLISON: Do we have the Minister of Education's assurance, first, that the report of the South Australian Board of Advanced Education on the co-ordination of colleges of advanced education in South Australia, released in March, 1977, was initiated, prepared and released of the board's own volition and at its discretion; and secondly, that it will not be acted on by the Minister before the release of the Anderson committee of inquiry report, which is due in late 1977? We believe that the latter report will clear the air around what has become an emotional issue. We believe also that this issue should not be debated in the House as an urgency motion, because it would give undue status to what is only a submission from the South Australian Board of Advanced Education. Further, such action could be seen as an attempt by the House to influence the Anderson committee, in which we have sufficient faith.

The SPEAKER: Order! The honourable member is now getting into the area of debate.

Mr. ALLISON: Sorry, Mr. Speaker, but I was carried away for the moment. I seek leave to explain the question.

The SPEAKER: I would remind the honourable member that he must explain his question and not debate it.

Mr. ALLISON: The reason for asking the question instead of supporting any urgency motion is simply as I stated—

Mr. Langley: You didn't have an opportunity to support a motion.

The SPEAKER: Order! The honourable member must confine his remarks to the explanation of his question.

Mr. ALLISON: Thank you, Mr. Speaker. I concur in what you have said. Perhaps the Minister would agree that the early release of the Sandover report has given the colleges concerned with the threat of closure an excellent chance to appraise the weaknesses and strengths of the report, as well as any omissions that they may believe could be part and parcel of the report, and that, in fact, they have had ample opportunity now to put a submission before the Anderson committee to redress any wrongs.

The Hon. D. J. HOPGOOD: Two questions were interrogative, and the other was rhetorical. The replies to the first two questions are "Yes" and "Yes". The reply to the third question requires slight expansion from me, if in fact one can reply to a rhetorical question. Much of the comment in relation to this matter has centred around the release of the submission. So far as I am aware, all the submissions made to the inquiry are public documents. Most of those submissions, however, would not attract the sort of headlines that this report has attracted. If the member for Mount Gambier or, indeed, the member for Mitcham would like to peruse the submission from the Education Department to the Anderson inquiry they are at liberty to do so, but it is not the sort of submission that is likely to appear before about page 24 of either of our two daily newspapers, confining itself as it does to the department's attitude to two main questions: the fact that, first, the department's products often move on to the college area as students; and, secondly, that the department's teachers are trained in these institutions. I am sure that if, in fact, there had been no press announcement as to the contents of the report (and I imagine the member for Mount Gambier was supporting my contention by the tone of his final remarks) there would have been, given the speculation about the contents of the report, many questions asked as to why there had been no publicity surrounding this matter. It was my judgment (and the Chairman and the committee members came to see me prior to releasing the contents to discuss the matter) that, in view of the facts that there was much speculation on the campuses and that the councils of the colleges had been taken into the confidence of the planning committee in relation to these contents, in fact the matter should be not only released but also canvassed. As the honourable member has said, the people in the colleges now have ample opportunity to be able to respond. Finally, I was a little amused at a statement that the member for Mitcham made in the paper some time ago, when he foreshadowed the move that he attempted to bring on this afternoon, because he said he wanted an assurance from me that there would be no final Government decisions on this matter until the Anderson committee had reported. I had already given that assurance publicly. I do not know whether the honourable member missed the press announcement by me or whether he believes that assurances given in here are somehow more sacrosanct than are assurances given by the same individual outside. As far as I am concerned, they are both on exactly the same level.

Later:

Mr. MILLHOUSE: I should like to return to the first topic raised in this House today by members of the Liberal Party and ask the Minister of Education a supplementary question to that raised by the member for Mount Gambier. In view of the widespread consternation and

concern caused by the report on Co-ordination of Colleges of Advanced Education in South Australia, will the Minister ask the Board of Advanced Education to withdraw the report and to reconsider it in the light of that consternation and concern? First, may I say that I appreciated your courtesy, Mr. Speaker, in discussing with me, before the House met, the urgency or otherwise of the motion that I tried to move yesterday and again today. While, with respect, I acknowledge that this is a matter of judgment; it is a matter of judgment on which we differ, but I accept your ruling on it, of course. I was amused at the way the member for Mount Gambier, even before you called for questions, was on his feet to make sure that no-one got in front of him—to make sure that I in particular would not have any chance to get in front of him.

I listened with attention to the answer given by the Minister of Education and the assurance that he gave that no action would be taken ahead of the report of the Anderson committee. He may have given that assurance before publicly. All I can tell him is that it has certainly not been accepted by those in the colleges affected who have been in touch with me, as late as this morning, about this matter. There is no doubt whatever that the recommendations that have been published, apparently with his authority, and that have formed (according to the press release of Dr. Sandover) the basis of the board's submission to the committee, have caused a great deal of consternation and concern—and that is putting it mildly.

I heard one of the Ministers, I think the Premier, say when the original question was asked this afternoon that this was open Government. If the object of the publication of the report was to test reactions, some account should now be taken of the reactions that we have had. That is the basis, of course, of the question that I ask. Mr. Gilding, from Adelaide College of Advanced Education, and people from Kingston College of Advanced Education have been in touch with me, students have written me letters, and people have telephoned me. Mr Johnston, the man from Whyalla, rang me first thing on Monday morning and said, "Don't forget us. We are disgusted with this, too".

The Hon. R. G. Payne: Someone would have to get you out of bed.

Mr. MILLHOUSE: I was not in bed: I was already working at the Chambers. He rang me there, at about 8 o'clock.

The Hon. Hugh Hudson: Whose chambers?

Mr. MILLHOUSE: Mine. I can tell the Minister that, if ever he wants to get me any time after about 7.45 a.m., that is the best place to try first.

The Hon. Peter Duncan: No advertising.

Mr. MILLHOUSE: No advertising. The Attorney pulls me up; another word and he'll report me to the relevant committee. I mention these things only to illustrate that there is a great deal of resentment about the suggestion that the Adelaide C.A.E. should be closed, that the old Kindergarten Training College should go, that Roseworthy should be interfered with, and so on. If open Government means anything, and if the reason, as I understand the Minister to explain, for the publication of the report was to test reactions, we have got the reactions and they show abundantly that the report should now be withdrawn and rethought. I therefore ask him whether he will make those representations to the board.

The Hon. D. J. HOPGOOD: The answer is "No".

Mr. Millhouse: The whole thing is a bloody shambles; you are not going to do a damn thing about it.

The SPEAKER: Order!

The Hon. D. J. HOPGOOD: I do not know what the member for Mitcham means when he says that my assurance has not been accepted outside. The only construction I can put on that is that he is saying that certain people in the community, although they have heard my words that there will be no Government decision on this matter until the Anderson inquiry has reported, believe that I was uttering untruths and that I had no intention of carrying that out.

Mr. Millhouse: I can only tell you they're not accepting it.

The Hon. D. J. HOPGOOD: Perhaps the member for Mitcham has seen a copy of the letter that I had sent to the presidents of the college councils. Perhaps I should not take up the time of the House in reading the letter; the honourable member can peruse the copy I have in front of me, if he wishes to do so. At the conclusion of the letter I said:

I trust that you find what I have said above reassuring and will take the opportunity to make the contents of this letter known to your college at large.

The honourable member seems to be assuming that, in the first instance, Dr. Anderson and his colleagues and, in the second instance, I have no alternative but to follow blindly the recommendations of this report. Why, after all, should any of the submissions which have been placed before the commission of inquiry be withdrawn? A great deal of work has gone into the submission. I know the people who finally wrote the submission, and I have no doubt that if I invited those people to rewrite the submission they would say, "Whom are you kidding? We did our inquiry to the best of our ability. This is our opinion as to what should happen to these institutions. We can only reiterate our findings."

Dr. Eastick: And they would have a perfect right to take that attitude.

The Hon. D. J. HOPGOOD: Of course they would. The member for Mitcham must realise that any working party set up by the Board of Advanced Education to look at the future of the institutions which are their clients and which they serve must have a narrower area in which to operate than does Dr. Anderson, because Dr. Anderson's field is the whole of the post-secondary field. I remind the House that since the Anderson inquiry was set up in South Australia the Commonwealth has, in effect, followed suit by the setting up of the Williams inquiry, and the ambit of that inquiry is indeed broader again, because the Williams inquiry under its terms of reference can look to the secondary schools and transition to work, as well as to the various academic institutions which lie beyond the secondary schools. All of these matters must be discussed most thoroughly and investigated before any final decisions are made. What, after all, will be the impact of the common post-secondary commission which the Commonwealth is now setting up? We know that as a fact. The legislation has been introduced. What sort of requirements will that new body, which includes the technical and further education area, have on the States in the nature of the sorts of strings they put on the money put forward? The bulk of this report had been written before Senator Carrick ever decided to legislate in that way. All we knew prior to that was that Senator Carrick's predecessor in the Labor Government had introduced legislation to amalgamate the two tertiary commissions, and there was no guarantee that the technical and further education area would be subsumed under the one umbrella.

All of these matters have to be examined. In the meantime, what we have here is a document that will be of

great assistance to people in discussing the future of the field. Whether they agree with the recommendations or not, there is a great deal of useful information in here which people should read carefully and which they should consider carefully in any further representations they make either to me or to Dr. Anderson. The final point in relation to any precipitate action on my behalf asking people, in effect, to compromise their own integrity and to revise decisions which they have made on their best ability according to the evidence placed before them is simply this: at this stage the reaction, of course, largely has been an emotional reaction, and the people who feel threatened will in the very nature of things tend to put the worst possible construction on any particular chain of events.

Mr. Millhouse: Now you are putting the worst construction on them.

The Hon. D. J. HOPGOOD: I would certainly not want to act in this sort of way, particularly in view of the atmosphere which the honourable member seems to be intent on trying to incite in relation to the whole matter.

PINE FOREST COMPANIES

Mr. MAX BROWN: Will the Attorney-General have his department examine the possibility of amending the consumer protection laws to enable legal action to be taken against interstate companies, particularly pine forest companies, which operate without a prospectus in South Australia, sell their wares door-to-door, and offer a doubtful commodity, pine trees, to the everyday consumer? Once again, a pine forest company is sending brochures about pine trees for sale in Western Australia, not in this State. The brochures are appearing in letter boxes in Whyalla. The company in question, Radiata Pine (Western Australia), has no company registration in South Australia and it is obviously acting just within the law by selling pine trees, which could not be termed shares or anything of that nature. The trees in question could be non-existent, or they would probably never be inspected by the intending buyer. I am concerned that, despite the best consumer protection laws in the country, the general public still requires additional protection. I am very concerned that people who can ill-afford a financial involvement of this nature may be hoodwinked into purchasing pine trees.

The Hon. PETER DUNCAN: As honourable members know, this is not the first time that this matter has been raised in the House, although on this occasion it may involve a company different from the ones involved in previous complaints by members. My department has done much work in endeavouring to come to grips with this problem. One of the difficulties is that we have found that a number of companies involved in this business have changed hands; they have been sold to other companies and changed their names. I have previously warned people of the concern I have about most of these companies. Certainly there are some reputable operators in this business, but there are sufficient companies that seem to be of dubious *bona fides* that people should be wary before purchasing any shares or entering into other arrangements with companies seeking to offer them some sort of shares or other interest in pine trees or pine plantations. For the benefit of the honourable member and other members, I will bring down a full report on this matter that I will table as soon as it is ready, because I think that this matter should be brought to the attention of the public at every available opportunity.

FUEL DUMPING

The Hon. G. R. BROOMHILL: Will the Minister for the Environment provide me with any information in his possession regarding the recent dumping of fuel by a Boeing 727 in St. Vincent Gulf? Many of my constituents are concerned about the likely effect of this type of action and, of course, I am concerned to ensure that the gulf is kept free of pollution. I am aware that the civil aviation authorities claim that the fuel would have vaporised before it reached the ground. As I know that the Minister has been examining this matter, I should be grateful for any information that he can give me regarding it.

The Hon. D. W. SIMMONS: I was telephoned at my home by the media on the weekend when the story appeared in the press, and I said that, although I had no immediate knowledge of the incident, I would get a report. The following week, the member for Henley Beach, who is interested in conservation and matters affecting the airport, which comes partly in his district, spoke to me about this matter. I therefore obtained a report from my departmental officers, and I shall be pleased to give it to the honourable member.

The main recommendation of the departmental investigation, which was undertaken in consultation with local air transport authorities, is one that I have no hesitation in accepting. It is that we do not, on environmental grounds, oppose emergency jet fuel dumping of this nature. Such dumping, we have been assured, is only carried out as a last resort.

I have been advised that the release of aircraft fuel over the gulf does not occur very often; in fact, the incident involving the 727 on February 27 was the first such occasion in the past 12 months. Aircraft controllers' instructions very carefully specify, in regulation No. 9, how jets are allowed to jettison fuel, a process carried out when aircraft are above permissible landing weight.

I have personally checked those instructions that were issued to the air controllers, and I know from personal experience that it is necessary for one to keep below a certain landing weight when one has to return to an airport. In my experience, we used to get rid of weight by dropping a certain number of bombs but, as passenger aircraft do not carry bombs, they must reduce weight by jettisoning fuel.

Air controllers have firm instructions to aircraft reporting the need to get rid of some kerosene fuel that they should maintain minimum height of 6 000 ft. Controllers' instructions note that investigations have shown that, if fuel is dumped higher than 1 000 ft., there is little likelihood of any flammable mist developing near the ground, and humans or animals suffering toxic effects. My officers say that releasing fuel at a minimum altitude of 6 000 ft. ensures maximum vaporisation. As a result, almost all the jettisoned fuel remains in the atmosphere rather than reaching sea or land. On the occasion concerning a 727, I have been told that 8 500 kg of fuel was discharged—not all at once, but over 12 minutes. Very little, if any, jet fuel released above the gulf actually reaches the sea surface.

In the rare event of this happening, the quantities involved would be small enough to be readily dispersed with insignificant environmental impact. The report provided to me states more, but suffice it to add that it concludes that, although virtually all the kerosene-based fuel is dispersed in the atmosphere, there is no evidence of any significant atmospheric contamination from this source. Furthermore, as there is, for the present, no reasonable alternative to this practice, I think the safety of air passengers must be paramount.

URANIUM

Dr. TONKIN: Will the Premier now confirm in the House that the policy of the Government as of last night is that there is an indefinite ban on the use or export of uranium in South Australia? Although he adopted a relatively soft line in moving the rather inconclusive motion on uranium in the House yesterday, on a television programme last night he made the following statement in reply to the question, "Does that effectively put a ban on the use of uranium or the export of uranium in this State?":

Yes, it virtually does. We are not going to provide uranium to a customer country unless we can be satisfied about it. It is very hard to foresee at this stage of proceedings international safeguards and technological safeguards which would ensure that we could be satisfied.

The potential effect of the adoption of this hard-line policy is that the Government has pre-empted the results of the Ranger inquiry report and any other inquiry on which rational decisions should be made, and has foreclosed public discussion. It has further cut off all uranium options in future planning for this State. It is generally agreed that, if all the necessary safeguards can be effected, uranium may well be vitally necessary to cover an interim period of energy need in this State. Even if all inquiries and findings eventually show no reason why uranium should not be mined and used quite safely, no-one will be interested in coming to South Australia in order to develop these processes as long as a Labor Government stays in power.

The Hon. D. A. DUNSTAN: The inconsistency with which the Leader approaches the public in South Australia never ceases to amuse and bemuse me.

Dr. Tonkin: Not knock-kneed ambivalence like yours.

The Hon. D. A. DUNSTAN: The Leader is capable of the most extraordinary pusillanimity.

Dr. Tonkin: You can say that.

The Hon. D. A. DUNSTAN: Yes, and it is true. Yesterday, the Leader voted for a motion in the House, as did every one of his supporters, that said no more than what I said on television. While I was moving my motion, the member for Mitcham interjected and said, "Is it possible to see the safeguards?" I replied to him that it was most difficult to see them, and so it is difficult to foresee them.

Mr. Millhouse: I wanted to pin you down on it, and you allowed me to do so.

The Hon. D. A. DUNSTAN: Yes. I said that clearly when moving the motion. What I have said publicly is that the House cannot be satisfied at present that it is safe to provide uranium to a customer country, and until it can be satisfied we should not proceed to mine or treat uranium.

The Hon. Hugh Hudson: That's what the Leader supported and voted for.

The Hon. D. A. DUNSTAN: Of course he did; the Leader said that it included him. What I have also said is that South Australian studies on uranium technology will continue. We are ahead of elsewhere in Australia, and we will continue to study the field; it is proper for us to do so. However, it would be wrong for us to go against the motion passed unanimously by the House.

Dr. Tonkin: It was a meaningless motion.

The Hon. D. A. DUNSTAN: If it was a meaningless motion, why did the Leader vote for it? If the Leader believed that there was some better motion, he had an opportunity to amend the motion that was moved yesterday. Indeed, he moved an amendment, and the Government accepted it. Obviously, therefore, the Leader was satisfied with what was carried. If the Leader had an alternative, why did he not put it to the House? The answer regarding

the Leader's present position is that, although yesterday he was persuaded of the position in the House, overnight the uranium lobby has rung him up, and now he wants to take a different tack. What is the Leader's position? Does he suggest that, although he himself has agreed that this House is not satisfied that it is safe to provide uranium to a customer country, we should, however, assure the uranium lobby and go ahead and mine and treat uranium, contrary to the motion? What is the Leader's point of view?

Dr. Tonkin: You aren't a schoolboy debater, you know.

The Hon. D. A. DUNSTAN: I am well aware of that. I am merely trying to get a little sense into the Leader, who remains impossibly juvenile. Whom does he think he is kidding by this sort of somersault? If members of the Liberal Party are in favour of uranium mining at present and proceeding to it, they can come out and say so and deny what they voted yesterday.

Dr. Tonkin: Have a look at today's *News* editorial and see what it says about you.

The Hon. D. A. DUNSTAN: I have done so, and I disagree with it. If the Leader agrees with it, he must disagree with the motion for which he voted yesterday and which was carried, and he should have the strength of mind and character to get up and say so.

Mr. GOLDSWORTHY: Because of the Premier's clarification of policy on television last evening following the deliberately obscure motion before the House yesterday, will the Minister now be forced to withdraw his submission to the Federal Government for a uranium enrichment plant at Redcliff in view of the Government's new hard-line policy? I understand that the Minister, after much work and research by South Australian officers, made a submission to the Federal Government regarding the establishment of the uranium enrichment plant in South Australia, and that that report was tabled in Federal Parliament this morning. No doubt the authorities in Canberra with whom the South Australian Government and the Minister have been negotiating view the new uranium policy with some astonishment. It seems nonsensical that the submission should now stand. The previous stance by the Premier was that no final decision would be taken until the second Fox report was available.

The Hon. D. A. Dunstan: I didn't say that. When did I say that?

Mr. GOLDSWORTHY: This is no longer the case. In a letter to the Prime Minister the Premier stated:

While the committee will continue its study on the location of a plant in South Australia, no firm negotiations of any kind will be entered into until the final report of the Ranger Uranium Environment Inquiry has been made public.

That was included in a reply to a question in the Federal House yesterday, so apparently the Premier has forgotten about the letter he had written. Will the Minister withdraw the submission and officially clarify the South Australian Government's present stance with the Federal Government with whom it has been negotiating?

The Hon. HUGH HUDSON: Look at them! Gutless wonders incorporated.

Members interjecting:

The SPEAKER: Order! Honourable members will be seated. I must ask the honourable Minister to withdraw that statement.

The Hon. HUGH HUDSON: I am willing to withdraw that statement and substitute "lack of intestinal fortitude incorporated". There have not been negotiations with the Commonwealth Government on the matter of uranium enrichment or has any submission been made. Certainly,

the Premier, who has the Uranium Enrichment Committee under his control (and that is still working on the matter as the Premier indicated last evening), has communicated with the Commonwealth Government so that it would be fully aware of what we were doing on the matter. The position of this Government has always been clear. The resolution passed at the 1976 Labor convention in South Australia was in very similar terms to the one that all members of the Opposition voted for last evening. In fact, they could well have been delegates at the Labor Party convention. The position is and always has been that, until the Government was satisfied that it was safe to supply uranium to a customer country, no approvals would be given for the mining and treatment of uranium. That was the position in June, 1976, and, indeed, in June, 1975. It is the position today, and it is the official position of the Liberal Party in South Australia, adopted unanimously by Liberal members yesterday.

Rather than Liberal members putting their necks on the chopping blocks as they have done this afternoon, would it not be better for the Leader of the Opposition to organise a meeting of his Party Caucus and then tell us the Liberal Party policy? Does the Liberal Party stand by the vote of last evening, or are Liberal Party members trying to double-deal on this matter? Are they trying to have a few bob each way? Are they trying to say to the uranium companies, "You can still make donations to the Liberal Party"? Let us be clear: there have not been negotiations with anyone on the question of uranium enrichment.

Dr. Tonkin: What was tabled in the Federal House this morning?

The Hon. HUGH HUDSON: It may have been information about the work that we have done, but we in this Government have not negotiated with the Commonwealth Government or with any oversea country or consortium. Indeed, we have had discussions with Ureco and with the Commonwealth Government, but it has been made clear all along that our Government was party to decisions that have applied in the past, namely, that we must be convinced that it is safe to supply uranium to a customer country. When I went overseas last year, we were not so convinced. As of yesterday, we were not so convinced, and the Opposition was not so convinced.

Will the Opposition play fair dinkum with the people of South Australia? Does it stand by its vote last evening? The motion was not meaningless. It stated clearly that this House believed that it was not safe to export uranium to a customer country. That is what the Leader of the Opposition said last evening. The motion also stated that, until this House was convinced that it was safe to go ahead, no mining or treatment of uranium should take place in South Australia. If the Leader of the Opposition were in a responsible position, in view of that resolution he would have to say to any uranium company and to the Federal Government, "You may continue to explore but you have no guarantee that any approval will be given for the mining or treatment of uranium." That is what the Leader said.

Dr. Tonkin: That's reasonable, but you would stop them from exploring now.

The Hon. HUGH HUDSON: That is not true.

Dr. Tonkin: It is, in terms of the motion.

The Hon. HUGH HUDSON: The motion does not say so. There is nothing in the motion about exploration. You silly—I was going to offend by calling the Leader of

the Opposition a silly man, but I will not do that, because if I did I would have to withdraw it. What do plain English words mean?

Dr. Tonkin: How can you mine it if you do not explore for it first?

The Hon. HUGH HUDSON: There is still entitlement to prove the resources of the State.

Mr. Goldsworthy: When you've got a ban on it?

The Hon. HUGH HUDSON: If that is an argument from the Opposition, one would think it would have said as much, but there is not a word about this issue at all. We should not have to put up with such double-dealing people—the "men for all seasons". They want to appear in one guise to those who are against uranium development and say, "We are against it, too," but to those who are in favour of uranium development they want to appear in the other guise and say, "We are really in favour of it; do not pay any attention to what we did last night." I demand, on behalf of the honesty and integrity of this Parliament, that the Opposition come clean with the people of South Australia; which way do they believe? Was their vote last night a complete and utter sham? Tell us.

Mr. GUNN: Can the Minister of Transport say whether the Government's new policy on the mining of uranium precludes the transportation and shipping of uranium from the Northern Territory through South Australia, even if the second Ranger report and other findings give the all-clear to uranium mining? The Minister would be aware that South Australia has lost much trade to Queensland because the present State Government has not provided funds to upgrade and seal the Stuart Highway and, because the Alice Springs to Marree rail link has been most unreliable, will the Minister give an undertaking that the South Australian Government will not again be disadvantaged by the premature decision made by the Premier last evening on television?

The Hon. G. T. VIRGO: I do not know what the honourable member is trying to wring out of the lemon, but it really does not have much more juice left in it. The honourable member should know the terms of section 92 of the Australian Constitution. He also ought to know that this Parliament passed some legislation a couple of years ago transferring the railways to the Commonwealth. So, the decision that the honourable member is seeking should be sought from his own colleague, Mr. Nixon.

STUART HIGHWAY

Mr. KENEALLY: To save the Opposition any further embarrassment, I shall not ask a question about uranium development; I will ask the Minister of Transport whether the South Australian Government expects any further upgrading and sealing of the Stuart Highway in the next financial year. Will the Minister say whether he saw a report in the *Advertiser* of March 17 of this year about a question asked by Mr. Calder in the Federal Parliament of the Minister for Transport, in which question Mr. Calder pointed out to the Minister that there was continuing criticism of the Federal Government's attitude to the Stuart Highway?

Mr. GUNN: On a point of order, Mr. Speaker. I have a question standing in my name on notice dealing with the question being asked by the member for Stuart.

The SPEAKER: I will hear the honourable member for Stuart's question first before I can competently judge. The honourable member for Stuart.

Mr. KENEALLY: Thank you, Sir. Mr. Nixon, in his answer to Mr. Calder, said that \$15 000 000 had been made available to the national highway programme in South Australia this year. He went on to say:

The sealing of the Eyre Highway has been completed. A good deal of progress ought to be made on the sealing of the Stuart Highway.

Can the Minister tell the House the true position regarding that statement?

The SPEAKER: The question deals with the same subject as that contained in the Question on Notice, but I could not rule that it was the same question.

The Hon. G. T. VIRGO: I know it is embarrassing for the Opposition this afternoon, and one would think it would welcome a change of subject. The position about the question that the Federal Minister referred to in that Parliament, I believe, arose out of a meeting which was held here in Adelaide and which was orchestrated by Senator Jessop. I understand that the member for Eyre was one of those present, as also was the Country Party member of the Northern Territory Legislative Assembly, who assumes some degree of responsibility for roads. I believe, also, some other people representing commerce and industry were present, and really they met, as I understood it, to seek ways and means of trying to get additional funds for South Australia.

Mr. Russack: But you were kept informed of the meeting, weren't you?

The Hon. G. T. VIRGO: No; I was informed by the press that that meeting was being held. The meeting did not extend the courtesy to the Minister of Transport in South Australia of inviting him to attend and, had the press not informed me, I would not have known even that the meeting was on. The member for Eyre is telling his colleague to keep quiet, because he knows he could put his foot right in it. The facts of the matter are that all of the States unanimously requested the Federal Minister at least to reduce and preferably eliminate the number of categories in which money is made available for roads. The Commonwealth Minister refused the unanimous request of all the States. The net result was that we will in the next three years again suffer the problems associated with the eight categories.

One of those categories is the national roads, and in 1977-78 South Australia will receive \$15 000 000 from the Commonwealth Government, a reduction of 13.2 per cent in money terms. This year South Australia is receiving \$17 300 000 but next year we will get only \$15 000 000 and, when that is considered in the light of inflation, one can realise just how badly we are treated by Mr. Nixon.

Mr. Russack: South Australia has only two national highways and not three.

The Hon. G. T. VIRGO: If the member for Gouger would like to debate this question with me, I should be only too willing to do so at any time to suit him. Approvals for money to be spent must be sought from the Commonwealth Minister. No State is free to spend funds as it wishes. The States must ask the Commonwealth Minister, "May we spend money in this area" and he must say "Yes" before we can spend it. This Minister, Mr. Peter Nixon, came in and said he was going to return the authority to the States, yet he has compounded the authority in Canberra. That is the new federalism policy that members opposite talk about. As I have said, South Australia has been allocated \$15 000 000 for the next financial year, and Mr. Nixon has already approved \$9 650 000 for the building of the South-Eastern Freeway from Crafers to White Hill; \$3 250 000 for the Swanport

deviation, including the bridge; \$3 040 000 for works presently proceeding on the Port Augusta to Pire Pirie main road; \$700 000 on the Cavan overpass on the Port Wakefield road; and \$260 000 on the Mount Barker Road to provide improvements from Eagle on the Hill to Cross Road—a total of \$16 900 000.

Mr. Nixon has already approved that sum: he has provided us with \$15 000 000, but now he is telling us to spend funds on the Stuart Highway. Therefore, the question I redirect to Mr. Nixon and to members opposite, including the member for Eyre, who went to that meeting, is as follows: will they please indicate which of those road projects should not proceed so that South Australia can spend funds on the Stuart Highway? We cannot get an answer from them on that matter, and the sad position is that it is unlikely that we are going to see any improvement in the standards of roads, other than through routine maintenance, in the foreseeable future, because of the niggardly approach by the Commonwealth Government to the provision of road funds for South Australia.

JIGSAW INTERNATIONAL

Mr. SLATER: Is the Minister of Community Welfare aware of any activities in this State of an organisation known as Jigsaw International? My attention has been drawn to this organisation by constituents who have told me that a person claiming to represent the Jigsaw organisation recently telephoned their home and spoke to their adopted son. Fortunately, the telephone call did not cause embarrassment or anguish because the son concerned was of mature years, being in his twenties. However, concern was expressed about the method and manner of contact and about whether this organisation had access to information that enabled it to contact people by telephone, and especially whether information of this nature could be obtained through the Community Welfare Department. I therefore ask the Minister whether he can give me any information about the activities of this organisation and whether he is aware of its activities in South Australia.

The Hon. R. G. PAYNE: I am aware of some activity by Jigsaw International in South Australia, but I do not know whether the activity is exactly the same as that specified in the question. In short, I am fairly sure that information of that nature would not have been obtained from my department. I believe it was last January that Jigsaw International began operations in South Australia. Apparently the aim of the organisation is to bring about changes that it sees necessary in the adoption laws. My information is that the organisation begins its operation by starting up a register of names, the register consisting of two groups of people: those who know that they are adopted and who supply their names; and people who offered children for adoption and have subsequently gone along to Jigsaw and have given their names to that organisation in the hope that the organisation could locate their former children for them. Recently I made inquiries about the organisation because of publicity earlier this year. At that time two instances were reported to the department of people making calls in about the same manner as outlined by the honourable member. That is, they would introduce themselves on the telephone and offer information to the person concerned that he was adopted. I cannot do other than as I did at the beginning and assure the honourable member and the House that it is not the department's practice to release this information. The Adoption of Children Act provides for secrecy in these matters. No doubt the honourable member could, if he

wishes, peruse the provisions of that Act. However, as I remember them they concern applications to courts, and so on, if it is believed necessary to obtain such information. Perhaps the type of activity in which this organisation has engaged is made possible by some people in the community who are well aware that they are adopted and, after meeting other people who feel free about this factor in their life and exchange this information, prompt the other people to contact Jigsaw International.

MOBILE LIBRARY

Mr. WHITTEN: Can the Minister of Education say when the Libraries Board will make available a mobile library for use in Port Adelaide? At about the end of January the Libraries Board of South Australia announced that a mobile library would be made available in Port Adelaide. The board placed certain conditions on the availability of the library; it was to be on a trial basis.

The Hon. D. J. HOPGOOD: The mobile library is in the paint shop at present. As soon as it emerges, it will be immediately available to the people of Port Adelaide. I spoke to the State Librarian on this matter a few days ago. Of course, he must wait on the painters, but he understands it could be available within about two weeks. I take this opportunity to compliment the honourable member for his earnest advocacy of library services not only for his own district but also for the people of the State generally, particularly his advocacy of the contents of the Horton report. It is possible for this State to obtain the \$2 000 000 each year over the next 10 years that it is recommended to the Commonwealth should be made available to the State, plus \$200 000 as a special grant for conversion of subscription libraries to free municipal public libraries. Then, we would be in an extremely happy position in regard to our library and information services. Unhappily, it is many months since the report was brought down, and still there is no indication from the Federal Government as to its attitude. The Horton report dealt with the possible inclusion of funds in the 1976-77 Federal Budget, but that Budget has been and gone, with no subventions in it whatever. In the meantime, I can report that the State subsidy here in South Australia to libraries stood at \$199 000 in 1970, whereas in 1977 it will be more than \$1 000 000. Books are more expensive nowadays than they were in 1970, but they are certainly not five times more expensive.

ROXBY DOWNS MINERALS

Mr. DEAN BROWN: What effect will the hard-line uranium policy announced by the Premier last evening on television have on the development of the valuable copper deposits discovered recently at Roxby Downs by Western Mining Corporation? The real point of the question raised this afternoon is that last evening on television the Premier went well beyond the terms of reference of the motion we debated yesterday in Parliament. The uranium and copper deposits at Roxby Downs have been heralded as major new deposits which will encourage a major new development in this State. Will that deposit be developed, in view of the uranium contained in the ore body? A report in the *Advertiser* of February 12 refers to the fact that the deposit, at present-day values, would produce \$36 a ton of copper and \$37 a ton of uranium. In other words, the uranium makes up at least half of the value of the deposit. On the same day, the Minister is reported to have said:

I am very hopeful that it will result in significant development and employment in South Australia.

The important point is that the long-term development of that project is in jeopardy. The Minister should point out to the House, first, whether the motion (which was so general) moved yesterday will allow even the extraction of copper, because it will also mean the mining of uranium, even though the uranium may not be extracted, or will it mean that the whole ore body cannot be touched because it contains uranium? The other point is that the Minister has clearly indicated in the press and to the House that that was a significant find. The Minister, though, in answering an earlier question claimed that the Australian Labor Party had had this policy ever since last June.

The Hon. Hugh Hudson: Even before that.

Mr. DEAN BROWN: Does that mean that the Minister has deceived Western Mining Corporation, which has placed so much significance on extracting the uranium from this project? It appears that the Minister has deceived this company—

The SPEAKER: Order! I demand that the honourable member be seated when I call order. I warn him, and I will not tolerate this in the future. I was about to say that the honourable member was debating the issue and taking advantage of the situation, and I warn him against doing that in future. The honourable the Minister.

The Hon. HUGH HUDSON: At no stage have I in any way misled Western Mining Corporation. I have always pointed out to the company the difficulties that would arise with respect to the development of uranium. I ask the honourable member to clarify for the benefit of the House and for the public whether or not he is in favour of uranium mining and export, because I got the impression, in the way in which he put his question (which, I suppose, was about the normal standard of pleasantness for one of his questions), that he was in favour of uranium mining and export.

The Hon. G. R. Broomhill: That was clear to me.

The Hon. HUGH HUDSON: Has he had a change of heart since last night or was his vote last night an act of gross dishonesty by him? He has an obligation (and I put it straight back to him before I deal with the technical matters involved in his question) to the House and to the public to tell us where he really stands on the matter. If he is in favour of uranium mining and export, his vote last night was an act of gross dishonesty. We ought to know about it, because we need to know where we stand with this honourable gentleman.

Mr. Goldsworthy: The public wants to know where you stand.

The Hon. HUGH HUDSON: The member for Kavel is in the same category.

Dr. TONKIN: On a point of order, Mr. Speaker.

The SPEAKER: What is the point of order?

Dr. TONKIN: Although it may not show up in *Hansard*, the tone in which the Minister used the term "honourable gentleman" I think was offensive and I ask that he withdraw the imputation of anything other than honourable gentleman from his remark.

The SPEAKER: I cannot uphold the point of order.

The Hon. HUGH HUDSON: To quote the classics, "So are they all honourable men."

Dr. Tonkin: Is your name Brutus?

The Hon. HUGH HUDSON: No, and it is not Cassius, either.

The SPEAKER: Order! I ask the honourable Minister to continue to answer the question.

The Hon. HUGH HUDSON: It is not Cassius or "gaseous". Regarding the technical matters at Roxby Downs, first, considerable stepping out exploration has to take place in that area before any decision can be taken by Western Mining Corporation to go ahead. That is because at this stage no-one can give a proper assessment of the total size and magnitude of the deposit, the degree of viability and, indeed, what kind of operation would be necessary before development can take place.

The second general point is that that period of extra exploration could well last a couple of years before any decision could be made by Western Mining Corporation, and the Government's policy could well have changed, one way or the other. Indeed, the Federal Government's policy might also change over that time, and in two years we might even have a different Federal Government.

The Hon. G. T. Virgo: We hope so.

The Hon. HUGH HUDSON: We simply do not know the position; nor does Western Mining Corporation. However, that company fully appreciates the position. At this stage, it would not be possible to determine what kind of project would be viable and whether or not any project to extract copper alone would be viable. However, I would be confident that, if a copper project alone was viable, arrangements could be made by the Government with Western Mining Corporation to ensure that the copper could be extracted and appropriate arrangements made regarding uranium. These things are inevitably for the future, and it is certainly true that, until a final decision is made by this State regarding the future of uranium mining, there is another question mark on Western Mining Corporation. Members opposite, including the member for Davenport, if they meant their vote last evening, are a part of that question mark, because the resolution stated, "We are not yet satisfied and, until we are, this sort of development, namely, the mining and treatment of uranium, should not take place."

Mr. Goldsworthy: What about the Fox report?

The Hon. HUGH HUDSON: I do not know what the member for Kavel would need in order to be satisfied. Perhaps he would be willing to explain.

Mr. Goldsworthy: You referred previously to the Fox report but you have resiled from that now.

The Hon. HUGH HUDSON: What would satisfy the honourable member?

Mr. Goldsworthy: We should wait and have a look at that report.

The Hon. HUGH HUDSON: Would the honourable member be satisfied with that? That is the overall position. The situation regarding this deposit—

Mr. Dean Brown: You speak so quickly that it is not funny.

Dr. Tonkin: You keep on going backwards.

The SPEAKER: Order! There are far too many unnecessary interjections that have nothing to do with the question that has been asked.

The Hon. HUGH HUDSON: I apologise for Opposition members. They are dreadfully embarrassed, and therefore tend to talk and interject too much. I ask you, Sir, not to be too unkind to them. I should like to add one further point. Roxby Downs is west of Andamooka and 80 kilometres to 100 kilometres north of Woomera. Some additional exploration licences that have been taken up by Western Mining Corporation are much closer to Woomera and Mount Gunson, but it may be that further discoveries are made, because the number of structures that need to be investigated is high and covers a significant area. So, the total amount of exploration that must take place in that general area is large indeed. It raises the

possibility that, with the run-down of Woomera, development in that area can take place by using the existing infrastructure that is provided through Woomera. It may well be that the project, when it is developed, will get the Federal Government off the hook in relation to Woomera. I still remain hopeful indeed.

Mr. Dean Brown: But the whole project is unlikely to proceed?

The Hon. HUGH HUDSON: That is not so. I had a discussion with Western Mining Corporation representatives on Tuesday afternoon, when we dealt with this matter and discussed problems regarding the overall policy in relation to uranium. I assure honourable members that, as a result of that discussion, it is not the case that there will be a cut-back in exploration in this area by Western Mining Corporation, and I hope that there will be no impact on any ultimate decision whether or not to go ahead.

Mr. Gunn: That's what you tell us.

The Hon. HUGH HUDSON: I resent the dishonest interjections of the member for Eyre.

At 3.15 p.m. the bells having been rung:

The SPEAKER: Call on the business of the day.

Mr. EVANS: I rise on a point of order relating to Question Time, and raise it immediately Question Time has been completed. I believe that today's Question Time has been a disgrace to this Parliament and to the agreement that was made.

The SPEAKER: Order! The honourable member must state his point of order. He is getting into the area of debate immediately, and I warn him that he must state his point of order.

Mr. EVANS: My point of order is that an agreement was made originally about Question Time which, I believe, has been broken this afternoon, and I wish to explain that statement. When we first negotiated the change in Standing Orders, negotiating members of this side and from the Government side agreed, even though some of those members are not here now, that questions and replies would be kept as brief as possible.

The Hon. Hugh Hudson: What about interjections?

Mr. EVANS: They are in the Speaker's court, and I do not wish to answer that.

The Hon. Hugh Hudson: Why don't you control your own colleagues?

Mr. EVANS: My point of order is that I hope you, Mr. Speaker, will look at today's proceedings, and speak to Government members and to the Leader on this side if necessary, and ask for co-operation in order to implement what was agreed would happen in relation to Question Time. Today there have been 11 questions asked: from the 22 members for whom I whip there have been four questions, and the other person on this side has asked one question. That person on this side—

The SPEAKER: Order! I think the honourable member is getting into the area of debate.

Mr. Millhouse: There's no point of order.

Mr. EVANS: This is an explanation.

The SPEAKER: Order! There is no point of order, but I give an assurance that I will try to investigate whether such an agreement to which the honourable member has referred ever existed.

STATE GOVERNMENT INSURANCE COMMISSION
ACT AMENDMENT BILL

The Hon. D. A. DUNSTAN (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the State Government Insurance Commission Act, 1970. Read a first time.

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

That this Bill be now read a second time.

This short Bill is in the same form as a measure that was passed by this House on March 28, 1974, and laid aside in another place. Since that date a general election for the House of Assembly has taken place. In this Parliament, being the Parliament next ensuing after the Parliament in which the Bill was laid aside, this Bill is again introduced. Accordingly, I suggest that the constitutional implication of this measure will not escape the attention of honourable members.

In summary the Bill will facilitate the entry by the State Government Insurance Commission into the field of life assurance. The arguments in support of the entry of the commission into this field were exhaustively canvassed in the debate. The report suggested, however, that I should not go into them now, but I intend to do so. Since the measure was last before the House, the Government has had a working party working for a considerable time on the question of the State Government Insurance Commission.

Mr. Gunn: Will you make the report available?

The Hon. D. A. DUNSTAN: It has been published and is available if the honourable member wants it. It has been published for some time.

Mr. Goldsworthy: It's a pretty weak report, too.

The Hon. D. A. DUNSTAN: I shall deal with weakness in reports in a few moments. The document was prepared with proper actuarial advice to the Government and to the State Government Insurance Commission. The strong recommendation to the Government was that the State Government Insurance Commission should enter the life assurance field. There are two basic reasons for its doing so: first, that service in the life assurance field at present is not adequate.

Mr. Gunn: That's a matter of opinion.

The Hon. D. A. DUNSTAN: I will come to the reasons for that; they are disclosed in the report. The fact is that present life assurance companies have built an extraordinarily high cost structure into their selling of assurance by the payment of enormous commissions.

Mr. Gunn: You are asking the taxpayers to subsidise your scheme.

The Hon. D. A. DUNSTAN: On the contrary, and I will come soon to the falsehood that the member has stated. The position is that, if life assurances are sold by direct sale from salaried staff on a one-stop insurance basis, overheads in insurance can be markedly reduced and the benefit passed on to the policy-holders. That contention has long been known to the assurance industry. It has been raised before the Trade Practices Commission and it has previously been raised by senior actuaries in Australia. Unfortunately for life assurance companies, it seems that they have so entrenched the high-cost system in their present structure that they find difficulty in changing to give the customer the kind of service he should be able to get. Secondly, the provision of this class of insurance to the State Government Insurance Commission's business can be a valuable addition to that business: that is, there is every reason to suppose, from

the history of the S.G.I.C. so far, that life assurance business in their hands would generate a considerable premium income that could be of benefit to this State.

Mr. Nankivell: It is not obliged to abide by the Trade Practices Act.

The Hon. D. A. DUNSTAN: I will deal with that statement soon. Since the publication of the report of the working party and of the Government's intention to adopt that report, a farrago, an enormous output, of sheer, utter, deliberate and repeated falsehoods has stemmed from the Australian Life Offices Association.

Mr. Nankivell: The facts are—

The Hon. D. A. DUNSTAN: I will deal with the facts soon. The things that have been said are downright falsehoods. Last evening in the House, the Deputy Leader of the Opposition repeated many of them and, if he had been briefed by the Life Offices Association, which has been provided with the information, he must have known that much of what he said was untrue. I will deal with these matters, because there has been circulated in this State a series of documents from the Life Offices Association, putting various contentions on this matter. I propose to deal with all of them, to show the extraordinary degree of dishonesty to which these people are prepared to sink in trying to delude the public on this issue.

I will deal now with the first point. It has been stated that such a move as we are making would unnecessarily duplicate services already effectively provided by the life assurance market as presently constituted. There is no intention to duplicate services already provided by the life assurance market. The services to be offered by S.G.I.C. will not necessarily be identical and, in fact, the differences already have formed part of the association's objections to the commission's entering the market.

Secondly, a contention of the life offices is that the competition provided by the 45 direct writing private enterprise life offices presently operating in Australia is adequate, particularly having regard to the big diversity of companies operating in the field, large offices and small offices, locally-based offices and oversea-based offices, mutual offices, non-mutual offices, old-established offices and recently-formed offices. The working party disagrees with the assumption that the competition is adequate. Presumably, this term is used to denote a level of satisfactory performance and the open offering of a full range of covers to the consumer. The consumer is entitled to far more than adequate performance from a life office, and the consensus of public opinion indicates that the life offices in general have not provided for change nor offered the public a cover to which they are entitled, and this cover with traditional selling methods has left the life offices with few friends. For example, as regards brokers, the *Advertiser* Economics Editor on May 26, 1976—and the *Advertiser* is not generally in support of Government policies on matters of this kind—said:

Life offices and their agents sell policies—

this is the Economics Editor of the *Advertiser*—

which yield the highest commission but may not be best for the client. If a life office has not the ideal policy for the client, it will sell him the next best rather than send him to the office with the best policy. The commission paid for a whole of life or endowment policy ensures that this type of policy is sold ahead of term policies.

Further, the President of the Institute of Actuaries of Australia and New Zealand, Mr. Palmer, is reported to have stated:

The life insurance industry is failing to meet the challenge of inflation and changing consumer needs.

The third point made by the companies is that there has been no demand from the South Australian public for the Government to enter the life assurance field. That is a sweeping statement made without supporting evidence. The Life Offices Association is not in a position to assess whether or not there is a demand. There is much to support the view that significant demand does exist, as there is a constant level of inquiry at S.G.I.C. offices, and inquiries for employment from people currently employed by the life offices further substantiate this view. If there is no demand for it, why do the life offices behave as though there is, asserting their business will suffer and opposing the forming of an S.G.I.C. life facility? If the public does not demand it, why do the life offices fear the entry of the State Government Insurance Commission into the field? Ample additional evidence supports the contrary view to the life offices' contention of performing adequately.

Question 4 is that the State Government Insurance Commission life assurance operations would involve the South Australian taxpayer in considerable needless expenditure, both in regard to establishment expenses and in regard to running expenses for many years, until the new life assurance operation is large enough to be able to enjoy reasonable economies of scale. When the S.G.I.C. was established more than five years ago, a loan of \$60 000 was made available by the Treasury. That loan was repaid with interest within eight weeks, and not a further cent of the taxpayers' money has been spent on the S.G.I.C.

There has been no support from the taxpayers out of their funds. The funds of the S.G.I.C. have been entirely generated by its operations. Now, with an investment portfolio of more than \$100 000 000, the S.G.I.C. is perfectly capable of funding its own life activities without any contributions from the taxpayer.

Dr. Tonkin: Who paid for Sunday night's film?

The Hon. D. A. DUNSTAN: The Premier's Department paid for it. The promotion was intended to inform the public of the Government's actions in the area of establishing an assurance office in South Australia.

Members interjecting:

The Hon. D. A. DUNSTAN: If the only contention that honourable members can come up with as to Government support of insurance is the payment for one film lasting five minutes on television in South Australia, it is difficult for them to contend that this is a terrible burden on the taxpayers of South Australia.

Mr. Goldsworthy: We did give you a list of half a dozen of them.

The Hon. D. A. DUNSTAN: We will come to those in a moment, because I intend to deal with every single one of these contentions. "Such operations would become even more costly to the South Australian taxpayer if it seems likely that attempts will be made to market policies at premium levels below those justified by real cost considerations." This is what the life offices say, "as is done in the compulsory third-party bodily injury field". That is their public statement. It is foolish to consider that policies will be marketed below an actuarially assessed premium. S.G.I.C. underwrites for profit. The comment concerning third party is quite incorrect. Third party premiums are assessed and set by an independent third party premiums committee. S.G.I.C. cannot amend these premiums and this method of assessment from available statistics is the same method as was in operation before the private insurance companies voluntarily withdrew from writing third party insurance.

Mr. Becker: That's not true. They were forced to withdraw.

The Hon. D. A. DUNSTAN: In no circumstances was any private company forced out of the field. The private companies were represented on the premiums committee and that committee set the premiums. No action by this Government forced any assurance company out of the third party bodily injury field, and today the premiums are not below cost. Premiums written by S.G.I.C. for third party bodily injury cover the cost. We are not making a loss on third party bodily injury.

Mr. Dean Brown: What was their vote on that committee?

The Hon. D. A. DUNSTAN: What does that mean?

Mr. Dean Brown: Was it a minority vote or a majority vote?

The Hon. D. A. DUNSTAN: The honourable member seems not to have done his homework. That committee is chaired by Mr. Justice Sangster and comprises representatives of the Royal Automobile Association and of the insurance industry.

Mr. Dean Brown: It was a minority vote that they had, wasn't it?

The Hon. D. A. DUNSTAN: So is S.G.I.C.'s vote a minority vote. Are you saying that Mr. Justice Sangster and the R.A.A. do what the Government tells them to do because they form a majority on the committee? There is silence from the honourable member. The next statement by those honest brokers of the public benefit is as follows:

Regardless of whether Government ownership of a commercial venture might or might not be desirable in other fields, it is completely unwarranted in the case of life assurance business, because of the mutual or co-operative nature of the industry which already ensures that virtually all profits from life assurance operations are passed on to the policy-holders.

That is the contention. One important function of a State Government Insurance Office is retention and re-investment within the State for the benefit of the citizens of the State. In this sense it is a mutual office, and it is more mutual than those incorporating that term within their name and professing to be mutual offices. For example, of the 24 recorded members of the Life Offices Association, 18 are non-mutual, and of that 18 there is much doubt as to whether Mercantile Mutual Life in this State is mutual within the meaning of the word, anyway. Within the membership of the Association of Independent Life Offices, only one office, Cuna Mutual, an American-based organisation with credit union connections, can be considered mutual. The remainder are shareholder companies. I have the list here of the Life Offices Association of Australia and carefully asterisked are the companies that are not mutual companies at all.

Mr. McRae: Are the mutual ones fair dinkum?

The Hon. D. A. DUNSTAN: I will deal with the control of the companies by their policy-holders in a moment, because that is one of the biggest jokes of this contention. I refer to the next contention, as follows:

Holders of State Government Insurance Commission life assurance policies would not be able to enjoy the rights and privileges available to the policy-holders in mutual life offices, who are entitled to elect directors, to lay down policy at general meetings, and to generally exercise control.

This is like Gilbert and Sullivan. For any contention to come from these people that the mutual policy-holders control the directorships of these companies is absolutely absurd.

Mr. McRae: They don't even get a ballot-paper.

The Hon. D. A. DUNSTAN: I was a mutual policy-holder in the A.M.P. and M.L.C. I was certainly never sent a ballot-paper at any time. I was never notified of the general meeting.

Dr. Tonkin: You cancelled the policies.

The Hon. D. A. DUNSTAN: I have cashed the policies in now; I am not having anything to do with them.

Mr. Becker: Why don't you tell us why you cashed them in?

The Hon. D. A. DUNSTAN: I cashed them in because I do not believe in them.

Mr. Becker: I won't accept that.

The Hon. D. A. DUNSTAN: After what happened, with those people proceeding to use mutual policy-holders' money in political campaigns without consulting the mutual policy-holders, I was not going to continue my policies, and at the earliest possible moment that I could do so I cashed them in. The fact is that there was an attempt in 1975 by policy-holders in one mutual company, at a general meeting in Sydney, to affect the decision of the company. As soon as they turned up at the meeting all the office workers of that company (who also, of course, had policies in the company) were immediately drafted downstairs by the Directors to stack the meeting so that any protest from the policy-holders who turned up at the meeting would be drowned out by the employees of the company under the direction of the Directors. It is absolute nonsense to suppose that the mutual policy-holders in South Australia have an effective say in the running of the companies. Another contention is as follows:

No evidence has been produced to show that the State Government Insurance Commission would offer types of life assurance contracts which are not already available from the market or that it would render any service not already provided.

That is already perfectly covered in the working party's report. The association then goes on to put a contention that is a consistent contention on their part, although they know much of it to be quite incorrect. The association states:

The State Government Insurance Commission would not be subject to the provisions of the Life Insurance Act, and in particular:

- (a) It would be relieved of the expense burden of providing the detailed statistical and accounting returns required of private enterprise offices.
- (b) It would not be subject to the supervision of the Commonwealth Government's Life Insurance Commissioner.
- (c) It would not be required to engage or act on the professional advice of an actuary, or use only premium rates which had been certified by an actuary.
- (d) It would not be required to prepare the detailed 10-year projections needed from any private enterprise applicant for a new licence to transact life assurance business.
- (e) It would not be required to set up reserves of the statutory minimum valuation basis to ensure the protection of policy-holders.

(It is noteworthy that the non-life operations of the State Government Insurance Commission are hopelessly insolvent—

That is untrue—

and that any private enterprise general insurer with liabilities exceeding assets would long ago have been wound up by the Insurance Commissioner;—

our liabilities do not exceed our assets—

in fact, the requirement for private enterprise companies is to have a 15 per cent solvency margin.)

I do not know what is suggested there, except that S.G.I.C. is somehow in difficulties because it made an actuarial loss over a particular period. It was remarkable, however, that what is not stated is that in a much lesser period the A.M.P. general assurance business, which is a smaller office over the whole of Australia than the S.G.I.C. is in South Australia, made a much larger loss. The fact is that that loss could perfectly easily be funded by the funds engendered in S.G.I.C., which is not in any difficulty at all. Let us deal with some of these things in more detail. S.G.I.C. must provide detailed statistical and accounting returns. These are subject to constant audit by the Auditor-General, and are examined annually in Parliament.

Mr. Goldsworthy: What does it pay for that service?

The Hon. D. A. DUNSTAN: It pays commercial rates.

Mr. Goldsworthy: Good!

The Hon. D. A. DUNSTAN: The honourable member says "Good". Last night he told the darned falsehood that the commission did not pay for it, but it does.

Mr. Goldsworthy: I didn't mention it last night.

The Hon. D. A. DUNSTAN: I shall check it up in a few minutes.

Mr. Goldsworthy: We were debating your obscure uranium motion last night.

The Hon. D. A. DUNSTAN: Then I am sorry; it must have been the night before. I read the honourable member's statement on the grizzle debate. I was sorry I was not here to listen last night; apparently it was the night before. I shall look it up. It is clearly not necessary to subject S.G.I.C. to the supervision of the Commonwealth Government's Life Assurance Commissioner, because the commission is itself subject to direct supervision from Government, being directly responsible to the Treasurer of the State. The engagement or otherwise of an actuary does not constitute an advantage, and in fact it could be considered that if a life organisation operated without actuarial advice it would be at a disadvantage. It will have actuarial advice. Whether or not projections are required does not constitute an advantage, and I would refer to section 12 (1) (b) of the State Government Insurance Commission Act, which clearly defines the method of operation.

The assumption that S.G.I.C., with its investments of more than \$100 000 000, is hopelessly insolvent is quite incorrect. Answers have already been given to questions concerning obligations regarding taxation and the various Acts observed by insurance offices. Section 17 (1), (2), and (3) of the State Government Insurance Commission Act requires that S.G.I.C. pays the equivalent amount of taxation to the Treasury, so alleged tax exemption is not a fact. The same Act requires that the S.G.I.C. be subject to the Stamp Duties Act and the Fire Brigades, Bush Fires, Firefighters, Hospitals, and Hire Purchase Acts. Comment emanating from the Life Offices Association, and repeated by the Opposition, concerning alleged S.G.I.C. exemption from those Acts is not correct. The association contends that the S.G.I.C. would not be subject to the provisions of the Companies Act, thus again being relieved of the expensive burden of complying with that Act and getting immeasurably greater flexibility in regard to its operation.

I now have the reference to the comments by the Deputy Leader of the Opposition. On Tuesday night in this House he said:

There is no evidence that the commission pays the Auditor-General's Department any fees for the auditing services it provides. This advantage does not accrue to the private sector.

A moment ago the honourable member said that he did not say it.

Mr. Goldsworthy: No; I said I didn't say it last night.

The Hon. D. A. DUNSTAN: How is that being truthful to this House? The commission does not consider compliance with the Companies Act or any other Act, which in competition the S.G.I.C. observes, as a burden. S.G.I.C. operates within the confines of strict legislative control and this, coupled with competition in an open commercial atmosphere, quite outweighs any professed advantages in flexibility. It does not have greater flexibility than do companies; it is operating under a very strict Statute. Then the association states:

S.G.I.C. would not be subject to the Trade Practices Act and would thus be free to engage in conduct against the interests of consumers, such as monopolisation, mergers, exclusive dealings—

and so it goes on. Although the commission may not be subject to the Trade Practices Act (that is a matter of debate) it has always observed and operated as though subject to the provisions of the Act, and the Life Offices Association evidently believes that, because it has been on to the Trade Practices Office with objections to S.G.I.C.'s marketing activities. It certainly thinks that the Trade Practice Act applies. It is quite ridiculous to contemplate that a Government instrumentality will engage in conduct against the interests of the consumers. The contention continues:

S.G.I.C. would have access to unlimited capital funds.

I do not know what that means. As I pointed out, so far we have provided S.G.I.C. with an advance of only \$60 000, which was repaid with interest in eight weeks. What is the need for additional capital funds outside S.G.I.C.? It can fund its life assurance operation from its own funds as they stand.

Mr. Becker: Of course, because it hasn't had to pay a claim for a while.

The Hon. D. A. DUNSTAN: We do have to pay claims and we are paying them. All provision has been made by the necessary underwriting provisions to ensure that liabilities are covered fully and reserves held.

Mr. Becker: And it invests.

The Hon. D. A. DUNSTAN: Of course, and that is what happens in every company.

Mr. Becker: That's right. I'm not arguing about that.

The Hon. D. A. DUNSTAN: I am glad to hear that; I do not know what the honourable member is arguing about. The association contends:

S.G.I.C. would not be required to earn a profit, and there would thus be no sanctions on its management to perform, such as the threat of dismissal existing over inefficient managements.

S.G.I.C. underwrites for a profit. The performance of the S.G.I.C. management team has been commended in this State, in other States and overseas. I resent bitterly the suggestions that S.G.I.C. officers are inefficient: they are extremely efficient. They are effective and are highly regarded in the insurance industry. Indeed, great competition occurs from officers from the private sector to get into S.G.I.C. S.G.I.C. has an extremely effective management, as has been shown by its performance. S.G.I.C. has expanded more rapidly than any other company in the history of Australia. The association continues by saying that S.G.I.C. will get low interest loans at the cost of South Australian taxpayers. The company is getting nothing of the sort. It continues:

S.G.I.C. would further endanger the taxpayers' position by virtue of the statutory Government guarantee for policy payments. . . .

Of course a Government body is guaranteed by the Government; that is a safety factor given to policy-holders—anyone doing business with the commission. That is traditional in relation to Government enterprises and is a perfectly proper provision. The opponents of such Government enterprises cannot say that it is unfair that that guarantee exists, because that would mean that somehow or other a Government enterprise has an advantage over private enterprise. Those people cannot argue against Government enterprises being no good and then deny them the very advantages of the nature of their existence.

Of course, we do not have to meet any guarantees. We no more have to meet guarantees in relation to S.G.I.C. than we do in relation to the State Bank of South Australia or the Savings Bank of South Australia. It would be preposterous for private banks to say, "You should take away the guarantees that the State Bank and the Savings Bank have in South Australia because it gives them an unfair advantage over the private banking system." The association contends further:

If the activities of S.G.I.C. succeeded in forcing private enterprise life offices out of the market, this would mean less and not more competition. . . .

We are not aiming to force those offices out of the market. The activities of S.G.I.C. in the general insurance market have not forced private enterprise offices out of the market, nor could the wildest conjecture envisage the annihilation of the giant life offices, nor the small life assurance operations maintained by many insurers as offshoots of their general insurance operations. It is the Government's sole intention to provide the community with a choice, which in South Australia the community does not now enjoy. It is not the Government's intention to interfere with existing life offices or to prejudice their policy-holders. In New Zealand since 1864, in Queensland since 1918, and in New South Wales since 1941, Government insurance offices have operated successfully life assurance businesses in conjunction with their general life insurance activities, and there has been no hint in that period of any of the aspects outlined in that objection.

Mr. Becker: Over-the-counter sales or commission sales?

The Hon. D. A. DUNSTAN: True, some of them have been commission sales. We believe that that is not efficient any more and that we should do it in the way outlined in the working party's report. This is an alternative to what is being done at present. Why should policy-holders not have the choice? I recall the campaign on the banking issue, which the honourable member will recall, when the private banks said that everybody gained from competition between banks. Equally, one can say that everybody gains from competition between insurance companies. The association goes on to contend:

S.G.I.C. is subject to political interference in terms of section 3 (3) of the Act; such directions could interfere with the ability of the management to run the commission in the interests of its policy-holders and could reduce the ability to make sound investment decisions. . . .

The commission has never been subjected to political interference, nor has the ability of the management been impaired in running the commission in the interests of policy-holders. The allegation is quite untrue. The commission itself will publicly claim and state categorically that it has had absolutely no political interference from the Government. The association also contends:

No attempt has been made to calculate the cost of establishing a S.G.I.C. life office operation.

Dr. Eastick: Has it had specific political support?

The Hon. D. A. DUNSTAN: Of course it has had political support, and it has also had specific political opposition, which has not damaged the commission, although members opposite would seek to do so.

Dr. Eastick: That support could involve favoured treatment in housing loans, couldn't it?

The Hon. D. A. DUNSTAN: The honourable member apparently protests that S.G.I.C. has helped the poor people in connection with housing in this State by making \$40 000 000 available for bridging finance at rates below the market level.

Dr. Eastick: That's supported. What about the fact that people must insure with the commission?

The Hon. D. A. DUNSTAN: That is no different from what was happening previously under Liberal Governments in this State in relation to loans from the Superannuation Fund. Everyone was required to do their business with Mercantile Mutual. When I borrowed money from the Superannuation Fund years ago I was compelled to insure with Mercantile Mutual—no-one else. That was the Liberal Government's direction. In this case it would be absurd, since agency operations exist with the State Bank and the Savings Bank, for us to do our insurance with any-one other than our own company. The private sector will not.

Mr. Becker: It may be contrary to the Trade Practices Act.

The Hon. D. A. DUNSTAN: If it is, we will remove the practice, but that has yet to be proved. The association then cites what I expressed as my view when I originally introduced the Bill, which passed, to set up S.G.I.C. and what I said then about life insurance. At that time it was anticipated that a State Government Insurance Office would be of medium size. Its growth has exceeded all expectations and it is in no respect now a medium-size office. It is now proven that a commissioned-sales force is not necessary, as was thought in 1970. Continual public inquiry is being maintained throughout South Australia for S.G.I.C. life policies. Such demand was not anticipated when the original Bill was presented. Life offices have not served the public fully. Consequently, there is every reason for us now to enter the life assurance field. The association continues:

Holders of life assurance policies would be under significant disadvantages compared with policy-holders in private offices, in that the former would be unable to transfer their policies to registers outside the State.

That is for prospective policy-holders to decide. The Queensland State Government Insurance Office has operated successfully since 1918 in the life assurance field, and the New South Wales Government Insurance Office has maintained a similarly successful operation. The transfer of policies outside the State does not seem to present any difficulty to those offices or to the policy-holders. If the Life Offices Association considers it a marketing disadvantage, it can hardly complain. The association continues:

The setting up of a State Government Insurance Commission life operation could result in a diversion of resources from the private sector to the public sector.

There is no evidence that the commission's operation is a diversion of resources from the private sector. Where did the \$40 000 000 worth of loans for housing go? It went to provide building employment in the private sector in South Australia. That was not a diversion of resources from the private sector. We hear the Australian Mutual Provident Society's advertisements on the air saying, "We invest in housing, in businesses and in transport, and that all gets back to the consumer." How is it different from

S.G.I.C.? It is not a diversion of resources from the private sector. The association knows that that is specious, yet it goes on with that kind of utterly dishonest propaganda. The timing of the move, the association says, is particularly poor, having regard to the adverse effect it must have on confidence. I see no sign whatever that S.G.I.C.'s moves in the field of insurance have anything other than a positive effect on business confidence in South Australia, and business confidence is higher here than it is in any other State. The association says that it will be impossible to provide legislative safeguards to ensure that it will be competing, but I point out that the commission already competes on an equal basis. There is no question of the S.G.I.C.'s having any unfair advantage in the field. So much for the association's contentions. It knows perfectly well that there is no basis for its objecting to this competition from the Government office. It is desperately fighting a commercial war for its own advantage. Its suggestions that it is concerned for the benefit of the poor unfortunate consumers and policy-holders is completely illusory and completely hypocritical.

I believe that it is a vital service to the public of South Australia that good service be given to policy-holders in life, as can be shown to be given by S.G.I.C., and, in addition, that the funds generated in life assurance premiums should be used for the benefit of the public of this State in the way in which S.G.I.C.'s money has been used. It is not only that \$40 000 000 which has gone to the benefit of South Australians: the S.G.I.C. has taken up funds in the semi-governmental area. In addition, when the Federal Government's funds for housing were levelled off in South Australia and that would, on the face of it, have meant an immediate reduction in the amount of concessional interest rate money provided from the State Bank, S.G.I.C. deposited \$5 000 000 in the State Bank, and we subsidised the interest rate out of revenue in order to provide a continuance of concessional interest rate lending to the poorer people of the State. That was a vital service to the people of this State, as people cannot get that kind of service from the private sector. The benefit to the State of this move will be inestimable and I believe that, overwhelmingly, the move by S.G.I.C. into life assurance will be supported by the people of South Australia, just as S.G.I.C. has had fantastic support from the people of South Australia and continues to generate that deserved support.

Dr. TONKIN secured the adjournment of the debate.

APPROPRIATION BILL (No. 1) 1977

His Excellency the Governor's Deputy, by message, recommended the House of Assembly to make appropriation of such amounts of the general revenue of the State as were required for all purposes set forth in the Supplementary Estimates of Expenditure for the financial year 1976-77 and the Appropriation Bill (No. 1) 1977.

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 on June 30, 1977, and for other purposes. Read a first time.

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

That this Bill be now read a second time.

I submit for the consideration of the House Supplementary Estimates of \$34 800 000. Before turning in detail to the

Treasury situation for this financial year, the unsatisfactory situation facing this State in respect of the Federal Government's federalism policy needs to be discussed. When I introduced the Supplementary Estimates in February, 1976, I said:

South Australia faces a disturbing number of economic unknowns in the rest of this financial year. The consequences of some of those problems will greatly influence the State's budgetary situation in ensuing years.

This State does not know in detail the provisions of the new Federal-State relations proposals which were outlined in the sketchiest of manners by the Prime Minister at the recent Premiers' Conference. The impact of a major change in the financial agreements covering South Australia must be carefully analysed and the implications for future revenues thoroughly appreciated.

On the information given to the South Australian Government by the Federal Government so far, such a detailed examination is not possible and, for that reason, my Government is concerned that our favourable financial situation at the moment must be viewed against the possibility of future Commonwealth-State arrangements that could seriously disadvantage the State.

Again, in my Budget speech in September, I said:

I wish to draw attention to three matters which make me apprehensive about the future of the tax-sharing arrangements as an effective replacement for the Financial Assistance Grants formula. They are—

1. Lack of consultation on the part of the Commonwealth Government. The decision of the Commonwealth Government, announced on May 20, to introduce full indexation of personal income tax in the first year, to introduce a Medibank levy, and to change child endowment arrangements and income tax rebates for dependent children, was an example of that Government's departure from what I believed was a responsibility to consult with the States on matters that might affect their share of personal income tax collections.
2. The Commonwealth Government's refusal to provide the States with an assurance beyond June 30, 1980, that funds under the tax-sharing arrangement will be at least as great as those which would have resulted from a continuation of the formula. In seeking a long-term guaranteed arrangement, other Premiers and I had in mind the possibility that the Commonwealth Government might place less emphasis in the future on income tax as a revenue source.
3. Introduction of the Medibank levy, a long-term income taxing measure and not just a device for short-term economic management. In this the Commonwealth has demonstrated that it does not feel obliged to share with the States all the personal income tax it collects. There is the possibility, of course, that such special levies could be used more and more in future to the possible detriment of the States' surcharge powers.

Those matters lead me to believe that the States face the prospect, after 1980, of having to rely heavily on their surcharging powers or of using existing taxing measures to make good any short-fall if the Commonwealth Government places relatively less emphasis on income tax as a revenue raising measure. As it is unlikely that the Commonwealth Government will permit the States to enter the income tax field in other than a marginal way, for fear of weakening its powers of economic management, the burden could well fall back on the States' traditional taxation fields.

Since those occasions, the situation has deteriorated still further, to the point that in two weeks time there will be a special Premiers' Conference to discuss Federal-State relations. That conference has been forced on the Prime Minister by the continuing and unanimous dissatisfaction of the State Premiers, all of whom are gravely disturbed at the Federal Government's cavalier and arbitrary approach to this question, which is of fundamental importance to the good government of our country.

The State Premiers (Labor, Liberal and National Party alike) have watched with increasing dismay the widening

gap between the Prime Minister's promises while in Opposition and his performance while in Government. Where he promised co-operation, we have had policies unilaterally imposed on us; where he promised consultation, we have been told after the event; where he promised a better financial deal for the States, we have had slight-of-hand policies which have left the States considerably worse off in real terms.

The fundamental importance of an equitable and generally supported system of financial arrangements for the States cannot be too often repeated. More than \$438 000 000 (almost 38 per cent of the State Revenue Budget) comes from reimbursement to the State of income tax which is levied and collected by the Federal Government. Another \$180 000 000 (about 15 per cent of the Revenue Budget) comes in other grants from the Federal Government. The Loan Account is also affected in that about \$49 000 000 (nearly 19 per cent) is financed by specific purpose moneys, and most of the remainder is dependent upon Loan Council deliberations in which the Commonwealth plays the major part. There are other initiatives in which the State participates that also involve Commonwealth finance.

As I explained to the House in the statement presented when I introduced the Loan Estimates in August last year, if we take the total of the State Loan and semi-government allocations in 1976-77, take into account the reduced specific purpose grants and loans for capital purposes, and even throw in our share of the estimated benefit of the new tax-sharing arrangements, the funds available this year for capital purposes would be only about 3 per cent above the aggregate for 1975-76, despite increase in costs far greater than that.

That is a substantial reduction in real funds when inflation generally is running at around 15 per cent. The funds discussed above do not include housing, and for welfare housing the Commonwealth has provided the same cash amount in each of the past three years. This means during that period no recognition at all has been given to inflationary pressures in the housing area. As a result of the Constitution, the uniform tax decisions, the financial agreements, and in the interest of national economic management, the States are severely limited in their revenue-raising powers.

The economic well-being of the States relies heavily on consensus and stability in financial arrangements, two elements noticeably lacking in the treatment the States have received from Mr. Fraser. Unfortunately, the Prime Minister's attitude and practices are emulated by his Ministers, to the point where the Federal Minister for Transport (Mr. Nixon) treated his State counterparts with a discourtesy and disrespect bordering on contempt. While the Ministers were in Hobart discussing the allocation of Commonwealth Roads Grants to the States with Mr. Nixon, his office in Canberra publicly released the amount that was to be allocated. It is little wonder that the Victorian Liberal Minister of Transport, Mr. Rafferty, for one, has described the meeting as a farce and has said he doubts whether it is worth while going to future meetings with Mr. Nixon.

Incidents such as this are not isolated happenings; they seem to be part of deliberate Federal policy to hobble the States by reducing real income to the States and simultaneously increasing the number of State responsibilities. The case of the Australian Assistance Plan is an example of both aspects of this apparent strategy. Despite an election promise to maintain the A.A.P., a broken promise highlighted by the Federal member for Hotham, Mr. Chipp, in his speech of resignation from the Liberal Party, Mr. Fraser has withdrawn all funds from A.A.P. projects after June 30, 1977, and has said the whole project is a State

responsibility. The fact that the High Court of Australia has determined that the A.A.P. was a proper Federal Government function, and the requests from all State Ministers responsible for social welfare that the plan be retained by the Federal Government, did not influence Mr. Fraser. In a perfect example of what co-operative federalism means to the Federal Government, the Prime Minister unilaterally off-loaded his Government's proper responsibility to the States, without an additional dollar of funding to meet the extra costs.

Let us be clear about that. Members opposite have suggested that we have received extra money to compensate for these additional responsibilities, but we have received nothing of the kind. We have not had a penny piece. If one puts together all the areas of funding from the Commonwealth Government, we have had less money in real terms than in the previous year. Where do we get the money to fund A.A.P.?

Mr. Gunn: Where will the Commonwealth get all the extra money?

The Hon. D. A. DUNSTAN: It gets it from normal taxation arrangements.

Mr. Gunn: You are advocating increases in taxation.

The Hon. G. T. Virgo: Don't be so ridiculous.

Members interjecting:

The SPEAKER: Order!

The Hon. D. A. DUNSTAN: I understand that I cannot use a phrase I would like to use in reply to the honourable member. Responsibilities are not all handed over in such a direct fashion as this instance of the A.A.P. Areas in which either severe budgetary restraints or reviews of Federal Government policy have led to no real growth in Commonwealth funds also require the States to step in where the Commonwealth has failed to provide adequate resources. Critical areas such as housing, roads, urban public transport, decentralisation (growth centres), legal aid, area improvement, national estate, and Aboriginal advancement, have all fallen victim to these policies.

Members sitting opposite have encouraged and condoned these attacks. They have claimed that South Australia has received extra money to compensate for these additional responsibilities. Those statements are plain, deliberate, and unvarnished falsehoods. How could extra money have been given when the State is receiving less money in real terms than in the previous financial year? The Federal Government has withdrawn from all these fields without providing us with the money to carry on the tasks. If these policies are continued and if the Prime Minister pushes ahead with his attempt to deprive South Australia of the benefits of the railways agreement, demands on the State Treasury will increase far more rapidly than revenue collections.

South Australia has been able to cushion the impact of the Federal Government's policies over the past 18 months, but our ability to continue doing so is limited. If the Prime Minister attempts to negate, by backdoor means, the benefits to our State of the railways agreement—a valid, legal and binding agreement which did not come out of any special deal for South Australia but from an offer put equally to all the State Governments—then our ability to ease the effects of Federal actions will be still further curtailed.

I am astounded that the Leader of the Opposition apparently is going public to encourage the Prime Minister to waltz on the railways deal. What he is saying is that money should be taken away from South Australia because it is unfair that we should have the compensations for the railways that were written into the agreement and into

the resulting financial arrangement, despite that they were ratified by this House and the Federal Parliament and despite that the Prime Minister had voted for them and that they were the subject of an election in this State.

The South Australian Government cannot indefinitely try to pick up the pieces of the social and economic damage the Federal Government is causing. To take one instance: this year we are spending \$14 000 000 on unemployment relief, and in these estimates another \$3 000 000 is set aside to carry the programme through into the early months of 1977-78, making a total allocation of \$17 000 000 in the past 12 months.

South Australia was the first State to introduce any form of unemployment relief scheme, and ours is still the most wide-ranging scheme. We have asked the Federal Government to assist us in funding the scheme but we have been refused, despite the fact that the Federal Government is getting, from our employment of those people, returns by way of increased income tax, sales tax, and excise duties and through less call on unemployment benefits. When Mr. Neilsen put up to the Commonwealth Government that we should get at least a \$1 for \$1 payment that would cost the Commonwealth Government less than unemployment relief, Mr. Fraser stated that, if the States had money to go into those programmes, they had more money than they ought to have and that the Commonwealth Government would provide no more money for employment generating schemes of this kind.

How much longer, and on what scale, the South Australian Government can continue on its own with this help is questionable, in the light of the Federal Government's attitude to State finances. Unless the forthcoming Premiers' Conference produces an end to Mr. Fraser's policies of coercive centralism, the full effects of the Federal Government's doctrinaire determination to reduce the living standards of Australian wage and salary earners will inevitably have to be felt in South Australia.

With three months of the year still to run, the trends and prospects for the Revenue Account can be reasonably assessed. I must, however, point out that they are based on the actual experience for only nine months of the year, and in the next three months—as, indeed, in any three-month period—significant variations can occur. A variation of 1 per cent, for example, in personal income tax collections by the Federal Government because of late trends would affect our largest revenue item, the State's share of Federal income tax collections, by more than \$4 000 000.

The Revenue Budget presented to the House in September last forecast a balanced result. Recent reviews by the Treasury and individual departments show that, in the absence of any large unforeseen items, a final result close to a balance would still be likely. As to the Loan Account, the Budget presented in August last year, forecast a balance on the year's operations, and I told the House then that the Loan deficit of \$8 900 000 at June 30 could possibly be recovered over the two years 1977-78 and 1978-79.

Recent reviews and forward planning of capital programmes indicate that, in view of the Commonwealth Government's restrictive attitude to capital funds, there is now virtually no prospect of recovering that deficit and, at the same time, mounting a reasonable programme over the next two years. Accordingly, I believe the best thing to do is to use some of our revenue reserves to wipe out the Loan deficit this year. The Supplementary Estimates include a round sum provision of \$9 000 000 for that purpose.

Members will be aware from an announcement by the Minister of Mines and Energy that one of our more important projects in future will be to accelerate the exploration of the Cooper Basin to determine the extent of gas reserves there. Much of our planning for power generation and industrial development depends on the definition of the Cooper Basin reserves. The Supplementary Estimates include a round sum provision of \$5 000 000 to augment the funds of the Pipelines Authority so that it may finance the exploration programme. In effect these funds will be transferred from our revenue reserves.

Looking ahead to the problems expected to be inflicted on our capital programme next year by the Commonwealth's harsh treatment of the States, and thus to the likelihood that a further transfer from Revenue Account will be needed if the programme is to be kept going at reasonable levels, to the desirability of giving further support to measures to stem the rising national tide of unemployment, and to the normal growth in demand for recurrent services, I believe that our present useful reserves on Revenue Account will be exhausted before the end of 1977-78. As the rest of the explanation is technical and is in the hands of honourable members, I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

REMAINDER OF EXPLANATION
APPROPRIATION

Turning now to the question of appropriation, members will be aware that early in each financial year Parliaments grants the Government of the day appropriation by means of the principal Appropriation Act supported by the 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 that 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 to the Revenue Budget of several salary and wage determinations with the remainder being met from within the original appropriations. It is not available, however, to provide for such things as the cost of leave loadings should they occur. Where these kinds of payments cannot be met from the Governor's Appropriation Fund, then Supplementary Estimates must be presented.

The main Appropriation Act also contains a section that gives additional authority to meet increased electricity charges for pumping water. The consumption of water this financial year has exceeded the quantity collected naturally in catchment areas by a greater amount than is usual, and it has been necessary to supplement natural collections by increasing the quantity pumped from the Murray River. The Government has tried to reduce this imbalance by appealing to the people of South Australia to avoid wasting water, but, nevertheless, there will be some call on the special appropriation.

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 the effects of higher prices or of wage increases not covered by the special section 3 (2) of the Appropriation Act are the reasons for seeking further appropriation, 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 the reason 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 which 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.

I point out to members that, whilst these sums represent the best estimates of needs presently available, nevertheless, in most instances they cannot be regarded as accurate to the last dollar. In authorising the funds which may be actually needed, I propose to treat departmental requests as if they were requests for excess warrants on the Governor's Appropriation Fund. Excesses from that fund are permitted only with my specific approval after examination by the Treasury, and I propose that, although the procedures will not be so formal, the additional appropriations now sought will not be released without continuing examination of changing departmental needs.

DETAILS OF THE SUPPLEMENTARY ESTIMATES

With these authorities in mind, then, the Government has decided to introduce Supplementary Estimates totalling \$34 800 000. They could be summed up in three broad categories as follows:

	\$ millions (rounded)
Normal departmental excesses above estimate	14.2
Special appropriations brought about by re-arrangements of departments and accounting procedures	3.6
Special appropriations for major policy decisions regarding support of capital programmes, exploration of Cooper Basin and unemployment works . . .	17.0
	34.8

Department of Economic Development: Earlier this year the Department of Economic Development was created to advise the Government on its economic and trade and development policies, and to co-ordinate the operation of the State's statutory financial organisations. Most of these functions were carried out previously within the Premier's Department and have been grouped under the Department of Economic Development as part of a general restructuring aimed at improving the efficiency of the Public Service. Therefore, while funds are sought for this new department, offsetting savings can be expected in amounts provided previously for the Premier's Department.

The amounts sought provide for the operation of the department for the whole of this financial year. Costs incurred in discharging these functions by the Premier's Department prior to creating the new department will be transferred accordingly. Whilst this is not strictly necessary, I am conscious of the need to provide meaningful information in the published accounts at the end of the year. The procedure adopted here will facilitate this. Overall a net increase in costs of about \$90 000 can be expected this financial year. Thus, of the \$925 000 provided in Supplementary Estimates, about \$835 000 will be offset by savings on the original appropriations for the Premier's Department.

Department of Services and Supply—The Budget presented to the House last August included provision for the operation of the Port Lincoln abattoirs until December 31, 1976, at which time it was expected that these works would be transferred to the South Australian Meat Corporation. The transfer was not effected until March 8, 1977, and therefore additional expenditures were incurred. Some increased costs also resulted from the processing of additional overseas meat contracts. Altogether an additional \$600 000 for salaries and wages and \$100 000 for operating expenses, minor equipment and sundries is required. Of course, additional revenues have resulted from this additional work and they will offset the \$700 000 provided in total on Supplementary Estimates for these purposes.

Treasurer—Miscellaneous: Several semi-government and other bodies lodge moneys in interest bearing trust accounts at the Treasury and, as a result, benefit from the economies of the Treasury's large-scale financial operations while simultaneously protecting their liquidity. The Government has agreed to increase the rate of interest on these deposits to the average rate earned on the investment programme, less a small margin for administration and other costs. An additional \$506 000 is required for this purpose. In March, 1976, \$825 000 was advanced to Riverland Fruit Products Co-operative, half from the State and half from the Commonwealth, to assist with the resolution of marketing problems. By October last, it had become clear that the cannery's difficulties would not be resolved in the short term and, after discussions in which the Commonwealth agreed to defer but not forgo repayment of its share, the State agreed to convert \$272 500 of its loan to a grant. The remainder of the \$310 000 included in the Supplementary Estimates for arrangements with Riverland relates to interest that had accrued to December 31, 1976. The South Australian Industries Assistance Corporation is now working with the co-operative in an attempt to solve the long-term problems facing the Riverland fruitgrowing industry. As I have explained, the Government has decided that a further sum should be provided to wipe out the deficit on Loan Account. An amount of \$9 000 000 is included in the Supplementary Estimates for this purpose. The total

amount included in the Supplementary Estimates for Treasurer—Miscellaneous is \$9 816 000.

Engineering and Water Supply: I have mentioned that it will be necessary to exercise the special authority granted under the Appropriation Act to meet increased electricity charges for pumping water. Additional chlorinating and other costs are incurred also as additional water is pumped from the Murray River. The Supplementary Estimates include a further \$500 000 to cover these expenditures.

Public Buildings: An additional appropriation of \$2 200 000 is required by this department to provide for the increased costs of salaries (\$1 000 000) and contingencies (\$1 200 000). The appropriation for salaries is required for additional terminal leave payments, greater involvement by design staff on Revenue rather than Loan Account projects and the need to provide for a pay debit which falls on June 29 and which was omitted from earlier estimates. The increased contingency costs are due mainly to increases in renegotiated lease and cleaning contracts and the transfer of preliminary investigation expenses from Loan Account.

Education: The Supplementary Estimates provide for an additional sum of \$6 000 000 for the Education Department. This sum includes \$5 300 000 for salaries and wages and \$700 000 for contingencies. The additional amount for salaries and wages is needed to provide for additional staffing, payment of annual salary increments and increments due to improved teaching qualifications together with increases in leave loadings. The additional staffing arises from a marked drop in the rate of resignations and retirements of teachers and the Government's decision to employ as teachers all students graduating from the teaching colleges this year. The contingency figure relates to the increased cost of materials, supplies and services. These are very broad estimates, and my earlier remarks regarding the actual release of the funds only in accordance with the demonstrated needs of the department and with my specific approval will apply.

Further Education: An additional provision of \$1 530 000 is sought for Further Education, \$680 000 of this amount is needed for salaries and wages to cover salary increments, additional payments to hourly paid instructors, extension of the child care programme and the Wardang Island project. The remaining \$850 000 is needed to provide for a revised method of accounting for services rendered by the Education Department for the Department of Further Education. The latter amount, of course, will result in no impact on the Budget, since the payment made by the Department of Further Education will be received by the Education Department.

Labour and Industry—Miscellaneous: Late last financial year the Government provided \$10 000 000 for expenditure on works to provide jobs through the first six months or so of 1976-77. In the event, this allocation was sufficient to carry the programme through for more than six months, and, in December last, a further \$4 000 000 was appropriated in Supplementary Estimates to enable it to be continued until the end of the current financial year. The Government is convinced that there is a need for the programme to extend into next year and we have allocated a further \$3 000 000 for transfer to the appropriate account. This amount is provided in the Supplementary Estimates. The administration of the Long Service Leave (Building Industry) Act is to be a charge against the Long Service Leave (Building Industry) Fund but it is not anticipated that a steady inflow of contributions will be achieved until

early next financial year. The advance shown in Supplementary Estimates is to enable the financial relationship between the fund and the Department of Labour and Industry to be placed on a proper footing this financial year and the fund is expected to repay the \$100 000 by the end of August. The total amount sought from Minister of Labour and Industry—Miscellaneous is \$3 100 000.

Community Welfare—Miscellaneous: Inflationary pressures have made it necessary to seek additional amounts for contributions towards the rates and taxes of pensioners (\$250 000) and the administration and maintenance of Aboriginal housing (\$230 000). A total increase of \$480 000 is therefore provided under this heading.

Hospitals: Additional amounts are being sought on the Supplementary Estimates for general administration and for the operation of the major Government hospitals.

These increases are due to a reduction of arrears for pathology charges owing to the Institute of Medical and Veterinary Science, increased charges for medical and surgical supplies, drugs, special services, maintenance and repairs, fuel, light and power, rent, and higher administration expenses. The additional amounts estimated to be required by each organisational unit are as follows:

General—Administration	\$700 000
Royal Adelaide Hospital	\$900 000
The Queen Elizabeth Hospital	\$700 000
Modbury Hospital	\$100 000
Glenside Hospital	\$100 000
Hillcrest Hospital	\$100 000
	\$2 600 000

As is the case with the estimates for Education Department and for certain other departments, these figures can be regarded only as approximate at this stage of the financial year. My specific approval will be required for the release of funds against these appropriations.

Department of Housing and Urban Affairs: The Department of Housing and Urban Affairs was established to better co-ordinate the Government's urban development programmes. Like the new Department of Economic Development, it is the result of amalgamating some existing functions. Thus offsetting savings can be expected in the Mines Department (which previously carried the appropriations for the Minister's office) and the Department for the Environment. The Supplementary Estimates figure of \$1 949 000 represents expenditure for the full year and a net increase of only \$90 000 is expected after allowing for offsetting savings.

Mines and Energy—Miscellaneous: As I have explained, it is desirable that further funds be provided for exploration of the Cooper Basin and an amount of \$5 000 000 is provided in the Supplementary Estimates for this purpose.

The clauses of the Bill give the same kinds of authority as in the past. Clause 2 authorises the issue of a further \$34 800 000 from the 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, 1976. Clause 7 provides that amounts appropriated by this Bill are in addition to other amounts properly appropriated.

Dr. TONKIN secured the adjournment of the debate.

SUPPLY BILL (No. 1) 1977

His Excellency the Governor's Deputy, 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, 1978.

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 \$190 000 000 to the Public Service for the year ending on June 30, 1978. 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 \$190 000 000 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 the 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. Members will notice that this Bill provides for an amount greater than that provided by the first Supply Act last year, which was for \$160 000 000. This increase of \$30 000 000 is needed, partly to provide for the higher levels of costs faced by the Government and partly to provide for the additional pay period falling due in July for public servants, hospital staff and police officers. I believe this Bill should suffice until the latter part of August when it will be necessary to introduce a second Bill.

The absence in the Bill of any detail relating to the purposes for which the \$190 000 000 is to be made available does not give the Government or individual departments a free hand in spending during the early months of 1977-78. Clause 3 ensures that, until the main Appropriation Bill becomes law, the amounts made available by the Supply Acts may be used only within the constraints of the original and Supplementary Estimates approved by Parliament for 1976-77. In accordance with the normal procedures, members will have the opportunity to debate the 1977-78 expenditure proposals fully when the Budget is presented.

Dr. TONKIN secured the adjournment of the debate.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from March 30. Page 3064.)

Mr. RUSSACK (Gouger): The Minister's second reading explanation in the first sentence states:

This Bill follows upon representations that have been made to the Government relating to the recent legislation providing for full adult franchise in local government elections and polls.

I accept that explanation, but that is not the only purpose of this Bill. I express my appreciation to those people who have approached the Government and made these representations, because it is through this pressure that this

otherwise unworkable Act (No. 77 of 1976) will become workable. I say this because I am sure that, because the Minister is so keen to have this legislation implementing the philosophy of adult franchise apply to local government elections in July, 1977, he would have had the Act proclaimed long before now. The Act was assented to on December 9, 1976, but it has not yet been proclaimed.

I suggest that it is because of the fiasco and the shemuzzle that this legislation has caused in local government that it has been necessary to bring forward these amendments so that the Act can be implemented as soon as this present measure is passed by Parliament. If it is the Minister's intention (and I believe it is) that the provisions of the Act apply for the July local government elections, then this matter is being dealt with in indecent haste. In the preparation of rolls there is much work that must be done. The Electoral Commissioner is responsible for the compilation of the rolls and, in order to do that, it is necessary for councils and their clerks to be called upon to provide much data. I know that councils have been called upon to do additional work that has been most difficult for them to accomplish. This measure is being dealt with in indecent haste if the legislation is to apply to the July local government elections.

I believe that local government generally and most honourable members, on this side at least, still find the principle of this legislation unacceptable. It is a principle that is not generally well received throughout South Australian local government areas. Obviously, there are inherent problems in the legislation. Surely the Minister has had ample time to see that all these ends that are now being tied together could have been straightened out much earlier if it were not for the inherent problems in the legislation.

The measure was originally introduced to the House on February 3, 1976. In fact, attempts have been made by this Government dating back as far as 1970 for similar legislation to be dealt with by the South Australian Parliament so that such principles could be adopted at local government level. The Minister is adamant that the legislation will be proclaimed and implemented for the July local government elections. I also consider that if the rolls are not complete then, the Assembly rolls will be used. I am sure that local government officers have been overworked in many instances in order to fulfil detail that they have been called upon to furnish. Not only that, but the cost to local government has been considerable. I believe that many thousands of dollars have been involved in the time that clerks and officers in local government have spent collating the detail necessary so that the rolls might be brought into order.

It would be interesting if it could be assessed what it has cost local government in South Australia by way of additional work for clerks and other officers necessitated by the introduction of this legislation. There is one thing for which I wish to express appreciation. It was stated in the second reading speech that, before this Bill was introduced, representations had been made to the Government. Appreciation should be expressed to those who have been responsible for coming together in discussion and co-operating in the preparation and drafting of this legislation. I believe that there has been a definite effort made to assess opinion and gain advice from those who will be responsible for seeing that this legislation will be workable in the best possible way. I commend them and suggest that if co-operation such as this is extended when considering future legislation, and were all those who would be involved contacted and their representations

considered, it would auger well for smooth flowing of legislation and, above all, result in far better legislation.

The Hon. G. T. Virgo: That will continue in future.

Mr. RUSSACK: I am glad of the Minister's assurance.

The Hon. G. T. Virgo: It has been the practice in the past, and it will continue in the future.

Mr. RUSSACK: I am at variance with the Minister. I will not deny that it has happened in the past, but I say that it has not happened to the degree I think it has happened on this occasion. These amendments are, in themselves, good, because they will possibly make workable what I believe would be otherwise an unworkable piece of legislation. Bad legislation makes bad laws. I cannot say that the Bill passed in 1976 was anything other than a bad piece of legislation and these amendments will make it far better than it was originally. For those reasons, members on this side of the House will support the measure despite the fact that we are conscious that the production of the rolls has been, and will be, very costly.

I believe there are two reasons why the interpretation is being amended. We are deleting the words "as enrolled as an elector in pursuance of this Act" and substituting "entitled to be enrolled as an elector in pursuance of the Act whether or not he has actually been so enrolled". I understand that this will entitle an elector whose name is not on a roll to nominate for the position of councillor, alderman or mayor as long as the returning officer is satisfied that that person is entitled to have his name on the roll.

Secondly, I believe that the amendment is being placed before us for the reason I mentioned earlier: it is the Minister's intention that the legislation will be in force for the next election. There will not be time for all rolls to be compiled by then, and therefore an elector who is entitled to be on the roll will be acceptable.

I am pleased to see, as provided in clause 3, that a person who holds the position of mayor, alderman, or councillor and has not completed his term by the time of the next election will not be disqualified, by reason of the introduction of this legislation, from continuing until his term has expired. It is ironical that clause 4 provides, because there must be some basis on which a petition is presented, that properties must be used. When the Bill was being debated last year, it was evident that the Government did not accept and did not like the fact that property owners, genuine ratepayers, were the people who were more entitled to their rights in voting than those who paid no rates, owned no property, and were not occupiers in a local government area. Yet we find that the Government has had to come back and find some way in which to assess the number of voters on a roll. It has had to come back to the number of properties in a local government area or a ward. I understand that the rolls for all areas and all wards will not be completed and, because the number on the roll will be uncertain, to get a basic firm number the Bill provides that the properties in the area will be taken as a basis; 10 per cent, 50 per cent, or some other number of properties will be the basis.

Another advantage of the Bill relates to people who were otherwise disfranchised by having a residence in one area and commercial or property interests in another ward. The 1976 Act provided that a sole occupier or a sole property owner in another ward or area had a vote but it disfranchised those who were in partnership, whether in the ownership of property or business in another ward or area. I understand that this Bill will rectify the situation. I also believe that an agent who is appointed by a body corporate

or a body incorporate, if nominated seven days before the Minister declares the close of nominations, and if the nomination for an agent of that body corporate or body incorporate had made claim to the council, will become an agent and can represent and vote for more than one body corporate, body incorporate or partnership. In addition, if that person's name is on the roll as an elector, he can stand for the position of councillor or whatever position is vacant. If I am wrong, I ask the Minister to correct me.

The Bill also amends section 825 of the principal Act whereby a returning officer shall openly declare the general state of the vote at the close of the poll. It will now be possible for people to have a declared vote; if they believe they are entitled to a vote and their name does not appear on the roll, they can fill out a declaration claiming a vote. It could take considerable time to obtain approval. Clause 17 provides:

Section 825 of the principal Act is amended by striking out from subparagraph (d) of paragraph ii the passage "the poll" and inserting in lieu thereof the word "counting". Therefore, the Returning Officer would declare the state of the poll at the conclusion of counting which, for obvious reasons, could be on a subsequent day. That procedure would not occur often, but it does allow it to happen. The Bill corrects several serious anomalies that were in the Act assented to on December 9, 1976. Again, however, I appeal to the Minister, because of the confusion that I am sure has been created in councils (several of which I am confident would also prefer it), to defer implementing this legislation until the council elections in 1978. I ask the Minister to consider that aspect. We support the Bill.

Mr. WARDLE (Murray): I do not wish to canvass all the points made by the member for Gouger, but I want to say several things, and will begin where he finished. I support the measure: it contains several good provisions which, on reflection, it could be said correct obvious anomalies that existed when the earlier legislation passed through this House. That just goes to prove that one cannot possibly see everything that is wrong with the legislation one is studying. It proves that it takes time and consideration by a variety of minds in order to find all the loopholes and all the problems that exist in legislation before the House. The time is getting short, and I believe that many local government people are anxious about the rolls. I believe, too, that the Minister is sensitive to the fact that time is getting short. Consequently, there is a lot to be said for the appeal that the member for Gouger made to the Minister. I make that appeal to the Minister, too.

Many phone calls are still being made between the Electoral Office and councils concerned where people live. In our district we have just dissolved two councils and formed a brand new one. I hope the Minister will be present at the formation ceremony next Monday. That formation brings a double dose of difficulties. It is fair and reasonable to give administrators time to absorb the details of the changes. It is unfair at this late stage to expect council clerks throughout the State to get a first-rate grip of the new legislation and to implement it as efficiently as they would like to do in the forthcoming council elections. It is only about six weeks before nominations close for those elections, and six weeks after that the elections will be held.

The council in my district is worried, because it is still trying to sort out with the Electoral Office the names that will go on various ward rolls. It might have been better, on the first occasion, to ask councils to sort people

on to the respective rolls and then send the results to the Electoral Office for them to be printed, rather than place the entire responsibility on the Electoral Office, which then had to communicate regularly with councils. We cannot expect that the rolls compiled by the Electoral Office can possibly be as accurate as they would have been, had they gone from local government back to the Electoral Office for confirmation.

From the philosophical viewpoint of the Opposition, there is much merit in widening the franchise under the conditions specified in the Bill. There are indications that time is short for local government officers throughout the State. I hope the Minister will explain what he believes is involved in the time factor, how councils will react, how the Electoral Office is managing with regard to compiling rolls, and whether he himself believes that the rolls will be organised in time for the coming elections. In the interests of local government officers who have to administer this legislation, I ask that the details be deferred for some months to clear the way for local government to hold polls under the conditions that existed previously. The provisions should be implemented in the following financial year, so that local government itself may be better informed and better organised. However, I support the changes that have been made in this Bill, compared to the Bill that was passed last year. I support the Bill.

Mr. MATHWIN (Glenelg): I support the Bill, as I supported the original Bill. The last instalment in the history of this matter was when the previous Bill was assented to on December 9, 1976, which, although only three sitting days ago, is actually some time ago. This Bill is perhaps the final instalment. The Minister has excelled himself with this Bill, because never have so many people been messed around by so few. This whole matter has been a fiasco from the outset. The Bill first introduced in 1970 provided for compulsory voting in local government, but the Minister got his fingers burnt on that occasion, being then a comparatively new Minister. Local government is recognised as being the government closest to the people, and they believe that it is a serious business for any Minister to fool around with local government. The Minister must do his homework in future, particularly on Bills of this kind, and he must allow common sense to prevail and heed the advice given to him on local government matters.

According to the Minister's explanation, the Bill involves a property franchise. The problem, as I see it, is the high cost of preparing the rolls and keeping them up to date. A nominated non-resident voter, who may be appointed as an agent, will be able to vote. Clause 3 provides that an alderman, mayor, or councillor may not be an elector for the ward for which he has been elected. Perhaps we should have used "person" so as to be non-sexist. Clause 4 deals with properties. Clause 8, which deals mainly with nominated agents, amends section 88 of the principal Act. I am pleased that this Bill is the final instalment and I hope it will be passed speedily both here and in another place, but I hope that the Minister will not be too keen in forcing local government to get its rolls into operation too soon.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Interpretation."

Mr. RUSSACK: This clause has much to do with the compilation of the roll. Does the Minister intend to have this Act in force when local government elections are held in July?

The Hon. G. T. VIRGO (Minister of Local Government): Yes, and that is the very reason why the Bill is now before us. The approach regarding this matter is well known to councils, which have been circularised. It is not, therefore, a matter of our foisting the matter on them. To their credit, all councils have co-operated extremely well with the Electoral Commissioner and the Electoral Office. The compilation of the rolls is well under way already and, although a few outstanding matters associated with nominee voting are being clarified by the Bill, the procedures are continuing.

I reject any suggestion that local government will experience great difficulty in implementing the scheme in the coming year. It will have no more difficulty in the coming election than it will for the elections to be held in 1978 or 1980. One could keep putting this off for another year for ever and ever, as there will always be some reason why a case could be stated. This problem has been somewhat magnified, as statistics show that elections are held in about only half the areas. So, we are not talking about all councils, anyway. Councils will have ample time to act between now and mid-June, when the rolls will be ready.

Mr. RODDA: I do not wish to throw cold water on the proposal, but I know that the Electoral Office is experiencing difficulties. Indeed, I have been able to help it out in relation to rolls. I suppose it happens all around the State that a person's address on the roll is different from that where he is living. A person's address may be shown as, say, Naracoorte, when he may be living at Kingston, in the Lacepede council area. Rounding up the few stragglers could well involve a house-to-house canvass, and the Minister may have some stragglers in the wrong pens when D-Day comes.

Clause passed.

Clauses 4 to 9 passed.

Clause 10—"Vote of persons whose names do not appear on voters' roll."

Mr. RUSSACK: It is obvious that the procedure will be different in future. Will publicity regarding the changes be given to inform people, partnerships, and so on, who will be called upon to nominate agents?

The Hon. G. T. VIRGO: I hope that all councils will do what is required of them, and inform their people on that basis.

Clause passed.

Remaining clauses (11 to 17) and title passed.

Bill read a third time and passed.

ADJOURNMENT

The Hon. HUGH HUDSON (Minister of Mines and Energy): I move:

That the House do now adjourn.

I inform members that it has been agreed that the work we would normally do next Thursday afternoon can be done on Tuesday and Wednesday of next week, in which case the House will not need to sit on Maundy Thursday. This arrangement is subject to the appropriate programme being completed by Wednesday evening, as I expect it to be.

Mr. KENEALLY (Stuart): I comment on the incredible performance of the Leader of the Opposition and the Liberal Party in this State in their attitude to the best interests of South Australia. We are all aware of the

Leader's attitude to the Railways Agreement, which will give great benefits to South Australia. The Leader wishes to deny the people of this State this benefit, which was granted to them by a legitimate agreement with the Australian Government and which was available to each of the other States. However, for some political reason those States refused the advantages of this agreement. Now that we have it, the Leader of the Opposition, in his usual nit-picking fashion, is being critical and denying South Australians this advantage.

I now refer especially to the performance of the Opposition regarding the motion that was discussed yesterday. Every Opposition member supported the motion debated in this House that referred to the mining, producing, and selling of uranium. The Leader of the Opposition went so far as to say that the motion moved by the Premier pandered to every point of view and was obviously designed to avoid controversy. He said that it was difficult to find fault with the motion, and later in his speech he said that the motion contained no firm stance. Throughout his speech the Leader insisted that the motion indicated no firm opinion by this Government. However, a report in today's press states:

Opposition Leader, Dr. Tonkin, said the Government's hard-line leave-it-in-the-ground policy meant South Australia had lost its chance of attracting uranium enrichment development.

I should like the Leader or any other member of the Liberal Party to try to equate the two attitudes, the attitude that the Leader had last night and the one that he has expressed in the House today. One wonders why there has been such a somersault. I suspect that it had something to do with the paper-waving performances of the Deputy Prime Minister (Mr. Anthony) in the Federal Parliament today, and I guess that the telephones have been running hot between Federal and State members of the Liberal Party about the State Opposition's support of the motion moved yesterday. Mr. Anthony wished to convince the Federal Parliament that there was an agreement between the South Australian Government and the Federal Government and that he had a document indicating that the South Australian Government had changed its mind on uranium mining. He sought to lead the Federal Parliament to believe that such an agreement existed.

As the Minister of Mines and Energy and the Premier pointed out in debates in this House, no such agreement existed, but the Federal Government's action is typical of the attitude of the Liberal Party in Australia to this issue. That Party, particularly in South Australia, has not been prepared to state where it stands on the matter. All that it does is wait for the State Government to make a statement and then criticise that. That is no way to act for a Party that sees itself as an alternative Government. I suggest to members opposite that they would be doing this Parliament and the whole debate in general much assistance (and the Opposition would do more credit to itself) if they had the intestinal fortitude (which we are sure they lack) to state a point of view.

It seems obvious that someone with much influence has been talking to the members of the Opposition since last evening. The Deputy Prime Minister, the uranium lobby in Australia, or the uranium interests have been talking to them. Members opposite may scoff, but obviously this has happened. Otherwise, how could the Opposition justify such a complete turnabout in its attitudes? It surprised me that people who had a responsibility to be interested in such an important issue had no point of view last evening. The two leading Opposition speakers sought to do nothing

but act in a political nit-picking way. I repeat that that did them no credit, and that sort of attitude will not win them any support in the community.

I was also surprised to read today's editorial in the *News*, which is headed "A short-sighted decision". It seemed that the person who wrote the editorial suggested that the Labor Party and the Premier had changed their mind on this issue. However, it has been stated clearly twice in this House that a motion carried by the annual conference of the Australian Labor Party in South Australia, the policy-making body, last year was couched in almost the same terms as the motion carried by this House yesterday. How the *News* editorial can suggest from that that there has been a change in attitude is beyond me. It seems that the newspaper is joining with the Opposition to try to make cheap political capital out of the issue. The editorial, referring to the Premier and dealing with a uranium enrichment plant, states:

Yet he now comes forward with a policy that means that all the work and expense has presumably come to nought, and the future of the North Spencer Gulf area is once again in the melting pot.

The people who live in the Northern Spencer Gulf cities of South Australia would prefer to place their future in the hands of the Premier of this State rather than in the hands of people who write these editorials or in the hands of the Leader of the Opposition. The people in the northern Spencer Gulf towns or cities clearly indicate this at election time, and they will do so in future. There is no doubt that their confidence in the Premier and the State Government is not misplaced.

The plain fact is that any Government would be negligent in its duty if it did not investigate all areas of advanced technology, and the State Government surely should look at uranium enrichment plants because, who knows, the sorts of agreement that this House wished to have before it approved of uranium development in South Australia may well be given to us soon. I agree that the possibilities of that occurring are remote, but it may and, if that is the case, that we do have those sorts of assurances that everyone in this Parliament can be assured that the whole process of uranium mining, enriching and sale is a safe process, South Australia wants to be in the forefront of those States able to provide for this sort of advanced technology. Merely to investigate and look at this process does not mean there is a commitment to it, and the sorts of attitude adopted by the Deputy Prime Minister and by the Opposition members yesterday are, in my view, entirely erroneous; but it is typical of the politicking that has been going on. The people of South Australia could rightfully ask whether the Opposition of this State is concerned about their welfare or whether it is concerned only about its own attempts and drives to get to the Treasury benches. The people of South Australia, in questioning its stance, will soon come to believe that the Party in Government is there not only because it is doing the job but may well be there in default if the attitude of the Opposition continues—not that I think that situation will arise. Typical of the Leader of the Opposition's attitude towards the benefits to South Australia is his statement about the railways agreement. In the city from which I come and which I represent, Port Augusta, this sort of attitude is incomprehensible.

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

Mr. GUNN (Eyre): I appreciate the opportunity of making a few comments in this grievance debate. I say to the member for Stuart that what the Premier had to say in the House yesterday was a short-term policy; what

he told the people of South Australia last night on television was obviously a long-term policy—another classic example of the Premier's contradicting himself and endeavouring to leave himself enough room for manoeuvre. Any blame will be sheeted right home to him on this occasion.

Mr. Whitten: What is your attitude?

Mr. GUNN: I will tell the House my attitude when we have a grievance debate next week on the Supply Bill. Another matter to which I wish to refer today concerns the Attorney-General. One thing we can always say about the Attorney-General is that he is consistent: he consistently tells untruths and gives incorrect information to the people of this State and to this Parliament.

Mr. Whitten: That is unfair.

Mr. GUNN: That is not unfair, and I will explain it.

The SPEAKER: I take it that the honourable member intends to elaborate on that, because he cannot make imputations without substantiation.

Mr. GUNN: I have some evidence that I intend to give to the House and I am sure you, Mr. Speaker, will be interested in it. I will refer also to the Minister of Lands, the Hon. Mr. Casey. On August 6 last, I received a copy of a letter that the District Council of Murat Bay had sent to the Attorney-General. It states:

As the result of a council meeting, I am to seek your co-operation to providing the services and facilities of the Consumer Affairs Branch in Ceduna. Due to Ceduna's geographical position, it is appreciated that distances prevent regular calls from offices situated in Adelaide. Council is of the opinion that, although Ceduna is situated so far from Adelaide, there should be no reason why the consumers in this area should not be protected by your consumer protection legislation. In fact council believes that due to distance it is all the more reason for such protection, which can only be obtained by having a branch of that department established in Ceduna. To assist with the establishment of a full-time officer in Ceduna, it is felt that the duties of Clerk of the Court, an agency of the Registrar of Motor Vehicles, Births, Deaths and Marriages and other such facilities, could be included in his responsibilities. You are therefore requested to give this matter your earliest consideration and I now await your advice.

On the bottom of the letter it is stated that a copy of the letter had been sent to me. On September 7, 1976, I asked the following Question on Notice of the Attorney:

Will the Government consider establishing an office of the Prices and Consumer Affairs Department in Ceduna?

In his reply, the Attorney said:

The Government is aware of the need to provide the people of Ceduna and thereabouts with assistance and advice in consumer affairs as well as in other areas of Government, and is currently investigating how best this can be achieved. However, at this stage I am unable to indicate what form such a service might take.

At that stage everything was satisfactory, but a few weeks later I read in the local paper the following press statement:

Mr. Duncan said the Government was very grateful to Mr. Piltz and the Labor Party subbranch for pointing out the problem areas and needs of Ceduna.

The credit should have gone to the district council. Indeed, I have discussed this matter with the councillor who actually moved the motion that initiated the original letter. It is about time that the Attorney gave some credit to the people who are really concerned about the district. The Murat Bay District Council has always prided itself on looking after the needs of its area. The council clerks have a fine record of achievement. Indeed, one need only go to that town to see the sorts of development in which it has been involved. That council can be proud of itself and its achievements on behalf of its ratepayers and the people of the area. I believe that when the Attorney

makes such statements he should give credit where it is due. It seems that this is the sort of activity in which this Government intends to engage. The other day the Minister of Lands issued a press statement providing the member for Pirie with information in relation to the district represented by the member for Rocky River.

The Hon. G. R. BROOMHILL: I rise on a point of order, Mr. Speaker. I have been waiting most anxiously for the honourable member to try to sustain his early allegations about untruthfulness. I believe that he has not attempted to do that. Therefore, I ask that he withdraw.

The SPEAKER: I cannot uphold that as a point of order. The honourable member for Eyre.

Mr. GUNN: Thank you, Mr. Speaker. It is obvious from the Government Whip's attitude that he supports this course of action in which Government Ministers are constantly engaging, that is, issuing statements about the districts of other members and giving credit to people who do not rightly deserve it. The member for Rocky River has had such trouble, and it seems that he will have more of this sort of activity applied to him in the future.

Other comments can be made in relation to this matter. Last night the member for Price, who represents the Port Adelaide area, made a speech in this House in which he was most critical of the present Commonwealth Government. Like the Premier did today, he advocated that the Commonwealth Government should be providing more money in various parts of South Australia and other States. I suppose that every member of Parliament in every State, as well as Commonwealth members, would like to see more funds spent in their district. However, there is one matter that the Premier and his Ministers, who have been going around South Australia, never clearly explain to the people, that is, whence they expect the Commonwealth Government to obtain all this extra money. It is obvious by the comments of the Premier and his Ministers that theirs is a Party of high taxation. It is quite clear from the statements they have been making that the Premier of this State is advocating a massive increase in Commonwealth income tax. That is the only explanation one can give for the statements emanating from the Premier and his Ministers. They have gone around South Australia making these vicious attacks and saying that the Commonwealth Government should be giving more money, but they have not on one occasion explained where that money should come from.

Obviously, they are asking the Prime Minister to increase taxation and to increase Commonwealth Government charges, or else they want him to increase the Commonwealth deficit created by the previous Labor Government. The financial mess which the Prime Minister and his Government inherited is a direct result of the economic policies which the South Australian Government has been advocating. That is a fact that Government members cannot escape. I think it is time the people of South Australia realised that what the Premier and other Labor Ministers and members are advocating is that they are saying to the people of South Australia, "We believe you should have to pay much more income tax." That is the situation, and I do not think the people of South Australia want to pay more income tax. They recognise that the Commonwealth Government has a most difficult job. It wants to give more money to the States, but it cannot do so under the existing economic conditions created by the Whitlam Labor Government, the worst Government in the history of this country. They know that. The Premier of South Australia publicly disowned the Whitlam Government before the 1975 State election. If that was not a

clear example of recognising that the Australian people had the worst Government in the history of this country, I do not know what it was.

Mr. MILLHOUSE (Mitcham): I asked to take part in the debate on the adjournment today—

The Hon. R. G. Payne: On a different level from that, I hope.

Mr. MILLHOUSE: I hope so, too. I asked to take part to make up, in part at least, for the fact that I was not able to raise as a matter of urgency either yesterday or today the question of the report concerning colleges of advanced education. I had hoped to do that by way of an urgency motion so that we would see the attitude, not only of the Government but also of the Opposition, to this matter. As it turned out, by the events of today we did discover that the Opposition was intent on blocking me from raising this. Opposition members would not have supported the urgency motion had you ruled it in order, Sir, and that was what the member for Mount Gambier said when he was so anxious to ask the first question, no doubt by arrangement with other members of his Party. He said as much in asking that question, that the Liberal Party did not feel that this was a matter which should have been debated in the House and they would not support an urgency motion, despite the fact that I know they have had the same representations on this topic as I have had. Yet they are not prepared to help members of staff or students at the colleges of advanced education which are threatened with closure.

I believe that the tactics they have adopted this week in trying to block me, first, on the Kangaroo Island issue and then on this issue have done them no credit at all, and I am fortified in that belief by the opinion of an outsider. Today I had a letter from a member of staff of the Adelaide College of Advanced Education, a man who came here yesterday because he hoped to hear the debate on this topic, which I had said publicly I proposed to initiate. I intend to read his letter for your benefit, Sir, and that of other members of the House, because he is someone who is an impartial observer who watched what occurred here yesterday. I did not know the man; I had never met him. I have spoken to him on the telephone since receiving his letter, but until I received his letter at mid-day today I did not know him at all. The letter bears yesterday's date and is as follows:

I was in the Strangers' Gallery this afternoon during the urgency debate, so-called, which effectively prevented the real urgency debate which you had wished to instigate.

Mr. Allison: What's his name?

Mr. MILLHOUSE: The letter continues:

Your own words in the House it seemed to me, were as honest and dignified as the various exhibitions of the Leader and Deputy Leader of the Opposition were juvenile and insolent. Thank you for speaking with a voice of courage and sanity.

As a teacher/educator recruited to Adelaide C.A.E. from abroad it is no exaggeration to say—I am frankly appalled at any prospect of this institution's being dismembered, let alone dismembered without full public and parliamentary debate. I wish you well at all times.

I believe I heard the member for Mount Gambier asking for the man's name. I have checked with him and he is willing for me to give his name. It is W. Menary of the English department. That letter is the truest judgment on the way in which the Liberal Party in this place has acted this week that I could bring to the notice of the House. Let me now, having read that letter, get a little more deeply into the subject than I was able to get into it by asking my question this afternoon. Frankly,

I was disappointed that after all that has been said publicly as a protest against the proposals in the report the Minister of Education, without hesitation, said that he would not ask the Board of Advanced Education to review its report in the light of the protests and what has been said.

Members interjecting:

Mr. MILLHOUSE: I can see that the member for Mount Gambier, who is the so-called shadow Minister of Education, is entirely unsympathetic towards the people concerned. Every interjection of his shows his lack of sympathy on this matter and presumably the lack of sympathy of all his colleagues. I hope that that attitude will become widely known. Let me now quote a press release from Kevin Gilding, Principal of the Adelaide College of Advanced Education—

Mr. Nankivell: Director.

Mr. MILLHOUSE: I am grateful to the deposed shadow Minister of Education for that interjection. Let me now read what Mr. Gilding said, because it illustrates the problems that have occurred and the reasons why I wanted the Minister today to give the undertaking that he would ask the board to reconsider the situation. Mr. Gilding's press release is as follows:

Another matter of concern is the degree of secrecy in which these decisions have been made—

those are decisions surrounding the report—

The Director of this college was consulted towards the end of last year but was on each occasion sworn to secrecy. The recommendations regarding Adelaide C.A.E. are however significantly different than those made about any other institution as they suggest closure of the college and dispersal of the remnants after the removal of certain sections to Salisbury and Torrens. In such circumstances it seems important that more open discussion should have taken place between the board and the college concerning its future thus perhaps allowing a resolution more satisfactory to all parties. Indeed the report does not appear to examine alternatives which might have allowed the educational functions of this college to continue perhaps on another site (e.g. Murray Park or Torrens) in ways consistent with both rationalisation and the provision of quality in teacher education. The haste with which the board has proceeded, together with the secrecy, can only

cause concern. The board is taking *ad hoc* and expedient measures apparently designed to conceal previous mismanagement of resources exemplified by the building of Murray Park and Torrens colleges on new campuses. It is scandalous that the board should be involved in decision-making procedures which do not allow for adequate consultation. Indeed, it appears that the press release—

Dr. Sandover's press release—

is meant not so much to give information as to stifle discussion on a highly important series of recommendations.

That is as articulate as any protest I have had. I have certainly had plenty of others. I have had a whole spate of letters on this matter—many more than one usually gets on these matters. I shall refer to some points. First, I refer to the suggestion that it will cost \$2 500 000 to move the activities of the Adelaide College of Advanced Education to other colleges of advanced education; most of the students in the physical education department at the Adelaide College of Advanced Education live south of the city (only 36 per cent live on the north side) yet it is supposed to go to Salisbury, under the recommendations of the report. Yet it is said that it will not inconvenience any students! They are the sorts of complaint I have had.

I have had copies of letters written by the Senior Lecturer in Early Childhood Education to the Minister. I have had the strongest complaints about the Board of Advanced Education itself and the way in which it has gone about its duties. I have heard those complaints not only as a result of this report; there is very great discontent about the way in which the board is conducting itself. I doubt myself whether it is worth having a board at all, whether it is not just an expensive incubus (empire building on behalf of educationists in this State) and whether it would not be better to do away with it altogether. If this is the sort of thing it will do, I am sure it would be better to abolish the board as soon as we possibly can.

Motion carried.

At 5.27 p.m. the House adjourned until Tuesday, April 5, at 2 p.m.