

HOUSE OF ASSEMBLY

Tuesday 16 September 1980

The **SPEAKER (Hon. B. C. Eastick)** took the Chair at 2 p.m. and read prayers.

PETITION: ADELAIDE DEVELOPMENT

A petition signed by 102 residents of South Australia praying that the House urge the Government to repeal the City of Adelaide Development Control Act, 1976, and amend the Heritage and National Trust Acts, 1978; and urge the Adelaide City Council to operate within the spirit of these Acts was presented by the Hon. J. D. Wright.

Petition received.

PETITION: ENVIRONMENTAL UNIT

A petition signed by 298 residents of South Australia praying that the House urge the Government to re-establish the Environmental Mutagen Testing Unit, to reinstate Dr. J. Coulter to his previous position and instigate an inquiry into the administration of the Institute of Medical and Veterinary Science was presented by Mr. O'Neill.

Petition received.

PETITION: FOOTBALL PARK

A petition signed by 1 121 residents of South Australia praying that the House urge the Government to prevent any move which would allow the floodlighting of Football Park presently proposed was presented by the Hon. M. M. Wilson.

Petition received.

PETITION: PRE-RECORDED MUSIC

A petition signed by 15 residents of South Australia praying that the House ensure that playing of pre-recorded music is not to the detriment of working musicians was presented by Mr. Evans.

Petition received.

PETITION: PEDESTRIAN LIGHTS

A petition signed by 142 parents and residents of the Yankalilla area praying that the House urge the Government to reduce the speed limit and install push button pedestrian lights outside the Yankalilla Area School and Community Kindergarten was presented by the Hon. W. E. Chapman.

Petition received.

PETITIONS: STURT COLLEGE OF ADVANCED EDUCATION

Petitions signed by 8 105 residents of South Australia praying that the House reject any proposal which would close Sturt College of Advanced Education or transfer any of its programmes in teacher education or the health professions to any other institution or location were presented by the Hon. H. Allison and Mr. Evans.

Petitions received.

PETITION: WOMEN'S ADVISER

A petition signed by 315 residents of South Australia praying that the House urge the Government to immediately appoint a Women's Adviser for education programmes was presented by Mr. Evans.

Petition received.

QUESTIONS

The **SPEAKER:** I direct that the written answers to questions, as detailed in the schedule I now table, be distributed and printed in *Hansard*: all the questions on the Notice Paper except Nos. 4, 5, 7, 13, 20 to 22, 27, 34, 35, 44, 46, 47, 50, 80, 81, 108 to 154, 172, 193, 214, 225, 229, 240, 246, 248, 282, 285, 307 to 311, 317, 319, 322, 324, 328, 330, 331, 333, 335, 354, 357, 358, 361 to 364, 366 to 372, 385, 387 to 391, 393 to 395, 398, 402 to 404, 407, 412 to 417, 420, 421 and 429 to 432.

ARTERIAL CONNECTORS

In reply to **Dr. BILLARD** (31 July).

The **Hon. M. M. WILSON:** The Commonwealth Government has now determined the road funds available to the various road categories in the States for the 1980-81 financial year. Although the Commonwealth Government has also announced the total level of funds to be provided to the States for road works for the period 1981-82 to 1984-85, the apportionment of the funds to the road categories and to individual States has not yet been announced. This makes forward planning of road works a difficult task.

The Highways Department is presently reviewing its future works programme in the light of the financial information presently available.

The review includes a complete reassessment of the road network needs between the Tea Tree Gully-Salisbury-Elizabeth areas. Works currently programmed and under review include:

Nelson Road—reconstruction and widening between Murrell Road and Miller Avenue, including the section of road presently closed to traffic. It is anticipated that work on this project will commence within two years, subject to funds being available.

Golden Grove Road—reconstruction and duplication between North East Road and Milne Road. Work is currently expected to commence and be completed in 1984-85 though detailed scheduling of construction works in the metropolitan area may make it possible to commence this work in 1983-84.

In the longer term (not presently programmed), it is proposed to construct a road utilising the transportation corridor to connect McIntyre Road, Grenfell Road and North East Road, and to reconstruct and widen Grenfell Road. These works will be very costly.

Present traffic volumes on the roads mentioned by the honourable member are as follows:

	vehicles per day
*Target Hill Road	5 000
*Golden Grove Road (western end)	2 800
Yatala Vale Road	3 800
Nelson Road	4 600
Murrell Road	5 400
Kelly Road	6 200

* These traffic volumes were measured near the Main North Road. The traffic volumes are much lower near the Target Hill Road/Golden Grove Road junction, indicating

that approximately half of this traffic is local in origin. Traffic on Murrell Road, a local road, will decrease once Nelson Road, an arterial road, is reopened to traffic.

With respect to the Main North Road/Golden Grove Road/Saints Road intersection, the Highways Department is examining the feasibility of constructing a free left turn lane to facilitate the movement of heavy vehicles from the main North Road into Golden Grove Road.

STUDENT EDUCATION

In reply to **Mr. MATHWIN** (6 August).

The Hon. M. M. WILSON: The State Transport Authority proposes to display signs in trains similar to those used in its fleet of buses to remind children and students of their obligation to give up their seats to older passengers. One of the by-laws under the Railway Act reads as follows:

Children and students occupying seats to the exclusion of adult passengers—Unless a full adult fare has been paid no child under the age of 15 years or holder of a student concession ticket shall occupy a seat in any compartment of any carriage to the exclusion of an adult passenger after having been requested by an authorised employee of the Authority to vacate a seat. Any person guilty of a breach of this by-law shall be liable to a penalty not exceeding FOUR DOLLARS.

Train crews are required to ensure that this by-law is observed.

STREET CLEANLINESS

In reply to **Mr. BECKER** (12 August).

The Hon. D. C. WOTTON: The Adelaide City Council has been approached about the cleanliness of Adelaide's streets. The council has a regular maintenance programme of street cleaning by both mechanical sweepers and street orderlies. An annual weed-spraying programme is also undertaken. Additional cleaning has been undertaken in the area identified by the honourable member.

The council is very conscious of the need to keep the streets clean as part of its contribution to the positive litter control programme now operating in this State. This is particularly so because the cleanliness of Adelaide is widely acknowledged by overseas litter control experts and other visitors.

The main thrust of the 1980-81 KESAB programme is into local government and schools. The programme includes education and advice to further improve attitude and, where necessary, the mechanical aspects of litter control in the following categories:

- (1) Local Government Authorities
 - Litter legislation enforcement actions
 - Spillage from trucks
 - Provision of litterbins
 - Waste disposal limitations
 - Spillage by garbage collectors
 - Illegal bill posting
 - Special problem areas
 - Regional Seminars
 - Mass audience events
 - Tidy Towns Competition
 - Letter Box litter
 - Consolidation and review of legislative provisions.
- (2) Spillages from trucks and trailers
 - Police assistance (education programme and prosecutions)
 - Industry education of drivers

Signs at loading bays and dumps.

- (3) Illegal bill posters
- (4) Schools
 - Curriculum development
 - Tidy Schools programme
 - Kindergartens.
- (5) Growing proportion of cartons
- (6) Danger of glass litter: identification of causes and special education programmes
- (7) Government departments and agencies (assistance where appropriate)
- (8) Campers and fishermen (litter control at isolated locations)
- (9) Area tourist development associations
- (10) Litterbags, provisions to motorists
- (11) Problem litter areas: identification and corrective procedures
- (12) Litter stream analysis.

In addition, the Keep South Australia Beautiful organisation will conduct the Project Conservation competition, the Royal Show programme and similar mass audience events, a beach patrol programme during Summer, loan litter control items, and the Keep Australia Beautiful Week in April.

PAY-ROLL TAX

In reply to **Mr. PLUNKETT** (12 August).

The Hon. D. O. TONKIN: The Financial Statement of payments from Revenue Account for the year ended 30 June 1980, as tabled on 28.8.80, does not provide a separate line for the pay-roll tax rebate scheme for youth workers.

However, under "Incentives to Industry" in the Miscellaneous lines of the Minister of Industrial Affairs, which line includes such programmes as the Establishment Payments Scheme, the Motor Vehicle Industry Assistance Scheme, Schemes in the Riverland, Export Bridging Finance Scheme, Pay-roll Tax Rebate Scheme for Youth Workers and Rebate of Pay-roll Tax and Land Tax for Decentralised Industry, it is indicated that an amount of \$2 513 565 was expended in 1979-80.

As indicated by me on 28.8.80 (second reading speech, Appropriation Bill (No. 2), 1980), expenditure under Incentives to Industry fell \$3 500 000 below estimate in 1979-80. Initial delays in receiving applications under the Pay-roll Tax Rebate Scheme and lead times involved in the completion of expansion proposals by industry in order to qualify for payment for approved projects under the Establishment Payments Scheme were the main factors in the underspending.

BUSES FOR HANDICAPPED

In reply to **Mr. PETERSON** (13 August).

The Hon. H. ALLISON: The matter of the provision of adult supervisors on buses transporting handicapped children has been investigated by the Director-General of Education, who does not believe that the situation demands additional supervision since very little evidence of difficulties in the transport of these children has been brought to attention. However, if specific problems arise, it is expected that they would be taken up with the Principal of the school concerned in the first instance. If the problem persists then the Principal would approach the Education Department for assistance. Each case would be considered on its merits.

There is little chance of a child falling out of a mini bus

window. However, two seats in Toyota Coaster buses are high, and to remove the possibility of an accident of this type, the owners have been asked to install a stop to restrict the window opening.

The matter of seat belts in mini buses has also been considered and the honourable member will be aware that there is not a legal requirement for body restraints to be fitted in any bus transport. The buses used for the transport of these children are privately owned and even if agreement could be reached to have them installed, some problems would arise. For example, a considerable time would be taken in fitting the child into them. Their effectiveness for small children is in doubt and also these children could release themselves in a very short time. The extra cost involved in fitting body restraints may therefore not be justified and I do not intend to take action on request that this be done.

RAIL FARES

In reply to Mr. HAMILTON (14 August).

The Hon. M. M. WILSON: Subsequent to your question, I received advice that the Australian National Railways Commission proposed to increase its fares on all South Australian non-metropolitan rail services as from 1 September, 1980. The increase, averaging about 8 per cent overall, fluctuating between 4 per cent and 10 per cent except for the Victor Harbor line. The variation in the increases results from bringing the previous fares closer to a uniform rate for kilometre of travel and in line with rates generally applying in other States.

My approval is not necessary under the terms of the Railways (Transfer Agreement) Act 1975. Section 8 of the agreement merely obliges the Commonwealth to maintain fares, freight rates and other charges at levels not less favourable than in other States.

The Victor Harbor fare has been increased to the correct charge for the distance whereas until now the normal tapering distance rate has not been applied in order to keep the fare at or below the bus fare from Adelaide. The current single bus fare is \$3.80 compared with \$4.20 on the train. The train fare is now the same as for all other stations equidistant from Adelaide by rail.

CONSTITUTIONAL MUSEUM

In reply to Mr. LEWIS (26 August).

The Hon. D. C. WOTTON: The Constitutional Museum can make special arrangements for such evening tours. A concessional fee of \$1.60 per adult and 50 cents per child applies to groups over 20 in number and booking three weeks in advance. In response to many such requests for an evening opening, the Constitutional Museum is considering a permanent Wednesday evening opening. However, no decision has been made as yet. Arrangements for an evening tour should be made through the Secretary.

PEDESTRIAN CROSSINGS

In reply to Mr. MATHWIN (31 August).

The Hon. M. M. WILSON: The audio-tactile device referred to by the honourable member will be incorporated in the pedestrian crossing to be installed on Sudholz Road near the Royal Society for the Blind centre at Gilles Plains. Consideration will be given to

incorporating this device in other pedestrian crossing installations where a need is shown for this facility.

COURT COST

In reply to Mr. MILLHOUSE (11 June).

The Hon. D. O. TONKIN: The Government will examine the question of legislating to provide some means of meeting the legal costs of acquitted persons as a part of its general review of the criminal law.

AUDITOR-GENERAL'S REPORT

The SPEAKER laid on the table the Auditor-General's Report for 1979-80.

Ordered that report be printed.

DEREGULATION

The Hon. D. O. TONKIN (Premier and Treasurer): By command, I lay on the table a report to the Government by an officer of the Premier's Department entitled *Deregulation—A Plan of Action to Rationalise South Australian Legislation*.

Ordered that report be printed.

MINISTERIAL STATEMENT: DEREGULATION

The Hon. D. O. TONKIN (Premier and Treasurer): I seek leave to make a statement.

Leave granted.

The Hon. D. O. TONKIN: The Government is committed to deregulate business activities and the community generally and also rationalise existing State legislation. The Deregulation Report prepared by an officer of the Premier's Department proposes a broad plan of action to achieve this objective. Recommendations made in the report are currently being considered by the Government. A Deregulation Unit, initially comprising two officers, will be established in the Premier's Department to implement the approved recommendations and plan of action.

It is intended that the Deregulation Unit will involve private organisations, Government departments and authorities and the public generally, as appropriate, when specific areas of regulation are being reviewed. A closely related issue to deregulation is the review of the 262 State statutory authorities. The Government is currently looking at proposals to implement the principles of sunset legislation as its next priority.

MINISTERIAL STATEMENT: REDCLIFF PROJECT

The Hon. D. O. TONKIN (Premier and Treasurer): I seek leave to make a statement.

Leave granted.

The Hon. D. O. TONKIN: Two weeks ago, in reply to a question from the Leader of the Opposition, I undertook to keep the House fully informed in the ensuing weeks on developments about the proposed Dow Redcliff petrochemical plant. I also said, when commenting on certain doubts being expressed at the time about Dow going ahead with the plant, that I would do everything possible to ensure it became a reality as soon as possible. Accordingly, I wish to advise members that I have been

invited to the United States for talks next week with the President of the Dow Chemical Company, Mr. Paul F. Orrefici. My discussions with Mr. Orrefici will precede the main Dow Board's consideration of a final decision on Redcliff. As members know, Dow has undertaken to announce by 10 October whether or not it will go ahead with the plant. Up to now Dow's regional board has been responsible for Redcliff decisions, but the final decision will be taken by the main board which Mr. Orrefici heads.

Because of Redcliff's importance to the economic development of South Australia generally, and the Iron Triangle in particular, I have been advised, and wholeheartedly agree, that I take every step to ensure Dow's main board knows exactly where the Government of South Australia stands on the matter, and provide any further information Dow may require.

It is important that I put South Australia's case to Dow's senior executives in person. There must be no misunderstanding about our attitude and commitment to the construction of the Redcliff project. A positive response from Dow will mean more jobs for South Australians and will be the first of a number of developments planned for this State.

I will leave for the United States on Friday. With me, for the Dow talks, will be Mr. E. W. Schroder, Chairman of the Redcliff Steering Committee, Dr. Malcolm Messenger, Director of the Energy Division of the Department of Mines and Energy, and my Press Secretary Mr. Mike Quirk. On my way home to Australia, I will take the opportunity, while in the region, to fly to Tokyo to hold further discussions with Japanese business men and investment groups on a number of matters I initiated with them earlier this year.

MINISTERIAL STATEMENT: RIVERLAND FRUIT PRODUCTS CO-OPERATIVE LTD.

The Hon. D. O. TONKIN (Premier and Treasurer): I seek leave to make a statement.

Leave granted.

The Hon. D. O. TONKIN: On 7 August 1980, I made a Ministerial statement in this House with respect to Riverland Fruit Products Co-operative Ltd. I outlined a brief history of the State Government's involvement with the co-operative and gave details of a course of action which the Government had agreed in the light of the serious financial difficulties of the co-operative based on information then available to the Government. Since that time other information has been received by the Government which has indicated that the financial position of Riverland Fruit Products Co-operative Ltd. is much more serious.

Members will already know that, as a result of that information, the State Bank of South Australia appointed a receiver for the co-operative on Friday last week.

In my Ministerial statement I indicated that I had opened the expanded premises of Riverland Fruit Products Co-operative Limited at Berri on Friday 26 October 1979. That opening was the result of considerable restructuring of the co-operative's affairs over a period since 1976, when the co-operative was threatened with closure because of liquidity problems.

I indicated that the previous Government had been asked to assist, and major decisions were taken by that Government to be substantially involved in a restructuring of the co-operative. The South Australian Development Corporation was the principal vehicle through which the then Government was involved in that restructuring. A summary by the South Australian Development Corpora-

tion on 9 April 1979 states:

Our involvement with Riverland Fruit Products has been one of the most challenging and important operations that the South Australian Development Corporation has undertaken. During the last six or eight months we have, together with H. Jones (IXL) Ltd., arranged for the movement of much of Henry Jones's food manufacturing operation from Port Melbourne to the R.F.P. plant at Berri. This move has involved the expenditure of some \$8 000 000 on capital works and the arrangement of some \$5 000 000 for additional working capital. The turnover of Riverland Fruit Products in 1977-78 was \$9 000 000, but it is anticipated it will approach \$30 000 000 in 1979-80.

At the time of the opening in October 1979, I was advised that the restructuring of the cannery would bring success. Those assurances were repeated earlier this year. In the Ministerial statement I said that on 5 June I was informed as Treasurer by the Permanent Head of the Department of Trade and Industry in the following terms:

Since recommending the payment of \$325 000 on 23 May under the Establishment Payments Scheme it has come to my attention that the viability of the co-operative may be subject to some question. Subsequent inquiries made by this department have indicated that there are severe doubts within the commercial community as to the future viability of Riverland Fruit Products. These doubts have been echoed by the co-operative's bankers, the State Bank.

I then ordered an immediate investigation and consulted urgently with the Chairman of the South Australian Development Corporation. I also said:

Following detailed discussions, the Chairman of the S.A.D.C. suggested that he speak with the directors of Riverland Cannery as soon as possible. This was done on 24 June, when the board resolved to freeze all debts owed by the company at that date, and to trade on a cash basis only from 25 June 1980, and to appoint a task force to inquire into the future of R.F.P., and to provide a solution for its continuing operation. This decision was conveyed to me by letter on 2 July 1980, when the Chairman of S.A.D.C. indicated that the board of Riverland Fruit Products had approved a task force consisting of Messrs. Winter, Elliott and Cavill to carry out this investigation. The task force had taken over management of the cannery. The task force will not be in a position to submit its final report to me until the end of September. However, preliminary investigations have revealed that the whole situation could be described as a shambles. It is not possible at this stage to state the exact reasons for the current position of the cannery or to determine those responsible. It is possible however to give an indication of the gravity of the situation.

In late July, prior to making the statement, I had been informed that the loss for the period 1 October 1979 to 31 May 1980 was about \$3 500 000. In fact, a team of accountants appointed by the task force now indicates that the losses for that period could be as much as \$7 500 000. There are also estimates of the losses for June in the sum of \$300 000 to \$500 000 and for July in excess of \$300 000. No estimate has yet been made of the August loss. There is, then, a dramatic difference between the position in late July and the position as we believe it to be from information provided two weeks ago. Both positions are, of course, to be contrasted with the assurances given last year and early this year.

In the light of these developments, the Government could see no alternative but to support the State Bank when it took a commercial decision to appoint a receiver. This course crystallised the position and, in the Government's view, gave the best prospects for ensuring that a viable cannery operation continued in the Riverland. The Government is strongly of the view that in

the interests of the Riverland growers, workers and other members of the community, as well as for South Australia as a whole, that that objective is important.

However, it must be recognised that achieving that objective will not be easy. At 2 September, the long-term liabilities, current liabilities and contingent liabilities of the co-operative to the State Bank amounted to about \$11 500 000.

At 31 May 1980, Riverland Fruit Products Investments (a subsidiary of South Australian Development Corporation) was owed \$4 600 000 approximately, Henry Jones (IXL) Limited was owed approximately \$3 300 000, trade creditors and other accruals amounted to about \$7 400 000, and growers were owed approximately \$1 240 000. It should be recognised that there may be some minor overlap between the liabilities to the State Bank at 2 September 1980, and the other liabilities at 31 May 1980, but that will not significantly alter the debt situation.

As I indicated last week, this Government has inherited a legacy which will not be easy to sort out. Perhaps that is a major understatement. However, there is no doubt that this Government is burdened with problems not of its making. It will participate in endeavouring to see them resolved.

In the light of the changed circumstances, the Government has announced the following commitments:

- (a) The Government will honour its undertaking to guarantee the payment of all creditors where the liabilities have been incurred from 25 June 1980 to the date of the appointment of the receiver. The Government will honour its guarantee of the 1981 crop of peaches, pears and apricots, and such contracts as have been entered into in reliance upon that guarantee since 25 June 1980 relating to such products as tomatoes. These in effect continue the Government's commitment made in August when supporting a scheme of arrangement.
- (b) With respect to unsecured creditors where debts were incurred before 25 June 1980, the position will be that the Government will approve a payment of 50 cents in the dollar to growers who are still owed money from the 1980 season. That payment will be made conditional upon the growers entering into contracts with the receiver to supply their 1981 crop of fruit to the co-operative. The growers need to have their confidence restored, and the cannery needs to know what support it can expect for the 1981 season. Other unsecured creditors will be able to make application to the Department of Trade and Industry if they are suffering hardship. Funds up to a total of \$3 000 000 will be available to finance loans of up to 50c in the dollar.

The Government has also asked the State Bank to request its receiver to ensure that there is close communication with the Government, and that the receiver arranges urgent discussions with all interest groups involved in the future of the cannery. The Government has also asked the State Bank to engage Mr. George Muir, a former Managing Director of Ardmona Cannery and a person with considerable experience in the canning industry, to act as a consultant to the receiver.

To establish what went wrong in the cannery, the Government is asking the committee which is presently inquiring into the South Australian Development Corporation to fully investigate the running of the cannery whilst the Development Corporation was involved.

The Government is of the view that the course of action which it has taken is the most responsible course of action available to it in the light of all the circumstances of this very grave problem. I assert again that the Government is anxious to have a viable canning operation in the Riverland for the benefit of the entire community.

MINISTERIAL STATEMENT: HEALTH COMMISSION STATISTICS

The Hon. JENNIFER ADAMSON (Minister of Health): I seek leave to make a statement.

Leave granted.

The Hon. JENNIFER ADAMSON: Until 30 June 1978 certain statistical and financial information was provided in the Auditor-General's Report in relation to the hospitals and health units that were directly administered by the Hospitals Department prior to the establishment of the Health Commission. Subsequently, due to the decentralisation of financial accounting arrangements, the Auditor-General was unable to provide the information that had been included in previous reports. Accordingly, it was agreed with the Auditor-General that the Health Commission would provide in its annual report similar data so that Parliament would be informed when the Health Commission's annual report was tabled.

The annual report is in the course of preparation, but, in order that Parliament can be informed as early as possible, I intend to table today a document entitled "South Australian Health Commission: Financial and Statistical Information for year ended 30 June 1980". It is also my intention to provide more detailed information to the Estimates Committee in the near future.

As I indicated in my statement to the House on 13 November 1979, I believed that Parliament was not being provided with sufficiently detailed information to enable informed debate on the Budget to take place, and I intended to take steps to see that additional information was available to Parliament in the future.

The information I intend to table relating to the individual health units is in line with the Government's general policy of stressing the individual accountability and responsibility of boards of management. It is separate from, but complementary to, the information which will be provided to the Estimates Committee along programme and performance lines. It will be my intention to seek the co-operation of the hospitals and health units in an effort to provide similar information to that being tabled today as part of the Budget papers in the future.

I draw the attention of the House to the nature of the information now being provided, which extends well beyond what was formerly made available to Parliament, containing, as it does, details of all the small country recognised hospitals throughout the State. The document is divided into three parts:

1. Payments and receipts for all health units under the jurisdiction of the Health Commission.
2. Expenditure details of all recognised hospitals.
3. Statistical detail for all recognised hospitals.

It will be my intention in the future to provide further detailed analysis of the Mental Health Services, Community Health Programmes, Domiciliary Care Services and centrally operated service units, such as Environmental and Occupational Health, School Dental and Pharmaceutical Services.

In considering the information provided and, in particular, the cost per occupied bed day, it is essential to have regard to the level of service provided in a particular institution. There are significant variations between the facilities provided in a major teaching hospital, such as the

super-specialities—for example, cardiothoracic surgical unit, renal transplantation and radiotherapy—teaching facilities for undergraduate and post-graduate medical education, and nurse training, compared with the type of service that is provided in country general hospitals. It is also important to appreciate that, although very high daily costs are identified for the few remote hospitals, this is because very low occupancy rates are maintained, and it is an expression of the cost for a very low daily average throughout the year. Nevertheless, a minimum service must be maintained, and the figures demonstrate the cost of providing health services in remote areas. I feel confident that the information provided today will assist all members to have a better understanding of the Budget papers.

PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (The Hon. D. O. Tonkin)—

Pursuant to Statute—

1. Parliamentary Superannuation Fund—Statement, 1979-80.

By the Minister of Mines and Energy (The Hon. E. R. Goldsworthy)—

Pursuant to Statute—

1. Electrical Articles and Materials Act, 1940-1967—Regulations—Fees.
11. Electricity Trust of South Australia—Report, 1979-80.

By the Minister of Industrial Affairs (The Hon. D. C. Brown)—

Pursuant to Statute—

1. Workers Compensation Act, 1971-1979—Regulations—Repeal of Regulation No. 14.

By the Minister of Public Works (The Hon. D. C. Brown)—

Pursuant to Statute—

1. Parliamentary Standing Committee on Public Works—53rd General Report.

By the Minister of Education (The Hon. H. Allison)—

Pursuant to Statute—

1. Adelaide College of the Arts and Education—Report, 1979.
11. Trustee Act, 1936-1980—Regulations—Prescribed Building Societies.

By the Minister of Aboriginal Affairs (The Hon. H. Allison)—

Pursuant to Statute—

1. Aboriginal Lands Trust—Report, 1979-80.

By the Minister of Fisheries (The Hon. W. A. Rodda)—

Pursuant to Statute—

1. Fisheries Act, 1971-1980—Regulations—
1. Abalone Licence Fees.
11. Abalone Authority.

By the Minister of Marine (The Hon. W. A. Rodda)—

Pursuant to Statute—

1. Marine and Harbors, Department of—Report, 1979-80.

By the Minister of Agriculture (The Hon. W. E. Chapman)—

Pursuant to Statute—

1. Roseworthy Agricultural College—Report, 1979.

By the Minister of Environment (The Hon. D. C. Wotton)—

Pursuant to Statute—

City of Adelaide—

1. By-law No. 1—Regulation of Traffic.
 11. By-law No. 4—Metal Treads.
 111. By-law No. 7—Drainage onto Streets.
 - 1V. By-law No. 9—Pedestrians.
 - v. By-law No. 14—Encroachments.
 - v1. By-law No. 77—Repeal of by-laws.
- City of Tea Tree Gully—
- v11. By-law No. 47—Repeal of by-laws.

By the Minister of Planning (The Hon. D. C. Wotton)—

Pursuant to Statute—

Monarto Development Commission—Report, 1979-80.

By the Minister of Transport (The Hon. M. M. Wilson)—

Pursuant to Statute—

Road Traffic Act, 1961-1980—Regulations

1. Tyre and Rim Size.
11. Traffic Prohibition—Campbelltown.

By the Minister of Health (The Hon. Jennifer Adamson)—

By command—

1. South Australian Health Commission—Financial and Statistical Information, 1979-80.

By the Minister of Lands (The Hon. P. B. Arnold)—

Pursuant to Statute—

1. Advances to Settlers Act, 1930-1972—Balance Sheet, Revenue Statement and Auditor-General's Report, 1979-80.
11. Crown Lands Act, 1929-1980—Section 197—Cancellation of Closer Settlement Lands.
111. Pastoral Act, 1936-1976—Section 133—Pastoral Improvements for which permission has been granted for year ended 30 June 1980.

QUESTION TIME

DOW COMPANY

Mr. BANNON: Will the Premier say whether he will offer further incentives or concessions to Dow Petro-Chemical Limited, if necessary, in the course of his discussions next week in the United States and, if so, what will they be, and will he include the Leader of the Opposition or his representative in the delegation to ensure that a bi-partisan approach is maintained in respect to this project and that there will be genuine public confidence in the environmental safeguards of any proposed indenture?

The Hon. D. O. TONKIN: It would be absolutely premature for me to make any comment about any additional incentives or indeed about any of the discussions that will take place. One of the reasons for my undertaking the journey to Midland, Michigan, is to assess for myself the problems that the main board of directors may have. Until I have been able to do that and until I am in a position to do so, I am not in a position to make any other announcement or telegraph punches in any way, shape or form. I can only say that the petro-chemical project is of vital importance to South Australia; I believe that it is so regarded by both sides of politics, and I will do everything possible, as is the facilitating role of Government in matters of this sort, to ensure that the project goes ahead.

Regarding the second question, the answer is "No"; it would not be proper for the Leader of the Opposition or his nominee to accompany a Government delegation in this matter. This has never been the practice in the past

and it would be extremely difficult to countenance any such departure from accepted practice.

LIBERAL PARTY ADVERTISEMENTS

Mr. OSWALD: Has the Premier seen the reported comments of the Leader of the Opposition regarding the accuracy and veracity of the Liberal Party's full page advertisements, which mark the first anniversary of the Government's election? In this morning's press it was reported that the Leader of the Opposition had said that the full page advertisements placed in yesterday's newspapers on behalf of the Liberal Party were both false and misleading. The Leader was further reported as saying that a massive increase in State charges had financed the Government's tax cuts to the tune of \$28 000 000 this year. Will the Premier say whether these assertions are true?

The Hon. D. O. TONKIN: The statement made by the Leader of the Opposition was drawn to my attention and, in fact, I was extremely surprised to find that his comments were quite misleading. The advertisement to which he refers in his rather nit-picking fashion was inserted in the daily press not, as he has implied in his statement, as a Government advertisement and, therefore, at Government expense, but by the Liberal Party of South Australia, which, I may say, is proud indeed of the record that has been established by this Government since it was elected to office just over 12 months ago.

Regarding the claim that the advertisement was false or misleading, I challenge the Leader to specify the detailed falsehoods that he alleges, because I cannot see where the advertisement is misleading in any way. The particular item on which he placed great stress (and I know that the member for Morphett is particularly concerned about this) is the claim that State charges are being increased to finance tax cuts.

I can only say that the Leader, if he honestly believes that, has been hoist with his own petard, for his comment is utterly baseless and false. He knows it, and so do the members of his Party. I think we ought to look at the different charges that the Leader has listed. In relation to electricity tariffs, E.T.S.A. is not subject to Ministerial control and direction and does not therefore vary its tariffs as part of the Government's Budget strategy. It varies its tariffs depending on the need.

The Hon. Peter Duncan: It always looks for approval, though.

The Hon. D. O. TONKIN: I do not think the member for Elizabeth is doing his Leader any service by that sort of interjection. Secondly, electricity tariffs were increased by 12½ per cent on 1 July, an increase which was only marginally greater than the previous increase of 10 per cent, just two weeks before the last election.

Thirdly, although the Electricity Trust makes an annual payment into Consolidated Revenue from its annual operating profit, no such payment was made in the year to 30 June because in fact the trust incurred a deficit. So much for electricity charges.

The water rate increase announced on 3 July represents an aggregate increase of about 8 per cent for water and sewerage charges. This is less than last year's increase and it is less than the current rate of inflation. Furthermore, the new price for water, 27c a kilolitre, has been struck in line with the Government's pre-election promise and is still below the actual cost of pumping and reticulation.

The Hon. R. G. Payne: You finally recognise that that has been the principle—

The Hon. D. O. TONKIN: The member for Mitchell is demolishing his Leader's case even further. The aggregate

increase of only 8 per cent compares with earlier increases under the previous Government of 15·8 per cent in 1978-79 and 18·8 per cent in 1977-78. That deals with the Leader's rubbish about water and sewerage rates. Let us now look at Housing Trust rents.

Members interjecting:

The Hon. D. O. TONKIN: I know that members opposite do not like this very much, because their Leader has made a fool of himself again. The Leader said that Housing Trust rentals have been increased in order to finance tax cuts. The fact is that these increases of between \$3 and \$4 became effective in March because the trust is required, under the terms of the Commonwealth-State Housing Agreement, to review rents annually in relation to rental movements in the open market. The Leader did not say this of course, nor did he say that 47 per cent of the trust's tenants were unaffected by the increases, because they are pensioners or tenants receiving rental rebates. The Leader conveniently forgot to mention any of that. Nor did he say that the rent increase of \$3 to \$4 was just the same amount as the rental increases in 1976, 1977, and 1978 under a Labor Administration. Nor did the Leader say that because it was an election year the previous Government did not increase rentals in 1979, even though there was an operating deficit of \$3 870 000 on rental dwellings as at 30 June last year. In other words, the previous Government was quite prepared to mismanage its own financial affairs (and it certainly did that) and, worse, to reduce income which provides additional welfare housing in the hope of obtaining a short-term political gain.

I think public transport fares was the last item to which the Leader referred in his misleading and carping statement. With respect to the recent increase in fares charged for bus and rail transport, it is patently obvious that any increase at all in this area can be used only to limit the State Transport Authority's operating deficit. How on earth any member opposite, let alone the Leader of the Party, can imagine that an increase in fares can finance tax cuts is totally beyond me. In fact, when the most recent increases are examined closely it is equally evident that they follow precisely the fee-for-service policy of the previous Government. The most recent cash fare increases are expected to generate an additional \$2 500 000 a year in revenue for the State Transport Authority, compared with an annual increase under the previous Government of \$1 750 000 after the last fare increase in February 1979.

What is more, under the most recent increase arrangements, the Government will make an additional payment to the S.T.A. out of Consolidated Revenue of \$1 360 000 to reimburse the cost of pensioner concession travel, a concession which has been widened quite markedly, and, I might say, has been welcomed by pensioners in this State. They are now getting free travel in off-peak periods, something a great number of them appreciate, and they have expressed their appreciation.

That reimbursement payment of \$1 360 000 is three times greater than the amount reimbursed to the S.T.A. under the former Government's last fare increase; that is, the amount being paid out of Consolidated Revenue to subsidise pensioner travel is three times greater under this Government than it was under the previous Labor Government. Yet the Leader persists in his claim that charges and fares are being increased to finance tax cuts. We are indeed proud that we have been able to honour our election promises, and that our tax cuts in a full year will be worth about \$28 000 000. The Government has been able to do it, and will continue to do it, while keeping the financial affairs of this State on an even keel, and in good shape. By saying that the advertisement inserted by

the Liberal Party, South Australian Division, is misleading, the Leader is misleading the public and, I suspect, himself.

UNEMPLOYMENT

The Hon. J. D. WRIGHT: Will the Premier explain how he can claim that the unemployment situation in South Australia has improved during the past 12 months, when the Australian Bureau of Statistics figures for total unemployed for August 1980 show that 47 100 South Australians were unemployed, compared with a figure of 45 300 for August 1979?

In an "exclusive face to face interview" with the *Sunday Mail* the Premier was asked why the unemployment situation had not improved during the past 12 months. The Premier replied:

Well, it has improved, but so has the unemployment situation throughout Australia. We are still running at the highest rate of any State but we do share the general trend throughout the nation. It is interesting that that should be happening at this stage, because we have none of the artificial schemes which the former Government had and yet without it we are still coming down in line with the rest of Australia.

That is what the Premier said, yet the figures show something quite different, a rise in unemployment over the August to August year of nearly 2 000 unemployed, taking the percentage figure from 7.6 per cent to 7.9 per cent. Can the Premier untangle his logic for me, at least?

The SPEAKER: Order! The comment at the end was not necessary.

The Hon. D. O. TONKIN: I am certainly able to enlighten the Deputy Leader of the Opposition.

The Hon. J. D. Wright: It will be the first time you've been able to do so.

The Hon. D. O. TONKIN: That is entirely in the hands of the Deputy Leader. I thought he was asking the question to get information. The question raised is quite a sensible one, for him.

The Hon. Peter Duncan: That comment was unnecessary, too.

The Hon. D. O. TONKIN: I will withdraw the words "for him"; it was quite a sensible question. It allows me to highlight the difference that has occurred over the past few months. There is no question that the unemployment rate in South Australia is far higher than anyone wants or likes. There is no question that there has been some marginal improvement over the past two to three months in figures for Australia, as a whole, and for South Australia, but the figure is still excessive, as far as I am concerned. There has been a general improvement in the situation; it has been reflected in South Australia, although we are now showing signs of moving up again, as is the general figure. We are still in a most unfortunate position—

Mr. Bannon: That's untrue.

The Hon. D. O. TONKIN: Is the Leader saying that unemployment figures are not increasing again?

Members interjecting:

The Hon. D. O. TONKIN: I said they were going up, and we do not like it. I think the important thing, however, is the C.E.S. figures, not the A.B.S. figures: the A.B.S. is having some difficulty with its figures at present because the Bulletin of Civilian Employees has been withdrawn.

Mr. Bannon interjecting:

The Hon. D. O. TONKIN: If the Leader of the Opposition will contain himself, I will finish my explanation. At present, the A.B.S. figures are not satisfactory because of the withdrawal of the Bulletin of

Civilian Employees, and it has been unable to provide reliable employment figures for a matter of some months now. The most pleasing feature, if there is a silver lining of any sort to the latest figures, is the rise in South Australian job vacancies. In July, the date of the latest figures, unfilled vacancies were 17.6 per cent higher than in July 1979. It followed the trend established in June this year, when the figure was 40 per cent greater than the corresponding figure a year earlier.

We are not even slightly complacent about the whole question of unemployment. It is an undesirable situation, but I am glad that the Deputy Leader brought up the question of artificial schemes. It has generally been concluded that the SURS scheme, while employing people in the short term, did little, if anything, to create permanent full-time employment, because the projects themselves did not last and were not permanent. Under the schemes we have put forward, although they may not have been as successful as any member in this Chamber would like, we still have provided about 1 800 jobs for young people, and of those jobs it is estimated that at least one-third have resulted in permanent employment. That is a considerable advantage to the young persons concerned and to the work force generally. It is certainly a far better achievement than that achieved by SURS itself.

EARLY RETIREMENT

Mr. GLAZBROOK: Will the Minister of Industrial Affairs explain what is meant by the payment of a lump sum under the voluntary early retirement scheme applicable to daily-paid and weekly-paid employees in the Engineering and Water Supply and Public Buildings Departments, and set out the consequences of that on other entitlements? I have been approached by some of my constituents regarding this scheme, and the question has been posed as to the amount of tax that would be paid on this lump sum and on other sums payable, for example, long service leave, holiday pay, and superannuation, and whether unemployment benefits would be forthcoming, plus the entitlements that go with it, or whether social security pensions would be paid.

In some instances, employees of, say, between 60 and 64 years of age who would have little chance of gaining alternative employment and who have taken advantage of the scheme have asked whether they would be entitled to early pension payments. Some have asked whether they could claim war service pensions and disability pensions if they retired in this way. All of these are pertinent points that may influence an employee's decision. Will the Minister clarify the position further in relation to these points?

The Hon. D. C. BROWN: I thank the honourable member for his question. During the two-week Parliamentary recess, as Minister of Industrial Affairs I announced a voluntary early retirement scheme for employees aged 55 years and over in the Engineering and Water Supply and Public Buildings Departments. I will briefly recap the key features of that scheme. It is available on a voluntary basis: I stress that there is no compulsion on any person to retire early. It is not a means, as one union official tried to accuse us of doing, of trying to retrench Government employees. It is entirely voluntary. Before an individual employee decides to accept or reject the scheme, I would urge him to consult with the appropriate person who is listed in the letter sent to him and who is trained to go through the details of the scheme and to answer many of the questions the honourable member has raised.

In fact, the scheme as announced and the letter sent out

spell out some of the details, and I should like to go through them briefly. First, for every year of service the employee will receive two weeks of pay, up to a maximum of 52 weeks of pay. I stress that he will not receive more money than if he had continued to work until the normal retiring age of 65 years. If he is, say, 64½ years of age he can be eligible for 52 weeks of pay and receive as a retirement benefit the appropriate full payment that he would have received had he worked through until retiring age.

The big advantage of the scheme is the tax rate that would apply to the lump sums payable. Under the scheme, the tax is on the grounds set down by the Commonwealth Department of Taxation. I shall quote an example that is very pertinent, and I ask the honourable member to bring it to the attention of his constituents who have asked about the matter. Under the scheme a person is taxed on one-twentieth, or 5 per cent, of the total lump sum payment, and he is taxed at the normal rate. As an example, if a person was to receive a lump sum payment of \$10 000, the approximate tax he would be likely to pay would be only \$160, leaving him with a take-home lump sum of \$9 840. I think that highlights the excellent scheme made available to the employees involved, and shows how they can benefit by taking a lump sum payment in preference to working through until retiring age.

I stress that this scheme was devised because of specific requests made to me as Minister. I received letters from people in the Public Buildings Department asking whether the Government would look at an early retirement scheme similar to schemes adopted by major companies in Australia, particularly General Motors-Holden's, Chrysler, and Ford. In addition, when I visited various workshops of the Public Buildings Department a number of employees told me that they had certain disabilities and believed that they would be eligible for some sort of invalid pension. They asked whether the Government would consider making a lump sum payment if they retired early to take that pension. I said that I would like to look at it, and this is my response to those people. It is a very humane response by the Government, deliberately designed to accommodate people who, because of their age, are not able to put in a full day's work or who, because we face a surplus in Government departments, would like to retire early.

The honourable member has asked what other benefits a person would receive. The person would be paid out, as under the normal industrial award, for any long service leave owing. If he has more than seven years of service, he would receive a *pro rata* lump sum payment for long service leave. He would also receive any money owing for recreation leave not taken, and any other benefits that might have accrued over the years. If a superannuant, the person would be eligible, under the revised Superannuation Act of this State, which was amended earlier this year, to take the normal benefits as the Act now dictates. So that they could be quite specific as to what benefits they are getting, I urge the honourable member to direct the employees involved to discuss the matter with the consultants provided. It is important that they should know exactly what moneys they would receive before they make this very critical decision.

Any person who retired early would be eligible for a war service pension if he had reached the age of 60 and was eligible for such pension. He would be eligible for a normal age pension at the age of 65 years, but not before that. He would be eligible for an invalid pension if he could satisfy the conditions laid down by the Commonwealth Department of Social Security. I urge the people involved to sit down with the Commonwealth department

and work through the specific details of their case to make sure, before they put their name to the paper, that they are certain what benefits they could obtain from the Commonwealth Government.

Finally, I would like to bring to the attention of the House what I think is a unique and excellent step that has been taken in this scheme; that is, that all people who decide to retire early, besides being able to go to a counsellor to seek advice and to get exact financial details, will be having made available to them, free of charge by the Government, a pre-retirement scheme. We believe that if people are going to retire they need to plan that retirement and how to use it constructively. So, backing up the statement I made last year when opening a pre-retirement seminar, I point out that the Government is living up to its promise by making available, and paying for all the costs associated with, pre-retirement courses for those people who decide to retire. We are doing that through the superannuation pre-retirement courses, which this Government is funding.

The response I received during the first week of the scheme was excellent. I understand that, in the Public Buildings Department, 26 people have already accepted the scheme. Those people range in age from 57 to 64 years and are engaged under 10 different classifications, trade positions or occupational groups. I understand there has been a similar response in the Engineering and Water Supply Department.

Finally, I would like to bring to the attention of the House the sort of response I have personally received relating to this matter. I was at Harry's new hardware store about a week ago when a gentleman came up, shook me by the hand and said, "I understand you are Dean Brown". I replied, "Yes". He then introduced his wife. We talked for a while, and he then said to me, "That early retirement scheme you have just announced is the best thing you have done; it is a tremendous idea".

The Hon. R. G. Payne: Is that the bloke you met at the picnic last year?

The Hon. D. C. BROWN: I met so many people at the picnic, I cannot say. I must say that it was the first time a Minister had attended a picnic such as that referred to, so there would be no confusing me with any other Minister. I am delighted to say that that gentleman talked to me for some 10 minutes about the excellent benefits he will receive under the scheme, how he is delighted to participate in it, and how his best friend in the Public Buildings Department is also going to participate in that scheme.

AUSTRALIAN BACON

The Hon. D. J. HOPGOOD: My question is directed to the Minister of Industrial Affairs, in the Premier's absence. Did the ten-month old quote concerning the relocation of Australian Bacon Limited to South Australia, which appeared in the Premier's recent full-page press advertisements, represent a sign of desperation that the Government's industrial development and employment policies are failing? In that advertisement a Mr. A. G. Summers of Australian Bacon Limited was quoted in support of the Premier, yet the 1978-79 annual report of Australian Bacon Limited, dated 31 July 1979, some six or seven weeks before the State election, stated that "group administration has been established and our executive structure has been developed in Adelaide". I understand that renovations to the company's Mount Barker works were opened by the then Labor Minister of Agriculture, Mr. Chatterton.

The Hon. D. C. BROWN: I think that the statement

made by Australian Bacon reflects a new optimism now being felt throughout the private sector. That was the first positive statement made by a company following the election. Furthermore, that company has now backed up its words with investment in this State. I am delighted to say that that was the first announcement made by the Premier. The words were not our words as a Government, but were words from the company itself. If the honourable member has any dispute with what Australian Bacon has said, I suggest he take it up with that company. We were simply quoting what was a very positive statement made by Australian Bacon immediately following the election.

I am delighted to say that there are now numerous examples following that optimistic statement made by Australian Bacon. The Premier, in the week before the recent recess, listed to this House a number of companies which have decided to make new investments in this State. It is interesting that, if we add up the runs that we as a Government have achieved in the past 12 months, we find that they exceed all of the previous claims made by the Dunstan and Corcoran Governments for the previous nine or ten years.

Mr. Langley: What about employment? Tell us about that.

The Hon. D. C. BROWN: What about employment? We all know what happened under the previous Government—this State ended up, under a Corcoran Government, with the highest rate of unemployment of any State in Australia. It was not our Government that put the State into that disastrous position; it was the Dunstan and Corcoran Governments. I find it amusing that members opposite now come back and try to pin on our Government the fact that South Australia now has the highest unemployment of any State in Australia; it was their Government that put us in that position.

Members interjecting:

The SPEAKER: Order!

The Hon. D. C. BROWN: The other point I bring to the attention of the House is that a number of companies have announced new investments in this State. I approached some of those companies, like John Shearer, General Motor's Holden's, Simpson Pope, Grundfos and a number of others. The Premier has already named them in *Hansard*; they are there in black and white. The important thing in regard to the announcements is that actual employment will not be created until some time next year.

Mr. Langley: When?

The Hon. D. C. BROWN: The question "when?", asked from the other side, shows the naivety of the Labor Party in this State as to how private enterprise works. Members opposite think that private enterprise makes an announcement and says, "We will invest new funds" and, suddenly, the jobs are created. First, a factory must be built.

Mr. Langley: Of course, but don't they have to employ people to do that?

The SPEAKER: Order! Interjections are out of order and do nothing to assist an effective Question Time.

The Hon. D. C. BROWN: I realise that members opposite try to get off the point of the question, and I will deal quickly with it and finish them off once and for all. The point is that those companies must first build a factory; they must put machinery into the factory and then employ people so that production can start. In all of the cases that I have mentioned, the benefits in terms of employment involve new schemes announced and attracted to this State by the Liberal Government. Most of them are major schemes and will require the employment of additional people. They are in the process of doing that; the factories are being built at present, and people will be employed in the coming months until next year.

SITTINGS AND BUSINESS

The Hon. E. R. GOLDSWORTHY (Deputy Premier): I move:

That Standing Orders be so far suspended as to allow the asking of questions without notice until 3.25 p.m.

Motion carried.

ROAD GRANTS

Mr. OLSEN: When will the Minister of Transport announce the amounts allocated to local government authorities for road grants for the 1980-81 year? Also, will he institute procedures next year to ensure that councils are informed of grants at the beginning of the financial year?

Councils have expressed some concern that about 2½ months has elapsed since the beginning of this financial year and they have still not received notification of amounts allocated for road grants. Such a lack of information hinders planning, management and development of road works programmes by local government authorities.

The Hon. M. M. WILSON: It has been the practice in past years, of course, to delay the announcement of local road grants and any other categories of road grants until they have been approved by the Commonwealth. That has been the reason for the delay in announcing the road grants to which the member for Rocky River referred.

We have received from the Commonwealth over the last few weeks approval for various categories of road grants. Last week, we received approval from the Commonwealth for the State's local road grant programme, but up until today we had not received approval for the rural arterial road grants. I delayed sending out to local government bodies announcements of any grants until I had received approval for the rural arterial allocation which I understood was to be within a few days of receiving the other approval.

Only 10 minutes before Question Time an officer from my office rang me to tell me that a telex had arrived from the Federal Minister for Transport (Mr. Hunt) giving the Commonwealth's approval to grants for rural arterial roads for this year. I can assure the honourable member that letters will be going to local government authorities in the next two or three days informing them not only of their local road grants but also of their rural arterial allocations. However, if the honourable member would like to have the details before then and he contacts my office, I will let him have that information.

I entirely agree with the honourable member that it makes it extraordinarily difficult for local government to plan ahead when they do not receive the announcements of their road allocation until 2½ months into a new financial year, and I will certainly see whether we can evolve a better system for ensuing financial years. That is something I would want to take up with my Federal colleague.

It is also difficult for the Government, and particularly the Highways Department, to plan ahead when we do not receive notification of our road funding until so late in the financial year, which is what has occurred this year.

REDCLIFF PROJECT

The Hon. R. G. PAYNE: In the absence of the Premier, I direct my question to the Deputy Premier. Has the

Deputy Premier, or to his knowledge has the Premier, been given or received any information in the last month that has not been given to the House concerning the likelihood of Dow Chemical's not proceeding with the Redcliff petro-chemical project? In the Ministerial statement given by the Premier today there was the reminder that he gave an undertaking, about a fortnight ago, that he would do everything possible to ensure that the project would become a reality as soon as possible, when he was commenting on certain doubts that were being expressed at that time. In his Ministerial statement today, the Premier said:

As members know, Dow has undertaken to announce by 10 October whether or not it will go ahead with the plant. It is well known to all members, and it has been in the press many times, that the board of Dow Chemical Company in America is to give a decision on 10 October in relation to whether or not the project will proceed.

We were informed by the Premier in his statement today that he has been invited to the United States next week for talks with the president of Dow Chemical Company, Mr. Paul Orrefici. It would seem to me that, if an invitation emanated from the United States, some new information might have been communicated to either the Premier or the Deputy Premier. A few minutes ago I was informed (and it is my understanding from Dow Chemical Australia) that the invitation referred to in the Ministerial statement did not originate from the United States but originated from the Premier himself.

The Hon. E. R. GOLDSWORTHY: I think the question, when one strips off all the superfluous explanation, was: does the Premier or do I have any information in relation to the certainty of the Dow petro-chemical project going ahead? Since coming to Government, we have been subjected to a series of premature announcements from the Leader of the Opposition in relation to the establishment of a petro-chemical plant. Of course, it is perfectly obvious to all of us that the Leader of the Opposition desperately wants to be part of the action, as this project was initiated many years ago during the life of the Labor Government. It was effectively killed in the first instance by the now deceased Minister Connor, and the Leader of the Opposition has subjected the public of South Australia to a series of premature announcements about the starting time of this petro-chemical plant, statements which were made in complete ignorance of negotiations which the Government was conducting.

The role of the Government in these negotiations has been to facilitate the talks between the major people concerned in this project, the producing companies and Dow Chemical, and we have done all we can to facilitate these negotiations. If the Leader was privy to any of the negotiations carried on by his predecessor, he would certainly know that the answer could not be a 100 per cent "Yes," (as has been claimed by him from time to time) "the project is certain to go ahead."

The fact is that it is not 100 per cent certain that the project will go ahead, and no-one can claim that, least of all the Leader of the Opposition from his position of ignorance. It has been put to me that the recession in the United States is having an influence on the investment decisions of large companies. In general terms, the recession in the United States is affecting the multi-nationals, much hated by some members of the Opposition, particularly the member for Elizabeth, who has waxed loud and eloquent on the harm that companies like Dow Chemical do in Australia and other places. Notwithstanding that disincentive to investment in the State, that disincentive to which we are subjected by the Opposition (they have managed to muzzle the member for

Elizabeth on this one), we are doing all we possibly can to see that that project comes to fruition.

It is only sensible during the closing stages of these negotiations, when the board of Dow Chemical is about to make a decision, that any information that that company may require at board level will be available from the person best able to give it, namely, the Premier of this State, speaking on behalf of this State.

I would have thought that the Opposition would welcome the acceptance by the Premier of the invitation to go to America to answer any of the questions that the Dow board might have and to try to facilitate a favourable decision in relation to this project. I would have thought the Opposition would applaud the Premier's decision to go to do his utmost to see that this project does come to South Australia, despite, as I say, the positive disincentives to the intervention of multi-nationals, which are so much hated by the member for Elizabeth and others.

SMALL ROUND WOOD

Mr. MATHWIN: My question is to the Minister of Forests.

The Hon. J. D. Wright: If the press does not take this up—

The SPEAKER: Order! The honourable member for Glenelg has the call.

Mr. MATHWIN: Can the Minister of Forests say what progress has been made in seeking submissions relating to the utilisation of small round wood in the South-East?

In a press release following the termination of the agreements with the Punalur Paper Mills Limited for the utilisation of small round wood in the South-East forests, the Minister is quoted as saying:

We would now seek submissions from the interested parties for the utilisation of the resource, involving further processing in the South-East of South Australia.

The Hon. W. E. CHAPMAN: It is true that at the time of announcing the termination of the State agreement with Punalur Paper Mills an invitation to any party interested in our valuable resource in the South-East was to be made; indeed, that invitation was extended publicly on 2 September. I am delighted to say that more than 25 organisations have expressed interest. Papers have been sent by my department to 13 interstate companies, 12 international organisations and five South Australian-based companies. I would not expect to receive separate submissions from each of these organisations, but the interest shown during the first few days after the announcement is extraordinary and most welcome. The response is high and, despite what was said by members opposite at about the time of that announcement, is in fact higher than they anticipated. They made implications quite to the contrary; they criticised the Government for having taken the action that it did. The situation now is that we own an extremely valuable wood resource which is totally uncommitted in any direction. The Government is no longer encumbered with the requirement of a financial involvement in the processing of that wood (which is potentially pulpable), a commitment that the former Government encumbered itself with during its term in office.

Now we are in the position of being free to trade the sale of that resource. We are free to trade with a company which hopefully will process the product on South Australian soil to a maximum degree, and so utilise our unemployed people in that area to the maximum extent. It is precisely 12 months since we came into office, and that is one more of the messes that we have fixed up since coming

to office, one more mess that we inherited from our predecessors. I am not only directing criticism to the former Government where it belongs, but I say that in a way that in no way reflects on the other party to that inter-country agreement. As far as I am concerned, the other party has done its level best to qualify for a partnership within the wood pulping field in South Australia. If for financial, if not for financial and technical reasons, it has failed to achieve its side of the bargain, my dealings with that Indian company, with its principals and its staff, were pleasurable and an experience that I welcomed at the time. I in no way regret the opportunity of being involved. In conclusion, I think it is fair to say again that the principals of that company have no axe to grind with the Government of South Australia, the Woods and Forests Department, or, in particular, with its Minister.

NOONKANBAH

Mr. MILLHOUSE: I would have addressed my question to the Premier but, as he has gone, I shall address it instead to his Deputy, the Minister of Works. Will the Deputy Premier, on behalf of the Government, write both to the Premier of Western Australia and to the Prime Minister drawing the attention of each of those gentlemen to remarks made last night by His Grace the Archbishop of Adelaide, in his pastoral address at Synod evensong in the presence of the Premier, the member for Norwood representing the Leader of the Labor Party, and me, strongly criticising the policy of deliberate confrontation which has been adopted by the Western Australian Government at Noonkanbah, and associating the South Australian Government with the remarks of His Grace, both in criticising the Western Australian Government and confirming the assumption made by His Grace that the Government here will not act in the same way? As I have said, the Premier, the member for Norwood representing the Leader of the Opposition (apparently he was unable to attend or send a front bench member on his behalf, but he sent his most capable back bench member)—

The SPEAKER: Order! I ask the honourable member to come back to the relevant detail.

Mr. MILLHOUSE: —and I heard the Archbishop speak, and no doubt the Deputy Leader has read the report in this morning's *Advertiser*, which is entirely accurate, and I draw his attention to some of the sentences of that article, as follows:

One approach, sadly, was the policy of deliberate confrontation such as that of the Western Australian Government at Noonkanbah, Dr. Rayner said. The other was that of "quiet and patient consultation".

In South Australia it was a matter of deep thankfulness that all political Parties appeared to have resolved upon this policy, which already showed signs of yielding fruit in mutual trust and reasonable agreement.

I hope that will apply over Mintabie and other matters which remain to be tied up in the controversy going on in the North of this State. This is an ideal opportunity for the South Australian Government to make clear its commitment to a decent deal for Aborigines in this country.

Mr. Becker: He's out of order.

The SPEAKER: Order! The Chair will make decisions of that nature.

Mr. MILLHOUSE: The member for Hanson obviously does not agree.

The SPEAKER: Order! I ask the honourable member for Mitcham to explain his question only, not to comment further, and to get to the point quickly.

Mr. MILLHOUSE: I have asked the question. I hope that the Deputy will feel able to give me an affirmative answer immediately, in the name of not only Government members but of all members.

The Hon. E. R. GOLDSWORTHY: In reply to the Leader of—is it the Republicans? I really cannot quite understand how a man of the reputed intelligence of the member for Mitcham, who professes to read the papers, has failed to pick up the point that I am Minister of Mines and Energy. I really find that hard to credit. I could be forgiven for not knowing the name of his political Party, which is on the way to oblivion, at least in the short term, anyway; in any event, it has had little impact. I will be prepared to talk to the Premier about this matter. The member for Mitcham has asked if the Premier would write a letter, so I shall pass this on to him. I think the Federal Government is well aware of the ramifications of the Aboriginal problems throughout the whole of this country, without our particularly buying into the arguments of other States and drawing their attention to headlines in South Australian papers. I would be very surprised indeed if the staff of Senator Chaney is not aware of what was in the *Advertiser* today. It is a fact, as the *Advertiser* pointed out, that we have been engaged in this State in long consultations with the Aboriginal people that must extend over six months or more, I would think.

As they suggest, we sought to do it quietly, without a blaze of publicity. We undertook not to go to the press, and we have honoured our side of the bargain faithfully. Those discussions have also been patient (which is the adjective applied in the report this morning). When within an ace of reaching a successful conclusion after these long negotiations, we will be achieving something which our predecessors could not achieve. The Labor Party introduced in the House an Aboriginal land rights Bill which was completely unworkable and which some of the realists in the Party (including my predecessor) realised on judicial advice was completely unworkable.

Mr. Millhouse: Judicial advice?

The Hon. E. R. GOLDSWORTHY: He had advice from a judge (I made that known in the House) and from the Crown Solicitor which clearly showed that that Bill was completely unworkable. I suspect strongly that that is why it lay on the table here for some time, and the Government did not push on with it. My predecessor was in charge of the business of the House and, if this matter had been of the pressing importance it suddenly assumed in negotiations with the Opposition, I would have thought they would have pushed on with the Bill. However, the realists in the Labor Party realised that the Bill was unworkable, so they did not press on with it. We, by dint of hard, long, patient negotiations, away from the glare of publicity, had been able to come within settling the details of an Aboriginal land rights Bill, which, I believe, will be acceptable.

I also understand that the Federal Minister (Senator Chaney) is well aware of the efforts of this Government in relation to those negotiations. We have been in touch with him, and we have had nothing but support and commendation from him on what we are achieving in South Australia. It would not be prudent for the South Australian Government to buy into interstate fights. I have always thought that we have enough to do to get this State back on the road to economic recovery, which is sorely needed. The much vaunted so-called social reforms of our predecessors were not successful in bringing this matter to a successful conclusion, but I believe that we will be able to do so. I will discuss this matter with the Premier, but I do not think that the Federal Government should have this matter specially brought to its attention.

CHRISTIAN ACTION RURAL ENTERPRISES

Mr. LEWIS: Has the Minister of Education seen an article in the Bordertown *Border Chronicle* about the CARE (that is, Christian Action Rural Enterprises) plan to buy a large farming and grazing property in that part of the State? Does he have or will he seek any information about the organisation or its course curriculum called ACE (that is, Accelerated Christian Education) which it proposes to teach in a school serving all age groups in the community of several hundred people it proposes to establish there? What assistance could be available from public revenue sources?

The SPEAKER: I draw the honourable Minister's attention to the fact that Question Time will cease at 3.25 p.m.

The Hon. H. ALLISON: This is the second time in a day that this matter has been brought to my attention. Prior to that, I had no knowledge of the existence of this group. I assume that the people behind Christian Action Rural Enterprises are the same people who are at present putting out pamphlets and booklet material advertising accelerated Christian education with a view to establishing Christian-orientated schools around Australia, but without claiming to belong to any one religious denomination. They claim to be inter-denominational and to cater for the needs of the very young to the very old. In order to satisfy both the honourable member's curiosity and my own, I will obtain a more precise report for him as soon as I possibly can.

STATE BANK REPORT

The SPEAKER laid on the table the Annual Report of the State Bank for the year ended 30 June 1980, together with profit and loss account and balance sheets.

Ordered that report be printed.

READING OF SPEECHES

The SPEAKER: In a recent debate, a number of points of order were raised suggesting that members were reading speeches. For reasons made known to the Whips, I declined to address the ramifications of the question until that particular debate was concluded. While our own Standing Orders are silent on this matter, the practice of the House of Commons is quite clear, as are many rulings by my predecessors. Simply stated, members may not read speeches. Erskine May (19th Edition) states, at page 414:

The purpose of this rule is primarily to maintain the cut and thrust of debate which depends upon successive speakers meeting in their speeches to some extent the arguments of earlier speeches; debating decays under a regime of set speeches prepared beforehand without reference to each other.

In the past, the Speaker has usually sought from the member who appeared to be reading an answer to the question whether he was or alternatively was making use of copious notes. This has been interpreted as a subtle suggestion to the member that he should desist.

The Standing Orders Committee has discussed this matter and is of the opinion that the present tendency by many members to deliver set speeches is not in keeping with the manner in which members have traditionally

conducted themselves or should in the future conduct themselves in debate.

It is my firm intention in the future to require members not to read speeches, and, if my attention is drawn by way of a point of order to the fact that such is occurring, I will take appropriate action to ensure compliance with the requirements of debate.

There will be exceptions to the rule, and I particularly mention Ministerial statements, second reading speeches by the member introducing a Bill, or quotations from publications in support of arguments. Provisions for these exceptions is set out in the Standing Orders. Also, I intend to use discretion for the lead speaker for the Opposition and for matters which are specifically technical in nature.

BANK OF ADELAIDE (MERGER) BILL

His Excellency the Governor, by message, intimated his assent to the Bill.

CROWN LANDS ACT AMENDMENT BILL (No. 2)

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

SOUTH AUSTRALIAN GAS COMPANY'S ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 27 August. Page 681.)

Mr. BANNON (Leader of the Opposition): The Opposition supports this measure, a measure that should have been introduced into this House long before 27 August, the day on which it appeared. It has been introduced by the Government not only as a result of the frenetic activity in the market place but because of the numerous calls by the Opposition, in this place and elsewhere, insisting that something be done about a situation that was threatening South Australia's resources and one of its major key utilities.

While supporting this Bill, I think it is worth my saying at the outset that, if a Bill of this nature, with anything like the clauses contained in it, had come before the House when the present Opposition was in Government, there would have been no way in the world that the then Opposition, led by the present Premier and Deputy Premier, would have given it any support. On the contrary, they would have been totally and utterly opposed to it, and they would have gone into the community to whip up anger and excitement amongst business men, shareholders, and others against what they would have described as an arrantly socialist measure.

Mr. Becker: That's not true. How do you know?

Mr. BANNON: The member for Hanson asks how I know. Clearly, it is because we can read in *Hansard* precisely what was the attitude of the then Opposition. Look at what was said at the time of the Santos legislation. Compare the provisions of that with those of the measure before us today, and we can see why I make that statement. Look at the statements made in the Gas Company legislation of 1979. True, on that occasion the then Opposition allowed the Bill to go through, but its members made some critical statements in the course of the debate, and, further, made it quite clear that, if the

Bill had gone any further than it did, there would have been outright opposition from the then Opposition benches.

One of the problems we are faced with today is that there are loopholes in the 1979 legislation which came to light earlier this year and which are there in part because the then Government was constrained by the attitude of the then Opposition. Now, the Government has the audacity to put this Bill before the House, accompanied by a low-key history lesson from the Deputy Leader of the Government, expecting the Opposition to say what good boys they are and that we will accept what the Government wants to do.

The facts are clear. Based on their rhetoric and their past experience, this Bill would have been anathema to members opposite, but they are now facing the harsh realities of Government. I think that is true of this Government in many other areas. For all its talk about the free enterprise system and opening South Australia for business again, and all the other talk that went on before the election, the Government is having to come to grips with the reality that, in this mixed economy, the partnership existing between the private and public sectors can be interfered with only at peril to the State. This legislation is a classic example of the Government's being forced, before this House, to admit to that reality.

It has taken the Government a long time to come up with this legislation—certainly not in terms of the general nature of the legislative programme, but in terms of the urgency of the situation that became clear earlier this year. At that time, there was a renewed round of speculation in the Gas Company which had been dampened and completely stamped out for some time by the progressive legislation introduced and carried last year by the then Government. That renewed speculation emerged, and the Government must have seen the need to act, but held its hand. The action comes too late in the day. Many small shareholders and speculators have been hurt, and many major speculators and smart men in the market have made a lot of money. They have done it on the basis of speculation in a public utility charged with looking after one of our vital natural resources. That is an outrageous situation in this State, in this economy, in this day and age, but the Government has let it happen.

The delay ensured the maximum possible disruption to trading in Gas Company shares. It has consumed enormous energy on the part of executives, business men, sharebrokers and others, in a fruitless chase after speculative riches, based on something that is beyond, and must be put clearly beyond, speculation in the market place.

A period of 12 weeks went by from the time the first Ministerial statement was made in this House by the Deputy Premier, and a further two or three weeks has gone since the measure was first introduced into the House. During the time that elapsed in those 12 weeks, speculation continued unabated. It was clear quite early that the Minister's statement and the statement by the Chairman of the Gas Company had not dampened the fires of speculation. In one day only, on 12 August, 3.5 per cent of the issued capital of the South Australian Gas Company was traded on Australian Stock Exchanges. Shares went as high as \$8. On 27 August, the day the Bill was introduced, they opened at \$7 and closed at \$6.60. All this is on 50c shares in a public utility with controlled dividends which for months had been traded at about \$1 a share.

The Government has no excuse for the delay. It was clearly made aware that a problem existed. In his statement on 4 June, the Minister said that he was going to

take some sort of action. At that stage, the measures planned were clearly not as sweeping as are those now before the House. The Minister read to the House a letter from Mr. Macklin, Chairman of the Gas Company, to the Stock Exchange, warning speculators of the restraints under which the Gas Company operated. The Minister said, in part:

... while changes to streamline the South Australian Gas Company's Act are contemplated, as Mr. Macklin correctly states, the Government has no intention of altering the legal framework applicable to the South Australian Gas Company described in his letter.

That was on 4 June; high speculation, and yet the Minister is saying that the Government has no intention of altering the legal framework applicable to the Gas Company, but not providing the supporting action to back those words. In the face of the continued speculation, despite that statement by the Minister, on 10 June I made a public call, one of a number of statements I have made, to the Stock Exchange to delist the South Australian Gas Company shares to avoid further speculation while a thorough investigation was made.

I felt that that would have been a responsible and proper action in the circumstances. It was clear that the Government was not going to act quickly and that the only body capable of taking these shares out of the speculative market, in the short term, was the Stock Exchange itself. Unfortunately, the Stock Exchange chose not to respond to that call but said that it felt it was unnecessary and undesirable for it to take that action. It was interesting that it took that stand. I will later refer to the role played by the Stock Exchange in relation to this legislation, and to previous legislation, to highlight precisely what is most interesting about that.

The refusal by the Stock Exchange to take action was a wrong decision. It could immediately have stopped the speculation that was going on, and that probably would have precipitated the Government action which has taken so long in coming.

Throughout the rest of June, July and into August there was a slow build-up of further speculation. Share prices of Gas Company shares remained at their unnaturally high level. There were rises and falls in the \$5, \$6 and \$7 area.

On 13 August, again in the face of no action whatever by the Government, I renewed my call for action to be taken. I called on the Government to investigate the causes of the speculation and to find out whether the provision limiting shareholders to a 5 per cent shareholding (a provision contained in the 1979 amendment) had been breached. On that occasion I referred to a report which appeared in the *Advertiser* on 7 August, written by its financial writer. One would have thought that the Government would pay careful note to that report, which claimed that the Gas Company was unable to identify many of its shareholders, that it faced an unworkable situation with the allocation of dividends, and that it was not possible to identify the beneficial holders or owners of shares.

All of those allegations pointed to a breach of the Act, a breach of the law in this State, yet there seemed to be no action forthcoming from the Government to do anything about that. What was the response of the Deputy Premier, who is in charge of this legislation and of that general area? He said he had done all that he could in the statements he had made. I issued that particular call in the course of a considered statement on the Opposition's concern about the Cooper Basin resources, which are intimately tied up with this whole business, during the debate on the Supply Bill. The Deputy Premier's response was typical of the porno-political style we have come to

know in this House. He accused me of duplicity, dishonesty, trying to deceive the public, and so on. We all know the phraseology and the language he uses. I can assure the House that that kind of language and that kind of approach is one of the reasons why there is a singular lack of confidence in this Minister in the areas with which he is charged.

I was simply calling on the Government to investigate a matter which was quite clearly of considerable public concern, a matter of press speculation and a matter of discussion in business circles and within the Stock Exchange. The response, as I said, was carefully written abuse, written, I might add, because even the abuse was not spontaneous—it was contained in the document that the Deputy Premier read to this House. It was typical of his answers to questions relating to this whole area of resource development. I remind the House that this matter is bound up with the whole question of the Cooper Basin and our natural resources in this area.

On 6 August the Deputy Leader questioned the Deputy Premier about Santos and the Cooper Basin and about possible changes in control and ownership, an extremely serious question. His response was to call the question "stupid" and to claim that he would need a crystal ball to find out the facts to answer the question. Of course that was patent nonsense. These were matters under his Ministerial responsibility, not matters of crystal ball speculation. These were matters on which he had an Act which gave him clear powers of investigation, powers he could exercise if he chose to. There was no need for a crystal ball, so that trite, irrelevant answer I think indicated the extent to which the Deputy Premier was aware of the seriousness of the issue and, of course, the extent of his ignorance of just what is going on in the resources area—something that the State is beginning to rue.

A week later, the Deputy Leader again asked the Minister questions concerning Cooper Basin resources. We were treated to a repeat of the abuse on that question. He repeated his excuse that to keep the House informed of important matters he would need a crystal ball. Again it emerged, a shrugging off of his Ministerial responsibility—"No" to an investigation, but a replacement by some concept of looking into the future through a crystal ball. What absolute nonsense, and what a cheap way to avoid a major issue of concern in this community.

Did he know that anything was going on? Those answers, and his speech of the 13th, gave every indication that the Minister had very little idea of the sort of Act that was being prepared and was felt necessary at departmental level. For example, he used words such as "Draconian" to describe a suggestion that he exercise his powers under the Santos (Regulation of Shareholdings) Act and inquire of Santos shareholders as to the nature of their shareholdings. Two weeks after he made that comment, he introduced a Bill which contains the provision for Supreme Court action to ascertain this sort of information in relation to the Gas Company. The so-called "Draconian" powers he was talking about are, in fact, referred to specifically in the Bill before us. The explanation regarding clause 3 is as follows:

These provisions follow fairly closely the similar provisions in the Santos Bill and in various other Acts dealing with company takeover situations.

That is total inconsistency; total ignorance, I would suggest, of what was needed in that situation.

On the day before the Bill was introduced (26 August), faced with the complete inability of the Minister either to answer or to understand our questions or the gravity of the situation, I asked the Premier whether, as part of the

review of the Gas Company's Act, the Government would investigate as a matter of urgency whether the provisions relating to maximum shareholdings were being breached. The Premier declined to answer that question and handed it over to the Deputy Premier. We naturally expected the worst. However, the Deputy Premier (subdued on that occasion) informed me that he was aware of some of the difficulties to which I had alluded and that the Government was actively considering them. That was quite a change of tune from his previous approach, and the reason for that change of tune became apparent next day, when this emergency legislation was introduced.

At last, it appeared the Minister had become aware of the nature of this amending Bill, and the reasons why we as an Opposition had been raising this question, both in public and privately, with the Gas Company and other interested bodies for some 12 weeks previously. He had become aware that his 12 weeks of inactivity meant that his Government now had to take control of the situation in a far more drastic way than would have been necessary had it acted earlier. That is one of the interesting aspects of this legislation—prompt action taken at the time the speculation commenced would have obviated the need for legislation of this sweeping nature. Let us look specifically at the speech that the Deputy Premier made when introducing this measure into the House.

First, the Minister admitted that the process of streamlining the Gas Company's Act had been extended to preserve and strengthen the provisions relating to shareholders. He made an admission that he had to go much further than contemplated in June and the reasons why he had to go further, I think, should be quite apparent to members. In his statement, he said that, when he made the Ministerial statement on 4 June regarding speculation in shares of the Gas Company, he referred to the fact that changes to streamline the South Australian Gas Company's Act were contemplated. This Bill represents the outcome of that process.

He went on to say that the Government had been watching very carefully the stock market trading in shares of the Gas Company because it appeared that trading of a speculative nature was continuing and because it appeared that there was doubt that the limit of 5 per cent on shareholdings was being observed. This Bill, he says, in addition to containing clauses to streamline the company in line with modern company law, also contains provisions intended to preserve the company's status as a utility, serving the interests of all South Australians.

Let us examine some aspects of that statement. The Minister said that the Government had been watching carefully the stock market trading in shares. That has been the Minister's approach on a number of occasions; he watches and monitors; he sits back but does not act. The Minister does not act except in cases like this, when it becomes absolutely necessary and when, in many senses, it is too late. He does not recognise the need for a State Government, which is responsible, to act, using the powers that this Parliament has conferred on it. The Minister prefers to sit back, watch and monitor. Therefore, for about four or five months of this year, the State Government sat back watching very carefully stock market trading in the Gas Company. That is absolutely deplorable irresponsibility. The Minister further stated that "it appears that trading of a speculative nature is continuing". I emphasise the words "it appears": it was quite clear. A daily reading of the financial pages of both our newspapers and the *Australian Financial Review*, regular columns and commentaries by financial writers, and discussions (if he ever has any) with businessmen, share brokers, etc., would have made what he called an

appearance of speculation clearly an absolute reality. Everyone else in South Australia knew about it, but apparently the Minister did not.

Further, he said that it appeared that there was doubt that the limit of 5 per cent on shareholdings was being observed. The only doubt that existed in the minds of insiders was doubt that the matter had not been taken to a court of law or that the provisions of the Act had not been publicly and openly enforced. There was absolutely no doubt in the minds of share brokers who were placing shares and buying and selling or of the members of the Gas Company that a number of persons were taking over large parcels of South Australian Gas Company shares, either directly through companies that they controlled or indirectly through beneficial owners of those shares. That fact had been clear for months, yet the Minister came before us on 27 August and said that it appeared that there was doubt that the Act was being breached.

His explanation then gave a history lesson, taking us back to 1861; he intended to protect himself from the inevitable flak because this action represented a strange departure from the Government's supposed policy of keeping out of the way of business. There is certainly opposition from the business community to the actions being taken by the Government in respect of these pieces of legislation. The flak that the Minister anticipated, and the reason why he kept things low key to try to ensure that no-one was alerted as to precisely what was going on, emerged eventually.

The Hon. E. R. Goldsworthy: You think I should have shouted it from the rooftops, do you? What effect do you think that would have had on the stock market?

Mr. BANNON: It should have been made clear from the outset just where people stood, and it was obviously not made clear enough by the statements made. If it had been made clear, this legislation would not have been necessary. To try to sneak into this House and pretend that nothing major was occurring in this legislation was a total deception, not only of this House, but of the public. The reason for the deception was the embarrassment of the Government, with all of its rhetoric, all it preached about getting out of the way of business, and all the criticisms levelled at the previous Government, in presenting legislation of this nature.

The Australian Shareholders Association certainly made clear its opinion as to the State Government's action to gain voting control of the Gas Company. According to a report in the *Advertiser*, the association called the move deplorable. Interestingly, someone else who bought in at this time was corporate investor, Mr. Ron Brierley, whose market raid on the Gas Company shares last year sparked the other series of raids which led to the increase of the share price and resulted in that legislation. He described the move as "scandalous", as indeed he might, as the prime suspect in the raiding operation and the breach of the Act referred to. One could forgive Mr. Brierley, of course, being a smart businessman and reading the statements made by the Premier and the Deputy Premier while in Opposition and in Government, for believing he could get away with it. He was certainly given every encouragement to embark on and continue his speculative action, so I am not surprised that he found the action scandalous. Mr. Brierley is probably now in a situation in which he would have been happier dealing with a Government that spelt out what it would do and stuck to its word, unlike this present wishy-washy and prevaricating Government that we now have. However, the association went on to say that the Government should correct its gross abuse against the clearly expressed intentions of the Companies Act and the Stock Exchange

listing requirements.

It was interesting that, apart from those people (Mr. Brierley, who obviously had a vested interest in the situation, and the Australian Shareholders Association), there was a very subdued reaction from elsewhere. I was particularly intrigued by the lack of reaction from the Stock Exchange. One wonders why, for instance, Mr. M. B. McLachlan, the Acting Chairman at that stage, had no comment to make on the Government's initiative. One could recall some statements made about the previous legislation introduced in February 1979 and wonder why the response was so muted. The matter became a little clearer as a result of a letter to the *Advertiser* from the Hon. D. H. Laidlaw, a member of the Liberal Party and the Legislative Council, and a leading businessman and board member of many South Australian companies. Mr. Laidlaw moved to defend the Government's action and, in so doing, indicated the arguments that were obviously raging behind the scenes in the business community about the effect of and reasons for this Government's socialistic action. His letter appeared under the heading "Government gas move effective". Mr. Laidlaw spelt out very clearly, and quite eloquently, the reasons behind the Government's move. I do not intend to make any criticism of Mr. Laidlaw or of his stand, because the stand that he is taking on this issue is quite consistent with the attitude he has taken in defence and support of South Australian business over the years. It was interesting, for instance, that he said:

I understand that the Government gave prolonged consideration to the options available. Ultimately the only effective way to prevent a company such as the S.A. Gas Company falling into unfriendly hands is to place a large block of votes with a group such as S.G.I.C. which is under Government direction.

I commend the Government for its initiative and it must be remembered that in Victoria and Western Australia gas reticulation is controlled by statutory authorities.

That position taken by the Hon. Mr. Laidlaw is one that has been consistently maintained in the teeth of great criticism from many of his colleagues, those of his colleagues I suggest who are out of touch with much of the South Australian business community. In fact, one remembers the sanctions taken against the Hon. Mr. Geddes, a former member of the Legislative Council. When he, the Opposition spokesman in the area, decided that it was in the best interests of this State to support that Santos legislation, he not only lost his shadow portfolio as spokesman, but he was cut out of preselection and eventually lost his seat in the Upper House of this State.

The revenge against Mr. Geddes was terrible and swift. Fortunately, for him, Mr. Laidlaw's power and influence are such that those sort of sanctions cannot be levelled by the Liberal Party against him. I thought it was interesting and somewhat familiar to see Mr. Laidlaw being used as the supporter and the steadier in this situation. He has done it so often before. We can recall that, at the height of the excesses of the member for Davenport, now the Minister of Industrial Affairs, inveighing against trade unions and employers and interfering in the industrial relations of this State which were being kept on such an even keel by my Deputy, it was often the Hon. Mr. Laidlaw who had to intervene either publicly or behind the scenes and act as the middleman and somehow try to cool down the situation.

Mr. McRae: He did it very well, too.

Mr. BANNON: He did, indeed, as my colleague says, and he is doing very well in this instance as far as trying to provide some sort of link between the Liberal Party and the business community. Is it not laughable that the

Government that says it stands for business and with business in this State is finding that it has to use someone who is not a Minister as an intermediary to talk to business and to gain its confidence?

The critics have been silenced. As I said at the outset, this is certainly not a measure that we could have introduced into this State unscathed. I thought it was very interesting to read in the *Advertiser* on 2 September that the committee of the Stock Exchange of Adelaide had washed its hands of the South Australian Gas Company share row. The report was headed: "Exchange bows out of Sagasco row". The Chairman, Mr. Ian Lloyd, was quoted as saying:

The committee noted that Sagasco had always acted under a most restrictive Act of Parliament and not as a "normal" commercial operation under the Companies Act nor under the exchanges listing requirements. "Therefore, the committee believes the conditions that would normally apply to equity investment, and which this committee strives to maintain are not applicable in this instance", Mr. Lloyd said.

That was certainly a different tale from the tale he was telling when my calls to delist the shares were being made. It was suggested by the Stock Exchange then that there was no cause to interfere but obviously behind the scenes the word has gone around, "Bolster up your Government; you put them there; you have to prop them up; keep this quiet; keep the lid on; we do not want to cause too much trouble." The exchange, as the headlines stated, bowed out of the row.

What a contrast that was to the situation in February 1979! The headline in the *Advertiser* of 3 February was: "Threat by Government halts share rush." The article went on to explain how the intervention of the Government had halted the share buying spree, as it was described, that was going on at that time. What a contrast indeed, in terms of Government action! The speculation was stopped dead in its tracks by prompt and major Government action, instead of being allowed to drift on as it has been in this situation. It was reported on that same day:

The Adelaide Stock Exchange Chairman (Mr. J. N. Tummel) expressed concern at the possibility of discrimination against some shareholders in a free and open market situation where the memorandum and articles of association of the Gas Company contain no restrictions. He also criticised the South Australian Government for threatening action without consulting the Stock Exchange. Other stockbrokers adopted a much harder line to what one described as "a scandalously socialistic exercise". They felt the Stock Exchange listing agreements, which insist on no restrictions on share transfers or voting rights, should not be compromised.

I ask: where are they now? Where are these scandalised stockbrokers? Even more to the point was a statement made on 23 February 1979 on the matter of delisting, where we had so little success earlier this year. The report states:

Adelaide Stock Exchange may delist South Australian Gas Company shares following State Government moves to restrict holdings and voting rights . . . The General Manager of the exchange, Mr. L. Banks, said today the committee would look at the Bill as soon as copies were available. "We will investigate the Bill, particularly the section covering the maximum 5 per cent holding and the limiting of voting power of one shareholder or group to five votes", he said. "The committee will then seek to discuss the future of maintaining a market in South Australian Gas shares with the company's board."

That legislation was passed and the Stock Exchange was threatening delisting and questioning whether those shares

could remain on the market. Interestingly enough, it eventually decided that the company was to remain on the market and it did. If the Stock Exchange had acted promptly in response to the speculation that took place earlier this year, we would not have this situation or needed this legislation. However, the critics are silent, the scandals have been buried and we will not hear too much about socialism. That certainly helps the passage of this Bill, but I do not think the Government and its so-called free enterprise supporters should be allowed to ignore the somersault the Government has taken and the fact that by this measure it is now saying that what we did in Government was correct, that our approach was right.

We support the Bills, but we will be moving an amendment which will relate to that part of the Bill which deals with the S.G.I.C., and that will be canvassed in the course of the Committee debate. I think it is extremely odd that the S.G.I.C. is being used in this instance; given the Government's statement about that organisation when in Opposition. It is the supreme irony that not only in moves to protect the Gas Company but also in moves to try to maintain John Martin's head office in South Australia and resist takeovers there the device of the S.G.I.C. has been readily resorted to by the Government. We all know what pressure has been put on the S.G.I.C. by the Government. One would hope that its experience of the last few months will ensure that that pressure comes off and that the Government allows that vital State financial institution to develop as fast and effectively as it had been doing prior to the Government's coming to office.

Let people not forget what Government members said about the S.G.I.C. when in Opposition. They opposed it and attacked it. The Premier last year said that sections of private enterprise helped dig their own grave, and the then Government was just waiting to push them in with a little more legislation and a little more toughening up and control. The Premier was criticising the way in which Government financial institutions and instrumentalities were intervening in what he called the free market place and here he is, by this measure, doing precisely that, encouraging it and using the very institution that he criticised so soundly to which the then Opposition bent all its efforts to ensure was never established.

One could of course ask the question on this occasion whether the S.G.I.C. is the most appropriate vehicle for the Government's policies. It will in fact get a low return on its investment. Has the Government any right to put this strain on the S.G.I.C.? It could be argued and, I think, argued strongly, that South Australian Oil and Gas, which has been established and in fact has a large holding in the Cooper Basin area, would have been a more appropriate way to control the Gas Company. An arrangement could have been worked out so that there was an interlocking shareholding between the S.A.O.G. and the Gas Company, protecting each other's shareholding and, in fact, still ensuring that direct control that the Minister and the Government, and, indeed, the Opposition, requires.

The failure to use S.A.O.G., which is the institution one would have thought would come immediately to mind in terms of this operation, leads to questions about it and its future. Is the Government planning to restructure that company? Will it try to bring public money into one of our State institutions? We will be looking at that situation very closely indeed over the next few months. It seems to me odd that the S.G.I.C. which will get a low return on the investment it is being forced to make is being used, rather than an organisation which in fact has been established to advance just these sorts of aims.

In regard to speculation, the Bill provides that the S.G.I.C. will buy the shares at the closing price of the shares as at 27 August, which was \$6.60. What is the reason behind that? Was it done simply as a political gesture to ward off criticism that the Government's action caused share prices to drop? As it was prices did drop marginally, and they still have not dropped enough in terms of what their true value should be in the market, but arguably, if the S.G.I.C. had been forced to buy at par value, there would have been an even more drastic fall in share prices. So it would seem that the Minister is intent in some way on protecting the speculator and the market by political action. This sits oddly indeed with the Minister's clear statement early in the piece that speculators were buying shares at their own risk. In the Ministerial statement of 5 June, the Deputy Premier said:

I suggest that anyone tempted to take a speculative punt on shares in the South Australian Gas Company consider it very carefully. The Adelaide Stock Exchange has indicated that it regards the market as "adequately informed". In these circumstances the Government considers that buyers enter the market at their own risk.

That could not have been clearer. Obviously it was not sufficient to stamp out speculation. In fact, further and more pre-emptive action was obviously needed, but it was made clear to speculators that they were speculating at their own risk. So why in fact is the Minister trying to protect these speculators by this device? In his speech on the Supply Bill, in that brief passage when he was not indulging in cheap abuse, the Deputy Premier said:

... if the public, after due warning, does not heed the Government's warning I cannot see what the Government can do to protect the public in those circumstances.

Here we have a whole section of an Act to protect a few speculators, simply so the Government can say that it has not disrupted the market. The fact is that those shares have nothing to do with the market shares. Why the S.G.I.C. should be obliged to pay the price required under the Act is beyond reason. Perhaps we will hear from the Minister on that point.

I would like to conclude with a few remarks about the Cooper Basin and the future, which is intricately bound up with this Bill. The Act is about gas and gas prices. In addition to drawing the Government's attention to problems concerning the Gas Act, we have been calling for its attention to the whole area of Cooper Basin resources. Both myself and my Deputy, as well as the Opposition spokesman for minerals and energy, the member for Mitchell, in speeches and in questions in the House have constantly been asking the Government whether it considers that the Santos Act is sufficiently strong enough and whether the Government is convinced about what is happening in the Cooper Basin and in relation to the control of various companies, which involve many familiar names, and many areas of national and international business institutions. We have been asking why the Government is not taking action, why it has not investigated and why it is not reporting, and we have had very little response indeed.

I fear that we will be in a similar situation some months hence where the Government, suddenly confronted with a drastic situation where the urgent protection of our resources is needed, will rush legislation into this House and attempt to get some sort of kudos for it. As with the Gas Company, these things can be prevented if the Acts that are already in force are properly used, and if the Minister is on the ball and understands the situation. So I think we have had enough of evasions and abuse from the Government on these questions. We must expect something a little more comprehensive and a little more

considered from the Government.

Readers of the Business Review contained in the *National Times* of 7 to 13 September would have been very interested in the article on what was called the "Gas tug of war", and a description of the battle for control of the Cooper Basin. I want to refer to problems that could arise in that area. One need only look at the diagram provided by that newspaper attempting to unravel the various intricate control mechanisms to realise that, unless the Government is completely vigilant, the Cooper Basin resources could be taken over for speculative purposes despite the Acts that supposedly govern and control it.

For instance, a number of people with interests that interlock, that come in at various sections both as producers and buyers, could in fact influence the way in which those resources are developed and sold, and I believe that aspect must be subjected to close and continuing scrutiny. It is easy, for instance, to slip into a situation where a possible conflict of interests could be involved. I instance one area that concerns a particular individual, Sir Norman Young, an extremely eminent and capable South Australian business man who is highly respected in the business community. In fact, he has undertaken by way of public service chairmanship of a number of Government boards and inquiries and freely given of his services and his abilities in that respect.

At the moment, Sir Norman has a key role to play in the Pipelines Authority of South Australia, and in the South Australian Oil and Gas Corporation. He has interests in the producers, he has interests in relation to looking after the development, and he has also to consider the interests of the South Australian community in the consumption and use to which those resources are put. Also, in the private business area, he is Chairman of News Limited which, through the Rupert Murdoch holdings, is vitally involved with Ansett, and Ansett holds 14.9 per cent of Santos. So one can see an interaction between producers who wish to raise the price of gas, users, and the South Australian Government which seeks to keep it at a level which encourages economic development and manufacturing development in this State.

In the instance I have quoted, I am not in any sense suggesting that a conflict of interest has arisen. In fact, I am totally confident that if Sir Norman felt that there was a conflict of interest he would not be involved. He and the Government are obviously satisfied that there is no problem in that area, but I am just instancing how a situation could arise, because of the intricacy of the holdings and the number of companies involved, that could get under the Government's guard, in a case where we are not dealing with persons of integrity or standing in our community.

Incidentally on that point, Sir Norman has been charged, according to the Budget statement, with a further task of investigating the use and development of those resources. One wonders, in view of his key roles in a number of these companies, whether in fact he might not be the proper person to do that on an independent basis. Nonetheless, the appointment has been made. As I say, I think all those who have dealt with him know that Sir Norman is a man whose aims are for the public service of this State. I raise this matter simply to emphasise the point that the Minister must be aware of what is going on in the Cooper Basin, what this so-called battle of control means, and where it might be leading. Instead of shrugging it off and talking about his crystal ball, the Minister should get down to the hard task of looking closely at the company structures, at the possibilities of control, and at any loopholes in the Act, and he should ensure that action is taken soon enough to prevent damage to the South

Australian economy.

Our concerns, which are reflected in the Bill, are about the future of gas and gas prices, not just about the electricity generation industry, but about key industries such as Adelaide Brighton Cement Limited, which is a vast consumer of gas for manufacturing purposes.

The Hon. E. R. Goldsworthy: That's why you sold it to Sydney, I suppose.

Mr. BANNON: The Cooper Basin itself is obviously vital to the future development of this State's economic base. As far as the securing of the contract with Sydney is concerned, the facts of that matter are that the gasfields would not have been developed without the A.G.L. contract. That is clear, and no-one doubts that. The Minister chooses to raise that issue as if in some way the State's resources were sold out, because he does not understand the complexities of this kind of negotiation. There is a real problem of confidence, not just on the Opposition side (that is expected and predictable; of course we have no confidence in the Minister), but among those with whom he deals, particularly among the business community, that should be his natural electorate. The Premier will have considerable problems in this connection as this Government's record develops. We need a responsible, serious and moderate approach in this area. Certainly we need the legislation we have before us, but we needed it earlier. We must ensure that we do not get into another emergency situation of this nature whereby it takes three months or more for Government to act to deal with it.

Mr. McRAE (Playford): I support the Bill. As I did when I spoke on 25 May 1979, following the then Leader of the Opposition (Mr. Tonkin) on the Santos matter, I do so as a person who does not believe that nationalisation is a cure all but as a person who represents a district which one might term ordinary Adelaide and which wants clear and stable Government but which does not want its basic utilities placed at risk by undesirable speculation.

Before getting on to some of the key issues, I will comment on the closing remarks of my Leader concerning the position of Sir Norman Young in this matter. I, like my Leader, cast no reflection on Sir Norman's capabilities or credibility. I notice that the member for Mitcham is present in the Chamber. I am not sure that he noted the fact that Sir Norman Young is a key director in companies such as News Limited, Ansett, and others which are involved in this area. While neither of us would profess to be an expert in company law, there is a basic requirement that, in exercising directorial powers, the director must do so from a position in which he can do justice to each and every one of the companies. I am pleased to see the member for Mitcham nod his assent.

The Leader has highlighted a grave and difficult situation, one that will have to be explained to the House. I hope that the Deputy Premier will not display his usual arrogant disregard when I ask a reasonable question. He is at the moment. He is laughing with Government officials.

The DEPUTY SPEAKER: Order!

Mr. McRAE: He is, Sir.

The DEPUTY SPEAKER: Order!

Mr. Millhouse: The General Manager of the Gas Company—

The DEPUTY SPEAKER: Order! The honourable member for Mitcham must not interject when the Chair is addressing the House. I suggest to the honourable member for Playford that he not refer to people who are not directly on the floor of the House.

Mr. McRAE: Yes, Sir. I point out that no-one is occupying the Government front benches at the moment.

Mr. Russack: The Minister is in the House.

Mr. McRAE: No-one is occupying the Government front benches. There are only three Government members in the House, apart from you, Sir. The other point I make, arising from that, is that it is clear that there are two factors operating in the running of the business of the House this afternoon. No Minister, other than the Deputy Premier, will speak. The reason is that, obviously, they would be in terrible difficulties because of what they said last time in the Santos debate. I do not doubt that only one Minister, the Deputy Premier, will speak, and even he will not be delighted to do so. With all due respects, back-bench members opposite have been muzzled for the afternoon and told not to speak. If they were to speak, they might cut across what now key members of the Cabinet said only 15 months ago. I predict that we will hear only one Minister. I hope that we do not; I would like to hear more Ministers speak in the debate.

The DEPUTY SPEAKER: Order! I suggest to the honourable member for Playford that he is straying somewhat from the Bill. I therefore ask him to link up his remarks.

Mr. McRAE: As it is a serious Bill, I want to ensure that the public is aware, through its perusal of *Hansard*, how lightly the Government is treating the whole matter. I will pay regard to what you have said, Sir, and move on to other matters.

My Leader put his finger on the matter when he said that the real issue lying behind the matter is to get a proper evaluation of the whole Cooper Basin situation. We have had nothing from the Minister on that; I am not sure what is going on. He gives the general appearance, when he is in the House talking on matters in this general area of the Cooper Basin, that he is in control of the situation. He usually comes in with a heavily-indexed folder in which he has possible answers to possible questions, I suspect.

The Hon. E. R. Goldsworthy: They're easy to predict, too.

Mr. McRAE: He has possible answers to possible questions. He even admits it; that is amazing. I have never heard any Minister make such an admission, that he is reduced to that situation, that he has to bring his indexed notebook with him to ensure that he can keep on line with what he is doing. It is a sad state of affairs. Now we have the Minister on the front benches, with some prompting. I am surprised that we have anyone at all here, with the lack of interest that the Government Party is showing in this matter. I ask the Minister, when replying, to tell me how the Government reconciles the position of Sir Norman Young in all of this, when he appears to be in a conflict of interest because of his multiplicity of interest in News Limited, Ansett and other companies.

The Liberal Party philosophy can be summed up in a nutshell. It is not like the member for Mitcham; he is a true free enterprise member. He was last time, and he will be again this afternoon. I predict that he will speak this afternoon; I can see him waiting to have his opportunity and I am sure that he will be hard on us and hard on the Government, but at least he will be honest and stick with his philosophy, which will be free enterprise to the hilt, and he will condemn the Government and us.

In contrast to that, the Liberal Party has, I am afraid, a much more complex policy. It runs something like this: it is no longer free enterprise in the market; it is free enterprise for any company of which it approves. That has been proved throughout the country.

Let us look at the precedents for this around the country. We had Sir Thomas Playford, and his difficulties with the old Adelaide Electric Supply Company. On the face of it, no-one believed in free enterprise more than he.

I have a high regard for him, because my district is named after him. I have been told otherwise by the Electoral Commissioners, but I am sure that they were misleading me, otherwise admirable gentlemen they may be.

Mr. Keneally: You won't mention your dog?

Mr. McRAE: No; he is since deceased.

The DEPUTY SPEAKER: Order! I hope that the honourable member for Playford will take note of my earlier advice, and link up his remarks.

Mr. McRAE: I will, Sir.

The DEPUTY SPEAKER: Also, I do not think he needs the assistance of the honourable member for Stuart.

Mr. McRAE: I am glad to have it from time to time, but on that occasion the honourable member led me astray. I recall Sir Thomas Playford and his actions. I recall, too, Mr. Hamer and what he did for Ansett. Who is involved in this matter but the Ansett group? When certain people tried to enter into a free enterprise attack on the Ansett group, which did not matter particularly to the Australian people, because we have not got a competitive airline system, Mr. Hamer immediately intervened to protect the Ansett group.

Mr. Keneally: Sir Henry Bolte? It sounds like him.

Mr. McRAE: It might have been Sir Henry Bolte; certainly, it was a Liberal Premier of Victoria. Lastly, let me mention that other great protector of free enterprise in this nation, Mr. Joh Bjelke-Petersen.

An honourable member: Who is he?

Mr. McRAE: I thought the honourable gentleman would have known his colleague—or has the coalition split that far that fast? He is the Premier of Queensland, whose wife will be gracing the benches of the Senate, and in a better way than many of the Liberal candidates could have done, I am sure. On one occasion, that honourable gentleman attempted to introduce legislation which would deal not only with minor aspects or one area of company operation, but the whole of company operations in Queensland. As I see it, the Liberal philosophy has got very confused. It is no longer free enterprise; it is "free enterprise for those companies that we think deserve to be free enterprise companies".

The other reason why there is acute embarrassment in the Liberal ranks this afternoon is that this is not the Minister's Bill, nor is it the Cabinet's Bill: it is the Hon. Mr. Laidlaw's Bill. The reason why I feel so confident about that is that I was in the Santos matter throughout all of its successive stages: I spoke in this House, subsequently I was in the conference, and subsequently again I listened to the debates in the Upper House, and subsequently participated when the matter was reported here. What we have before us today is exactly what the Hon. Mr. Laidlaw proposed as a solution in the Santos matter.

The other reason for the Government's embarrassment is that, to get it out of its predicament, it has had to listen again to the Hon. Mr. Laidlaw, this time not just in terms of philosophy but in detail as to how it should be done. As my Leader said, the Hon. Mr. Laidlaw has proved to be the salvation, first of the then Opposition and now of the Government, on many an occasion before. At the time of the Santos matter he was able to grasp the true nature of the situation and was able to keep the matter on an even keel. Anyone who was in this House at the time will remember the extraordinary performance put on by the then Leader of the Opposition. Granted, it was not so much by the then Deputy Leader, now the Deputy Premier, because he was more equivocal about the matter.

Mr. Keneally: He didn't understand it.

Mr. McRAE: I am not saying that. I suspect he did not like Mr. Bond very much, and perhaps that was

influencing his judgment. He was quite right in that. I will not forget the extraordinary contributions of the member for Davenport, now Minister of Industrial Affairs, and the member for Coles, now Minister of Health, who also had a great deal to say. As for your own contribution, Mr. Deputy Speaker, I have not researched the matter deeply and I do not want to take the chance of reflecting on the Chair.

Mr. Keneally: And you're not masochistic.

Mr. McRAE: No.

The DEPUTY SPEAKER: Order! I do not think the honourable member for Playford needs the assistance of the honourable member for Stuart.

Mr. McRAE: No, Sir. I shall proceed now to show just how hypocritical the Liberals have been about this. I refer, first, to what was said by the then Leader of the Opposition, as quoted in the *Advertiser* on 26 May 1979 (I am reading from the quote and not attempting to read a speech, Sir), as follows:

He said legislation introduced on Thursday by the Deputy Premier, Mr. Hudson, was another attack on the spirit of enterprise, endeavor and initiative which had put South Australia on the map. He was speaking during the second reading debate on the Bill. "If it is passed in its present form it will be seen as a warning to every existing and potential investor in South Australia that this Government will not hesitate to declare unlawful any legitimate business practice which incurs its displeasure," Mr. Tonkin said.

When the Leader, now Premier, was indulging in those statements, he attempted to deepen his otherwise slightly high-pitched voice. He puffed himself up and addressed himself to the press gallery. That is out of order, of course, but since there was no-one up there, it did not matter. That was his method of approach and, if we place any credence on the words of the present Premier, his words are worth quoting: "If passed in its present form, it will be seen as a warning to every existing and potential investor in South Australia that this Government will not hesitate to declare unlawful any legitimate business practice which incurs its displeasure."

That Bill provided compensation, and more than adequate compensation, for Mr. Bond—more than I would have given him. The then Minister of Mines and Energy was a man of undoubted generosity. I would never have shown Mr. Bond the courtesy and the leniency that he did. However, there was more. Notice how analogous this is to the current situation. This is one of the best offerings of the then Leader of the Opposition. Having said that the South Australian Government "cared not a jot" for the fact that a company, a corporate individual, and the shareholders of that company whose savings were at stake were now to be told that actions taken months ago were to be declared illegal, he said:

It is as though the football league one day changed the rules of football during the half-time break, and told the players and spectators in each game that the points scored in the first half would be cancelled and not counted because they were not gained according to the new rules.

How analogous that is to the current situation. Here we have the issue of a special set of shares that will carry a voting weight that no other shares have. How hypocritical the whole thing is. It shows what a beat-up thing it was. The then Opposition wanted to take the opportunity, as it saw it, to berate the then Government, which was carrying out its duty in a proper fashion, and to do everything in its power to embarrass it, and to suggest that, because the Government was acting responsibly, it was going to produce more unemployment.

In his second reading speech, the then Leader said that this was the thin end of the nationalisation wedge. What is

this Bill if it is not nationalisation? I hope that that can be explained to me. I have assumed, rightly or wrongly, up to date, that this is a clear nationalisation Bill. It cannot be construed as anything else. I am supporting it as a nationalisation Bill, although normally I do not particularly like nationalisation legislation. I have supported it as such because it relates to a key utility.

What nonsense, and what hypocrisy! Fifteen months ago we had all this uproar, with attacks behind the scenes on the Hon. Mr. Laidlaw. Today, the present Government, having got into office and found itself in difficulties, accepts Mr. Laidlaw's suggestions in detail, introduces his Bill into the House, shuts up the whole of the front bench and the back bench to shuffle the thing through as neatly as possible and to try to avoid highlighting the apparent change of its philosophy. We know that that is a hypocritical attitude, and it has been throughout.

It is well known in business circles that a tremendous killing was made out of this. I am informed by several people whose word I accept that one Brierley, that same Brierley who has been involved before in these attacks, share stripping and speculation, has made a considerable fortune out of this.

I want to know whether the Government knew that Brierley was involved in heavy purchasing of those shares, and also, whether Brierley unloaded those shares at about the time the Minister made his statement in the House, but before the Bill was introduced, because I am assured that that did happen. It has been alleged to me that Brierley made \$500 000 on this transaction and that what has happened now, as I have been informed, is that the shares have dropped from \$7.60 at their peak to \$3 on the trading market. I am reinforced in that belief, because I think I heard something on an A.B.C. stock market report the other day which suggested that the Gas Company shares were at the moment trading at \$3. I want to know what the Government knew about that and why, even if the Government did not know that it was Brierley, if it suspected that there were undesirable persons using nominee companies which could not be identified, it took so long to get this Bill into the House when it knew that, on all the odds, it would have had the support of the Opposition and of the public in so doing.

What the Government has done is enable unscrupulous share dealers to make an enormous profit and then to leave what I am told are small shareholders who purchased shares at a grossly inflated price with those shares at something like a realistic value. I am not so foolish as to believe that the par or face value reflects anything like their true value. If it did, it would be like the situation of Santos. Bond was a shrewd enough businessman to know that the Santos price structure was nothing like an indication of its true value, and all the activity we have seen in the past two years goes to show that he was right.

At the time Bond came into the matter the then Government (my Government) made a bad miscalculation by thinking that Bond had made an error in having bought at an over-inflated price. That was not so: he bought shrewdly on the market and made a packet. Now, I am told, Brierley has done the same thing. But forewarned is forearmed, so I cannot understand why, in the face of continued requests from the Opposition (and surely from the Gas Company itself—surely the directors of the Gas Company and its public officers would have been demanding that the Government do something about it), the Government has not introduced this Bill before.

Again (and I am sure the member for Mitcham will agree with me, even though this Bill may be anathema to him), if this Bill had to be introduced it surely had to be

introduced as quickly as possible to protect the company, and the small man. I want the Minister to say why there has been this delay. I want him to answer a further question, also, to which the Opposition is entitled to an answer—whether he was requested by officers of the company to introduce a Bill at a much earlier stage than this. I will give him time to write that question down so that he does not forget it because I certainly will not forget it.

I turn now to the position of S.G.I.C. This is a very strange position indeed. Everybody who has been in this House for long knows how much the Liberals hate S.G.I.C. At the time it was proposed by the then Premier, Mr. Dunstan, it was attacked viciously in this place and even more viciously in the other place. We know that ever since this Government has been in office it has done everything in its power to restrict S.G.I.C. and it has been considering ways of unloading unprofitable business S.G.I.C.'s way. In fact, S.G.I.C. is very lucky, I suspect, that it got its major building programme off the ground when it did, because I doubt it would have got much co-operation from this Government. The Leader was perfectly correct when he said it was absolutely ludicrous that S.G.I.C. should be purchasing these shares at the top of the inflation range. What conceivable justification is there for that?

S.G.I.C., after all, is incorporated to act as an insurance company and to make profitable investments. I suspect that the shares are worth far more than their face value (and probably far more than \$7.60). I suspect that the shares are worth, in fact, more than \$40 each if one looks at the true value behind them. But that is not the point: the utility is being nationalised. The shares should never have been traded in the manner in which they have been traded. Why should S.G.I.C. have to pay the top of the market rate when, in fact, in the very face of the legislation all they are acquiring is a barely tradeable commodity? When I say that, I mean that it is a barely profitable tradeable commodity. I would like a specific answer to that specific question. Of course, the final ludicrous situation is that, having berated Mr. Laidlaw for his sensible attitude on the Santos matter, but having been saved by him and been given some credibility, the Government now relies on him not only to come up with an idea on how to solve the problem but also to direct the passage of the Bill. Having done that with Mr. Laidlaw, it is now turning to its arch enemy, S.G.I.C., to find itself a vehicle for putting Mr. Laidlaw's idea into practice.

This does, indeed, indicate a number of things by way of summary. We are dealing with a very hypocritical group of people, who told us one thing 15 months ago and are telling us the very opposite today. We are dealing with people who are prepared to use S.G.I.C. in this tremendously cynical way. We are dealing with people who should have acted long ago but did not. Most of all, we are dealing with people who are not tackling the whole range of the problem in this area. I am very surprised, because you will recall, Sir, that your Government promised that on coming to office there was going to be open government and Select Committees. As I recall, we have not had one Select Committee of this House since this Government has been in office.

Mr. Millhouse: There have been in the other place.

Mr. McRAE: There have been in the other place, which in Liberal philosophy is supposed to be the House of Review. All the legislation is coming from the other place because they are using the numbers there and just rubber-stamping it down here: so much for the Government's House of Review argument. No Select Committee would have been more appropriate than a Select Committee of

inquiry into the whole of this area. We had Select Committees when the A.L.P. was in office.

Mr. Millhouse: Why don't you move for one now?

Mr. McRAE: A very good idea, I will give it deep consideration. My problem is that the Government will oppose it. Apparently, because Mr. Milne has the balance of power in the other place, whenever he wants a Select Committee (which is quite often) the Government will agree to one.

Mr. Millhouse: To give themselves time to think about it.

Mr. McRAE: Exactly. They have so many Select Committees up there that they have not enough officers to handle them, yet down here we have not had a Select Committee for a whole year. It is about time some sort of official, open government was carried on. I suggest that this is a good time to do that in this very area. I support the Bill, subject, of course, to the amendment to be moved by the Leader.

Mr. MILLHOUSE (Mitcham): So far this has been a sickening debate. I cannot associate myself with the orgy of self-congratulation which has gone on among members of the Labor Party in saying "I told you so" to the Government. I appreciated the speech made by the member for Playford, which, as so often happens, certainly outshone that of his Leader. He was quite right in his prediction that I would oppose this Bill. I am amazed that any member of the so-called Liberal Party, the Party which stands (its members said before the election) for free enterprise and getting out of the way of business, would go on as it has.

I do not want to go over all the ground covered by the Leader and the member for Playford in rubbing that in, but let me add a little more from the policy speech of the Premier when he was Leader of the Opposition before the election. His sentences were short and sharp, so they will not take long to read. No doubt his Deputy, who is presently pretending not to be interested, yawning away discourteously on the front bench, was sitting next to him. Listen to this. Perhaps the member for Eyre would not distract him for a moment while I speak. He stated:

As Margaret Thatcher so wisely said, the best thing Government can do for business is to get out of its way. We will not establish Government enterprises in competition with existing businesses. We will not nationalise companies or threaten to repudiate contracts.

You, Mr. Speaker, were probably among the backbenchers at that time when your then Leader made that speech. I draw your attention particularly to the last of those three telling sentences—"We will not nationalise companies or threaten to repudiate contracts." Then, in less than 12 months after the Liberals came into office, they do, in this one Bill, both things, because this is, as members of the Labor Party have said, tantamount to nationalisation and there, tucked away in a little provision of the Bill, which has not had much attention so far, is a provision to repudiate contracts. I refer to clause 26, which provides:

The Company is not liable for loss or damage resulting from the cutting off or the failure of the supply of gas to any premises.

In other words, the provision gives this company, so called (and it might just as well be called a Government corporation after this Bill), immunity from action when something goes wrong. It has not had that immunity up to date: it has had, in effect, a contract with each of its consumers, and it has been responsible in certain circumstances.

I remember, with some bitterness, the difficulty I had

with the Gas Company a couple of years ago. I certainly hold no brief for the present directors of that company because of the very bad way in which they acted towards that poor woman, Mrs. Kotarski, and it was only because of the election 12 months ago that I was able to get her anything and then only a paltry \$2 000, after the Hon. Mr. Hudson leant on the Gas Company to pay something. The situation was despicable; this woman was left for 10 years without a remedy. I do not hold any brief for the Gas Company directors as such, but I believe that a Bill of this kind is absolutely and utterly wrong. I am amazed that there could be such dishonesty on the part of Liberal members as to say one thing before the election, which I quoted to them, and then do another thing as blatantly as this. I have no doubt that the member for Playford is quite right in saying that there have been ructions behind the scenes, and the studied way in which the few backbenchers on the Government side are reading newspapers and pretending to be thinking of other things is pretty good confirmation, in my experience in this House, that what I have said is accurate.

I have said that this is a matter of nationalisation, and so it is; it is a damn good bargain for the Government, too. What is the Government doing? For \$140 000-odd (because that is what the Government will pay—about \$7 a share, which was the value of the shares, or the rate at which the shares were traded on the day on which the Bill was announced), the Government will acquire, through S.G.I.C., 20 000 shares: 20 000 times seven equals \$140 000. Therefore, for \$140 000 the Government will buy control of the Gas Company, and it will buy that control compulsorily. By courtesy of Mr. Jim Burnside, who is on the floor of the House, a few minutes ago I had a look at the last balance sheet of the Gas Company, and its fixed assets are, at 30 June, just a trifle under \$47 000 000.

Let the Liberals explain this if they dare. For \$140 000-odd, the Government, through S.G.I.C., is to get control of a company with fixed assets of \$47 000 000, because that is what it will mean. If members of the so-called Liberal Party believe that that is fair, equitable and just, then I am even more amazed at them than I have often been in the past, because this action is not fair, and not one of them could argue that it is. Worse than that, they could have fixed any figure. They have said, "We will take 20 000 shares and each will count for 100 votes", so they will have 20 000 times 100, which is 2 000 000 effective votes. They could have said, "We will take 2 000 shares, and each will have 1 000 votes", or they could have said "All right, we will acquire those 2 000 shares at the going rate of \$7 and pay only \$14 000 for the company". On the other hand, they could have said, "We will take 200 000 shares, each of which will have 10 votes." Therefore, the figure of \$140 000 that the Government is paying is an entirely arbitrary figure.

The Labor crowd would make it worse; they would say, "Pay 50c for each of the 20 000 shares", because that is the purport, as I understand it, of the Opposition's amendment. I know that I cannot canvass the amendment, but I use it as an example. The Government could have provided in the Bill that it would pay 50c for each share because that is the par value. It would then have cost the Government \$10 000 for an asset worth \$47 000 000.

Mr. Trainer: What about one share?

Mr. MILLHOUSE: They could give one share 2 000 000 votes if they wanted to, so the whole thing is a damn farce, and it is nationalisation in the most dishonest way. The Government's action is quite contrary to the struggle that occurred in the 1940's when Sir Thomas Playford took over the Adelaide Electric Supply Co. At least then the shareholders were bought out. There was a bitter wrangle

and debate in Parliament, but at least full value was paid by the Government. But not on your life—the full value will not be paid in this case.

The Government is doing exactly what the Labor Party wants done, and I remind honourable members opposite, although some of them will not be here, that, when the Labor Party comes back into office, this precedent will be quoted *ad nauseam*, and it can be done with any company. The Liberals will be able to say, "You did it with the Gas Company", and there will be no answer that any member on the other side could give to that. That deals with the price, so-called, that the Government is paying through S.G.I.C. for the Gas Company and, again, I do now want to rub it in, but the Government is taking action through the organisation that it bitterly opposed until it came into office—the S.G.I.C. The Government is now using that body for its vehicle of acquisition. What will the Government give the commission? If we look at new section 8, we find the guts of this. New section 8 (1) states:

Subject to this section, the share capital of the Company shall be \$2 500 000 divided into shares of fifty cents each of which—

- (a) 4 980 000 shall be Class A shares;
- and
- (b) 20 000 shall be Class B shares.

One could say that that is all right: ordinary shareholders will get 4 980 000 shares. However, subclause (2) states that all shares issued before the commencement of this Act (as it will be if it passes), that is to say, 1 952 780 shares, shall, upon the commencement of that amending Act, become class A shares. That means that the Government, for its 20 000 shares, will have absolute control of the company. It will have 2 000 000 votes: the rest may get together, but it is unthinkable that there would be a solid majority.

I see Mr. Worth in the gallery. I know that I am not supposed to refer to the gallery, and it just slipped out, but I wonder what he is doing. He should be about his duties for the Minister of Consumer Affairs: he may be doing that, I do not know. I wonder what he, as a true blue Liberal, thinks about that sort of thing.

Let me now get back to the point I am making. It means that those 20 000 shares, which will have the power of 2 000 000 in the votes, is more than the whole of the rest of the shareholding put together. If we go on a bit further, we find that pursuant to subclause (6) the company by special resolution may increase its share capital. You might think, until you come to subclause (7), that that means that the position could be altered, but not on your life. Subclause (7) provides:

The Company shall not exercise its powers under subsection (6) so as to reduce the proportionate voting power of the holders of Class B shares (determined in relation to the total voting power of all shareholders) at general meetings or polls of shareholders of the Company.

There is no way in the world once this Bill goes through that the Government can lose its major control of this company. I see the Leader of the Opposition smirking, and well he might, because he, if he had been in office, could not have done better for socialism than this so-called private enterprise Government has done. So much for political honesty and reliability.

What does the Bill mean? It means for \$140 000 the Government gets absolute control of the Gas Company and its assets. It means that in due course (and let there be no mistake about this, as it will happen once the Labor crowd gets back into office), the present directors and anybody put up by the present shareholders will be dismissed and we will have a few clerks in the Treasury or some other department of the Public Service running the

show, and not one person will be able to do anything about it or to protest effectively in any way, because it will have been sanctioned by the Liberal Party. I suppose we will get a few retired politicians, as we do on the Electricity Trust board at present. It will become another perk for retired politicians. That is what this Liberal Government is doing.

I do not know whether the Deputy Premier proposes to reply to the points made by the member for Playford, but if he does perhaps he will be kind enough to rebut some of the matters I have raised in this debate and defend them in some way if he can. As the Leader of the Opposition said, this is a strange departure from the Government's policy of keeping out of the way of business. One of the most pathetic aspects of the whole thing is the way in which members of the Stock Exchange have laid down for the Government. Malcolm McLachlan, whom I know very well and have known since he was a boy, was apparently not game to say anything when this was first announced and then all of them, because of the Government that has introduced this Bill happens to have the name of Liberal, have not had the guts to come out and oppose it.

They know very well that no public company if it is listed on a stock exchange could have in its memorandum and articles such a provision as this. It is absolutely contrary to the principles of trading on a stock exchange and yet, because so-called Liberals have introduced this Bill, stock brokers say not a thing about it. If that is not senseless Party support carried to an extreme, I do not know what is, because we have a restriction like this being imposed, yet Gas Company shares are still presumably to be traded on the Stock Exchange. It is an absurd and farcical situation and it is a damn shame that some people in the business community in Adelaide have not got a little more intestinal fortitude than to accept this simply because the Party they so slavishly support has brought it in.

I do not think there is any need for me to say any more about this Bill. I hope that I have demonstrated, as the member for Playford anticipated I would, that I am absolutely and utterly opposed to it. I congratulate the Labor Party on the Bill. As I say, it could not have done better itself if it had wanted to bring it in. I suggest that all back-bench Liberals, none of whom apparently has any guts left at all, should hang their heads in shame for silently supporting this Bill, because not one of them is going to speak. Not one of them, whatever he may think, will have the guts to get up and say anything about this Bill, because their preselection may be at risk.

Mr. Becker interjecting:

Mr. MILLHOUSE: There you get the hollow laugh that bespeaks the vacant mind of the member for Hanson. It is the second time this afternoon that I have had that reaction from the so-called honourable gentleman. I bet he does not get up and say anything about this Bill, yet that is in stark contrast to what was said on the Santos legislation last year, and on the previous Gas Company Act Amendment Bill. Of course, the member for Playford was right in what he said about that. I will not say any more, but I oppose the Bill and will call against it when the time comes.

The Hon. R. G. PAYNE (Mitchell): I support the Bill. Before developing my remarks on this matter, I cannot let pass the opening comments of the member for Mitcham. When he began his speech, in some curious way he castigated those speakers who have spoken in this debate so far. Of course, they were speakers from my side of the House. He said they had been engaged in an orgy of self-congratulation. I strongly disagree with that statement because, to my way of thinking, both my Leader and the member for Playford clearly pointed out that finally the

Government of the day had come around to the kind of thinking that should have applied in this matter some time ago.

Both those speakers pointed out that the course of action that had been followed on an earlier occasion in amending the same Act in 1979 was one that was constrained upon the then Labor Government. It was not that the Government of that time did not believe that more control was necessary in this matter; what was introduced then was clearly known to be the maximum acceptable to the Liberal Party in South Australia and, in particular, to those members situated in another place. I am now in a position in this House that I have not often been in the past 10½ years in that, whilst I am congratulating the Minister on introducing this Bill, because of what it contains and what it is doing, I have also to remind him of the sudden change in his attitude on this matter.

Members need only refer to the situation in 1979 to find that the Minister, the then Deputy Leader (and I quote from *Hansard*, page 3113) had this to say on a similar matter:

I was concerned to see that the desired end was achieved with the minimum of control.

He went on to say:

I think all members of the Select Committee, including the Minister, admit that the controls in the Bill are severe.

He said that he wanted to see that the desired ends were achieved with the minimum of control. He was then clearly expressing his attitude as Deputy Leader and that of his Party, expressing their opposition to anything other than the minimum amount of interference in the activities of what might loosely be described as the business world.

About 15 months later, a change having occurred in the political scene in South Australia, the then Deputy Leader, as a member of the present Government, is introducing legislation which is somewhat more stringent, to say the least, than was previously considered. He said in his explanation, unequivocally:

Honourable members will, I am sure, agree that control of the marketing of this valuable indigenous fuel supply should be undertaken with a view to serving the best interests of the people of South Australia.

The Minister would find no quarrel if he made that statement on this side of the House at any time, because the Opposition agrees. However, one must at least bring this statement to the attention of the House and compare it with his earlier remarks when he said that he was looking to see that only the minimum interference occurred. The Minister now agrees with what the Labor Party was saying all the time.

One cannot play about with this situation, because we are discussing a utility that vitally affects everyone in South Australia. The Labor Party has clearly stated that we must control the activities of share raiders, speculators, and other persons in the business world who the Minister was constrained to protect in the past or leave as little unfettered as possible. Yet we now find the Minister making the statement to the House that I have referred to. How is the Minister able to do that and control his colleagues who sit with him, bearing in mind their previously expressed views on this type of matter? Members know that on the earlier occasion in 1979, when legislation requiring divestment of shares in the case of Mr. Brierley was suggested, there was an outcry from the then Opposition members. They said it was unfair and that it was interfering with the legitimate activity of people trading in shares in that sacrosanct institution, the Stock Exchange. The member for Davenport said that it was abhorrent for retrospective activity to take place at any

time. One can at least infer from his remarks that it was even more abhorrent when it interfered with the activities of share raiders and persons making money through the Stock Exchange. The Minister's remarks are contained in *Hansard* for all members to peruse.

There was clearly a division amongst the ranks of the then Opposition on this matter. One can only ponder why it has suddenly collectively developed the good sense that was being advocated to it by the Labor Party at that time and since, as has been clearly outlined by my Leader. I do not quarrel with any counter argument that may be put forward by speakers opposite, if they are allowed to speak, that the two situations are not exactly similar. I agree with that, because there are some small differences. In one case, persons with ill-gotten gains were to be required to divest themselves of those gains. There was a possibility that they would not be able to do that other than at a loss, but there was also a possibility that it could be done at a profit. However, in this instance (and I support the action that has been taken by the Government, but I am entitled to comment on the about-face that has taken place) possible power games are available to persons who either legitimately or surreptitiously were attempting to gain enough shares to get additional voting power and presumably have some effect on the policies and the operation of the Gas Company. There is a similarity there because, at one fell swoop, through the passing of this legislation at its proclamation date, the position of those people will be considerably changed because, as has already been outlined to the House, the situation in relation to the class B shares is clearly that control has been taken away from the shareholders and placed in the hands of S.G.I.C., and hence the Government.

Previous speakers on this side have indicated this, and I cannot really see any difficulty with that. As has already been indicated, the Opposition heartily supports that approach. However, the Opposition may have some quarrel with the price that will be paid for this control. My Leader has already filed an amendment indicating his view on this matter, and I will go no further with that at this stage.

I would like the Minister (or any other speaker opposite who is released from the restrictions they are presently under through not being able to speak on this matter) to explain this change of feeling by the Government. I am inclined to agree with the comments made by the member for Playford that it was the influence of the Hon. Mr. Laidlaw in another place and his demonstrated record of feeling for South Australia as a legislator. On occasions when members of either House have been required to exhibit concern for their fellow citizens, the record shows that, despite earlier associations or even current associations with the business world, he at least has the guts, decency and concern for other South Australians to place on record, as he did in the strongest way—by recording his vote—showing his conscience and feeling on a serious matter. One can only wonder why he was not previously able to influence his colleagues in both Houses. What has changed is that now many of those same members, because they are now in Government, are able to be influenced in a way that they were not able to be influenced before. That is the only construction one can place on this matter.

As I have already suggested, only 15 months ago the member for Davenport was quite bitter about what he saw as unnecessary interference with the legitimate activities in the share market. In that particular debate, Mr. Speaker, you also instanced to the House your feelings of concern that persons might have been operating legitimately in a share market transaction and that there was proposed in

the amending legislation at that time a retrospective action that would, in effect, to you have been unfair; I think that was the gist of your remarks expressing your view on that matter, as you were perfectly entitled to do.

The point that must surely be given further consideration and explanation by the Minister or by any other member who replies is why there has been this change. In other words, when in Opposition, why were members opposite not prepared to approve something which is in the best interests of all South Australians? The Labor Party is now in Opposition and is not moving this measure, but it is prepared to give full support, because it believes that it is in the interests of all South Australians. Let the Minister explain that when he gets the opportunity. Perhaps he will say, "I am the Minister, this is the Government; and we are doing this thing which you, as the Opposition, say is in the best interests of South Australians." My response to that would be to ask why it took the Government so long to see the light.

That is what it comes down to and, in point of fact, if one reads what the Minister of Mines and Energy said in 1979 (and I believe that he gave his earnest attention during the time he spent on the Select Committee on that measure) one sees that his remarks in the House were amongst some of the best that he has ever made here. They were, in the main, fair dinkum and logical and they showed that he had given the full time available to studying the matter to which he referred.

However, we then find (and my Leader has commented on this) that here was a situation in which the Minister had been wrong in the past. He was caught with it. The error of his previous ways has been pointed out to him by Mr. Laidlaw and probably by others. He knows that he has to act, so he has come into this House and we have had this incredible tongue-in-cheek second reading explanation in which he said, "Please do not look at me: I am hiding my light under a bushel. You may not notice, but I have done a 180 degree turn around." Of course, there was no hope in that approach anyway.

The Minister gave us the potted history to which reference has been made. By the way, he left out one bit of history, and that is interesting, because it is something laudatory of the Labor Party. That got the chop and does not appear in the second reading explanation that the Minister gave only a few weeks ago. Certainly, the Minister referred to the fact that all this hub-bub, share raiding, and money grabbing that has been going on in the background, refers to the market value, the alleged value, or the newspaper value, or whatever the value that one attributes to shares in the Gas Company, if one relates those shares to the equivalent interest in South Australian Oil and Gas. How did the company get that interest in South Australian Oil and Gas? Is that not part of the history of this matter, too? Did that get an airing? It did not. We were told about what had happened in 1861 and 1924, and we have whatever else was said. Then there was this brief mention:

Honourable members will recall that one of the factors—how about that—

leading to speculation in the company's shares was the possible value to shareholders of the company's interest in South Australian Oil and Gas Corporation.

It was one of the factors! I think it was a fairly important factor, but the Minister did not go on more with that. He talked about exploration in the Cooper Basin, and so on, but a more honest and decent approach to the matter would have been to point out that it was a previous State Government, acting in concert with an earlier action by a Federal Labor Government, and subsequently a Federal Liberal Government (presumably, the Minister could have

credited a little credit by referring to the action of that Federal Liberal Government) that secured for this State and for the people of the State the 18 per cent interest in the field itself, per medium of South Australian Oil and Gas.

I wonder whether the Minister will do us on this side the courtesy of explaining why, having pointed out that one factor causing this allotted value, which is probably the best way to describe it, to certain shares, he did not have the decency and courtesy to point out that he agreed with and was pleased about at least one thing that the previous Government of this State had done. What is the problem?

Mr. Lewis: That has nothing to do with the Bill.

The Hon. R. G. PAYNE: It has a great deal to do with the Bill and the member for Mallee, because he has been put under the stricture of not being able to speak, ought to do a little more research. Then he may get permission to speak, and I suggest that he try. The thing that interested me was what I call this curious omission. One should not lose sight of the fact that we should address one another in this House as reasonably as we can, depending on our feelings at the time, so I will call it a curious omission. One other mention in the second reading explanation intrigues me. In explaining the Bill, as reported at page 679 of *Hansard*, the Minister said:

Further, it is proposed that the company's operations no longer be limited to South Australia . . .

I have studied the Bill, but I have not been able to find where that action referred to in the explanation actually takes place. It may be something fairly simple and it may have eluded me. I should appreciate the Minister's pointing that out in any response that he may make.

I refer now to the remarks made by the member for Mitcham, because in the House we are often subjected by that member to the argument that he is the only champion of the South Australian people. I do not quarrel with his putting forward that argument, but we have to put a weighting on it, and we are entitled to give it our own evaluation. I did not hear one mention in his remarks of about 18 or 20 minutes (other than the legitimate mention of one constituent who had been involved in a litigation matter with the Gas Company) of the consumers of the product purveyed by the company that we are considering. Perhaps he did mention the consumer but I cannot recall that. The honourable member simply talked about what he saw as the worst parts of the Bill, and said that contracts were proposed to be broken. He referred to the particular clause, because there is the intention in the Bill, as explained, to put the Gas Company on the same footing as the Electricity Trust of South Australia in so far as that there will be equality, bearing in mind that both vehicles of which we are speaking are functioning as public utilities, at least in the sense of the particular clauses.

Mr. Millhouse: I thought I said enough to make my point.

The Hon. R. G. PAYNE: I do not quarrel about that point being made. I simply mention that there was no reference to ordinary consumers. There are 208 000 consumers of natural gas on line in South Australia. About 5 000 more are being supplied with gas from l.p.g. and there are about 35 000 other consumers of l.p.g. throughout South Australia and as far north as Tennant Creek. If one considers that figure of about 250 000 consumers or customers and allows for the fact that families, too, are involved because the consumer figure is derived from the account, which is in the name of one person, we see that we are talking about a very large proportion of the people of South Australia.

Here we have this so-called champion of the people who did not speak about the people in a matter which vitally

concerns them, their every-day living costs, and so on, and which concerns the whole economy of the State because of the uses to which the gas is put, whether in providing heating, for use in industry, or particularly in relation to the generation of electric power. There is great concern about the effect that increases in cost can have on industry as a whole and what could happen to South Australia as a result of policies being put into operation by the Gas Company that are detrimental in that direction.

Certainly, the policies that have been followed to date are those which one could find way back in some of that potted history given by the Minister, if we read all of the history (I did that once and I do not propose ever to do it again), and which have always shown that here we have an enterprise that is supposed to function in the public interest, to put the matter in a nutshell, and the public interest is as entire as I have outlined. Clearly, if ever one needed to dispose of that vaunted claim by the member for Mitcham about being the champion of the ordinary person, here we had a classic case where one could have waited almost, according to the classic phrase, with baited breath, pricked ears and everything else, but we heard him mention only one of all the people in South Australia.

So, if ever there was a need for that to be knocked over, clearly it was knocked over by the member himself, who demonstrated that the Democrats are quite pragmatic and fickle about those matters, and, when it chooses to do so, it pursues interests which concern those involved in money-making activities, which the Minister is quite legitimately attempting to control in this case with the legislation we are now considering, which has our support.

Mr. Keneally: The Minister seemed enthusiastic about that control, I thought.

The Hon. R. G. PAYNE: I would say that the remainder of the Bill needs study in Committee; I do not think there are any other remarks I need to make at this time.

Mr. Keneally: Do you think a Select Committee would help?

The Hon. R. G. PAYNE: Whether or not there ought to be a Select Committee is one of those matters that could be argued equally well from either side, because there was a Select Committee earlier on this matter within recent memory of many of the members in the House. One could say that the Minister who is now charged with these matters was on that Select Committee, as were also members on this side, so there is a coverage there from both sides. I do not know what such a Select Committee would learn. I suppose it would be told by the Stock Exchange that the Government should not be doing it. The Stock Exchange representatives said that last time, and then they came around—I think a Mr. Tummel was involved then.

We had some fairly good quotes from the Minister of Mines and Energy, as he now is, speaking to the report from that Select Committee. Who else might come forward? We might get some of the ordinary folk who are struggling to live their lives outside. I think they would be happy with the present action, and I think they would say, "To hell with those who are trying to make money out of it; it is vital that we can keep within our budget the cost of cooking, heating and all the other things that might be concerned, as long as the Gas Company operates as a public utility."

The measure before the House would certainly seem to allow for its operation correctly as a public utility, with the interests of all South Australians in mind. I have that one worry which I adverted to earlier and which I have drawn to the Minister's attention, whereby the proposal allows for the company's operations to be carried on outside South Australia. There may be a perfectly simple

explanation for that requirement but it does not occur to me at this stage. Perhaps, if one of the members on the other side is allowed to speak, the Minister might take that opportunity to supply that snippet of information to that member which would save the Minister giving us that particular information.

Mr. Keneally: The member for Hanson is a very—

The Hon. R. G. PAYNE: The member for Hanson at times has expressed himself quite strongly about matters before the House. I do not want to transgress, and I will simply say that quite recently the member showed some courage in putting forward his views on a matter that was before the House.

As I have indicated, I support this Bill, certainly fully to this stage, and I shall be looking more closely at it in Committee.

Mr. LYNN ARNOLD (Salisbury): It is with pleasure that I rise to speak on this Bill. It is an important one which embodies many important principles, as have been outlined by my colleagues. Indeed, I was looking forward to participating in a debate that offered the opportunity for much cut and thrust and lively stimulating interchange across the House so that we could in fact raise matters that are serious for this State. Indeed, it has been most unfortunate that Government members have chosen not to participate in this debate; they have chosen not to recognise the real importance of issues raised here, and they have remained as silent as monks in a cloister. In that situation it becomes exceedingly difficult to have a debate that has cut and thrust, because one can continue only to put the thrust without the cut.

Mr. Keneally interjecting:

Mr. LYNN ARNOLD: They are a series of straw men, but they do not have to be thrown out. The Bill represents important issues for the State, with regard not only to the provision of services to consumers by a utility, but also in control of certain natural resources. Indeed, the Bill, as we know, seeks first of all to respond to the degree of speculation that has taken place in the shares of the company over recent times, also to strengthen or to enhance the control that the Government already has over this utility to a certain extent, and, lastly, to strengthen the 5 per cent provisions of the amendments made in this House last year.

Of course, that becomes one of the more amazing features of the Bill, because, as has already been pointed out by my colleagues, that was resisted most bitterly, with great gnashing of the teeth almost, by members of the now Government. Yet here they are enhancing and strengthening the provisions of the very Act passed when the present Opposition was in Government last year. That is very interesting. Does it suggest that the Deputy Premier is trying to court the name "Red Roger", or does it suggest that the Government has taken a 180-degree turn-about on important issues of philosophy?

Rather, I think perhaps it suggests that the Government does not really know where it is going with its philosophical approach. I am not convinced that the Government has any understanding of the long-term problems of development of State resources and the provision of the needs of the ordinary citizens of this State. We know that the provisions of this Bill are to redefine the legislative and corporate provisions controlling the operations of the Gas Company, not only within this Act but also within the charter of operation of the company itself.

We know that it attempts to modify the share structure of the company by the creation of two classes of shares, in relation to one of which, the S.G.I.C., will be literally the

Government's proxy by taking control of it. Indeed, later I shall refer to the wisdom of asking a proxy to take control of those shares rather than having the Government itself taking control of them. Lastly, we come to the changes to the 5 per cent measures of the Bill.

What would be the importance of controlling the South Australian Gas Company? What is the reason that these changes should come about? We have heard of the issue of the speculation that has taken place in the shares over recent times; that speculation has been quite dramatic. One has only to read the stock market prices as quoted in the daily papers to find that in this year alone share prices for the South Australian Gas Company have varied between 99c and \$8; that is a phenomenal variation, and one that is not matched by many other shares on the stock market in Adelaide, or, indeed, on any stock market in Australia—shares that have much more opportunity for speculative operations within the normal meaning and understanding of that term, because we know the restrictions that are placed on dividend payments by the Gas Company, and we know of the controls that exist in terms of the pricing mechanisms of the Gas Company, conditions which do not apply to other companies listed on the South Australian Stock Exchange.

Yet, those other companies have not had the same degree of speculative trading or speculative price increases in their shares that the Gas Company has faced within one year. Few, if any of them, could match an eight-fold differential between the low and high price—a price which has since settled to a last sale price of \$3.25 and which presently looks like easing even more, as the offering price at the stock market now is only \$2.90. That is the first reason: to control the speculation that has taken place in this stock.

The second reason is the important one of controlling the State's resources of natural gas. As has been rightly pointed out by the member for Mitchell, this was a fundamental part of the amendments considered in the debates that took place in this House last year. It has been quite a fundamental part of the questions that Opposition members have asked of this Government since the last election. I will refer later to one of the questions I asked early on in the life of the first session of this Parliament. Furthermore, the question of controlling the future pricing policy of gas to consumers (domestic, commercial and industrial) remains important as well. I will later on attempt to show that this matter is of little interest to the Deputy Premier, given the comments he is on record as having made. We know that natural gas is a very important resource for this State.

The Deputy Premier has outlined the extent of the coverage of the South Australian Gas Company within this State, not only in the domestic and commercial areas but also in the industrial area. He pointed out how important it has become for the industrial community with the substitution in large part of oil as a fuel by natural gas, and he quoted figures showing that the per cent of industry using natural gas has gone from 7½ per cent to 60 per cent in a 10-year period; that is impressive, inspiring and sound. For a State that relies so much on industrial development, it is good to see that so much of our industry relies on a resource that we can provide from within the State rather than on one which we have to call on overseas nations to provide. We have the potential to control the price of this resource much more than we could the price on an overseas resource, such as oil. The South Australian Gas Company, whatever else might be said about it (and it has been referred to by the member for Mitcham in terms of its being an ordinary company like any other company), is indeed nothing more than a utility. In saying that, I do

not mean to disparage it, because utilities are vital for the operation of societies such as ours. It is a utility which provides a service, in this case, a fuel, namely, natural gas. In that line, it matches the service provided by another utility we know so well, the Electricity Trust of South Australia. Both the Electricity Trust and the Gas Company share in common the fact that they are monopolies in their operations over most of the State, the Gas Company for all of the State.

Therefore, the question should be put as to what controls should exist over that monopoly operation. Should it be that the control of the operation is entirely in the hands of the investors or in the hands of the Government, and how should that control be exercised? Previous Governments have acknowledged that and have tried to build into legislation control of the Gas Company by various means. One thing that remains by having the Gas Company clearly still within the private sector for much of its share ownership is that its motivation may not be entirely in line with what we traditionally think to be the motivation of a utility. Unlike other industrial companies, utilities have the prime purpose of supplying a service to consumers, of meeting a need of consumers, be they water or sewerage utilities, electricity or gas.

Their prime motivation should not be the generation of profit. Indeed, if one looks at the Electricity Trust and at the powers and duties of the trust, as outlined in the Act, one finds that the demand to make profits does not exist. Instead, the Act looks at the provision of electricity to the consumers of South Australia over as wide an area as possible and as cheaply as possible. The Act states:

The object of the trust is that of making electricity available at reasonable price over the widest possible area.

That becomes the prime motivation, and it is conceivable that that should be the case for a utility that is entirely under the control of the Government. While there is a requirement that some of its general revenue should be paid into Consolidated Revenue, that becomes a subsidiary point to the basic point of providing a service. The utility, however, that is controlled by the private sector must operate under different motivations. It must, initially, operate under the motivation of providing a profit for its investors and, as a secondary aim, it must provide a service to earn that profit; in other words, an entire juxtaposition of those two aims. It is for that reason that I believe that the Gas Company, being as it is a monopoly and primarily a service provider, should be entirely under the control and ownership of the State, not only partially so, but, inasmuch as this Bill attempts to bring it under the control of the State and improve the way in which the people of South Australia as a whole have some say in its operations, I certainly applaud those provisions.

The provision of natural gas to the consumer is not merely the provision of gas at the metropolitan level or at the level of cities in the State or to householders in country areas; the provision involves three stages: first, the extraction of the natural gas from the ground; secondly, the transport of that; and, thirdly, the distribution of that to the consumer. We find at all levels that the participation of Government is not total, but only partial. At the extraction level is the involvement of the South Australian Oil and Gas Corporation in exploring for future resources and that company, as we know, is jointly owned by the Pipelines Authority of South Australia and the Gas Corporation, thereby being effectively a Government instrument, but certainly the Cooper Basin cannot be regarded as being under the control of the South Australian Government. Comments by the Deputy Premier, to which I will refer later, indicate that he has no

interest in it so being.

It is then distributed by the Pipelines Authority of South Australia, a concern that has Government control. It is distributed to consumers by the South Australian Gas Company, which is only partially under State control. Compare this with the other monopoly to which I referred previously in the provision of energy, the Electricity Trust. Going through the same stages with that particular authority, we find a different situation exists altogether. Right from the extraction level, the provision of coal from Leigh Creek, the Electricity Trust is in there with full ownership.

Even in the transport, distribution and generation of that power, and the selling of that power to the consumers, the trust is in total control, and by consequence the Parliament and the Government of this State, and by further consequence the people of South Australia. Therefore, we should try in the long term or medium term to see that the Gas Company can be raised to the same type of authority level and control as the Electricity Trust has achieved, so that indeed it becomes the people of South Australia, and not a board of directors representing other investors, who have the real say in what goes on in that company. I hope that that comment, which refers to directions in which the Bill may well lead, will be the subject of some debate from Government members.

I would very much like to hear the comments they would make as to how important they feel it is that a principle should be established that utilities which provide a service should, indeed, be under State control; utilities that, indeed, facilitate the successful operation not only of households within the State but of industry within the State, industry which we acknowledge operates largely within the private sector, industry which we acknowledge in our society is, and should be, predominantly controlled by private enterprise which can call upon and rely upon consistent supplies of reasonable energy in the form of either electricity or gas.

What is being suggested does not go very far along that line. Indeed, the Government has tried to wash its hands, in many ways, of the tag of State control of the South Australian Gas Company by use of the vehicle S.G.I.C. It has tried to divorce one stage further from its own hands this aspect of the Government's having some say in what goes on. That, of course, would be entirely consistent with many other attitudes of the Government where it tries to absolve itself from any responsibility for the way in which this State is run. I do not believe that it should be the function of S.G.I.C., in its investment policies, with insurance premium money paid in by account customers within South Australia, to be operating Government economic policy in this way. I think that should be the function of the Government.

The Government should not be relying on others to do its work for it, because that brings into question all of the investment policies of S.G.I.C. within this State. Indeed, within a few days after the Gas Company announcement we found the S.G.I.C. being involved in the purchase of shares in John Martin's, a leading store in this State. Naturally, as a consequence of the Gas Company's involvement, many people were led to believe that this was another example of Government intervention in the operation of S.G.I.C.—a belief that was not substantially altered by early statements made by the Premier.

The Premier has made a variety of statements on the S.G.I.C. matter and John Martin's, none of which add together, so we do not know where S.G.I.C. stands in relation to the John Martin's share purchase, and the example of the Gas Company and quite obvious Government involvement does not help clarify that

situation. What uncertainty will that create in the future in other areas in which the S.G.I.C. becomes involved in investments in industrial shares, an area which must be something that an insurance company with large sums of money to invest must seek to be involved in. That is something that the Deputy Premier must reply to, assuming that he will become involved in the cut and thrust of this debate, and, unlike other members on the Government side, will make some comments.

The attitude of the Government is not one of crusading in this matter. It does not seem to be particularly interested in doing anything about it. Its actions over past months since it has been in office have indicated that the Government would rather shy away from these sorts of things, and only when it becomes patently obvious that something must be done does it decide to act—but it waits a few weeks longer before it acts. We heard comments from my Leader quite a long time before any action was taken by the Deputy Premier regarding this matter, pointing out how important it was that action should be taken. The facts were spelt out explicitly. There can be no doubt that the nature of the problem was raised some time before the Deputy Premier could finally raise himself from his lethargy to do something for the State.

I think this is reflected in the Deputy Premier's attitude over the many months that he has been Minister of Mines and Energy. I refer, for example, to the question I asked him on 31 October last year, not long after Parliament had been called together in that exceedingly short first session of Parliament when the Government tried to be out of this place as often as possible. I asked a question relating to the pricing of gas from the Cooper Basin, and what the Government thought about the negotiations that were taking place. I also asked him the Government's opinion about the price level that should be set, and whether or not the price should rise to reflect price increases in other energy sources. We received an answer acknowledging that negotiations were taking place. His advisers had done enough work to at least advise him of that.

The Deputy Premier then went on to say that if negotiations were having difficulty there was the mechanism for an arbitrator to be appointed by the sides involved in the discussion. However, when he went on to speak about the Government's opinion, this was his comment:

I hope that there will not be a significant increase in the price of gas to the Adelaide consumer.

That is from the Minister of Mines and Energy! One might say he is the most important person in this State with regard to issues of mines and energy—the Deputy Premier of the Government, the supposed leaders of this State. When I asked for a statement of leadership, and a statement indicating a position of strength by this Government to challenge on behalf of the consumers of this State any possible price increases, the very best we could get was a hope: "I hope." I would have thought that the 204 000 domestic consumers of gas, and the industrial consumers of gas who have made so much of the need for cheap costs of production within this State, deserve something better than a vague, wishy-washy hope from the Deputy Premier. They needed some leadership. They wanted a statement that the Deputy Premier would do all in his power to see that there would not be a significant increase in the price of gas, and that increases in the price of gas would be limited to the sorts of level that could be sustained by industry and consumers. But no, his offer to the community was a hope. We all hope. The consumers out there in the community hope; industry hopes. The one person charged with responsibility under the Crown to do something about it is also sitting twiddling his thumbs and

hoping.

I think that if one follows that further with questions that were put by the Deputy Leader of the Opposition in the first part of this session, one can see some of the reasons why the Deputy Premier could do no more than hope, and why he was unprepared to make stronger statements because, indeed, he does not seem to know what is going on. In the early part of the session, on two separate occasions, the Deputy Leader of the Opposition put questions to the Deputy Premier about events that were taking place in the Cooper Basin and about control of resources in the Cooper Basin. He first asked what impact would take place on the State's Cooper Basin resources as a result of recent changes, at that stage, within the Santos board. He went on to ask whether the Government would act to ensure that South Australia retained control of production from the Cooper Basin.

There were two parts to that question. The first part, which relied on the Minister's being advised by officers of his department of the likely impact of changes (certainly, something that must be within the ability of officers of his department), resulted in the Minister's saying he has not got a crystal ball that is good enough. It did not result in his saying that he would consult with officers of his department who are supposed to be experts in the aspects of the supply and demand of energy resources within this State and who are supposed to be knowledgeable in all economic, geographic and demographic aspects of energy supplies within the State.

Indeed, the Deputy Premier said that he did not have a crystal ball of sufficient intensity to answer that. He went on to say, the following week, in answer to another question when the Deputy Leader tried to get some sense out of the Deputy Premier, that his crystal ball did not have enough intensity to look into the future when that future was quite unknown. What is going on in the Minister's department if the future is quite unknown? Surely, the one department within the State that should have some idea of the future in the areas of minerals and energy must be the office of the Minister of Mines and Energy. If officers of that department are uncertain what is going on with the supply of natural gas, what may happen, what probabilities, what likelihood, and what possible options may occur in the future for the supply of natural gas in this State, then who can be expected to know?

[Sitting suspended from 6 to 7.30 p.m.]

Mr. LYNN ARNOLD: I now want to touch on a couple of points relating to the Bill before us. The first is the question of the price being paid. Earlier this afternoon reference was made to whether or not the price is fair. The price, in comparison with the levels at which Sagasco shares have been sold this year, appears to be relatively high. I draw honourable members' attention to the price range we have seen this year. It has ranged from 99 cents to \$8. The price that will be paid for the new class B shares is \$6.60, which is very much towards the high end. For what purpose is that being done? It might be suggested that it is being done to raise some capital for the company, that the Gas Company could benefit by this injection of capital funds but, indeed, that could not possibly be the case, as it will provide very little more than \$120 000. In terms of the capital needs of an organisation like the Gas Company and the large developmental needs it has in supplying services, \$120 000 is not going to play any significant part in its capital-raising programme.

Indeed, the proposal that has been mooted by the Leader of the Opposition (and he has indicated that he will

move an amendment in the Committee stage) therefore has my full support. I believe that in this instance, where the essence and intent of the amending Bill before the House is to give the Government control over the Gas Company, albeit indirectly through S.G.I.C., it is indeed made partly irrelevant by the introduction of a price figure that is in itself speculative. One of the implications of that will be that it will give some justification for the speculative actions of those investors over the last few months who have taken part in the activities of the March price variations that have existed with regard to Sagasco shares. I do not believe the Government is well served by trying to take that position. Indeed, it has acknowledged that the very purpose of introducing this Bill is in opposition to that type of speculation. It could do symbolically even more by reducing the price to a nominal one, because that is all that is needed at this point.

I turn to the other point that I was starting to make before, regarding how this control will be exercised within S.G.I.C. on to Sagasco. It seems that we have created almost a Byzantine web of contacts and links whereby control will ultimately in some diffuse sense return itself to the electorate of South Australia, but only after passing innumerable hurdles before it really gets to the decisions that are being made in the Sagasco board room. That could not be called well-structured government or organisation; it almost sounds like a very bureaucratic way of organising itself. I think that some comment from the Minister at a later stage about how efficient this organisational control is would be appreciated. Indeed, when the Minister does bring himself to reply to the comments that I and other members on this side have made this afternoon and this evening, I hope that he will participate in the debate with the full challenge of the issues that have been raised and not resort to the whimpering attitude that we have heard from him so often this session of Parliament when he has attacked the Opposition. Every time that we have decided to challenge him on the veracity of the words he has used, we end up having to listen to the constant whimpering that he has made daily in this session. He has asserted that he has been misunderstood or that the Opposition is trying to misconstrue his words. What we could do with in this debate (and he is the only Government member who will participate in it) is some factual discussion of the issues involved in the utility development in the State and the points involved in the control of natural resources in the State, as well as points involved in the need to protect the rights of consumers, both domestic and industrial. Inasmuch as we have not seen it in the way that the Minister has handled many issues in this regard since he became Minister, we need some firm leadership related to the real problems this State faces. I hope that we will start to see some change in this direction.

Mr. O'NEILL (Florey): I hope honourable members will bear with me, as I will be trying to speak in the manner in which you, Mr. Speaker, indicated was desirable in Parliament, namely, without a prepared speech, and I may have some problems. I rise to support the Bill, and I indicate at this stage that I intend to support the amendments that will be moved by my Leader at a later stage. I think that the steps that have been taken by the Government are in the best interests of the State of South Australia and the people who live therein. However, I cannot get as carried away as some of my colleagues have done about the motives behind the Bill. All I can say is that a gentleman from the Upper House has been given credit for a lot of things for which he does not deserve to be given credit. The situation so far as I understand it is

that the system under which we live, the capitalist system of which members on the opposite side claim to be great supporters, is said to rest on the basis of free enterprise and free competition. Anybody knows that absolutely free competition requires at least the following conditions. The purchasing and consuming public must be intelligent enough not to be imposed upon but to take the trouble to understand and pursue its own advantage. There must be no tendency or opportunity for competing capital to combine and by agreement or extension of control relieve the pressure which free competition imposes upon rival manufacturers and salesmen.

So, it must be recognised that a society truly serving the interests of the people can hardly be achieved without restricting the freedom, taken for granted, of capital to decide prices and pursue profit as an end in itself. That is really what is behind this whole exercise, although anybody knows that the capitalist system, if allowed to go to its ultimate conclusion in free competition, results in the law of the jungle. That is what we are confronted with at the moment. The big tigers from the Eastern States and other countries have moved in to gobble up the local capitalist, and they have resorted to a defence which entails the Parliamentary Liberal Party doing what they require to protect their interests.

I have noted a number of points made by the Deputy Premier in respect of the Bill before the House, and some of the statements are truly amazing. The Minister said that members will agree that control of marketing of this valuable indigenous fuel supply should be undertaken with a view to serving the best interests of the people of South Australia. One of my colleagues referred to the 208 000 consumers of domestic gas in South Australia, and I agree that it is right and proper to be concerned about the situation.

However, the people who are promoting this Bill are more concerned about the 60 per cent of the gas that goes to the industrial market and the effect that it might have on, for instance, the production of cement. One of the things which I find quite amazing about the current situation (and to which my colleagues have referred earlier in the debate) is the deafening silence coming from the Government benches, the anti-socialists on which have suddenly been struck dumb.

As one of the targets of their anti-socialist barbs for some time, I find it rather strange that I should be supporting the same proposition that they are supporting. However, I say again, although for entirely different motives, that I believe that the resources of this State should belong to and be controlled by the people of South Australia, and not by people who were controlling them for the maximisation of profit. Of course, that is the difference between the two Parties.

Having been taken rather by surprise by the way in which this Bill came on for debate today, I did not have time to research it as well as I would have liked. However, I did refer back to the Electricity Trust. Although I agree that it is not similar in all respects, there are some similarities in relation to it, namely, that a Liberal Government, for reasons that have nothing to do with true socialism, took over the trust back in, I think, 1946. It was interesting to note some of the comments made by those members who spoke in the earlier debates. A Liberal member said in the House at that time:

Does the Government subscribe to that particular creed—namely, socialism—

and, if so, it is quite extraordinary to me, because every time that I have had the pleasure of going out on the public platform with a member of the Ministry—
it was a Liberal and Country Party Ministry at that time—

they used the communist bogey and told the people that, if they are not careful, it will not be long before everything is nationalised—

this was in 1946—

and, whatever they do, they must not vote for a referendum that will in any way bring about a system of nationalisation. We go out on the hustings and do the same old thing. We say, "Beware of the Labor Party because it believes in socialisation. Vote for the Liberal and Country League because it believes in fostering private enterprise." So, if the Government subscribes to that creed, I am surprised at what is happening now.

I am surprised at what is now happening, as the silence from the Government side of the Chamber is deafening. The Government is at present (and I do not condemn it for so doing) introducing legislation with which the Labor Party would not have got away because it did not control the Upper House. Of course, the guardian angels in that place would have made sure that nothing of this nature got through another place. Now, we have the archangel (Hon. D. H. Laidlaw) in the Upper House, and he will guide, this legislation through. As someone remarked—

The SPEAKER: Order! I remind the honourable member that no aspersions shall be cast on the character of an honourable member in another place.

Mr. O'NEILL: I was not casting aspersions: I was attributing a heavenly status to him. One must recognise that there is a vast difference between the Liberal rhetoric and the Liberal real politic. I have here an interesting article on the ideology, rhetoric and Liberal Party policies on public enterprises. This is one of the things in which the Deputy Premier may be interested, although he may not understand the forces that operate on him. However, he may like to hear the proposition proposed in this document, which states:

Thus, Liberal Ministers involved in decision making mobilise a particular ideological construct in order to arrive at a sense of order to be in a position to choose a policy out of an uncontrollable mass of possible alternative policies, consequences and goals.

That follows a proposition that the Liberal Party has no real policy at all other than that it is there to serve the interests of private enterprise. It is serving the interests of local private enterprise at present because local private enterprise is worried about the excursions that have been made into South Australia by raiders from other States and the international market.

It was long thought in South Australia that the old Bank of Adelaide controllers had constructed an unassailable fortress: that they had built themselves into a situation where they could not be got at by raiders from other States. We know that this is false. The Bank of Adelaide may have survived if the former Labor Government had survived last year, as that Government had undertaken to do everything that it could to save the Bank of Adelaide. The present Government made noises to that effect, but it did not deliver.

Having seen the demise of the Bank of Adelaide, the local establishment (for want of a better word, although that is a changing scene, if one is to believe the Murdoch press) panicked; there is some panic in the ranks of the local capitalists, as they can see that their whole empire will tumble down around their ears if something is not done.

It so happens that at present the interests of the State, as we see them, and the interests of those agents of local capitalism converge. The Opposition is happy to see a situation where the natural resources of this State are retained in South Australia for the benefit of the people of this State, and, incidentally, as far as we are concerned,

the local capitalists. We are prepared to put the argument that, if we had control of this State's resources, there would be no need for the spongers and urgers that come in and bleed the people. However, I do not wish to rehash that old argument.

Mr. Gunn: That's tripe and garbage.

Mr. O'NEILL: I have such a devastating reply to any interjections made by the member for Eyre that I am frightened to use it, because I would not like to damage the honourable member in the community. However, the honourable member's attitude is well known: he wants to turn South Australia into a nuclear pile.

Mr. Trainer: An atomic haemorrhoid.

Mr. O'NEILL: Yes. However, I do not want to be distracted. The move, albeit accidental, by the Government to place the people of South Australia in a position where they have some control over their natural resources is to be applauded. I can only hope that it will be pursued along those lines to ensure that the people of South Australia have some say in the control of the "new" discoveries of oil which made headlines in the Murdoch press yesterday but which, strangely enough, were made known to the people who went on the Parliamentary excursion to Moomba some months ago.

I can only assume that there must have seemed to be some political advantage in releasing that information in the manner in which it was released in the Murdoch press yesterday, as the *Advertiser* dealt with the matter more in proportion today. I only hope that this Government intends to follow the situation through so that we can see soon this Government enacting legislation to give the State control over oil resources, which are certainly just as necessary, if not more necessary, for the future well-being of this State. With all the panic and covert taxation measures that are being applied in the name of conservation of oil, we could argue that the people of South Australia own vast oil resources and that, therefore, some economic benefits should flow to this State.

I hope that the Government is prepared to consider that aspect. There should be some advantage to South Australians in the future because of our natural resources, if this Government does with those resources what it is doing with natural gas and if it ensures that interstate and international raiders cannot move in and that we do not give away our resources like the Playford Government gave away the resources of the Middleback Ranges to B.H.P.

I was amazed to hear, in the last session of Parliament, a member attacking the Labor Party over the matter of royalties. If anyone reads the B.H.P. Indenture Act and the regulations, he will see the banditry that went on at that stage and the way in which the people of South Australia were robbed blind of what should belong to them. One wonders at the audacity of members opposite to get up and make the statements that they have been making. We are debating a proposition in regard to the control, by the Government, of the South Australian Gas Company. I will not take up any more time; I can see that I am aggravating the member for Eyre, who is probably itching to speak in this debate, and I will be very interested to hear what he says.

The Hon. R. G. Payne: He won't be allowed to speak.

Mr. O'NEILL: I did not know that. I support the proposition, with reservations, and I intend to support the amendments referred to by the Leader. I congratulate the Government on its taking a step that will be in the long-term interests of South Australians.

Mr. GUNN (Eyre): I was pleased to have the opportunity to listen intently to the contributions made by

members opposite, which started with a lengthy address by the Leader of the Opposition, who was not quite sure in which direction he should tread. He was obviously terribly confused, because he did not really understand what the legislation sets out to do; he does not understand the background in relation to the setting up of the South Australian Gas Company and he was obviously trying to use the exercise to attack the Government. We had an interesting contribution from the member for Playford, who was also somewhat confused. He said that he had failed to do research and he referred to my attitude when the Labor Government's ill-fated legislation was previously before this Parliament. For his benefit, I point out that I was not in South Australia at that time but overseas studying other developments that will considerably assist the people of this State.

Let me tell the member for Florey, who has just resumed his seat, that I make no apology for my support of free enterprise. I believe that free enterprise, wherever possible, should be able to organise and operate within South Australia, or anywhere else, for that matter. The Liberal Party clearly accepts its responsibility in Government, as it did in Opposition. The South Australian Gas Company has always been a public utility, and let us not run away from the situation. It was set up under an Act of Parliament. If the member for Florey read from the deed of settlement, he would see the following:

The South Australian Gas Company [is set up] for the purpose of manufacturing gas and supplying the same to the inhabitants of the City of Adelaide, the Town of Port Adelaide, and the neighbouring and intermediate Towns and Villages within a radius of eight miles from the General Post Office, Adelaide, and adjoining districts, and disposing of the residuum from the said manufacture.

For the honourable member's benefit, because I know that he is hard of hearing and it is difficult to get through to him, I point out (if he cares to listen for a moment) that a notation in the column states the following:

Limits of the company, extended to include whole of South Australia by section 1 of the South Australian Gas Company Amendment Act, 1874.

The original Act was passed in 1861. The company was set up by a group of concerned citizens to provide a public utility. The Liberal Party, as a responsible Government, must ensure that those people who wish to have gas connected to their homes and businesses can do so. We must also ensure that the Gas Company is efficiently managed and operated. As you, Mr. Speaker, would well know, the company has been run as a private company, and that is good.

An honourable member: You're a twister.

Mr. GUNN: For the benefit of the honourable member who interjected, I am quite happy to make my position known on this issue, as on any other matter. I am no twister. It is out of character for the honourable member to make statements of that kind, which ill-behave him.

The Hon. E. R. Goldsworthy: Of course it is; he is one of the better ones.

Mr. GUNN: I thought he was. It is clear that the history of the Gas Company (if members opposite would like to do a little research) indicates that the company has operated as an effective and efficient public utility, managed on a free enterprise basis by responsible, prominent citizens of this State. Unlike members opposite, members of this Party have not sold out the people of South Australia. The Labor Party, in Government, has a lot to answer for, because it signed a contract with A.G.L. guaranteeing gas for Sydney to the year 2006, whereas South Australia is guaranteed gas only until 1987. After 1987, there is no guarantee of gas

supplies. The people of Sydney will come before the people of Adelaide and of the provincial towns in South Australia who rely on gas supplies. People in places like Peterborough, my constituents, who rely on gas for generation of electricity, will be affected. The Dunstan Government put the people of Sydney first.

Members opposite must understand that over 70 per cent of electricity in this State is generated from gas. The honourable member, when referring to the Playford Government's selling out to B.H.P., was talking complete nonsense. The only Government that has sold out the people is the Dunstan Government, because it has been proved beyond doubt that the only way for effective steelworks to operate is to have the project in the hands of private enterprise, and even blind Freddie would know that. Who has been disadvantaged by this Bill? The member for Mitcham expressed his concern.

Mr. Keneally: We're supporting it.

Mr. GUNN: I do not know whether the honourable member opposite intends to speak, but I want to make some further comments. The member for Mitcham spoke at length about this matter and was highly critical of the Government. He is in a fortunate position; it does not really matter whether or not he supports the Bill, because his support or otherwise will not affect the fate of the Bill. The honourable member does not have the responsibility of being in Government or of ever being likely to be in Government, so he can adopt whatever attitude he likes, whether it is responsible or otherwise.

The only people who are likely to be prejudiced by this Bill are those who seek to control the South Australian Gas Company. Small investors will not be prevented from dealing in their holdings or from buying shares in the Gas Company in the future. There is no problem in that regard. Those who want to control the Gas Company for their own ends will be the only ones prejudiced. I believe that it would be quite irresponsible for any Government to allow this public utility to fall into the hands of people whose motives could be described as devious.

If the Gas Company fell into the hands of those persons I have described as being devious, it would be fairly unlikely that those persons who currently receive gas at Mount Gambier, Whyalla and Port Pirie would continue to receive a reliable gas source. If devious persons took over the Gas Company, I believe that they would set out to eventually get rid of Gas Company undertakings in country areas, which obviously cannot be so profitable. In the past the Gas Company has provided a service in country areas, and I believe that as a responsible member of this House I have a responsibility to ensure that people in country areas have access to reliable and cheap forms of gas in the future.

This Government believes, as I believe, that wherever possible free enterprise should be allowed to operate. I will always continue to support that particular approach. When in Government the Labor Party endeavoured through cumbersome measures to rectify problems which arose last year. As usual, the Labor Government did not do its homework properly, so it failed. It was then left to this Government to pick up the crumbs and the broken pieces, put them together and take a course of action that once and for all will ensure that the people of this State are properly protected. That will be done by allowing the Gas Company to remain as it should remain and to be run as a private enterprise identity.

I do not need to say any more, but I simply wanted to point out to members opposite that members on this side have not been prevented from speaking. Government members want to see this legislation passed, along with a lot of other legislation contained in the Government's

legislative programme. We do not want to unduly delay the Government's legislative programme. I am aware of the Opposition's tactics; opposition members are happy to stand in this place and speak *ad infinitum*. They are not concerned if the legislation is held up.

The member for Mitcham and others opposed to this legislation should give very careful consideration to the course of action they are adopting, because if the Government did not act in this way and legislation was not passed, control of the Gas Company could fall into the hands of people who have no real concern for South Australia. That is probably what had already taken place. What would happen if those persons were not genuinely interested in the welfare—

The Hon. E. R. Goldsworthy: You would have no gas at Whyalla.

Mr. GUNN: Yes. What would happen to my constituents at Whyalla and Peterborough? I believe it was the member for Playford who spoke about South Australian Oil and Gas and about the great cost that the Gas Company incurred to purchase their shares. However, the only cost involved was \$25 000. South Australian Oil and Gas was set up so that the previous Government could get around the Loan Council requirements. That was the reason; so money could be borrowed for various courses of action. I admit it was probably in the interests of this State. That particular argument was floated by one member opposite, which really did not hold water at all.

The member for Mitcham stated that this measure will be used as a precedent for a future socialist Government some time in the far distant future—if by some stroke of luck it happens to get back into Government—to enable it to use this particular legislation in other areas. I do not believe that that argument is valid because, as I pointed out earlier, this particular company was set up by an Act of Parliament. It was not formed by a group of entrepreneurs or an individual wishing to enter some private endeavour. The Gas Company already operates as a monopoly; it is protected and does not have open competition. It is not possible for an opposition group to oppose the Gas Company. In fact it would be a ludicrous situation if we had two gas pipelines running down every street. That would be quite ridiculous.

I do not believe that the member for Mitcham can hang all his opposition on that particular argument, because it does not hold water. I support the Bill and finish on the note I commenced on and say that I support private enterprise and always have. This Government supports private enterprise and believes that wherever possible private enterprise should be able to get on with the job that it can do best; that is, running the majority of institutions within this State.

Mr. KENEALLY (Stuart): I support this Bill and applaud the socialistic attitude inherent in the legislation. It is interesting to me at least to note that the only member on the Government benches prepared to support his Minister is the member for Eyre who, of course, was not here last year when the Santos (Regulation of Shareholdings) Bill was debated in this House. Therefore, he probably feels that the comments made on that piece of legislation do not compromise him in any way.

It is clear that both major Parties in South Australia embrace a socialistic philosophy. Therefore, in future, debate taking place will not relate to whether or not we should have Government involvement in industry in South Australia, but it will purely be about the extent of that Government involvement. As honourable members will recall, I have mentioned before in this House that the

rhetoric of the Liberal Party and its practice do not bear a great deal of relevance to each other. This legislation is a classic example of that.

In future, I do not want to hear any more kicking of the socialist can which we have heard in this House for the last 10 years, because I for one am sick and tired of it, particularly when we have a Government that is quite prepared to do the things it condemns others for.

I congratulate the Government on what it is doing. Two of the most notable pieces of legislation in post war South Australian Parliamentary history have been the nationalisation of the Adelaide Electric Supply Company (which is now the Electricity Trust of South Australia) and this piece of legislation now before the House. I, for one, am envious that the Labor Party of South Australia was not responsible for both those pieces of legislation. Those pieces of legislation will remain a high point in the Liberal Party's history in South Australia. I will be doing my utmost to tell people in South Australia that the Liberal Party is not anti-socialist, but is prepared to promote socialist philosophies and is prepared to bring socialist legislation into this House. The Government has the strong support of the Opposition in that regard, particularly for this measure.

I am absolutely delighted to see these latter-day socialists within the Liberal Party, and I wonder when the conversion took place. Perhaps when the Minister takes the trouble to reply to this debate he will let members know what traumatic happening occurred within the last 15 months to warrant the complete change in attitude by his colleagues. The member for Eyre did one service to this House and to this debate. As a strong supporter of private enterprise, he pointed out to the House the dangers inherent in that system. In effect, he said that we cannot take the chance of allowing these people to take over our gas supply—a public utility and a very essential and critical resource in South Australia. We cannot take the chance of allowing private enterprise to take that over, because everyone knows what private enterprise is on about; it is out to maximise its profits. The member for Eyre stated quite clearly that the resources of this State cannot be subjected to the avarices of the private enterprise system. The public resources of this State cannot be subjected to the vagaries of the free market system. We have to put them under the control of the public sector, which is the one sector that has the responsibility and can answer to the people for the safe custody of the resources that this State rightfully owns.

We cannot take the chance of having those resources put in the hands of private enterprise, which is concerned about nothing else but returns to the shareholders, whatever that may require the private companies to do. I am absolutely delighted, because this is one of the high points of my 10 years in this Parliament, to have the Liberal Party in South Australia so strongly supporting a philosophy that we on this side have been promoting for so long. The member for Mitcham, however, remains a strong supporter of private enterprise, unlike his previous colleagues over there who seem to have wandered a bit from the path of righteousness, as the member for Mitcham would describe it.

That there was speculation in Gas Company shares was quite obvious, and equally as obvious was it that that could not be allowed to continue. I will refer to that later. Two speakers on this side have commented that it is rather strange to read the media reaction to the Government's legislation. We can recall, because it was only about 15 months ago that we were talking about the Santos (Regulation of Shareholdings) Bill, that that received a quite hysterical reaction, not only from the press but also

from the capitalist system and its stooges who were then on the Opposition benches and are now in Government. That legislation was totally anathema to them.

Mr. Millhouse: I think you mean "total anathema" to them.

Mr. KENEALLY: I am sure that I mean what the member for Mitcham suggests I mean, and I am delighted to have his assistance. One only has to read the debates that took place 15 months ago to realise the change in attitude. Because of the almost total absence of Government speakers from this debate, it has required Opposition speakers to research the attitudes of members of the present Government. In doing this, we have had to refer to legislation that has been before the House previously. I recall that over the years we were castigated when in Government because of our attitude towards public enterprise.

I want to refer briefly to some of the more trenchant comments by members of the present Government who were then in Opposition. All the heavyweights took part in that debate 15 months ago, and most of them are now on the front bench of the Government. Two members, the member for Fisher and the member for Hanson, are not and, if one reads their contributions to the earlier debate, one sees why they are not on the front bench. Nevertheless, all the heavyweights of the Parliamentary Liberal Party took part in that debate and each was severely critical of the Government's action. The current attitude of the Government members is incomprehensible to me. I can understand their long faces because they have had to do this, but there seems to be such a contradiction that it is difficult to come to terms with it. Mr. Tonkin, when speaking on the Santos (Regulation of Shareholdings) Bill (page 34 of 1979 *Hansard*), said:

If the Bill is passed in its present form it will be seen as a warning to every existing and potential investor in South Australia that this Government will not hesitate to declare unlawful any legitimate business practice that incurs its displeasure. Worse still, it is an open acknowledgement that this Government will not hesitate to do so retroactively.

It demonstrates this Government's patent disregard for the fact that South Australia is floundering in the worst economic recession since the 1930's, while every other State is recovering strongly. It ignores the fact that new and substantial capital investment in South Australia offers the only permanent solution to our economic ills and the employment problem.

The point that the then Leader of the Opposition was making was that the legislation introduced by the State A.L.P. Government would discourage investment in South Australia. I want to know whether we have got out of that trough of despondency or depression that the then Leader of the Opposition said we were in, sufficiently to be able now to take the action that he said at the time would discourage investment in South Australia. I believe that those who contributed to the debate in 1979 owe it to members of this House, their electors, and to all electors of South Australia to say what has happened to change their mind. If they are not prepared to do that, we can only assume that their attitude 15 months ago was hypocritical and that their attitude today demonstrates their clear political position, or that the alternative position applies. They cannot have it both ways: either they were against this sort of legislation at that time and should remain constant, as the member for Mitcham has done, or their opposition then was nothing but a stunt. If that was the level at which they performed as an Opposition, retroactively they ought to be ashamed of their performance.

The Hon. R. G. Payne: It's not retrospective. They

won't go along with that.

Mr. KENEALLY: No. Some members opposite are holding up their hands and dissociating themselves from that debate because they were not here. They are clean skins, but a number of Government members who were here then are quite embarrassed about what is happening now. The member for Coles, now the Minister of Health, stated in her contribution at that time:

This action is quite typical of the Labor Government; it watches private enterprise struggle along and then, when the risks start to pay off and a profit is in sight, it moves the socialists with a view to clamping down and making what use the Government cares to make of those profits.

Where is the Minister of Health now? Why is she not taking part in this debate and explaining why the views that she held 15 months ago have changed now? I am waiting for the Minister to explain to the people of South Australia what has caused her to change her mind. Also, in that debate the member for Hanson said:

I am particularly disappointed at the attitude of two Government speakers, who reacted like half-baked communists.

That was his reaction to support given to the Bill by members of the Government. Who is the half-baked communist now? Is it the Deputy Premier? One hardly thinks so but, in the description of his own Party, he is acting like a half-baked communist. I pointed out in an earlier debate that none other than their great guru Bob Menzies had said that small "l" liberals were half-baked communists anyway, and I suspect that some members of the Government are carrying on, not like half-baked communists (they are not quite that good) but like small "l" liberals.

That is enough about the hypocrisy of the Government. It is quite clear that members of the Government front and back benches are embarrassed about this debate.

The Hon. E. R. Goldsworthy: You've got to be joking!

Mr. KENEALLY: They are embarrassed about the comments that they made previously, as opposed to the support that they must give to this legislation now. The Deputy Premier says that I have to be joking. I am waiting for that gentleman, when he has the opportunity, to answer the many questions that have been asked of him. I suspect that he will be unable to answer them to the satisfaction of his own supporters, because let it be said once again that we support this legislation and we think it is good. We do not admire the motives that have caused the Government to take action, but, whatever the motives, the action is laudable.

It will not be members of the Opposition and the Labor Party in this State who will need to explain to their supporters that there is a great difference between rhetoric and performance; it will be the responsibility of the Liberal Party and their members in South Australia to convince their supporters that they have not turned into latter-day socialists. The Government's performance in this whole sorry affair has been deplorable and warrants condemnation. Here again, we have the Deputy Premier chuckling about this. For many months the Deputy Premier allowed a very critical situation to occur within one of the most important resource industries in South Australia, one that the Government now terms as an important public utility. In fact, his reluctance to do anything, even though he had been warned on a number of occasions, reminds one of Nero, who fiddled while Rome burned.

We had the Deputy Premier fiddling while our resources burned. That is just not good enough. There has to be one of two reasons why the Deputy Premier and his Party allowed those circumstances to occur. Either he was

totally unaware of the situation that was occurring and of the critical position in which the South Australian Gas Company would find itself, or he was wrestling with his political philosophy which would not allow him or his Party to become involved in nationalising the South Australian Gas Company.

The Hon. J. D. Wright: I am backing the second one.

Mr. KENEALLY: I am prepared to give the Deputy Premier the benefit of the doubt because, although he does his best to convince the community at large that he lacks intelligence, we in this House will not accept that. He has a certain degree of cunning there which enables him to understand what he was allowing to happen. That makes it all that much worse. If it were purely due to ignorance, one could forgive him, but if he understood what he was doing and yet did not move in and take action, which inevitably he would be forced to take, then that is gross negligence of his duty and the Minister should be deprived of the portfolio entrusted to him. The Deputy Premier perhaps thinks that I am indulging in the sort of rhetoric that he is prone to indulge in, but I am deadly serious about this. If that is an indication of the level at which the Deputy Premier is going to perform, he ought to be taken away from this very sensitive portfolio.

One wonders what he proposes to do in regard to the Dow petro-chemical project at Redcliff. We now have the Premier (purely a stunt, of course) rushing over to Michigan in the United States of America to preserve for South Australia a petro-chemical company that might wish to set up operations here. One wonders if that was the result of the handling of the responsibilities entrusted to the Deputy Premier over the past 12 months. His performance in relation to the South Australian Gas Company leads me to think that he would be equally as incompetent in his handling of the petro-chemical project in South Australia. Whatever one argues about that, this particular piece of legislation also makes me wonder whether, if ever the occasion should arise that South Australia becomes involved in the mining of uranium, with the Liberal Government in South Australia considering that that is an important resource of vital importance to the economy of South Australia (that is, if we ever reach that desperate situation, something I would personally doubt), that Government would then move to ensure that mining of uranium would be under Government control and could be Government-funded.

The Deputy Premier was clearly warned about the current situation on a number of occasions by the Leader of the Opposition, and by the Deputy Leader, and I know quite definitely that some of his Liberal Parliamentary colleagues in this House desired him to take action many weeks before he ultimately took it. That is an open secret; everybody knows this, yet despite all of the best advice available to him, he still fiddled around for weeks and weeks. I think that is certainly not to his credit and could ultimately have had quite disastrous effects on South Australia and on the energy source that is available to us.

Because the Deputy Premier took so long to make up his mind, it encouraged the speculation that was taking place. It led interstate and overseas speculators to believe that they were able to take advantage of the stock market situation in South Australia. Had the Minister spoken up clearly and forcefully at the start and indicated what the Government's position was, there would have been active discouragement of these raids. However, he did not. The Government was negligent in its duty, and it allowed the situation to worsen week by week. The Minister knows that, despite the fact that the position was made clear to him by, I am sure, the South Australian Gas Company, as well as by his own Parliamentary colleagues, members of

the Opposition, and business men in South Australia (for whatever reason they would give that advice to the Minister), he was not prepared to act.

The shoddy method of the Government's becoming involved through the proxy of the S.G.I.C. also deserves condemnation. If the South Australian Government wants to take over a company, it should be prepared to do it in its own right and not through a proxy, as the S.G.I.C. is in this case. In introducing the legislation, the Minister said:

The price of shares to the S.G.I.C. is to be determined by the Minister, having regard to the price of the company shares on the the Stock Exchange of Adelaide today. This provision, combined with the fact that S.G.I.C. is subject to Ministerial direction, will effectively put the company under Government control.

Why do we need to hide this fact by giving the shares to S.G.I.C.? Why does the Government not come clean and admit that it is taking control of the company and that shares will be in the name of the Government, instead of this action of trying to excuse itself from being directly involved with industry by saying that it is not Government, but it is the S.G.I.C. that is involved and therefore the Government is not, but the S.G.I.C. perhaps is, acting in a socialistic way? That just does not wash.

What are these very critical reasons that the Minister gave for taking this action? I shall conclude on this point. One would have thought, having read the previous debates and knowing what the Government's philosophy is supposed to be on matters of this nature, that there would have to be some strong reasons indeed to encourage the Government to take this decision, and that those reasons would be clearly included in the second reading explanation so that not only members of this House but anyone in the community who wanted to know what motivated the Government would be able to see it quite clearly spelt out in *Hansard*. What are the reasons? The Minister stated:

... because it appears that trading of a speculative nature is continuing and because it appears that there is doubt that a limit of five per cent of shareholdings is being observed. The Government has acted in a socialistic way because something appears to be taking place. It had no concrete evidence of this but acted merely on what appeared to be the case. Does that suggest that that is the sort of encouragement that the Liberal Party in South Australia needs to socialise an industry, that is, merely because it appears that something is taking place? In this case, there was no concrete evidence or proof that people were evading the responsibilities under the Companies Act or in relation to the legislation before this House. A mere appearance was sufficient encouragement for the Government to nationalise the South Australian Gas Company. The Minister himself says that this measure will effectively put the company under Government control. I have spoken in this vein because I am a person who has suffered 10 years of the rhetoric of these people who now occupy the Government benches, who have been kicking the socialist can so hard and so often that it is absolutely sickening. However, when they want to do something like this themselves, suddenly socialist activity has value.

Either it has value or it has not. If it has value in one case it has value in every case. The Government should make its position clear. Either it joins with the Opposition in supporting socialism, and the debate will take place as regards the extent of socialist involvement, or it does not. It should then join with the member for Mitcham. The Government cannot have it both ways; it is caught in the middle. I hope that someone will clearly state its position, because I am totally confused at present.

Mr. BLACKER (Flinders): I oppose the Bill, for the very reasons the member for Stuart has outlined. I have been in this Parliament for 7½ years, the first 6½ years of which was in the reign of a Labor Government. The Government of the day spent every minute of that time opposing the very type of legislation the present Government has introduced. I view with considerable suspicion the motives of the Government with this measure. I suspect that there is an urgency to get the legislation through before the Premier leaves for overseas. The legislation, as I see it, would control not only the price of gas available to local consumers, but it will also avail the Government of the opportunity to control the price at which it can auction it out or dangle as a carrot to an overseas investing firm. I take it that the Redcliff project is the business in the sight of the Government at the present. I should be surprised if the Premier could leave the State without having this legislation passed, and with the knowledge that the State Government can intervene in the price of gas.

There is no doubt that this is compulsory acquisition and, as has been outlined by the member for Mitcham, it is the manner in which it is being done. For \$140 000, the South Australian Government has more than a 50 per cent equity in \$47 000 000 worth of assets: if that is not the bargain of all time, I do not know what is. I acknowledge some of the comments raised as justification for the measure. There is a need for a watching brief over the price of commodities and essential services.

This same example has been given for the Electricity Trust. Where do we go from here? It has been suggested that the legislation could be used as a means of controlling uranium. What about the petroleum industry? Is that next in line for this type of operation? I seriously wonder. Having perused the objects of the South Australian Gas Company, as contained in Part A of the schedule, I note that the power exists within those objects for the Gas Company to be involved in all types of operation. It is for this reason and the wide sweeping powers within the objects of the Gas Company that I am concerned. The objects for which the South Australian Gas Company is established, in part, are as follows:

(xiii) to discount buy sell and deal in bills notes and other negotiable instruments to guarantee the payment of moneys and the performance of any contracts or obligations to deal in exchanges . . . and generally to transact all kinds of banking and financial business.

(xv) to carry on all or any of the businesses of colliery proprietors quarry-masters mine-owners smelters and refiners . . .

(xvi) to carry on business as ship owners and charterers and shipping and shipping agents . . .

(xvii) to carry on business as general merchants store keepers . . .

(xviii) to carry on any other business (whether manufacturing consultancy or otherwise) . . .

(xx) to carry on research and to make experiments in the development of heating lighting motive power from solar gaseous and mineral sources and to invent and manufacture apparatus appliances and things used in connection therewith or with any inventions patents or privileges for the time being belonging to the company.

(xxii) to enter into any partnership or into any arrangement for sharing profits union of interest co-operation joint ventures reciprocal concession or otherwise with any person or company carrying on . . .

So the story goes on. There are pages and pages to it. These are the very reasons why this measure is giving an open cheque not only to this Government but to any future Government to become involved in any measure it'

wishes throughout the State. It therefore has the power to bring about the very things for which the present Government has been condemning the Labor Party and its members for so long.

The member for Eyre suggested that the legislation was the only way of controlling price to consumers. I have already mentioned that I suspect an ulterior motive. Not only are we using the control of price to consumers as justification for the Bill but the very reason for its introduction is to be able to control the price of that offer to an industry, in this case the Dow Chemical Company, to be able to participate in a State industry.

The legislation will control not only the price to consumer (and in many cases keep it up, by comparison); it will also have the power to give a low price as the carrot to attract industry to the area. It has been stated that the present Gas Act gives the South Australian Gas Company a monopoly. The company is protected, and perhaps there is room for additional protection to be provided to give consumers some extra protection in that way. No-one would like to see an unfair and unrealistic price imposed on our domestic consumers. I believe that they, in number, are the ones for whom we should be showing most concern. However, that is not the motive: the motive is to be able to provide large volumes of gas and to offer them as incentive to industry.

Another matter that has not been mentioned is that the Electricity Trust is a considerable revenue earner for the South Australian Government. Could the very same situation be applied? Could we use our gas resources as a direct revenue earner for the South Australian Government? I believe that power is contained in the present legislation to enable that to take place. When one considers the manner in which the Government has introduced this measure and, more importantly, has derived a way in which it can create shares, it is a matter of some concern. We have, technically, the opportunity for 4 980 000 class A shares at a value of 50c each, which gives a figure of \$2 490 000. Also, there is provision for 20 000 class B shares at 50c, making up the additional \$10 000, giving a total share capital of \$2 500 000. By providing a voting power of 100 votes per class B share, we immediately have a monopoly, but not in the true sense, although not in the sense of clause 8 (1). However, clause 8 (2) provides:

All shares issued before the commencement of the South Australian Gas Company's Act Amendment Act, 1980 (that is to say, 1 952 780 shares) shall, upon the commencement of that amendment Act, become class A shares.

That is, in effect, setting the maximum percentage with which the Government is competing. Clause 8 (7) provides:

The company shall not exercise its powers under subsection (6) so as to reduce the proportionate voting power of the holders of class B shares (determined in relation to the total voting power of all shareholders) at general meetings or polls of shareholders of the company.

The Government has the situation totally bound up. Even though it did not have a fully paid up share capital, the amount already there cannot be disproportionate to that intended by the Government in the Bill. Clause 11 (1), under Division III—Limitation upon the size of shareholdings in the company, provides:

No shareholder, and no group of associated shareholders, of the company is entitled to hold more than five per centum

Subclause (3) states:

This section does not apply to the State Government Insurance Commission or a group of associated shareholders of which the State Government Insurance Commission is a

member.

So, it is a very tight, close-knit piece of legislation designed to give the Government not only control of pricing and distribution of gas, but to give it the opportunity to become involved in any sort of commodity or operation or business that it desires. When we consider that we are giving an open cheque to a Government to become involved in financial and banking matters, to become agents for the investment of loan payments, transmission and collection of moneys, colliery proprietors, quarry masters, miners, smelters and refiners, shipowners and chartered shippers, general merchants, storekeepers, and to carry on any other business, that is beyond what I believe is the realm today of a non-socialist Government. I condemn the Government for the wide-sweeping legislation that it intends to put through this House with the full blessing of the Labor Party.

The Hon. E. R. GOLDSWORTHY (Minister of Mines and Energy): We have had, to put the kindest construction on it, a rather confused offering from the official Opposition during the course of this debate. The fact is that Opposition members cannot agree amongst themselves. Let me deal with some of the remarks that have come from members opposite during the course of what, to many members, has been a rather boring day. It is obvious that Opposition members are quite muddled in their thinking.

The Leader casts around to try to gain, where he can, some credit for forcing the Government to introduce this legislation. It is the ploy he has adopted from time to time to try to be part of the action. What were the commanding actions of the Leader and his Party that impelled me and the Government to introduce this legislation? First, he wrote to the Stock Exchange and said it should suspend Gas Company shares. I would think that anybody who had any real knowledge of the business world and the Stock Exchange must realise how hollow that action must be. That was done on the basis that Gas Company share prices were rising. Why did the Leader not write to the Gas Company and suggest that it suspend Santos shares, which have risen to \$13? Why did he not write to the Stock Exchange and suggest that it suspend the shares of about 150 other companies whose shares have been rising lately, particularly in the energy field? It is nonsensical to suggest that, by writing to the Stock Exchange and telling it that he believed it should suspend the Gas Company shares, the Leader could expect any action. If he did, either he is more ignorant than I think he is in these matters, or it was a hollow gesture to make it appear publicly that he was doing something when in fact he was doing exactly nought.

What was the other compelling action taken by the Leader which forced me and the Government to bring this legislation before the House? It was a call, the day before I introduced the legislation, for an inquiry into the Gas Company. Every time the Opposition does not know what to say, it calls for an inquiry. A letter to the Stock Exchange telling it to suspend the shares and a call for an inquiry the day before I introduced this legislation compelled me to introduce this Bill. What absolute nonsense! I use the word "nonsense", because it was the word the Leader used to describe me.

The new Leader is very sensitive to my debating style. In the course of his remarks today he talked about what I was saying as being "nonsense", that I was being "trite", that it was "absolute nonsense", that I showed "deplorable irresponsibility", and that I was "wishy washy and prevaricating". I do not become upset when he uses that sort of language to describe me, but the Leader is so thin skinned that, when I attack him in a full blooded

fashion, he runs down a burrow and cries that I am being too hard on him.

We all know what the Leader's problem is: he is in the shadow of the four heavies of the Labor Party who have now effectively departed the scene. Former Premier Dunstan has left us, as have the Hon. Hugh Hudson, the Hon. Mr. Virgo, and the Hon. Mr. Corcoran has been sacked by his Party. The four people who really gave the Labor Party some status and some clout have departed the scene and here is this man, a veritable pygmy in the shadow of these men. No wonder the Leader cannot hold his own in this Chamber. Unless he can develop a better style in this place, and unless he learns the fundamental lesson that, if he is going to dish it out, he is going to get it back again, he is going to be a complete failure, and I think his Party is coming to that conclusion.

There has been, I suspect, deliberate confusion on the part of the Opposition in this debate in confusing the Santos legislation with the Gas Company legislation. I do not think anybody from the other side, except the member for Mitchell, referred to any comments that the Opposition made in relation to the Gas Company legislation which is, of course, the pertinent Bill in relation to this debate. Everybody else has talked about the Santos legislation. The Opposition has battled hard today and tonight to make a case, but to no effect.

Let me quote from the debate relating to the Gas Company legislation when it was before the House. Unfortunately, the member for Mitcham missed that debate because he was locked into an argument with the Speaker, as the *Hansard* record shows clearly two full columns—

Mr. Millhouse: I was trying to get justice for a poor woman the Gas Company would not indemnify. I got it, too, eventually.

The Hon. E. R. GOLDSWORTHY: We know what it was about. The member for Mitcham missed the debate because he was thrown out for persistently defying the Chair. There is a whole page of to-ing and fro-ing between the Speaker and the member for Mitcham, who lost his temper, which culminated in the Premier's moving for his suspension and his subsequently being suspended. I can understand his not knowing what occurred during that debate and we know perfectly well that he would not have had time to look it up because of his other activities.

The member for Flinders said he has been here for 7½ years, but he obviously has not taken the trouble to look up the debate and he, along with the members of the Opposition, suggests, as have other people publicly, that we in some way opposed the Gas Company legislation when it was before the House.

The Hon. R. G. Payne: You did.

The Hon. E. R. GOLDSWORTHY: On the contrary, I will read what I said during the debate. It is strangely reminiscent of what I said in my Ministerial statements on this matter.

The Hon. R. G. Payne: Not the same though.

The Hon. E. R. GOLDSWORTHY: Let me read to the member for Mitchell what I said, because he is the only one who got near the point; everyone else talked about the Santos legislation. Santos is not set up under its own Act of Parliament, as is the Gas Company, as a public utility. I was an Opposition member on that Select Committee speaking to that report, but the member for Mitchell is the only one who seems to know what I said, which was as follows:

I think it has to be realised by the House that the Gas Company is not an ordinary business venture whose main and legitimate aim is to make a profit. Certainly, on this side of the House we do not quibble with the legitimate aims of a

business to make a profit, because if it does not make a profit it must cease to exist, but the Gas Company is a public utility.

That is precisely what I said when I made my Ministerial statement, and what I said in my second reading explanation when introducing this Bill. I continued as follows:

It is not structured in the same way as is the Electricity Trust, which is a semi-government authority, or the Engineering and Water Supply Department, which is a Government department, even though in some countries of the world these activities are controlled by completely private companies.

They are completely private companies.

The Gas Company is a public utility and has a function over and above that of most business houses in this State, since it is obliged to provide services even though in doing so it incurs a loss.

I believe that the supply of gas to Whyalla is made at a loss to the Gas Company, and I think that that is probably true in the case of Mount Gambier and in the extension of the supply of gas to some of the industries in the Barossa Valley. Nonetheless, it is certainly in the best interests of South Australia as a whole that these places be supplied with gas. Another feature of the Gas Company's operation is that the rate of dividend on the share capital is fixed.

The stance of the Government in relation to this Bill is entirely consistent with what I said on that occasion. It is a fact that the Opposition supported the Gas Company legislation when it was before the House. The Santos references have been a red herring which has been dragged across the trail *ad nauseam* during this debate. The Gas Company is a public utility. As I said when we supported the legislation previously, it was set up under its own Act of Parliament, and we treat it as such. The Leader of the Opposition made a pathetic effort to get into the action by saying that the Opposition impelled me to bring it in by writing a nonsensical letter to the Stock Exchange suggesting that the share trading be suspended and by asking for an inquiry the day before I brought it in.

There are one or two other matters I must deal with in replying to what has been said. The Leader suggested that we should have proclaimed to the world what we intended to do. This legislation was kept very close to our chest for the very reason that, if we had proclaimed to the world what we were going to do, the effect on the Stock Exchange and Gas Company shares could have been quite calamitous. The Leader talks about letting the matter drag on while the speculation went on wildly. When I made my first Ministerial statement to the House, the price of Gas Company shares was, I think, \$7.90 or about \$8. The price of shares did not increase from then on. The day when I introduced this legislation the price of Gas Company shares was \$7, and that was the price which we believed would be appropriate with the least obvious outside interference with the market.

I do not believe that there was any real substance in what the Leader of the Opposition had to say. He, too, sought to confuse the issue by a long diatribe in connection with the Santos legislation. The Gas Company is a public utility: I have recognised it as such, and the Opposition has recognised it as such. The member for Mitchell, to whom I give full marks, was the only one who did his homework or was honest enough to refer to the right debate. The member for Stuart tried hard. The honourable member is always amusing when he tries hard, but he knows perfectly well that the Santos—

Mr. Keneally: He is a good chairman.

The Hon. E. R. GOLDSWORTHY: Yes, he is a good chairman. He was in the hot seat at Port Augusta the other night when half his sub-branch were against him and half

were for him.

The SPEAKER: I am sure that the Deputy Premier will be coming back to the Bill.

The Hon. E. R. GOLDSWORTHY: Yes, Sir, I will. I was just saying that the member for Stuart was in a difficult situation with his own constituents and his own sub-branch committee. Where could he jump? However, to give him credit, he conducted that meeting extremely well. I repeat that there is no substance whatever in the argument. He then accused me of sneaking the Bill into the House. It was a spiteful little speech from the Leader of the Opposition. I do not get upset by spite as he does—he is thin-skinned. If his hide does not toughen up and he does not get some qualities of his predecessors, the four heavies in the Party, he is going to be a complete flop. In his spiteful little speech, he suggested that I sneaked the legislation into the House.

As I pointed out, it would have had a disastrous effect on the share market and Stock Exchange in relation to Gas Company shares if we trumpeted to the world what we intended to do. It would have been completely irresponsible and would have enabled people to unload shares in all sorts of ways. He suggested that the little investors got their fingers burnt. I suggest that he does not know what he is talking about. Who has complained about this legislation? I have had no complaints from the little investors. The Opposition cannot make up its mind whether the business community is for us or against us. One speaker opposite suggested that we had flown in the face of business interests in South Australia. However, the member for Florey suggested that we had bowed to the dictates of the business community, because it suited them to keep their bit of the action in South Australia. Members opposite cannot agree amongst themselves as to what the rights of the matter are.

However, I believe (without having consulted a great number of the business community but from what has been told me as a result of the introduction of this Bill) that we have the overwhelming support of the business community. Who is complaining? Somebody opposite mentioned that the Shareholders Association was complaining. They also had not read my Ministerial statement, or else they chose to ignore it. They obviously had not read the debate. They were confused, and maybe somebody opposite had helped to confuse them. The fact is that during the Gas Company debate the attitude of the then Opposition, the present Government, was perfectly clear: we supported the legislation. So, the Shareholders Association did not know what it was talking about. It had either chosen to ignore what I said in my Ministerial statement or had not read the debate, because it was quite wrong on two scores. The only person I heard complain was Mr. Ron Brierley, and I did not mention his name. He was mentioned freely by my predecessor, who suggested that the exercise in relation to the Gas Company was to shut out Mr. Brierley. The only time Mr. Brierley has taken the bat on anyone publicly was over this issue, because he knows that what the Government is doing is effective. I do not know whether he got his fingers burnt. The tone of his remarks did not indicate that he had made a killing; it indicated that he might have been caught with his pants down. If he was in breach of the intent of the previous Act with a 5 per cent shareholding, he gets no sympathy from the Government.

Now, let me deal with one or two other matters raised by the laborious and monotonous procession of speakers. I do not think I can afford to spend any more time on what the Leader of the Opposition had to say. He made only about three points, and none really had any substance when one boils the matter down to basics. I did have a ring

from one or two businessmen when the Bill was introduced, and one suggested that what we are doing is not really anything new. Back in the 1930's a large number of shareholders in the Gas Company were prevailed upon to turn their shares into bonds.

Mr. Crafter: In 1924.

The Hon. E. R. GOLDSWORTHY: He suggested that it was in the 1930's. There seemed to be some confusion in relation to South Australian Oil and Gas. During the confused debate from the other side, one speaker suggested that we should have done something with South Australian Oil and Gas in order to tidy up the position. The fact is that the Gas Company has only \$25 500 invested in South Australian Oil and Gas. This was one device set up by my predecessor again. The member for Eyre suggested that it was to get around Loan Council strictures. Where does the real money for South Australian Oil and Gas come from? It comes from the public of South Australia, through a levy paid on the price of gas. Anybody who believes that there ought to be a windfall profit, as obviously the member for Mitcham and the member for Flinders believe, and that we should leave the situation as it is and let the speculators have their head, get control of the Gas Company as they could well have done (a lot of the shares were not registered), in the expectation of getting windfall profits from the assets and distribution of funds from sale, is completely off line, in my view, because who really put the funds into S.A.O.G.? Not the Gas Company. It is not the shareholders of the Gas Company who are entitled morally or in any way to profits and distribution finally of the assets of sale.

I admit that it was set up, and I believe that it was a clumsy way to do it. I think that my predecessor was too clever by half in a lot of the things that he sought to do, and that has led to this difficulty. However, the fact is that no-one could morally suggest that this speculation in Gas Company shares could be countenanced by any Government of principle. South Australian Oil and Gas belongs to the people of this State, who put up the money. I thought that I had made that perfectly clear in my Ministerial statements, although obviously the member for Mitcham and the member for Flinders could not have taken that in. That is exactly what I said. No Government of principle could contemplate that for a minute.

I cannot deal with all the points that have been made, although I will deal with most of them in the time for which I have agreed to talk on this Bill. Some Opposition members say that we are nationalising the Gas Company, while others say that we are not doing so.

Mr. Millhouse: There's no doubt that you are.

The Hon. E. R. GOLDSWORTHY: We are not. The fact is that, if a company is nationalised, the ownership of it is taken over by the Government. The Government has not taken over the ownership of the Gas Company. We have effectively taken control.

Mr. Millhouse: You don't need to.

The Hon. E. R. GOLDSWORTHY: We have not taken ownership of the Gas Company, and no Gas Company shareholder, other than a speculator, and no Gas Company bondholder, who put in the vast majority of the Gas Company's funds, will be disadvantaged by this Bill. The only people who will be disadvantaged will be the speculators who thought that they were in for a kill.

Mr. Millhouse: You don't think that anyone will believe you when you say that, do you?

The Hon. E. R. GOLDSWORTHY: One member opposite suggested that we were not nationalising it because we did not go anywhere near far enough. I might be able to pick up that member's name when I thumb through my notes. One member opposite suggested,

correctly, that, if one is going to nationalise a company, one must take it over and buy it out. The Government has not done that. All the Government has done is take effective control. It has not bought out any—

Mr. Millhouse: What's the difference between effective control and nationalisation?

The Hon. E. R. GOLDSWORTHY: If an industry is nationalised, it is taken over; the assets are taken over by the Government. The shareholders and their assets are taken over. In this case, however, they are not. The Government will merely see in this case that the Gas Company board is to its liking. That is all that it will mean. The day-to-day running of the Gas Company will not change in any way whatsoever.

Mr. Millhouse: You'll put in a few clerks.

The Hon. E. R. GOLDSWORTHY: In no way whatsoever will that happen. I do not think that we are likely to put clerks on the board. There was a suggestion that we should have transferred these shares at 50c. I had a discussion with the Chairman of the State Government Insurance Commission in relation to this Bill in the latter stages of my deliberations. It would have been grossly unfair to issue those shares to S.G.I.C. at 50c, as suggested by the Opposition. The asset backing of the shares of the Gas Company is \$2. So, if we take the Gas Company's assets and subtract its liabilities, we work out at an asset backing of about \$2.

The Government would correctly have been, and should have been, severely criticised if it suggested issuing shares in the Gas Company that reflected a completely unreal value of those shares. So, anything below \$2 would have been open to the strongest of criticism.

Mr. Bannon: By whom?

The Hon. E. R. GOLDSWORTHY: By the present shareholders. The other point is that the Government could not be seen to be putting an artificial value on Gas Company shares. We took the ruling price as an indication that the Government would not put on the Gas Company shares—

Mr. Bannon: It was a special issue, quite separate from the shareholders.

The Hon. E. R. GOLDSWORTHY: I know, but what sort of construction could be put on the Government's issuing shares at a price below that ruling on the day? The Government would have been open to severe criticism if it had sought to issue those shares at anything below the ruling price of the ordinary shares of the company on that day. I indicated to the House that the Government had agreed to introduce a new South Australian Gas Company's Act. Indeed, we have been working on this for many months, and for the Leader of the Opposition to suggest that we could whip it in at five minutes notice is nonsense. His claim that we have introduced it at his behest is likewise nonsense. The fact is that the Government has rewritten the Gas Company's Act and will have done effectively what the Labor Party could not do. It sought to get control of the Gas Company by limiting shareholding and the voting scale. However, it was a failure.

Mr. Bannon: That was as far as you would allow us to go upstairs.

The Hon. E. R. GOLDSWORTHY: The Leader of the Opposition seems to know more than I do. The fact is that we supported the legislation here, despite all the nonsense that has been spoken here. The only one who showed any glimmer of honesty was the member for Mitchell, who at least referred to the right debate. We are now doing what the Labor Party failed to do when it was in Government, namely, take control with a minimum of disruption of the Gas Company, which is a public utility, acknowledged as

such when we were in Opposition.

I have dealt with most of the points that have been raised in the debate. I have now identified the member opposite who does not believe that it is nationalisation because we do not go far enough and because we do not take over ownership. It was the member for Salisbury, who said that we certainly do not go far enough and that Sagasco should be owned by the State. The fact is that it is not owned by the State: it is owned basically by the bondholders.

If we look at Sagasco itself and the contribution of the shareholders, as opposed to the bondholders, we find that the shares at par are worth \$976 000. Those who hold bonds in the Gas Company contribute \$54 000 000. So, I ask one or two members opposite who suggest that we are in some way or other doing the shareholders in the eye, "Who are the real owners of the Gas Company?" The real owners of the company are the bondholders, who put up \$54 000 000.

I want to deal with one or two other matters that were referred to. I refer to the member for Flinders, who injected into the debate one or two points that I must refute. I said that his statement that we have always opposed this type of legislation was not correct. We supported the Gas Company legislation, as I have said before. I was on the Select Committee. The honourable member's speculation regarding the Gas Company and the Premier's visit to Dow is completely fanciful, because gas will not be sold to the Dow company by the Gas Company. Gas will be sold to the Dow company by the producing companies, and not by the Gas Company, which is a customer.

Provision has been made in the agreements that 213 billion cubic feet will be available to the Dow project. That is written into the contracts that were negotiated by my predecessor. So, the suggestion that this is in some way connected with the Premier's visit to America is completely fanciful, and there is no grain of truth whatsoever in it.

I have much respect for the member for Flinders, who put that forward not to make mischief but as a theory that he held. However, I can disabuse his mind of any thoughts that he has got that there is anything in it, because there is not. The member for Flinders is a conscientious member and expresses himself clearly in this House. He does not get up to the sort of mischief making that the official Opposition does.

Mr. Bannon: That was an afterthought.

The Hon. E. R. GOLDSWORTHY: It was not. The honourable member raised a question that was in his mind, and I told him that there was nothing in it. He raised it seriously, not capriciously, as members opposite do.

The Hon. R. G. Payne: You have to be careful, Peter.

The Hon. E. R. GOLDSWORTHY: I gave marks to the member for Mitchell. He was refreshingly honest for a change. At least he got the right debate.

Mr. Trainer: You're in a generous mood today.

The Hon. E. R. GOLDSWORTHY: I am generous all the time but, if the Leader of the Opposition and his deputy want to dish it out, they must be prepared to take it back. Every time that he gets to his feet, the Leader complains about the way in which I deal with him in the House.

The Leader should have been on that side when we had those four heavies from the Labor Party in full flight; that is all I can say. The member for Flinders also referred to the powers vested in the Gas Company; I assure him that the acquisition referred to is not a compulsory acquisition but simply means that the company can enter into business transactions in a range of ways. The honourable member

will find that that provision is normal in regard to the Companies Act. The honourable member may object to another clause that provides the same sort of thing—acquisition of property. I point out that the only compulsory power of acquisition is contained in, I think, new section 18, and that acquisition can take place only with the consent of the Minister. I admit that, at first glance, it appears, from the schedule, that the powers are extensive, but these powers either have resided with the Gas Company previously or are powers that exist in the Companies Act. Acquisition in this Bill does not mean compulsory acquisition but provides that the company can enter business deals.

This debate has been monotonous; members opposite have not been prepared to stick to the facts, unfortunately, although I believe that some of them know the facts. They have sought to justify their stance by suggesting that they, in some way, were responsible for this Bill, and that is complete nonsense. If we had listened to the Leader of the Opposition, an inquiry would still be continuing and we would have got nowhere. This Bill has been introduced to preserve the status of the Gas Company as a public utility, and I believe that it deserves the support of the House.

The House divided on the second reading:

Ayes (38)—Mr. Abbott, Mrs. Adamson, Messrs. Allison, L. M. F. Arnold, P. B. Arnold, Ashenden, Bannon, Becker, Billard, D. C. Brown, M. J. Brown, Chapman, Crafter, Duncan, Glazbrook, Goldsworthy (teller), Gunn, Hamilton, Hemmings, Keneally, Langley, Lewis, Mathwin, McRae, O'Neill, Oswald, Payne, Plunkett, Randall, Rodda, Russack, Schmidt, Slater, Tonkin, Trainer, Wilson, Wotton, and Wright.

Noes (2)—Messrs. Blacker and Millhouse (teller).

Majority of 36 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1 passed.

Clause 2—"Commencement."

The Hon. R. G. PAYNE: This clause refers to the fact that the Act shall come into operation on a day to be fixed by proclamation. The Minister said that he acted as soon as he could, but it took a while to get the Bill ready. Does the Minister intend to be speedy in regard to proclamation, should the Bill pass both Houses?

The Hon. E. R. GOLDSWORTHY: Yes, we would intend to proclaim the Bill shortly after it passes both Houses.

Clause passed.

Clause 3—"Amendment of principal Act."

The Hon. E. R. GOLDSWORTHY: I move:

Page 6, line 27—Strike out "(c)" and insert "(b)".

This amendment simply rectifies a clerical error.

Amendment carried.

The Hon. E. R. GOLDSWORTHY: I move:

Page 7, line 6—Strike out "The " and insert "Subject to this Act, the"

This amendment inserts those words simply to make it clear that the schedule is subject to the provisions of this Act. There may be some disputation if those words are not included. I apologise for the fact that that amendment has not been circulated, but the matter was drawn to my attention only 15 minutes ago. The amendment will simply make it clear that the schedule of this Act is subservient to the Act.

Mr. MILLHOUSE: The Deputy Premier has said that this is only a minor amendment, but he probably does not realise that inserting a couple of words like that could make a tremendous amount of difference, although I do not know whether or not it does in this case. Certainly, the explanation he has given is very offhand. A schedule is

always subservient to the Act to which it is a schedule. Therefore, that cannot possibly be the reason for the amendment. It would take a long time to analyse the significance of this amendment, but we do not have the time now and it is a damned shame that the amendment was not circulated. As I have said, I do not know whether the amendment will make any difference or not. I warn the Committee that by inserting those words we may be making a very significant change to the meaning of this provision.

Amendment carried.

The Hon. R. G. PAYNE: I trust that the amendment we have just agreed to, despite what the member for Mitcham said, will not affect the matter that I propose to raise. During the second reading debate I signalled my intention when I said that the second reading explanation referred to the fact that it was proposed that the company have the power to, in effect, operate outside the State, which is a power that it did not have previously. At that time I indicated that I could not find where that additional power was lodged in the Act. On re-reading the Bill I have discovered that it is contained in new section 6 (2). Can the Minister explain the change in the previous limitation on the operation of the company, which was previously limited to South Australia? It has now been widened.

The Hon. E. R. GOLDSWORTHY: The Gas Company currently provides l.p.g. to Alice Springs and Tennant Creek. I am informed that this is a normal power that exists in legislation of this type and there is nothing unusual about it. The Gas Company wishes to trade in and on occasions perhaps import l.p.g., although I cannot see that happening in the foreseeable future. The Gas Company may wish to deal interstate as it does currently in the Northern Territory at the present time.

Mr. BLACKER: I wish to follow up a point raised in my second reading speech, which was replied to by the Minister, relating to my reference to the schedule and the objects of the South Australian Gas Company. In my remarks I mentioned that the South Australian Gas Company could become involved in a number of operations. The explanation given by the Minister was that these powers already exist and, if not, they are contained in a normal company's schedule. The South Australian Government, through the medium of the S.G.I.C., would still be a major shareholder in the South Australian Gas Company. It could become involved in all of these operations. The more tentacles that the South Australian Gas Company has, so the Government would have a 50 per cent or greater majority interest in those particular operations. Will the Deputy Premier give me some clarification on that point?

The Hon. E. R. GOLDSWORTHY: I believe the explanation I gave the honourable member was correct. These types of provision appear in normal company legislation. The point made by the honourable member is true; if the Gas Company was so minded to become involved in these areas, perhaps against what the honourable member believes is his better judgment, legally it would have the power to do so. That is true of any Government-controlled organisation. S.G.I.C. could legally do the same kind of thing. In fact, the Gas Company could have done it, whether the Government controlled the board or not. Therefore, there are plenty of vehicles by which the Government could enter into those operations if it wished. If the Government wished to set up a shipping line, I do not believe it would use the Gas Company to do it. I do not even see a Government of the complexion of the Party opposite setting up a shipping company using the Gas Company.

The Hon. R. G. Payne: It might.

The Hon. E. R. GOLDSWORTHY: That is a very strange way to operate. I believe that mechanisms abound for the Government to do that sort of thing if it wants to. It does not particularly strengthen the arm of the Government to do those sorts of things. The ability for a company to have transactions in furtherance of its operation encompasses these types of clauses.

Mr. BANNON: I move:

Page 7, lines 36 to 39—

Leave out "at a premium to be determined by the Minister having regard to the price at which shares in the company are sold or offered for sale on the Stock Exchange of Adelaide on the 27th day of August, 1980" and insert "at a price of 50 cents per share".

The amendment is clear. It is to new section 8 (3), referring to the issue of 20 000 fully-paid class B shares which, in turn, will carry a special voting weight which will give the S.G.I.C. and, through the S.G.I.C. subject to Ministerial direction, the Government control of the Gas Company.

I suggest that this is a fairly clumsy device and that there are a number of other ways in which this could be achieved, but the essential fact, when looking at my amendment, is that it is a device. There has been no pretence on the part of the Government and no belief by anyone looking at this Bill that S.G.I.C. is being given some sort of special investment, that the purpose of S.G.I.C. taking out these shares is on behalf of the policyholders of S.G.I.C. or is regarded as providing some special return to S.G.I.C. as the holder of these shares.

It is a device for Government control, not for a statutory body's influence or investment potential. If we concede that (and I think it is fairly patent), the argument shifts away from the question of the value of those shares to the question of what is a reasonable price that should be offered for this device. I reject totally the suggestion that the member for Mitcham would make that, because the ordinary class A shares of the Gas Company are undervalued, at least one can discern a value of about \$2, and that there is a speculative or market value as at the date mentioned of around \$6.50 to \$7, and that that is therefore the sort of value of the investment that S.G.I.C. is getting. I reject that totally, because it is not getting that sort of investment.

If the investment potential of the company was such that these shares were as valuable as the price being offered for them, rather than resort to this class B pretext, one would simply provide that, of the 4 900 000 class A shares of which only 1 900 000 are issued, you would simply issue a further 2 000 000 to S.G.I.C. It could pay for them at market value if that was a true value and have a good investment. Clearly that is just not on. First, it would involve the outlay of a large sum of money. Secondly, the return possible on that money, controlled by the Act, would mean that S.G.I.C. policyholders and the S.G.I.C. financial structure would be placed in jeopardy by such an investment. Alternatively, you could issue 2 000 000 ordinary shares at 50c, at the par value. Again, that would require a considerable investment by S.G.I.C., \$1 000 000, on a controlled investment amount, which also would not mean a proper return or value for money as a return to S.G.I.C. as a financial institution and, again, it would be placed in financial jeopardy by so doing.

One comes back to the device that the Government has proposed. It is not an area in which the true value of the shares, whether that be market value, the value one can discern as being reasonable, or the par value, is at issue. I think a strong argument could be made for this issue of fully-paid class B shares being issued at 1c, a sort of peppercorn price, because they are not true shares or

equity holding in the Gas Company. They are a device for Government control. Why subject the Gas Company to having to pay, depending on the price actually fixed (let us say \$7, because that is easy to calculate), say, \$140 000 for those shares? That is simply money for jam, in a sense. It does nothing for S.G.I.C. It is not going to get a return on the controlled dividends it has for that investment. It is simply an amount it has had to set aside and put, in effect, into cold storage for the Government's purposes. Let me make clear that I am not suggesting it is improper to use a State financial institution like S.G.I.C. for this sort of purpose. Indeed, it has been used very effectively for bridging home loan finance and various other means.

That was one of the reasons for its formation, and one reason why we on this side strongly support S.G.I.C. It has a vital role to play in the South Australian economy and occasionally can be called on in this way, so I am not questioning consideration of S.G.I.C. in this role. What I am arguing is that, in this situation, S.G.I.C. is simply being used as a device. There is no pretence of investment value there, and therefore no reason whatsoever for paying the price that the Government proposes. We have suggested 50c, a sort of par value of shares, equivalent to the value of class A shares and, as I have said, that is a notional amount that is not large in terms of S.G.I.C. outlay, and in terms of the control of dividends paid on shares and so on would represent a sort of return of its money in some way. One could take the argument back a step further and suggest that the Treasury should reimburse S.G.I.C. for this enforced purchase but, if the amount is low, I do not think that becomes an issue. However, if we are paying this artificially high speculative price, it does become an issue, and I think it improper and quite wrong for that price to be imposed.

Another point is the apparent recognition, by paying this price, that that was a fair and reasonable price in the market place. Surely, the burden of the argument over the past three or four months has been that false speculation has forced those share values up to premium and a level well above their proper value for a controlled public utility. Surely, the Government by enacting this legislation and providing that that speculative price should be paid is in some way endorsing that speculation.

That cuts completely across the statements the Deputy Premier made in June along the lines of *caveat emptor*—let the buyer beware, people speculating do so at their own risk. The Deputy Premier said in June that that is the case. Then on 27 August he said that the Government knew that the price was false, that there were many crook speculators in the market and that the Government was going to chop them off. He said that it was going to issue a special price of share at the price that they had been paying and had been dealing in. That is totally inconsistent with the "let the buyer beware" argument, and with the purpose behind this legislation. Legitimacy is being conferred on their speculation by new subclause (3).

So on that basis of principle, and on the basis of the costs that are being levied on the Gas Company, I think we have a very strong argument indeed in favour of this amendment. As I say, I could suggest 1c a share as being quite reasonable in this instance, because we are not, as the member for Mitcham tries to suggest, talking about true value. We are talking about a device, a means of control. We have set 50c as being a fair compromise on it, and it is outrageous that that speculative price should be given an implicit or, rather, explicit endorsement by this legislation when clearly the whole basis of the legislation has been that that price is bogus and that speculators have been working the market place in a way that is against the interests of the State. Therefore, there is an important

point of principle here, and the secondary point is the question of cost to the S.G.I.C. For those reasons, I suggest that the Committee should support the amendment.

The Hon. E. R. GOLDSWORTHY: The Leader of the Opposition's argument is persuasive, and I freely admit that, because I have been through the same mental processes myself in discussion with others on just what price we would fix in relation to issuing those 20 000 B class shares. As the Leader says, there is no pretence in what we are doing; it is there for the world to see. The Government decided it was appropriate to gain voting control of the Gas Company, and this was the device by which it would be done. I think the Leader would have to admit that anything we did would appear clumsy in this circumstance but, as he acknowledges freely, State Government insurance offices in other States have been used precisely for this type of procedure whereby the Government has wished either to gain control or get substantial control of a company. One does not have to go far around Australia to find a precedent for what the Government is doing in using the Government insurance office.

With regard to the question of what was a fair and reasonable price, as I have pointed out, I think it would have been quite unfair to issue the shares at 50c when the asset backing indicated that shares in the Gas Company were worth about \$2. As I explained in the second reading debate, the asset backing is obtained by taking the assets of the Gas Company, subtracting the liabilities, and dividing that among the shareholders. I suppose it could be acknowledged that this is giving tacit approval to the ruling share price on that day.

Mr. Bannon: It is explicitly approved.

The Hon. E. R. GOLDSWORTHY: I do not think that to say it is giving explicit approval is justified. In fact, we knew that, when the Government's taking control became known, share prices would find some level, and I would have been surprised if the level had stayed at \$7. I discussed this matter with the State Government Insurance Commission Chairman, and I understand that he subsequently discussed this with his board. As the Leader pointed out, the amount of money involved for the S.G.I.C., even at \$140 000, is not particularly significant when we look at the sort of investment that it makes, and the investment that it already has in the Gas Company which already runs into about \$8 000 000. Therefore, the Chairman was perfectly happy with the financial commitment that the S.G.I.C. was required to make.

Also, I think it probably could be said that it strengthens the position of the S.G.I.C. as underwriters for the South Australian Gas Company debenture issues; that is one of the operations that the S.G.I.C. is involved in and that is a pretty lucrative business for the S.G.I.C. Therefore, there was no complaint from the S.G.I.C. Chairman or from the board when I mooted this scheme and this price with them. In fact, we believed that it would be fair to let the market find its own level as a result of what the Government was doing; and for the Government to interfere as little as possible in relation to trying to indicate what we thought the shares were worth.

We believed that the way to minimise the impact on the share price and let the market settle down and find its own level would be for the Government to agree that the shares should be transferred at the ruling price on the day on which we brought in the Bill. One of the reasons for not indicating the fact that we were bringing in the Bill was to stop people making windfall profits and also to try to minimise wild fluctuations in the price of shares.

We certainly gave consideration to the points raised by

the Leader. We believed this procedure was fairest to all. We in no way indicated that that was where we believed the shares should stay. I thought that there would certainly be some influence on the market, and that influence has occurred. I believed that that was the fair way to do it, and that is what we did.

Mr. BANNON: I thank the Deputy Premier for the nature of his reply, which I thought did attempt to tackle the fundamental points I was making, but I still suggest it has left them untouched. If it is conceded that the market level was an unreasonably high level, then to require the Government instrumentality to acquire shares at that level is not proper, in the view of the Opposition. We are asking the Government to buy in at the top rate, at the ceiling, knowing full well that the effect of Government action, whether the Government wanted that to happen or not (and one would hope that it did), would be to depress the price of the shares, anyway. Now the S.G.I.C., faced with an investment decision in the Gas Company, would not dream of buying shares, one would hope, at that speculative level of \$6.50 or \$7, but it has been forced to do that by this Act. That is why I say that that is giving explicit approval to the speculative price that was reached.

The second point I make is that surely one of the purposes of this legislation is in fact to depress the share value and to cut out speculation. Surely, there is no need to try to maintain the market at some sort of level, for however long, because one of the prime purposes of this Bill is to get that ordinary share area down to a level of price which more accurately reflects the true market value and dividend value of the stock itself, to try to cut out this speculative element.

So, by forcing the S.G.I.C. to pay that price, and by giving that explicit approval to that price, which I suggest is enshrined in the Act, we were also trying to maintain the speculative value of shares at a time when the Government ought to have been on about (as it should have been on about some months ago) actively discouraging that speculation and actively lowering that price. On both those grounds, I suggest that the Deputy Premier has not made his case at all.

The Hon. E. R. GOLDSWORTHY: There were certain arbitrary features about this issue of shares. What we really had to balance was a number of features, namely, what we thought would be a reasonable infusion of funds from the S.G.I.C., affecting to a minimal extent its investment portfolio. For instance, to show the arbitrary nature, we could have issued 40 000 shares, and given them 50 votes each (both arbitrary decisions), or we could have spent \$140 000 if we had priced them at \$3.50. There was an arbitrary flavour about the whole exercise. It was a device we hit upon after much thought and deliberation. Despite its description as clumsy, it achieved what the Government sought to achieve, with a minimal impact on the S.G.I.C. and with the approval of the Chairman.

I think that, if one views the price of the shares in that light, one would have to give way to the argument that the share price that could cause the least criticism of what the Government was doing in view of its effect on the stock market was the one the Government eventually chose. The argument against selecting 50c, as suggested in the amendment, is fairly compelling. There would be an argument for selecting \$2, but it was impossible for the Government to say what a share price ought to be. The market determines that. The last time I looked at the share price it was \$3, and many people would argue that that is too high in view of the fact that the Bill is before the House and that I have made it clear that the speculation was unwarranted.

The Government would not countenance any distribu-

tion of dividends or assets from S.A.O.G. If one looks at the whole exercise in perspective, one has to balance the amount of money against what the Government wanted to achieve. There is an arbitrary element in all those three decisions I have mentioned. The decision the Government reached was the fairest to all concerned, and I do not believe that it could be construed that the Government, in view of my Ministerial statements, entertained the view that this was the price it thought was justified for the Gas Company's shares.

They are the reasons. We decided that a reasonable compromise all round, and the objective we wanted to achieve, was to issue 20 000 shares, giving them 100 votes each, at the price ruling on the day we introduced the Bill. It was done after consultation with the S.G.I.C., and consideration of the effect it would have on the business of the Gas Company, and the impact it would have on its investment portfolio.

The Committee divided on the amendment:

Ayes (17)—Messrs. Abbott, L. M. F. Arnold, Bannon (teller), Max Brown, Crafter, Duncan, Hamilton, Hemmings, Keneally, Langley, McRae, O'Neill, Payne, Plunkett, Slater, Trainer, and Wright.

Noes (22)—Mrs. Adamson, Messrs. Allison, Ashenden, Becker, Billard, Blacker, D. C. Brown, Chapman, Eastick, Evans, Glazbrook, Goldsworthy (teller), Lewis, Mathwin, Olsen, Oswald, Randall, Rodda, Schmidt, Tonkin, Wilson, and Wotton.

Pairs—Ayes—Messrs. Corcoran and Whitten. Noes—Messrs. P. B. Arnold and Russack.

Majority of 5 for the Noes.

Amendment thus negated; clause as amended passed. Schedule and title passed.

Bill read a third time and passed.

ADJOURNMENT

The Hon. E. R. GOLDSWORTHY (Minister of Mines and Energy): I move:

That the House do now adjourn.

Mr. BLACKER (Flinders): I take this opportunity to raise a matter of some concern to a constituent of mine as a result of a speech I made in this House during the Address in Reply debate. I refer to my comments on the departmental attitude to the restoration of the Dutton Bay jetty. In explaining my concern about that jetty I made reference to the manner in which, and the reason why, the department closed the jetty in the first instance by placing on it a sign which read "Under repair". I said that that was brought about because of vandalism. Somebody lit a fire on the jetty, putting it in a state of disrepair. As a result of that, and a subsequent accident involving a local resident, the jetty was closed and a panel of it was removed. My speech was picked up by the local media and reported in the *Port Lincoln Times* under the heading "Call to open Dutton jetty", as follows:

A call to the Government to re-open the Dutton Bay jetty was made in Parliament last week by the member for Flinders, Mr. Peter Blacker. In his Address in Reply speech Mr. Blacker said the jetty was closed not because of its disrepair, but because of vandalism. He said a fire had been lit in the middle of the jetty by vandals, but this was seen by another person, who extinguished the fire. Following this, a local resident saw that a plank had been burnt, and decided to test its strength by jumping on it. "The plank gave way and, as a result, he suffered injuries to his leg and he has claimed compensation from the Department of Marine and Harbors or the Coast Protection Board," Mr. Blacker

explained.

After this, the department took some planks out of the jetty, and erected a sign stating, "Jetty under repair", but this had been replaced in recent weeks by a sign saying "Jetty Closed". Mr. Blacker said the jetty was otherwise in good repair. "I trust that the Minister responsible for this operation will ensure that the people of that area get what is rightfully and properly theirs", he said.

I raise this point because the person who was injured on that jetty made inquiries as to whether compensation could be paid as a result of his injury. He rang me, and I asked whether he would put his feelings in writing. I was only too happy to clarify the situation. The point I was making in the House was not that a local resident had been injured, nor that the jetty had been reduced to an unusable state as a result of that accident, but that it became unusable because of vandalism.

The unfortunate circumstance is that the person who was injured is now, in his opinion, being victimised. He believes that the local people are saying that he is responsible for the closing of the jetty. The person concerned is Mr. Darrel Puckridge, and after our telephone conversation I requested that he write to me. For the record, I will read his letter so that this matter can be clarified and so that he can be exonerated from any blame, if such blame does exist, although I seriously doubt that it does. The letter is addressed, "Mr. Peter Blacker, Parliament House, North Terrace, Adelaide," as follows:

Dear Sir,

Re my telephone call. I was walking along the jetty with some friends on 8 October 1978.

This matter is now two years old, so members can appreciate that I am rather concerned about it. The letter continues:

While walking along the jetty I noticed that a plank had been burnt out of the jetty and I said to my friends that it would be good for someone to fall through. As we went for the reason to see if any fish were being caught, I was looking over side of jetty for fish and put my leg in another hole. My pants were torn and my leg scratched so as a preventative measure I walked down the steps on side of jetty, bathed wound in salt water. My leg didn't hurt for over a week, but when I was in Adelaide my leg started to throb, so I went to a doctor and my leg was cut open with local anaesthetic because it was thought that there was a wooden splinter in it.

The doctor referred me to a surgeon in Port Lincoln as I could not go into hospital in Adelaide. My leg was operated on a couple days after being admitted to hospital 23/10/78. My father employed a man while I was in hospital and we thought he should be compensated for his expenses as it was not my fault the jetty was in disrepair. After corresponding with Marine and Harbors for compensation, I decided it was not worth the money involved because of local feeling that the jetty would be demolished because of my request for compensation.

I have to reside in this area for my living and when I saw the report in the local paper that I had jumped on a weakened plank which was not the truth, it is unfortunate as in our community it is known that it was me concerned, so am getting asked some very difficult questions which I should not have to answer to as have done nothing to be ashamed of. Under the circumstances I have mentioned, I think you will look at it in the same light as I do, and have the true facts verified.

Thanking you, Yours truly, Darrel W. Puckridge.

I fully sympathise with Darrel. Never was there any intent that he should be implicated. His name was never mentioned, nor was the inference made that the person who suffered the injury was the person responsible for the closing of the jetty. The point being made was that there

was an act of vandalism. A fire was lit on the jetty and as a result of that fire and the subsequent investigation by the Department of Marine and Harbors the jetty was rendered unusable. It is only in recent weeks that the department has gone down and further removed another section of the jetty and replaced the sign which said "jetty under repair". That sign has been there for more than 18 months. Local residents had good reason to believe that the Department of Marine and Harbors was going to repair that jetty.

However, when the department replaced the sign with another stating "jetty closed", it put a totally different emphasis on the matter. Fortunately, on the day on which the department put that sign there, some local residents saw the operation being carried out and questioned the persons concerned. We now believe that it was a deliberate attempt by the department to have the sign "jetty under repair" there so as to put the community off and stop people from raising too many objections. They could easily be put off with the thought that it was under repair. This has gone on for 18 months. No work has been done, and it is my considered opinion that the reason the department changed the sign from "jetty under repair" to "jetty closed" is that it can now say that the jetty has not been used by the general public for two years, so there is no community need or requirement for it and it can therefore be closed. It has been a strategy deliberately set about by the Department of Marine and Harbors and the Coast Protection Board. They have deliberately attempted to put the community off from objecting by having people believe that the jetty was still under repair.

I have good reason to believe that this is the case because of action by the department and the subsequent questions raised by the community since that time. I do not wish to go on about the matter except to say quite categorically that never was there any intention to implicate Darrel Puckridge as being responsible for the closing of the jetty. That is definitely not the case. It was unfortunate that Darrel Puckridge was the person concerned—it could just as easily have been me or any other member of this House should they have been holidaying in that area. It could have been anyone. Darrel was the unfortunate person, and he believes that he has somehow inadvertently been blamed for the closure of the jetty. I again make the request that the department take up this matter, because I understand that the jetty is not in the bad state of repair that was first believed.

Under-water inspections have been made of the piles, and it has been admitted that the jetty is in nowhere near the poor state of repair that was first believed. So that the matter can be rectified and our community can once again have a jetty, and so that our learn-to-swim campaigns can have a base from which to work, I make an earnest plea to the Coast Protection Board and to the Department of Marine and Harbors that urgent action be taken to have the jetty restored to a usable condition.

Mr. McRAE (Playford): Residents of the outer north-eastern region of Adelaide were no doubt amazed at the decision of the State Government not to proceed with the light rail transit system between Modbury and Adelaide as proposed by the Labor Government, but instead to use the O'Bahn bus system.

My own view is that we have been robbed. What is more, we did not even get a hearing for those who sought to protest. Within a few days of the release of the very detailed statement by the Minister of Transport, Mr. Wilson, the Opposition had sought an opportunity to debate the decision in Parliament. The Government simply blocked the request by not providing the necessary time. For that and for other reasons, I thought that I

should fairly briefly underline some of the absurdities of this new proposition.

In the first place, it will cause great concern to anyone (and is not that all of us) concerned with the impact on the environment of the Torrens Valley. I think that anyone who has ever looked at this aspect in this long drawn out debate has agreed that buses are 10 times more damaging in terms of pollution than is the tram system.

Secondly, while it is true that this proposal has been costed at around \$40 000 000, in contrast to the A.L.P. proposal at about \$115 000 000, there is no guarantee at all that it will work. There is only one other city in the world, namely, Essen, which has decided on the same system. Even then, as Bob Jennings, the *Advertiser* motoring writer, commented, the reasons were special to that city. Essen, in the Federal Republic of West Germany, is a mediaeval city with narrow winding streets. They found themselves with ever-increasing traffic and no way of widening the streets. Again, as Mr. Jennings put it, at the least it was a risky experiment and at worst a potential disaster.

Thirdly, the A.L.P. would challenge the figure of \$40 000 000, anyway. It is strongly suggested by transport experts that hidden extras can take the total costs to well over \$70 000 000. However, for my purposes I am prepared to let the two figures stand. Even on Mr. Wilson's own observations, this is a short-term solution which may be revised again in 10-15 years.

Mr. SCHMIDT: I rise on a point of order. In reference to your comments made in the House this afternoon, Sir, I draw your attention to the method by which the member for Playford is addressing the House at present.

The SPEAKER: I uphold the point of order. I indicated to the House this afternoon that it was necessary for all honourable members other than those who were leading a debate to use notes but not to read speeches.

Mr. McRAE: Thank you, Sir. Of course, I bow to your authority. However, I shall not forget, nor will Opposition members forget, what has happened. The same mercy that I have been given will be given to our opponents. Even on Mr. Wilson's own observations, this is a short-term solution which may be revised again. This has been a matter of concern—

The SPEAKER: Order! I must draw the honourable member's attention to the fact that he is now defying the Chair. I indicated, in reply to the point of order that was raised, that speeches would not be read. With due respect to the member for Playford, he is obviously continuing to read.

Mr. McRAE: I am endeavouring to use the copious notes that I have before me so, if I flick my eyes over the paragraphs, I will endeavour not to read. Assuming that the system proposed by the Government does work, the \$40 000 000 that has been spent or that will have been spent will save six minutes of travelling time.

Because of the nature of the system proposed by the Government, there will be fewer bus stops in the city. This will produce a problem for a number of women in the north-eastern suburbs because, as there are fewer bus stops in the city, there will be a security risk.

An honourable member: I thought that you were a trained lawyer.

Mr. McRAE: If the system does not work, we will have a useless road system all the way from Modbury through to Hackney. For the benefit of the member who interjected, I point out that I am a trained lawyer. However, let me go on to say the following.

When Government members in the north-eastern suburbs stood in the last election, they promised a viable transport system and they have not produced it. I say to

the members for Newland and Todd (because I have been taken up on a point of order I am not allowed to put in all of the material that I could once have put in) that they will be brought to account because of this question. Before the residents of that area are two systems: one which may cost \$40 000 000 and which may save six minutes travelling time; another, which would undoubtedly cost \$115 000 000, but which would save 15 to 20 minutes travelling time. The O'Bahn system, as any dim witted fool would know, is the most polluting system of any of the systems that have been discussed.

May I say also that this is a blatantly political decision on the part of the Government; may I also say that all of the Government's transport advisers advised the I.r.t. as the solution. The O'Bahn solution has been proposed and approved only because it is an easy political way out for the Government; it is a way in which the Government can salve the wounds of its moneyed supporters in the wealthy inner suburbs surrounding Walkerville and those areas. I point out that the noise that those people created in the early days of this debate has rapidly dissipated. Why is that? Is it because the environment of the Torrens Valley has been saved? No, it is not. The environment of the Torrens Valley has not been saved. Buses are 10 times more polluting than trams can ever be.

Mr. Lewis: How many kilojoules can they produce?

The SPEAKER: Order! Interjections are out of order.

Mr. McRAE: I wish the member for Mallee would stop interjecting. Is it because the number of constructions across the river has been reduced? That is not the fact, because the number of bridges across the river has been increased by two, so that is not the reason either. What I am saying is that the residents of the north-eastern suburbs have been robbed, and without a hearing in this Parliament, because at the first available opportunity my Leader moved a motion that the Government give Government time to discussing this matter in an orderly and reasonable fashion. Was that opportunity given to us? No, it was not. It was a kangaroo court; we were blocked immediately. On an issue as important as this, which has been discussed for as long as it has, that should not be the case. There should have been a rational discussion, on an issue as important as this.

I will be very pleased to report to the residents of Playford, Todd and Newland, who suffer so much in this, that, when I attempted to put, in an orderly fashion, something on which I had worked very hard, I was immediately called on a point of order by a backbencher who I thought would have had an interest in this matter, and I was silenced (in a proper fashion, under the rules of debate) so that I could not be heard again. Twice, the Opposition has tried to raise this matter in an orderly fashion in the Parliament and each time it has been denied a hearing. On the first occasion, my Leader attempted to raise the matter, but no Government time was given to him; and secondly, when I attempted to raise the matter within the rules (because the Speaker's ruling provides that one can do any amount of reading provided there is no call from opponents), in an orderly fashion, who blocked me? The member for Mawson, who represents the southern outer area.

I shall be very delighted to tell my constituents and the residents of all of outer north-east Adelaide of the attitude adopted by the colleagues of Dr. Billard and Mr. Ashenden. The debate was gagged immediately; the attitude seems to be "Don't let your next door neighbour in Playford have any say at all if you can avoid it." Do not worry—I will say that loudly and clearly, and the member for Mawson can be thanked for the fact that I am even more determined to see that this matter is carried forward.

Because I have been blocked tonight, and I will not be blocked again, I will put a notice of motion on the Notice Paper and this issue will be heard and dealt with in far greater detail. The fact is that this Government was committed to a stupid programme, not for rational transport reasons, about which its advisers are grossly embarrassed, but for devious political reasons. The residents of the North-East suburbs have been robbed without a trial. It is a disgrace.

Mr. BECKER (Hanson): The charade by the previous member who has just resumed his seat is that he deliberately flouted the rules of this House, in my opinion, in an attempt to give some credibility to about the weakest argument I have ever heard. This evening I wish to grieve on behalf of a constituent of mine, a person who has been the victim of incompetent legal representation and a scandalous conspiracy. He is a person who has virtually been robbed of \$250 000. In 1978 my constituent owned shares in a mining company in which he had other persons as partners. Because of his dissatisfaction with one of the partners who was allegedly involved subsequently in insurance company broking frauds involving about \$750 000, my constituent decided to either purchase that particular person's share in that mining company or else give his partners the opportunity to buy him out.

His two partners in this venture, one by the name of Austin Jobe, and the other David Rea, decided they would purchase my constituents 50 per cent share for \$250 000, less \$15 000 which was to be paid to one of the partners. The transaction took the form of a cheque for \$10 000 as a deposit and a subsequent cheque for \$25 000, which was dishonoured by the bank; so good was the transaction.

As a major shareholder in this mining company, my constituent also paid one of his partners \$2 000 to stay on the mine to conform with the Mining Act working conditions. At the same time it was alleged that that particular person was also receiving unemployment benefits. During the working of this mine my constituent claims that he was the first person in 76 years to de-water the Tarcoola gold mine. During this operation he was introduced to another person by the name of John Simnovec who was also employed to work on the mine. Mr. Simnovec has a criminal record in New South Wales, which my constituent did not know about at that time. Mr. Simnovec subsequently lodged a plaint in the Warden's Court against my constituent and his two partners.

When the matter went before the Warden's Court, after some considerable discussion, Mr. Simnovec was the plaintiff and the defendants were my constituent, Mr. Richard Carr, Mr. Austin Jobe and Mr. Rea. The Warden decided that the working conditions on the mine had not been complied with, so it should be forfeited. This is a scandalous conspiracy because Jobe and Rea conspired with Simnovec. Rea gave evidence in the court that the mine was not worked, yet Rea had been paid \$2 000 to sit on that mine so that the company could comply with the conditions.

The evidence presented to the Warden, and it is very clear in the Warden's summing up, was that he was not satisfied with some of the evidence or some of the actions. In the Warden's judgment of 22 June, relating to the Tarcoola gold mine, he said:

Simnovec quite openly admitted that if he succeeds in the action and obtains possession of the leases he hopes to enter into an agreement of some sort with Jobe and Rea, and those two defendants also quite openly admit to such an intention. Therefore, I claim that it was a clear conspiracy between

Jobe and Rea, with Simnovec, to rob my constituent Carr of his interests in this mine. In his judgment, the Warden also said:

From the beginning I took the view that so far as Jobe and Rea are concerned, in essence, the plaint is the first step in an attempt to join forces with Simnovec and oust Carr, the third lessee. Successive steps, if this one is successful, will ultimately be decided by Simnovec himself and the Minister. It must be remembered that Jobe and Rea are not only not defending the action brought by Simnovec, they are supporting it.

Therefore, before isolating Simnovec's dispute with Carr, it is necessary to consider whether Jobe and Rea were justified in collaborating with Simnovec in an attempt to remove Carr. If they were not and it appears that Simnovec was a party to an underhanded and unjustified attempt to remove Carr, then it would be difficult to sustain a recommendation that would result in Carr losing all rights in the tenements.

What happened was that the lease was forfeited and transferred to Simnovec. I suppose it is ironical, as far as my constituent Mr. Carr is concerned, because the lease was granted and given to Simnovec, the person who complained Carr, Jobe and Rea, and that the Minister cancelled the original lease. It was notified in the *Government Gazette* of 18 October 1975. The following Ministerial approval for the terms and conditions and Simnovec's acceptance thereof and notice of the proposed lease appeared in the *Government Gazette* of 14 and 21 February 1980.

Ironically, that was a few days after Simnovec was released from Long Bay Gaol. My constituent is hurt to think that he was the victim of a conspiracy, that the person involved in the conspiracy following the court case was arrested and spent nine months in Long Bay Gaol on an outstanding conviction from the New South Wales court, and when he came out he was given this lease in relation to the Tarcoola Gold Mine.

The next chapter of the tragedy as far as my constituent is concerned was a decision handed down in the Warden's Court on 3 September. What has happened in the next part of the saga is that Simnovec has applied to the Warden's Court for a six months' working suspension on

this gold mine. The first of four reasons given for seeking the suspension was:

That the mining tenements have been sold to Paul Maurice Weston, of 121 Forest Street, Peppermint Grove, Western Australia.

Attached to the statement in the court was a copy of a memorandum of agreement between Simnovec and the vendor, and I understand from perusing that document that the mine has been sold for \$27 000. Some 12 months ago Rea and Jobe conspired with Simnovec and agreed to buy Carr's interest for \$250 000. I am advised by my constituent that an officer of the Mines Department valued my constituent's interest in that mine and valued the mine as it stood at \$500 000, so it is hard to believe that someone who obtained a mine through forfeiture would suddenly sell it for \$27 000.

However, the ironical twist is that, in transferring a mining lease from one person to another, stamp duty of one per cent is payable, so it would not be beyond the scope of the people involved in this conspiracy to pay \$270 stamp duty to the State instead of the \$5 000, which is probably what the mine is worth. The value of the gold in the mine is anyone's guess, but certainly would be worth considerably more than \$500 000. Here it is confirmed many months later by Simnovec's application to the Warden's Court that he has sold the mine and an agreement had been entered into with a person from Western Australia weeks before it came to the court. Further, it is interesting that it is the intention of Weston from Western Australia to float a no-liability company to be listed on the Stock Exchange and seek \$2 000 000 from the public to operate and recommence this mine.

One becomes very cynical, and believes the public of South Australia should be warned in dealing with any future transactions, or any transactions relating to the Tarcoola gold mine until the credibility of the owners and the people involved can be established, and until it is clearly established that further illegal action will not be taken.

Motion carried.

At 10.30 p.m. the House adjourned until Wednesday 17 September at 2 p.m.