

## HOUSE OF ASSEMBLY

Thursday 29 July 1982

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

## PUBLIC ACCOUNTS COMMITTEE REPORT

Mr **BECKER** brought up the 24th report of the Public Accounts Committee, which related to responsibility and autonomy of the South Australian Public Service organisations, commissions and authorities.

Ordered that report be printed.

## QUESTION TIME

The **SPEAKER**: Before calling on questions I indicate that any questions for the Minister of Mines and Energy will be taken by the Premier and any questions for the Minister of Health will be taken by the Minister of Transport.

## SALES TAX

Mr **BANNON**: Can the Premier say what action he has taken to prevent the Fraser Government from increasing sales tax on South Australian produced white goods, including refrigerators, washing machines, air-conditioners and freezers and to prevent it from imposing a sales tax on building materials? In the 1981 Budget sales tax was increased from 2.5 per cent to 5 per cent on major products of the South Australian white goods industry.

The **Hon. D. O. Tonkin**: I have something on it here.

Mr **BANNON**: That is correct, I will be referring to that report in a minute, so you will have a good answer ready, I am sure. In the Australian *Financial Review* of last Friday it was reported that white goods were a real prospect for a sales tax rise to 10 per cent, which is a further doubling of the sales tax. Such a move would worsen a critical situation in which retrenchments are occurring. Recently, Kelvinator Australia retrenched 130 workers and others are on short time.

Last year in the Senate the Opposition rejected plans for the introduction of a sales tax on building materials. Reports are that such a tax is once again under active consideration. Combined with higher interest rates on home loans, the increased cost of building a home as a result of sales tax would stretch the 'deposit gap' even further. Sales tax increases are being advocated as a trade off for income tax cuts. Mr J. A. Uhrig, Managing Director of Simpson Ltd, is quoted in today's *News* as saying:

Consumer taxes were preferable to income taxation when properly phased in and affected all consumer goods whether imported or locally made.

I notice that he made two qualifications, but that comment is being made. In relation to that, the 1981 Federal Budget figures indicate that income tax cuts could be financed with no rise in sales tax occurring. On the official figures the ending of tax indexation this month (that is, the adjustment of tax brackets to remove the effects of inflation on wages) will automatically add at least \$500 000 000 to tax collections this financial year over 1981-82 collections.

The **Hon. D. O. TONKIN**: I am sure that the Leader of the Opposition will be well aware that I have had detailed discussions with the Federal Treasurer and the Prime Minister on the whole matter of taxation and on a number of other matters, particularly wine tax (which matter was raised

recently) and also the white goods and the car industries. I have also had detailed discussions about income tax levels, and I do not think there is any secret at all about the fact that I am advocating, at every possible opportunity, reductions in the income tax levels generally.

There is no question but that the high rate of income tax is a positive disincentive to individual initiative and effort, and it is a decision that the Federal Government must face up to in the very near future. Regarding the possibility of a wine tax, I have contacted all of those people who assisted in my campaign to try to avoid the imposition of this tax at the time of the last Budget, and I have received almost overwhelming support from the industry, grape-growers and people who stand to lose a great deal from the imposition of a wine tax, particularly in South Australia.

The same position applies to the white goods industry and to the car industry generally. As I believe the Leader of the Opposition knows very well, no positive reaction is forthcoming at this time, and that is entirely proper. We will not get any comment from the Federal Government, and I would hope that we would not get any comment from a Federal Government of any political persuasion about what might be contained in the Budget. We will have to wait until the Federal Budget comes down to learn about that.

I must say that the reception I received in regard to the wine tax and the sales tax was quite sympathetic. The Federal Government is well aware of our dependence on the white goods industry, the car industry and, indeed, on the wine industry. I can only say that I was quite satisfied with the reception that I received. I am slightly puzzled by the report that appeared in today's afternoon press about the concern which the Leader of the Opposition has expressed that there could be an increase in sales tax on white goods.

That claim is not necessarily supported by major white goods producers in South Australia. Mr K. G. Branson, Secretary of Kelvinator Australia, stated that his company would like to see sales tax eliminated, but he warned against over-playing the importance of the issue. He stated:

Any increase in sales tax is nothing to us compared to the impact of a 38-hour week, wage claims or workers compensation payments.

I believe that is something that the Leader of the Opposition could well take on board, because there is no doubt that the policies that have been set out in the Labor Party's Convention and platform documents, where they support a 35-hour week and other benefits for workers, are quite inappropriate at this time. I suggest that the Leader would be far better occupied in trying to persuade his colleagues and the members of his Party, particularly the trade union leaders who seem to dominate the Labor Party at present, to abandon their claims for a 35-hour week, and to moderate their claims for excessive wage increases so that they can maintain a productivity and a competitiveness that will enable markets to be maintained. Mr J. A. Uhrig, the Managing Director of Simpson Limited, was also reported in the press.

*Mr Bannon interjecting:*

The **Hon. D. O. TONKIN**: Yes, but I am quoting the other part that the Leader of the Opposition did not quote. Mr Uhrig said that the sales tax introduced in the last Budget had made no difference, and that consumer taxes were preferable to income taxation when properly phased in and affected all consumer goods whether imported or locally made.

That shows to me that Mr Uhrig also is very well aware of the need to maintain wage claims to a reasonable level and to avoid moving to a 35-hour week or any other matter which would increase company costs to such an extent that it would affect South Australian manufacturers' ability to

sell either interstate or overseas and maintain the markets that we desperately need if we are to retain employment in this State.

### JOB CREATION SCHEME

**Dr BILLARD:** Is the Minister of Industrial Affairs aware that the Leader of the Opposition made certain statements outside the House yesterday about a job creation scheme during which he said that funding for the scheme would include remission for funding from the Federal Government for unemployment payments saved by the Commonwealth scheme? Can the Minister inform the House whether such remission funding is available from the Federal Government?

**The Hon. D. C. BROWN:** I am aware of what the Leader of the Opposition said outside Parliament yesterday. In fact, it is fairly adequately reported in the *Advertiser* this morning, and what Dr Billard has just said is quite correct, that the Leader of the Opposition said outside of Parliament yesterday about the Labor Party's so-called job creation scheme, and I quote 'that it will—it quite definitely will—include remission funding from the Federal Government for the unemployment payments saved by the State running the scheme'. In other words, he expects that the Federal Government will pay to the State Government the unemployment benefits that would have been paid to those people under the job creation scheme. I point out that no Federal Government, whether Liberal or Labor, the present-day one or any previous Labor Governments, has ever given a remission of unemployment benefits to a State Government just because it has introduced a job creation scheme.

The Leader of the Opposition has now called in Bob Hawke, because he needs some help. They have done so little work on the job creation scheme that they now grab Bob Hawke, who, incidentally, is coming here to speak tomorrow. It is an afterthought to help the Opposition in this State, but they now have to get in Bob Hawke to help with the job creation scheme.

*Members interjecting:*

**The Hon. D. C. BROWN:** Members opposite work together to split their Party down the middle. The Leader of the Opposition in this House on Tuesday, and on several other occasions, waved around a document which talks about the economic development strategies of the Labor Party in this State. That document talks of a job creation scheme. We have all heard in this House how the Leader has said there is a special chapter in that document about the costing of their schemes. I looked at that chapter and nowhere does it put down any figure or costing or where the money will be raised for their job creation scheme. In other words, he has promised us that all of the cost details are covered, yet in his own document it is completely ignored. Yesterday, as an afterthought, he decided he needed to find the means of financing this scheme, and so he has come up with this ludicrous scheme of a remission of unemployment benefits from the Federal Government.

**The Hon. E. R. Goldsworthy:** He promised that.

**The Hon. D. C. BROWN:** Yes, he is promising that as a definite statement. I have had discussions with the Federal Government and it has pointed out that it has always been Federal Government policy that no unemployment benefits will be remitted to a State Government, so the chance of the Leader of the Opposition getting that money is absolutely zilch. I find it interesting also because today the Leader of the Opposition has called in Bob Hawke to get him out of the mess he is in regarding this job creation scheme.

*Mr Langley interjecting:*

**The Hon. D. C. BROWN:** If the member for Unley will listen for a moment, he will find the extent to which his Leader—

**Mr Langley:** It's a Dorothy Dix question.

**The SPEAKER:** Order!

**The Hon. D. C. BROWN:** When the Leader of the Opposition leads with his chin the way he has on this issue, he deserves to have the matter thrown straight back at him. In his statement to the *News* today the Leader stated:

But since Mr Tonkin scrapped direct job creation there has been a marked down-turn in employment in South Australia.

In fact, the figures show that since he stopped the State Unemployment Relief Scheme total employment in the State has increased by 8 800 jobs. That cannot be denied. They are permanent jobs as indicated by A.B.S. figures. I find it incredible that the Leader of the Opposition makes statements that are just not correct in an attempt to prop up his failing job creation scheme. I come to what is a very interesting quote.

**Mr Bannon:** Have a no-confidence motion against me.

*Members interjecting:*

**The SPEAKER:** Order! The House will come to order.

*Members interjecting:*

**The SPEAKER:** Order! The honourable Minister of Industrial Affairs.

**The Hon. D. C. BROWN:** In case the Leader of the Opposition has any false opinions about where unemployment currently stands, under the Labor Party, when the job creation scheme was in operation in January 1979 unemployment in this State was 8.2 per cent. There has not been a job creation scheme operating since we have come to Government and unemployment is currently at 7.6 per cent. We have increased total employment in the State by 8 800 people. I remind the Leader of the Opposition of what his Deputy Leader said about job creation schemes on 11 July 1982, and I quote from his press release, as follows:

Mr Wright said that Labor was aware that merely creating temporary jobs for unemployed people was not sufficient to improve their long-term job prospects.

If ever there was a damning statement on the Labor Party's job creation scheme, it is the one that his own Deputy Leader made on 11 July this year. I also wish to take up other points raised by the Leader of the Opposition yesterday in his public statement outside this Parliament. He accused me of being all airy-fairy nonsense on my costing. I go on to read the *Advertiser* report, as follows:

He said the A.L.P. was unable to cost its job-creation plans itself at this stage, as it would depend on available resources and the amount of money that could be set aside for such schemes. He would not say how many jobs the A.L.P. would hope to create under the job-creation scheme.

The Leader has not a clue. It is part of his economic package and the way he is going to solve unemployment in this State. However, he has not got a clue about how many jobs will be created. He said, 'We are not talking about any particular figure.' We know that he does not like to deal with figures. I put up a figure of \$90 000 000, which he cannot dispute, because it is based on facts in the Auditor-General's Report. It has acutely embarrassed him. He has a policy for which he has done no costing and apparently does not know the effects of it on unemployment. Why promote a job creation scheme if one has no idea how much it is going to cost and how many jobs it is going to create? I would have thought the first thing one would do if one were to plan a job creation scheme would be work out how many jobs were being created.

**The Hon. E. R. Goldsworthy:** And how many it will put out of work.

**The Hon. D. C. BROWN:** Yes, and how many people will be put out of work in existing building companies. I

will deal with that matter soon. The Leader of the Opposition said:

At its peak, the scheme run by the former A.L.P. Government employed about 2 000 people.

My costing was based on 5 000 people, so if his scheme employed 2 000 people it would still cost about \$40 000 000, but it would give only one job for every 20 people unemployed in this State. Frankly, any such scheme would be quite hopeless. Finally, the Leader of the Opposition said that the scheme would not be similar to the old State Unemployment Relief Scheme: I refer to what the Leader said on a programme on the A.B.C. last Tuesday, 27 July.

*Mr Langley interjecting:*

The **SPEAKER**: Order! The honourable member for Unley will remain silent.

The **Hon. D. C. BROWN**: Last Tuesday, when the Leader of the Opposition called a press conference to talk about the loss of jobs in this State, he said that the Labor Party would introduce a job creation scheme and made the following comments:

You talk to many of the local government bodies throughout South Australia and they will all tell you that when the South Australian relief scheme was operating it provided for them many essential facilities and services, which they are drawing a benefit from today. Of course, it is a short term measure but, dear me, in the current position we need immediate and short-term measures.

I have read those comments because it was the Leader of the Opposition himself who said in the statement that the scheme was obviously going to operate on a similar basis to the old SURS, and that is exactly the basis upon which I have done the costing.

The **Hon. E. R. Goldsworthy**: It will keep people out of permanent work.

The **Hon. D. C. BROWN**: I stressed that yesterday: if the Labor Party takes funds from the existing State funds it will simply be redirecting capital funds away from existing builders and will be taking jobs away from those in the building industry in order to give those to the unemployed, and that will therefore increase unemployment. If the Labor Party raises the money as additional money, it will be a tax of \$170 for every South Australian who has currently got a job. There is no doubt that the job creation scheme of the Labor Party is nothing but a fraud, and it reflects the character of the Leader of the Opposition.

### MOUNT BARKER BAKERY

The **Hon. J. D. WRIGHT**: I do not think there was much need for that last remark. I direct my question also to the Minister of Industrial Affairs. Will the Minister re-investigate current employment ratios at the Mount Barker Bakery, specifically in regard to the ratio of the number of adult employees to that of casual and permanent junior labour? The Mount Barker Bakery, now and in the past, has not always honoured the obligations of the provisions of the Bread and Yeast Goods Award insofar as employing four adults to each junior employee, is concerned. During my period as Minister, this was drawn to my attention, and the view taken then was that there were so many unemployed youth that it was giving an opportunity for young people to find employment which would otherwise have not been available. Following discussions with the current Minister, it is my understanding that this policy has been followed.

However, I am now informed that the current position at this bakery has completely got out of hand, owing to the fact that school children are being employed as casuals, thus alleviating the opportunity for full-time adults to find employment. It has been pointed out to me that honouring the obligations of the Bread and Yeast Goods Award would

enhance the opportunity for people to find employment following the closure of the tannery, which has caused acute employment problems in the town.

The **Hon. D. C. BROWN**: I have had several discussions on this subject with the trade union involved, namely, the bread bakers, and officers of my department, by way of my Director-General, who spoke with the Managing Director of the bakery. The point is that for some time the bakery has been employing a higher number of juniors than it is allowed to employ under the award.

The **Hon. J. D. Wright**: That is not the objection now.

The **Hon. D. C. BROWN**: No. As part of those discussions, certain prosecutions have arisen. I understand that the bakery is currently under consideration for at least one prosecution or for a series of prosecutions concerning the paying of people their proper wage.

A point has been raised about the ratio of juniors to adults. I had the department investigate that, and there was an anomaly. I have had discussions, through the Director-General, with the Managing Director, and he has agreed that, over a period of time, he will correct that position. I cannot recall the exact details without referring back to, I think, correspondence sent to him. We are still in the period in which the Managing Director has promised to correct the position. I have had a number of letters from the juniors involved and from the parents of juniors involved, asking specifically that I do not automatically require the award to be upheld immediately because, in that case, the juniors who are employed will have to be laid off or retrenched.

I ask anyone here, including any trade union members, to tell me whom they would want retrenched, because I doubt whether anyone here would lower himself to that. It is an issue that must be resolved by negotiation, by making sure that the management of the bakery is doing the right thing, but through natural attrition rather than by forcing people to lose their jobs. I assure the honourable member that I will further investigate the matter to make sure that the agreement reached is being proceeded with. I am fully aware that we are still within the transition period, but I shall investigate the matter to make sure that negotiations are being upheld.

### ENTERPRISE AUSTRALIA

**Mr SCHMIDT**: Will the Minister of Education say whether he is concerned at the opposition mounted by the South Australian Institute of Teachers to the teaching material being provided to school systems by Enterprise Australia, to inform students accurately and objectively of our economic system based on a mixed economy?

The **Hon. H. ALLISON**: Yes, I am concerned. In the first place, I believe that all members of the House will be well aware of the complaints that were addressed to the Minister, when we first came to office in 1979, about the Liberal Party education policy. In that regard, it was made quite clear to the Minister that he had made certain commitments regarding curricula that were really within the province of the Director-General. Since then, I have at all times made it quite obvious, I think, to all members of the House that the Director-General is the person who will decide ultimately what goes into the schools, yet here we have the very body that complained about the Minister's attitude and the Liberal Party policy at that time now laying down the law to the Education Department, to the Director-General, and saying that it objects very strongly to the material being promulgated by the Enterprise Australia group.

What is wrong with that? A couple of days ago simultaneously I received two letters, one of which was from the President of the South Australian Institute of Teachers (Ms

Ebert), pointing out to me that some months ago a question had been asked in the House. She quoted that question, which was as follows:

Will the Minister advise whether Ms Ebert had seen the visual and other material from Enterprise Australia which was produced through bipartisan support for use in schools before making her statements?

That question was asked in the Upper House and my response to it, quoting from Ms Ebert's letter, was as follows:

No, Ms Ebert had not seen the material which was prepared by Enterprise Australia before making her statement attacking the organisation.

Ms Ebert pointed out, quite rightly, that I had not contacted her on that matter. Her letter states:

If you had contacted me I would have informed you that although we had not received and sighted material sent to us by Enterprise Australia at that time on the topics referred to in the question we had very carefully examined the stated objectives and the background of the organisation, their method of operation, and we sought and examined materials presented by Enterprise Australia from various sources. Our investigations regarding Enterprise Australia stem back to September 1981 when we had in our possession various documents such as Action 81. Under these circumstances I am sure that your answer to Parliament would have been different.

I have to admit that I did not contact Ms Ebert. Also, I believe that no person who had read the documents could possibly have expressed the extremely partisan opposition being expressed at the time by the President of the institute.

As I have said, on the same day I received two letters. The second was from the Executive Director of Enterprise Australia, Mr J. T. Keavney, who also took issue with the objections of the Institute of Teachers. In his letter to Ms Ebert, Mr Keavney said:

During the last four months, we have raised important points pertaining to the persistent way in which materials and services we provide for schools have been maligned in the South Australian Teachers' Journal, and by statements in the press and on radio by yourself—

referring to Ms Ebert—

and by your Vice-President. These events commenced when you issued a press release on 19 March 1982. You gave as your reason for S.A.I.T. executive's boycott of a seminar hosted by the Premier that the sponsoring body, Enterprise Australia, represented particular political views which it was seeking to enforce in educational curricula. What your statement did not say was that you had not yet seen, let alone examined, the materials you criticised.

This is actually material for presentation to the Director-General for his consideration. The letter continued:

This is the opinion we formed from your own letter to us of 7 April accepting our offer to supply these.

Misstatements continued in an article in the April issue of the *Teachers' Journal* by one of your members, which contained obvious errors of fact. The journal did grant me right of reply, but the Editor admitted on the phone after publication in May that a second article by the same author, published side by side with mine, dampened my reply. The second article contained further errors of fact. It was irresponsible not to check them before publication.

On 24 March and 20 April, we wrote to you in the most conciliatory terms, provided you with copies of all our materials, and offered to meet you and your executive and answer any questions whatsoever on our materials, motives, philosophy, and funding resources. You have not taken advantage of that offer, except for a brief 30 minutes with your Vice-President which transpired only after my insistence.

**Mr Hamilton:** Is this your Address in Reply speech?

**The Hon. H. ALLISON:** It would have been a heck of a sight better than yours. The letter continues:

Thus we wrote to you on 29 June, protesting against what we saw as irresponsibility, misrepresentation and double standards on the part of those associated with the S.A.I.T. executive in these continuing attacks on Enterprise Australia.

The interesting part has yet to come. The letter continues:

We cited, as examples of the type of statement we are protesting: Irresponsibility

Your *Teachers' Journal* claimed that our materials for schools are prepared by 'big business'. Yet S.A.I.T. executive has inde-

pendent evidence that these materials are produced in co-operation with, or actually by, the New South Wales Department of Education and in consultation with trade unions. The claim that materials developed in this manner (in a Labor-governed State!) were produced to inculcate right-wing political views into schools is a sad commentary on the opinion of members of the S.A.I.T. executive of the professional expertise of interstate teacher colleagues and the common sense and integrity of trade union leaders.

*Mr Hamilton interjecting:*

**The Hon. H. ALLISON:** Can I point out to the honourable member who keeps interjecting that I was a member of the S.A.I.T. on a voluntary basis for 17 years and always respected, during the term of my membership, the executive leadership. I say no more. The letter continues:

The S.A.I.T. executive has not—

*Mr Hemmings interjecting:*

**The Hon. H. ALLISON:** The member for Napier keeps performing the same remarkable trick of switching his mouth into gear and leaving his mind in neutral. The letter continues:

S.A.I.T. executive has not revealed to its members that the materials being criticised are not only produced by and with teachers, but simply open up economic topics for discussion directed entirely in classrooms by teachers themselves. Surely S.A.I.T. executive has a duty to inform its members by revealing these facts, allowing them to examine the materials themselves, rather than making ill-considered statements likely to cause teachers to prejudge them.

The author of the article in the April issue of the *Teachers' Journal* quoted from a 'report in the *Sydney Morning Herald* of 17 August 1976'. We have searched every issue of that newspaper for the month of August 1976 and have failed to find any such report.

In a radio interview on 5DN on 17 June, your Vice-President, when asked by interviewer Jeremy Cordeaux about the content of Enterprise Australia school materials, replied that he was 'firmly of the opinion that they are heavily biased'. Asked for an example, he did not give one.

In the *Advertiser* (21 June 1982) your Vice-President cited as an example of our bias that students at a conference at a Victorian high school had been asked to assume the role of management and solve problems in the company's interest. He was quoted: 'No consideration of the rights of employees were encouraged'—that should read 'was encouraged'—

yet he [the Vice-President] was in possession of materials which showed that half the speakers and half the discussion group leaders were selected and provided by the Victorian Trades Hall Council, and that the views of unions and management were equally represented.

**Mr Trainer:** You must have been an awfully boring teacher.

**The Hon. H. ALLISON:** It may be boring, but this is a letter to the President of the Institute of Teachers in response to her complaint. I thought the House would be very interested to hear the other side of the argument. If the honourable member is bored, it is probably because the truth strikes hard.

**The SPEAKER:** Order!

**The Hon. H. ALLISON:** The letter continues:

Over 5DN, your Vice-President stated 'We're not opposed to some biased materials coming into schools. We believe there should be several biases presented to students so that they can make up their own minds.' Why then does S.A.I.T. executive continue to be associated with statements against what it wrongly regards as pro-business bias, but not against anti-business bias?

Jeremy Cordeaux asked your Vice-President on 5DN why S.A.I.T. and Enterprise Australia can't get together to discuss these issues. He replied, 'I'd like to get together with them and other groups who want to put materials into schools and work out a way that won't indoctrinate students in one particular direction.'

This is from a Vice-President who protested against the Liberal Party policy that we were trying to have some effect upon what went into schools. Here, the Institute of Teachers is trying to direct what goes into schools.

**The Hon. D. J. Hopgood:** It can't.

**The Hon. H. ALLISON:** Precisely. The former Minister of Education is well aware of the limitations that he would

have placed on the institute. I wonder whether he would have objected, as I do. Continuing with the letter:

Yet you boycotted our seminar in March held for this very purpose. Nor has S.A.I.T. executive responded to the idea of a second seminar, which we offered to sponsor if your Vice-President meant what he said.

Conclusion:

In the light of all the above, we believe the time has come—and this is a very recent letter, so I have no doubt the response will be forthcoming publicly or published in the S.A.I.T. journal somewhere—

**Mr Keneally:** Who wrote this for you?

**The Hon. H. ALLISON:** This letter is addressed not to me but to the President of the Institute of Teachers. I ask honourable members to bear that in mind. I am setting the record right. I have apologised for my own misdemeanour in defending the President by saying that I gave her the credit for not having read the material, but, obviously, the people concerned have read the material and have come to a prejudged opinion without having seen it. The letter further states:

State the facts upon which you based your allegations published in the *Advertiser* of 20 March 1982.

State that you have received from us an abundance of evidence (with details of independent sources from which you can check) which establishes substantial errors of fact by the author of the articles in the April and May issues of the journal.

Correct the inaccuracies of your Vice-President as set out above.

If you do not assure us within seven days that you will do this we believe it will be our duty to take other steps to bring the facts to public attention. This is also necessary for the protection of the good name of Enterprise Australia and all the people who have been associated with its projects.

I remind members that the good name of Enterprise Australia includes all those teachers of all political shades and all those trade unionists of all political shades (including left and right wingers) who have been involved in preparing this material on what was referred to as a bipartisan base. The final point I wish to make—

*Members interjecting:*

**The Hon. H. ALLISON:** I am glad that members have all been hanging on to this.

**Mr Keneally:** It'll also be your first point.

**The Hon. H. ALLISON:** The honourable member says that it is my first point: I agree, because the other points have all been made by Mr J. T. Keavney, the executive director of Enterprise Australia. I am pleased to see that the honourable member is sufficiently perceptive. The point I wish to make is that the Institute of Teachers professes to be professional and non-political (and that point was made quite clear in a letter addressed to me and printed publicly on the front page of the last edition of the institute journal), and yet seven out of 10 young people in classrooms in South Australia have parents who are employed by private enterprise.

The Institute of Teachers in its wisdom chooses to be an anti-private enterprise and to resist material which is informing youngsters, as we inform them on trade union matters, uranium and anti-uranium matters and a whole range of issues in a bipartisan manner. Yet the institute has chosen unilaterally to go around the Director-General of Education, to assume that it has control over the curriculum material and oppose what is bipartisan material that has been put together by business and trade unions in the interests of our young people and in the interests really of letting our students know that when they are going into the work force this is what they might expect to encounter. Enterprise Australia has approached the Director-General of Education formally and in the proper manner only to be resisted in a most unprofessional manner by the left-wing section of the—

*Members interjecting:*

**The Hon. H. ALLISON:** How else can you support an extreme left-wing point of view, which is so biased as to preclude bipartisan material? It bears very close scrutiny and questioning.

## INTEREST RATES

**Mr HEMMINGS:** Will the Premier say why prospective home buyers in Adelaide are having to face the largest increase in home building costs in any capital city? Is the rapid rise in Adelaide home building costs one important reason why South Australian home building approvals fell 10 per cent in the June quarter compared with the June quarter last year, according to official information released yesterday? The Australian Bureau of Statistics has released information showing a 13.7 per cent rise in the cost of home building materials in Adelaide in the 12 months to June 1982. That was the highest increase in home building costs in any State capital and was over 2 per cent higher than the average for all capital cities.

Having the most rapid increase in home building costs is the opposite of what would be expected in the most depressed market. This sharp increase in the cost of building a home comes at a time when home buyers are faced with a further rise in home mortgage interest rates charged by building societies, of possibly 1½ per cent. The increased cost of a home and the higher mortgage repayments at the higher interest rate will stretch the deposit gap even further. While the cost of a house is rising faster, people can borrow even less as a result of higher interest rates; hence they must find an even larger deposit. In 1980 the Premier took credit for apparently low home building cost rises in Adelaide. It would appear that he should now take the blame for the higher costs in Adelaide. Yesterday's information is that 2 140 new dwellings were approved in the June quarter compared with 2 380 in the June quarter of 1981.

**The Hon. D. O. TONKIN:** I shall just bring the honourable member up to date. He talks of the projected 1½ per cent increase in building society interest rates.

**The Hon. E. R. Goldsworthy:** Is he in favour of them?

**The Hon. D. O. TONKIN:** He is talking as though it is a *fait accompli*. He may not be aware, of course, that the Building Societies Advisory Committee has not been able to come down with a unanimous recommendation and that the Government thereupon is not able to support any such increase in interest rates by building societies at this stage. That was something that he obviously was not aware of when he talked about the interest rate levels.

**The Hon. R. G. Payne:** Time for an election!

**The Hon. D. O. TONKIN:** In answer to the member for Mitchell, I point out that this Government will hold up any unjust increase or proposed increase in building society interest rates as long as it believes it has reason to do so, and as long as it believes that there is no justification for it, and if the member for Mitchell does not think that that is an appropriate policy, I am very disappointed indeed.

There has been an increase in building costs in South Australia, a rate of increase that has been quite high. However, we still have, if not the lowest, among the lowest of all building cost levels of any State in Australia. As far as I understand, it is still the lowest of any State in Australia. The major reason that has been given is the increase in timber costs. There is no question but that, if the Labor Party implements its policies of a 35-hour week and long service leave after five years, of all things that will increase the costs of construction still more and building costs would rapidly go up from being the lowest in Australia to the highest.

There is no doubt that the building industry believes that South Australia has come out of a three-year trough and is starting to move up again. The approvals and tenders for commercial projects, home-units and flats have increased significantly over the past four months, and the results, I understand, will be seen in actual construction in about September, when work will begin on many of the buildings for which approval has now been given. The Master Builders Association is quite confident that this up-turn in building activity will impact upon our markets in September. Indeed, the Secretary of that association said recently:

Signs in the private and public sector are all positive that the industry is on the move upwards in a slow but steady fashion.

He goes on to say:

We are moving in a direction which is quite different from the rest of the country. New South Wales and Queensland are experiencing a considerable down-turn, and it is quite likely Western Australia may be going quiet also.

There is no question but that the lower cost of land and real estate in South Australia compared with the other States is attracting people to this State. The spin-offs from Roxby Downs and from other natural resource developments will inevitably be felt in Adelaide, and the jobs being created in South Australia will again help the building industry considerably. There is room for added confidence, and we have the confidence that we are going on to better things in South Australia as far as the building industry is concerned, provided we can keep on with our resource and manufacturing development programmes. Building costs have increased in South Australia. The rate of increase is high compared with the normal one, but we still have the lowest building costs of any State in Australia.

#### BRIGHTON HIGH SCHOOL

**Mr MATHWIN:** Has the Minister of Public Works considered my most recent appeal for the upgrading of Brighton High School? If so, can he inform me what action is to be taken and when? The Minister will be well aware that over the years I have approached the previous Labor Government but to no avail. It was said by the previous Minister of Education that an overall plan for the development of Brighton High School had been drawn up five years previously, taking into account the needs and facilities involving that school. No plan was found or had been drawn up. The Minister will also be aware that I have consistently approached my own Government and the Ministers concerned for some action to be taken to help the Brighton High School solve some of its problems. Such action would give some encouragement to the staff, students and parents connected with this excellent school, as well as to the member for the district.

**The Hon. D. C. BROWN:** From the outset can I point out that the Government is aware that the Labor Party promised a redevelopment of the Brighton High School in about 1975, I think it was. We have been searching for it, but although the Labor Government was in Government for some four or five years after that date, apparently no redevelopment plan was ever done. We have searched and searched for that redevelopment plan, which not only was promised but which had been claimed to be in the process of being done.

I can indicate to the honourable member that, yes, the Government will undertake a redevelopment plan. Resources have been allocated already for that purpose and someone has been selected to do the task at the school immediately. I am told that the redevelopment plan will be completed by the end of this calendar year, that is, by the end of December. In addition, I understand that the school has

prepared a proposal for a school activity hall and gymnasium to be funded by the capital assistance programme. I have given an undertaking (which I will again give to the member for Glenelg now) that we will process that application for funds for that activity hall and gymnasium and will give the school an answer within three months.

Finally, I point out that the school has an excellent academic record. I was talking with my colleague (the Minister of Education), who told me that it is one of the best high schools in the State. It is a high school that the honourable member can be justifiably proud to have in his electorate.

#### HOME FINANCE

**Mr PETERSON:** Will the Premier give an undertaking to investigate the possibility of having funds that are held in non-interest bearing accounts by banks and building societies used for low interest loans to home buyers? The comments made yesterday by the Premier concerning efforts made on behalf of home buyers, and today, concerning building society interest rates, indicate that he would consider any possibility along these lines. Obviously, the problems of meeting home payments and unemployment are the two largest issues facing the community today. In the *National Times* of July last year an article was printed to which I would now like to refer. The article states, in part:

Banks and building societies are making large windfall profits by borrowing money from pensioners and not paying them any interest. According to senior banking sources, banks and building societies are holding several hundred million dollars of pensioners' money in special savings accounts that are free from normal interest payments.

The article further states:

The interest-free money is held in special savings bank and building society accounts. Some banks stamp the accounts 'no interest to be paid.' Six banks—the Commonwealth, National, NSW, ANZ, Commercial Banking Co. of Sydney and the Commercial Bank of Australia—all told *The National Times* that they were holding pension funds in savings accounts. None would reveal how many people had these accounts or the total amounts involved. But a reliable source in one big bank told *The National Times* that the amount of money being held in special bank accounts without interest in Australia would be more than \$500 000 000.

If one extends those figures with regard to South Australia (comprising about 10 per cent of the population) one realises that they indicate that something like \$50 000 000 of this money is held in this State. The problems of home finance interest rates cannot be eased by funds by existing sources, because obviously institutions will want the same level of interest that they can get from other investments: therefore new sources of funds must be found.

A State scheme was begun earlier this year, but was fairly ineffective. We now have another scheme proposed by which \$3 750 000 per year will be available over three years, which makes the total funds available to home buyers about \$10 500 000. Also, we have the possibility of \$50 000 000 with regard to this other scheme. Even if these funds are applied in such a way as to provide that only a limited loan was available to a home buyer at a very low interest rate, they would lessen the overall burden of home loan repayments. Further, if pensioners were able to retain a small return for themselves—

**The SPEAKER:** Order! The honourable member is now tending to debate the issue.

**Mr PETERSON:** It has been suggested to me that the funds to which I have referred are really a resource of the country and need to be used for the people instead of for the banks. It has also been suggested to me that we need to look at innovative ways of providing finance for home

buyers instead of patching up the problems. We need to look for new, innovative ways of overcoming them, as the old ways are definitely not working.

**The Hon. D. O. TONKIN:** The Government has taken a number of steps to mobilise funds for housing finance from sources that have not in the past traditionally been available for housing construction. I should like to thank the honourable member for his question. It shows that he is someone who thinks very deeply and very carefully about a matter that is of grave concern to many people in the community.

*Members interjecting:*

**The Hon. D. O. TONKIN:** I must say that it is a great pleasure to hear from the other side of the House a question with some positive suggestions. It is about the only source from which we get questions with something positive to suggest, instead of something negative and tearing down. I congratulate the member for Semaphore for the contribution that he has made, even in this short time and by way of this short question. Having said that, I say to him that there is a very great need—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. D. O. TONKIN:** I did not intend that the honourable member should be overcome, Mr Speaker. I think it should be made quite clear, first, that there is a difference between the sums of money available for interest rate relief (in other words, to relieve hardship caused by excessively high interest rates) and the other matter that is equally important, that is, the provision of funds for housing, the provision of capital. The funds that have been made available for interest rate relief certainly have not been great, but the amount of money which is necessary for each household (and I sincerely hope that we will be able to give details of the Commonwealth-State joint scheme within the next day or so, once approval has been given to Canberra) is relatively small, because it is just a topping up process to meet the gap currently arising between committed income and the amount of money by which interest rates have gone up.

Those funds certainly will be more than adequate to cover that need, but, when it comes to the question of providing additional capital, the State Government has moved out with promissory notes and has gone to S.G.I.C. and the Superannuation Investment Fund and a number of other sources to mobilise literally tens of millions of dollars to make available extra money so that the State Bank, Savings Bank, and Housing Trust programmes can continue. As the honourable member would know, we have spent record sums on housing in the past financial year.

The suggestion that has been made by the honourable member is one that has been brought up a number of times previously. On the surface, it sounds very attractive. The honourable member suggested that in South Australia some \$50 000 000 would be available in low-interest or no-interest deposits. He suggests that there should be some way of mobilising those funds, either by making the income that could come from them non-taxable or at least so that it does not interfere with the pensioner's entitlement for services, therefore putting them on the market and making them available for housing finance. One title that has been used in this context is the 'Granny bond scheme', but the problem is that the banks and institutions with which those people have lodged their low-interest or no-interest deposits already use that money to provide housing so that, unfortunately, if they were to put it into interest bearing accounts and pay interest on it, the banks would be paying interest on money for housing which they use already and do not pay interest on now.

In fact, it would cost them more to adopt that suggestion. However, there is another point which the honourable mem-

ber has not mentioned but which nevertheless is an extension of what he has said. Large numbers of people in the community, particularly the elderly, have put aside in their houses somewhere sums of cash. It is not possible to estimate how much those sums are but in any case there are two disadvantages in doing this. One, of course, is the fact that it is not at all safe to keep such large sums of money around the house and, secondly, that that money could well be invested and used for housing.

The Government is investigating ways and means of mobilising those funds. We have not yet received a report on possible action that could be taken but I will certainly be pleased to hear from the member for Semaphore of any suggestions he may have along those lines. I will certainly consult with him when we have come down with a report to show if and how we can use those funds which currently are not achieving anything at all in the market.

## UNEMPLOYMENT

**Mr ASHENDEN:** Can the Minister of Industrial Affairs indicate whether the number of retrenchments as quoted by the Opposition represents a permanent loss of jobs to South Australia? During the debates on the subject of unemployment in this House the Leader and the Deputy Leader have implied that decisions by some companies to reduce their work force over the past year have meant that those jobs have disappeared permanently from the employment market. In particular, the loss of jobs from Gerard Industries was raised by the Leader in this House on 18 June this year and again last Tuesday. In the face of employment opportunities created by either new or developing industries, I would like to know what truth there is in the impression created by the Opposition that a job terminated by one company necessarily means a job lost.

**The Hon. D. C. BROWN:** I hope the Leader of the Opposition will take note of this, because he is obviously going to change the song he has been singing for some time in this House and publicly. Because of a downturn in the building industry in New South Wales, Gerard Industries was forced in June to lay off 97 people from its establishment at Brompton. At that time the company pointed out that there had been a 38 per cent decline in new housing approvals under the Labor Government in New South Wales. I am delighted to announce that Gerard is now attempting to increase its work force by 50. The first thing it did was to send telegrams to the 97 employees who were laid off in June. I find it very interesting to note that many of the 97 employees laid off in June had already found other jobs. For the Leader of the Opposition to be claiming, just because 97 people were laid off by Gerard in June, that total employment in this State was down by 97 and the unemployment number was up by 97 is quite false. The fact is that Gerard found that many of those people laid off had gone out and found other jobs and apparently they had no difficulty in finding other jobs. Gerard's are now trying to take on 50 extra employees. They have found that they cannot fill the 50 vacancies from the 97 persons who were laid off because they have already found other jobs. They are having to take on a significant number of new employees who previously were not working for Gerard.

When the Leader of the Opposition stands in this place and reads out a list of so-called retrenchments he tries quite falsely to create the impression in the eyes of the public that those jobs are jobs lost in the State, never to be found again, and that the employees concerned have no chance of finding employment. The facts show just the opposite and it shows how shabby are the tactics of the Leader of the Opposition when he stands up and reads a list of so-called

retrenchments in this State and says that that shows the extent by which unemployment in South Australia has been increased.

**Mr BANNON:** I will now say that only 47 jobs were lost.

**The Hon. D. C. BROWN:** The Leader of the Opposition has just interjected to say that it is only 47 jobs. The point is that that company has been to all 97 former employees and most of them have said that they now have jobs elsewhere. That shows that when attacking the Government on the unemployment issue the Leader of the Opposition has put a quite fraudulent case and I believe it is about time it was well and truly exposed. For a reputable newspaper like the *News* to print stuff that is blatantly untrue even though it was said by the Leader of the Opposition—

*Members interjecting:*

**The Hon. D. C. BROWN:** I agree that it is surprising that a paper like the *News* would print such trash which is untrue and suggest that since this Government came into office the total employment in this State has decreased when it has increased by 8 800. Let me be quite clear: the so-called list of retrenchments of 1 000 or more jobs (I forget what the Leader of the Opposition is up to now) does not represent an automatic increase in unemployment in this State as Gerard has found out. Apparently the 97 people laid off from Gerard have found that in the space of less than two months they were able to find other jobs for themselves. I am also delighted to say that Gerard is now increasing its employment by 50. I hope the Leader of the Opposition will praise Gerard as much for taking on 50 people as he criticised it for laying off 97 people.

#### PERSONAL EXPLANATION: UNEMPLOYMENT

**Mr BANNON (Leader of the Opposition):** I seek leave to make a personal explanation.

Leave granted.

**Mr BANNON:** Twice during Question Time today the Minister of Industrial Affairs has accused me of being fraudulent and dishonest, and there was an interjection in unparliamentary language which I do not think was picked up from the Deputy Premier, all of which has induced me to make a personal explanation. These claims of fraud are based around the suggestion that in some way employment figures produced by me are wrong and misleading. The Minister says that 8 800 extra jobs have been created since August 1979. For a start, that is a totally unseasonal comparison. Secondly, the election was held—

*The Hon. D. C. Brown interjecting:*

**The SPEAKER:** Order! This is a personal explanation. We do not require interjections and I want it to be a personal explanation.

**Mr BANNON:** I was simply putting the facts with regard to this matter on which I am alleged to have been fraudulent and not debating it. The election was held on 15 September 1979 and, in fact, those figures are collected mid-month which means that it is an unseasonal comparison which the Minister wishes to make—I am surprised he is not choosing September and the current month—the reason, of course, being that August was the worst month of 1979.

**The SPEAKER:** Order! The Leader indicated that he did not want to debate the issue but he is setting the scene. I suggest with all due respect that he has gone beyond the scene and is now debating the issue. He will come back to a personal explanation.

**Mr BANNON:** I will simply put these factual figures before the House without any debate. From September 1979 to June 1982 a further 1 900 jobs have been created in

South Australia. If one looks at full-time jobs there was in fact a 2 700 fall since September 1979. Admittedly, there has been a rise in the number of part-time jobs. During the 12 months to June 1982, there has been an overall 3 400 job loss in South Australia whereas in the rest of Australia the number of jobs decreased by 300. Full-time jobs in South Australia were down by 6 900 in that period and part-time jobs were up by 3 500, which means a net loss of 3 400 jobs.

#### PERSONAL EXPLANATION: CORRECTION OF REPORT

**Mr LEWIS (Mallee):** I seek leave to make a personal explanation.

Leave granted.

**Mr LEWIS:** During the course of the Address in Reply debate (which motion I seconded) last Thursday, I cited some figures to the House about the effectiveness of free-holding land. The weekly record of *Hansard* contains some errors. I have discussed this matter with the Leader of *Hansard*. The annual volume will be corrected, but, for the benefit of people who read the weekly report, I would like to correct the errors by referring to page 114 (second paragraph). It was stated:

There are a number of applications with the Valuer-General; that is 46; 17 have been withdrawn; some applications are with the regional offices—67 in all there; two are with the Surveyor-General; 751 have been accepted as land grants; 209 agreements to purchase, making a total of 1 041 acceptances altogether . . .

That figure of 209 agreements should read 290 agreements. The next sentence states:

There are still 69 offers that have been made to lessees who may yet take them up and there are five awaiting the Minister's signature as of that date, 30 June. So we can see the ratio of acceptance to offers is 79.79 per cent.

That last figure should read 71.79 per cent. I thank the House for its indulgence in allowing me to correct the record before waiting for the annual volume.

#### PERSONAL EXPLANATION: EDUCATION FACILITIES

**Mr CRAFTY (Norwood):** I seek leave to make a personal explanation.

Leave granted.

**Mr CRAFTY:** On Thursday of last week, 22 July, in a personal explanation the Minister of Education, in regard to preschools and kindergartens, stated:

My statements which were made earlier were based simply on an allegedly factual document put out by the member for Norwood in which he had a photograph of himself and the shadow education spokesman, with a quite clear statement that preschools in South Australia were under threat, the inference being that here were these two people making that sort of statement, not simply to preschools but across the electorate. The inference is obvious.

I deny that I have ever made such a statement, personally or in any pamphlet or publication that I have distributed in my district. Those allegations are very serious. Both the member for Salisbury and I have received representations from parents whose children attend the Trinity Gardens Child-Parent Centre and in public statements we have expressed our concern for the future of that centre. Our concerns are explained in local press articles and, indeed, in a leaflet circulated in my district in my name.

These problems that concern parents and, indeed, education administrators are the effect of the proposal to transfer this child-parent centre and others to the Kindergarten Union and the effect that that will have on the integrated multi-lingual programmes at that school. Further, parents are



worried about funding for the centre, the likely introduction of fees for students, and the future employment of staff. I am mystified by the source of the Minister's statement and the allegations which it contains, as are my constituents. I would be pleased if the Minister, on some future occasion, would clarify this matter and apologise to those concerned.

### ADJOURNMENT

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

That the House at its rising adjourn until Tuesday 10 August at 2 p.m.

Motion carried.

### CASINO BILL

**The Hon. M. M. WILSON (Minister of Recreation and Sport):** I move:

That the time for bringing up the report of the select committee be extended until Thursday 12 August.

Motion carried.

### COMMERCIAL BANK OF AUSTRALIA LIMITED (MERGER) BILL

Second reading.

**The Hon. H. ALLISON (Minister of Education):** I move:

*That this Bill be now read a second time.*

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

#### Explanation of Bill

The purpose of this Bill is to facilitate the merger of the Commercial Bank of Australia Limited ('CBA') and the Commercial Savings Bank of Australia Limited ('CBA Savings Bank') with Bank of New South Wales ('Wales') and Bank of New South Wales Savings Bank Limited ('Wales Savings Bank'). As a result of take-over offers made by Wales in June 1981, Wales now controls all the issued shares in CBA and CBA is therefore a wholly-owned subsidiary of Wales. The Commercial Savings Bank of Australia Limited is a wholly-owned subsidiary of CBA and by reason of the take-over of CBA is now controlled by Wales. Wales Savings Bank is a wholly-owned subsidiary of Wales. The banks intend that the business of CBA should be conducted by Wales and that the business of CBA Savings Bank should be conducted by Wales Savings Bank. To achieve this it is necessary that the assets and liabilities of CBA be transferred to Wales and that the assets and liabilities of CBA Savings Bank be transferred to Wales Savings Bank.

The only practical means of effecting such a transfer is by legislation. The multitude of customers accounts (more than 1 360 000) must be transferred from CBA and CBA Savings Bank to the Wales Group in an orderly and organised fashion and with minimum inconvenience to customers. The only method of achieving this (other than by this legislation) is for each customer to individually transfer his accounts and other business to the Wales Group. The inconvenience to each customer would be considerable and the task for the banks of processing such a large number of transfers in sufficiently short a time would be almost impos-

sible. It is for this reason that the Government has decided to introduce this legislation. It should be noted that the Bill does not compel any person to remain a customer of Wales or of Wales Savings Bank. A customer is free to transfer his business from CBA or CBA Savings Bank to another bank before this legislation has effect and at any time after it has effect he may transfer his business from Wales or Wales Savings Bank to a bank of his choice.

There are precedents both in Australia and overseas for legislative transfer of assets in these circumstances. The Bank of Adelaide precedent is very recent. That was a case in which an orderly transfer of operations from the Bank of Adelaide to the ANZ Bank occurred by Act of Parliament so as to remove altogether the need for individual customers to reorganise their personal banking arrangements. A similar approach was taken in 1970 when the English Scottish and Australian Bank merged with the then Australia and New Zealand Bank to form the present Australian and New Zealand Banking Group Limited. There are similar precedents in the United Kingdom. The present major English clearing banks, five in number, resulted largely from banking amalgamations of the 1960s and 1970s. By and large, those amalgamations were facilitated by legislation of the kind now contemplated.

One result of the passing of this legislation whereby property is transferred to the Wales Group is that the banks escape the payment of stamp duty. However, they have agreed with the Government to pay to General Revenue a sum that is equivalent to the duty that would otherwise be payable. This sum will be calculated by Treasury officials working with officers from the banks.

Clause 1 is formal. Clause 2 provides for the commencement of the Act. It provides that the Act will come into operation on a day to be proclaimed which will allow flexibility in timing and will enable co-ordination of the transfer throughout the Commonwealth. It is hoped that it will be possible to consummate the transfer on 1 October 1982, provided, of course, that legislation can be obtained in all States before that date.

Clause 3: Several of the definitions are of particular importance to the working of the legislation:

'The appointed day' is the day on which the Act comes into operation by proclamation under clause 1.

'Excluded assets' is a term used to describe assets which are excluded from the amalgamation and which will therefore remain vested in either CBA or CBA Savings Bank. Land and shares held otherwise than by way of security will remain vested in CBA and CBA Savings Bank, as will property held under certain trust arrangements and assets involved in a financing transaction that depends for its continued viability on separate ownership by the two banks.

'Undertaking' means all property and all liabilities of CBA and CBA Savings Bank, except for property which is 'excluded assets' and liabilities relating to such 'excluded assets'. It is the 'undertaking' thus defined of CBA and CBA Savings Bank that is to be vested by the legislation in either Wales or Wales Savings Bank as appropriate.

Clause 4 excludes certain instruments described in the schedule from the operation of the Act when it comes into force. Clause 5: This clause provides that the Act shall bind the Crown. Clause 6 effects the vesting of the undertaking of CBA and CBA Savings Bank in Wales and Wales Savings Bank respectively. It is thus the central provision of the legislation, being the principal means by which the need for separate transfer of each asset and separate assumption or renewal of each liability of CBA and CBA Savings Bank is avoided.

Subclause (2) contains certain provisions concerning the interpretation of instruments following upon the vesting of the 'undertakings' of CBA and CBA Savings Bank pursuant to clause 6 (1). Essentially, it says that wherever the name of CBA or CBA Savings Bank appears, it is to be interpreted

as referring to Wales or Wales Savings Bank. Furthermore, where there is in any instrument a reference to a nominated officer of CBA or CBA Savings Bank, that reference is to be interpreted as a reference to the Chief General Manager of Wales or such other officer as he nominates.

Subclause (3) deals with branches and other places of business. It provides that a place of business of CBA or CBA Savings Bank is, on the appointed day, to be deemed a place of business of Wales or Wales Savings Bank. Subclause (4) is a special provision dealing with Torrens title land held under the provisions of the Real Property Act, 1886-1982. It deems Wales or Wales Savings Bank, as the case may be, to be registered proprietor of an interest of which CBA or CBA Savings Bank is registered as proprietor before the appointed day. Subclause (5) provides for the Registrar-General to give effect to instruments executed by Wales or Wales Savings Bank where CBA or CBA Savings Bank is the registered proprietor. Subclause (6) ensures that where a liability to CBA or CBA Savings Bank remains a liability to those banks after the passing of the legislation, they will continue to have rights to enforce payment of the liability.

Clause 7 is a transitional provision relating to CBA. Paragraphs (a) and (b) ensure that instructions, mandates and instruments given by customers or others to CBA and in force before the appointed day become binding on Wales in place of CBA. Paragraph (c) provides that securities held by CBA before the appointed day are available as security for indebtedness and obligations to Wales after the appointed day (but in such a way that if, in a particular case, a person has liabilities to both banks before the appointed day, the former CBA security stands as security only for pre-existing liabilities and obligations to CBA and those to Wales incurred after the appointed day—in other words, where a CBA customer has an unsecured liability to Wales before the appointed day, a pre-existing CBA security will not thereafter cover that unsecured liability to Wales). Paragraph (d) ensures that where CBA has, before the appointed day, been entrusted with the safekeeping of documents or other property, Wales has, after the appointed day, the same obligations of safekeeping in relation to the relevant subject matter.

Paragraph (e) provides that where before the appointed day CBA has a liability under a negotiable or other instrument that liability will, after the appointed day, be a liability of Wales; and, similarly, where such an instrument is, before the appointed day, payable at a place of business of CBA, it will after the appointed day be payable at that place if it is then a place of business of Wales, or, if not, then at the place of business of Wales nearest to the place at which it was originally payable. Paragraph (f) ensures that all banker-customer relationships existing between CBA and its customers immediately before the appointed day become, after the appointed day, identical relationships between Wales and the relevant customers. Paragraph (g) deals with all manner of contracts, agreements, conveyances and other documents to which CBA is a party before the appointed day, and puts Wales into the same position as CBA in relation to those documents.

Paragraph (h) preserves legal proceedings to which CBA was a party before the appointed day. Paragraph (i) ensures that, by reason only of the amalgamation, CBA or Wales cannot be regarded as having committed a breach of contract or other civil wrong. It also ensures that a guarantor liable to CBA is not, by reason of the amalgamation, in any way released from his liability. Paragraph (j) deals with a special aspect of the general matter covered by paragraph (i): the amalgamation is not to be taken to breach any covenant against assignment or any obligations of confidentiality to which CBA is subject.

Clause 8 makes, in relation to CBA Savings Bank, the same provisions as are made by clause 7 in relation to CBA. Clause 9 deals with the occupation of land. It is directed particularly to cases where a leasehold interest in land is an 'excluded asset' and, by virtue of the amalgamation, Wales occupies and uses that land: for example, where CBA or CBA Savings Bank holds a lease of banking premises which, by virtue of the amalgamation, becomes Wales or Wales Savings Bank banking premises. In such a case, CBA or CBA Savings Bank, as the case may be, is not to be regarded as being in breach of its lease by reason only of the fact that Wales or Wales Savings Bank occupies and uses the relevant premises.

The purpose of clause 10 is to ensure that there is no change in the position or rights of any person who is engaged in litigation involving CBA or CBA Savings Bank. Such litigation will, notwithstanding the amalgamation, continue in the same way as if the legislation had not been passed, save that Wales or Wales Savings Bank (as the case may be) will take the place of CBA or CBA Savings Bank.

Clause 11 is concerned with evidence. It ensures that, notwithstanding the amalgamation, no party (whether one of the banks or another party) is disadvantaged so far as the availability of evidence in court proceedings is concerned. Clause 12—This important clause deals with employees of CBA (CBA Savings Bank not having employees of its own). Because the businesses of CBA and CBA Savings Bank are automatically vested in Wales and Wales Savings Bank, it follows that CBA and CBA Savings Bank will not have any independent operations after the legislation takes effect. Hence, it is necessary to provide that employees previously in the service of CBA become employees of Wales. This is achieved by clause 12(a). At the same time, however, the rights and entitlements of these employees are fully protected.

Clause 12 specifically provides that an employee of CBA who, by virtue of the Act, becomes an employee of Wales does so in such a way that his contract of employment is deemed to be unbroken and the period of his service with CBA is deemed to have been a period of service with Wales. Furthermore, it is expressly provided that the terms and conditions of the employment of each relevant employee with Wales are, on the appointed day (and thereafter until varied) identical with the terms and conditions of employment with CBA immediately before the appointed day. As far as variation of terms of employment is concerned, clause 12 provides that those terms and conditions are capable of alteration in the same manner as they could have been varied had the employees continued with CBA or in the same manner as the general terms and conditions of employment of other persons employed by Wales can be varied.

Because of the safeguards as to continuity of employment, it is provided that an employee of CBA who becomes an employee of Wales is not entitled actually to receive benefits (for example, long-service leave) which would otherwise have been payable to him in the case of a termination of his employment. The terms of the legislation as a whole ensure that his ultimate entitlement, taking account of the whole of his combined service with CBA and Wales, will become available to him in the normal course as an employee of Wales. Special provision is made about superannuation funds. The legislation provides that superannuation entitlements are to continue to be governed by the rules of the funds concerned. Thus, unless and until a former CBA employee elects or agrees to become a member of a Wales superannuation fund, he will continue to be a member of the relevant CBA fund, with the result that his entitlements will continue to accrue as if he had continued to be a CBA employee. In this way, there is no diminution of benefits, and employees will in due course be approached with pro-

posals for transfer to Wales superannuation funds, which proposals they will be able to assess and evaluate for themselves. Any employee who wishes to remain indefinitely under existing CBA superannuation arrangements will be entitled to do so. Finally, it is provided that a director, secretary or auditor of CBA or CBA Savings Bank does not by virtue of the legislation become a corresponding officer of Wales.

Clause 13 deals with the numerous trust and nominee arrangements administered by CBA Nominees Limited. It provides for the assumption of these arrangements by subsidiaries of Wales which, in fact, has several nominee companies. The intention is that CBA trust and nominee arrangements be transferred to whichever of the Wales nominee companies is judged suitable, having regard to the nature and scope of the operations of those companies. Where, pursuant to such an assumption of nominee positions, a Wales nominee company becomes entitled to a registered interest in land, it will be possible, under the legislation, for the Registrar-General to take account of the new ownership.

Clause 14 is a machinery provision designed to facilitate the registration of Wales and Wales Savings Bank as the holders of shares, debentures and other company interests vested in them by virtue of the legislation. Clause 15 deals with a particular point arising under the proposed new Companies (South Australia) Code. In the absence of this provision, it would be necessary for Wales and Wales Savings Bank to file separate notifications of acquisition of each company charge to which they succeed by virtue of the legislation. The purpose of this clause is to ensure that, by filing with the relevant authorities a statement that the undertakings of CBA and CBA Savings Bank have vested pursuant to the legislation, Wales and Wales Savings Bank will be deemed to have satisfied the obligation otherwise binding on them.

Clause 16 ensures that a person dealing with an asset of CBA or CBA Savings Bank is not disadvantaged by reason of the fact that he is unaware that that asset is one of the 'excluded assets'. The public at large will thus be protected against the possibility of dealing with the wrong owner. Clause 17 declares that no duties will be payable in respect of any document or transaction executed or entered into for the purpose of the legislation. Instead, a sum in lieu of stamp duty will be paid by Wales for the benefit of general revenue.

**Mr McRAE (Playford):** This Bill deals with machinery situations that now arise following the completed merger of the Commercial Bank of Australia and the Commercial Savings Bank of Australia with the Bank of New South Wales and the Bank of New South Wales Savings Bank. The Parliament is being asked to assist a multitude of customers to rearrange their affairs. No less than 1 350 000 accounts and transactions are involved. Therefore, the debate is not on the rights and wrongs of the banking industry or its restriction into fewer and fewer hands in this country but purely on a machinery measure, and on that basis the Opposition supports the Bill.

Bill read a second time.

In Committee.

Clauses 1 to 11 passed.

Clause 12—'Officers and employees.'

**Mr BECKER:** This merger involves one of the oldest banks in Australia, the Bank of New South Wales, and I think it is quite significant under the economic conditions prevailing throughout Australia at the time that we have this incidence of the Australian banks merging.

No doubt, as part of the recommendations of the Campbell inquiry, the Australian banking system obviously took it that there would be at some time in the future entry into

Australia of overseas banks to compete with the Australian banks as we have come to know them. Whether that is a good thing or a bad thing, time will tell. Certainly it could, in some respects, prove to be a benefit for the community and in other respects it may not be.

The tragedy of the whole system is that, in the past, the Australian banks have become quite ruthless, particularly in these merger situations, and I am far from satisfied about undertakings given to the Bank Employees Union and the bank officers of both banks concerned, that their employment is protected and that they will not suffer in any way at all. Following the merger of the Bank of Adelaide and the A.N.Z. Bank, whilst the A.N.Z. Bank and certainly the staff of the Bank of Adelaide said that nobody would be affected, many members of both banks took the opportunity to leave their employment, and I understand vacancies that were created have not been filled. In other words, the banks have taken it as an opportunity to force reductions of staff numbers in many ways.

The Commercial Bank of Australia has served South Australia extremely well. It has a wide network of branches, not only in the metropolitan area, but throughout the country. The Bank of New South Wales does not have as many branches in the country areas, but it is well represented in South Australia. I am quite concerned for the employees of the Commercial Bank, particularly in the country areas, and the banking services that are being made available to people in small outback communities.

I want to know from the Minister what absolute guarantees the Government has obtained from both banks involved so as to protect the employment of the staff, so that in no way would any members of the staff of either bank be subject to transfer to areas that would cause problems for the members, and so that the staff in no way will be put in the position where they are forced to resign. I believe that this has happened in previous mergers, and I would hate to think that good bank officers will be put into a situation where they now have no option but to get out of the industry.

Furthermore, of course, with this undertaking in this clause, naturally we would be looking to continual representation, or at least the same amount of representation as the banks have at present in South Australia. I am concerned, because the select committee was set up in another place, and I am surprised that it was. I could not see why it should not have been done in this House, and I am surprised that the Bank Employees Union did not make any representation to that select committee. I am surprised also because I think that bank officers should have had the opportunity to get the most watertight contract possible to preserve their employment.

Clause passed.

Clauses 13 and 14 passed.

Clause 15—'Company charges.'

**Mr BECKER:** I am surprised and disappointed that the Minister did not answer the questions I put to him. However, there will be another chance soon. Clause 15 relates to company charges. I am wondering if this is the one—

**The Hon. H. Allison:** It would be nice to get notice of it.

**Mr BECKER:** Hear, hear! Regarding stamp duty, I wonder whether this clause deals with that matter or brings about any savings as far as the merger is concerned. Am I to take it that, when these mergers are put forward, there is a considerable amount of documentation? I am wondering what concessions the Government is making in relation to charges. I have been led to believe that in the past, because of the huge amount of documentation filed, any fees payable to the Government would not be sufficient to recoup the cost of processing the paper. If that is so, there is obviously something wrong somewhere within the whole of this system

of State charges. Can the Minister give any indication of what financial savings there would be to the two companies involved in this merger?

**The Hon. H. ALLISON:** I do not have any of those precise financial details readily available, but I undertake to approach the Attorney-General and to provide them to the member at a later date. I would also say, in response to his previous question, that I have only the reassurances which were given to employees of the bank and I am not in a position to question those. The member has a more precise knowledge of bank workings than have the majority of people in this House.

The important point is that this is enabling legislation that is being enacted, first, at the wish of the shareholders, who expressed their opinion in no uncertain terms, and, secondly, at the wish of the Federal Government, which exercised its discretion in awarding the licence. The whole thing was performed under the legal codes in force in the Australian share markets and there is no reason for me to question those details. The matter of the promises made to staff are obviously a matter of concern to the member if he feels that those promises are being reneged upon, but I am not in a position to assess the veracity of his statements.

Clause passed.

Clause 16 passed.

Clause 17—'Duties.'

**The Hon. H. ALLISON:** I move:

To insert clause 17.

I move to insert the clause on the grounds that it is a money clause and could not have been inserted in the Legislative Council.

Clause inserted.

Schedule passed.

Title passed.

Bill read a third time and passed.

### COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED (MERGER) BILL

Second reading.

**The Hon. H. ALLISON (Minister of Education):** I move:  
*That this Bill be now read a second time.*

I seek leave to have the explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

#### Explanation of Bill

The purpose of this Bill is to facilitate the merger of The Commercial Banking Company of Sydney Limited ('CBC') and CBC Savings Bank Limited ('CBC Savings Bank') with The National Bank of Australasia Limited ('National') and The National Bank Savings Bank Limited ('National Savings Bank').

On 1 October 1981, pursuant to schemes of arrangement under the Companies Act 1961 of New South Wales, CBC became a wholly-owned subsidiary of National. CBC Savings Bank is a wholly-owned subsidiary of CBC and is therefore now controlled by National. National Savings Bank is a wholly-owned subsidiary of National. The banks intend that the business of CBC should be conducted by National and that the business of CBC Savings Bank should be conducted by National Savings Bank. To achieve this it is necessary that the assets and liabilities of CBC be transferred to National and that the assets and liabilities of CBC Savings Bank be transferred to National Savings Bank.

The only practical means of effecting such a transfer is by legislation. The multitude of customers' accounts must be transferred from CBC and CBC Savings Bank to the National Group in an orderly and organised fashion and with minimum inconvenience to customers. The only method of achieving this (other than by this legislation) is for each customer to individually transfer his accounts and other business to the National Group. The inconvenience to each customer would be considerable and the task for the banks of processing such a large number of transfers in sufficiently short a time would be almost impossible. It is for this reason that the Government has decided to introduce this legislation. It should be noted that the Bill does not compel any person to remain a customer of National or of National Savings Bank. A customer is free to transfer his business from CBC or CBC Savings Bank to another bank before this legislation has effect and at any time after it has effect he may transfer his business from National or National Savings Bank to a bank of his choice.

There are precedents both in Australia and overseas for legislative transfer of assets in these circumstances. The Bank of Adelaide precedent is very recent. That was a case in which an orderly transfer of operations from the Bank of Adelaide to the ANZ Bank occurred by Act of Parliament so as to remove altogether the need for individual customers to reorganise their personal banking arrangements. A similar approach was taken in 1970 when the English Scottish and Australian Bank merged with the then Australia and New Zealand Bank to form the present Australian and New Zealand Banking Group Limited. There are similar precedents in the United Kingdom. The present major English clearing banks, five in number, resulted largely from banking amalgamations of the 1960s and 1970s. By and large, those amalgamations were facilitated by legislation of the kind now contemplated.

One result of the passing of this legislation whereby property is transferred to the National Group is that the banks escape the payment of stamp duty. However they have agreed with the Government to pay to General Revenue a sum that is equivalent to the duty that would otherwise be payable. This sum will be calculated by Treasury officials working with officers from the banks.

Clause 1 is formal. Clause 2 provides for the commencement of the Act. It provides that the Act will come into operation on a day to be proclaimed which will allow flexibility in timing and will enable co-ordination of the transfer throughout the Commonwealth. It is hoped that it will be possible to consummate the transfer on 1 October 1982, provided, of course, that legislation can be obtained in all States before that date. Clause 3 provides definitions of terms used in the Bill. Several of the definitions are of particular importance to the working of the legislation. 'The appointed day' is the day on which the Act comes into operation by proclamation under clause 2.

'Excluded assets' is a term used to describe assets which are excluded from the amalgamation and which will therefore remain vested in either CBC or CBC Savings Bank. Land and shares held otherwise than by way of security will remain vested in CBC and CBC Savings Bank. 'Undertaking' means all property and all liabilities of CBC and CBC Savings Bank, except for property which is 'excluded assets' and liabilities relating to such 'excluded assets'. It is the 'undertaking' thus defined of CBC and CBC Savings Bank that is to be vested by the legislation in either National or National Savings Bank as appropriate.

Clause 4: This clause provides that the Act shall bind the Crown. Clause 5 effects the vesting of the undertaking of CBC and CBC Savings Bank in National and National Savings Bank respectively. It is the central provision of the legislation, being the principal means by which the need for

separate transfer of each asset and separate assumption or renewal of each liability of CBC and CBC Savings Bank is avoided.

Subclause (2) contains certain provisions concerning the interpretation of instruments following upon the vesting of the 'undertakings' of CBC and CBC Savings Bank pursuant to clause 5 (1). Essentially, it says that wherever the name of CBC or CBC Savings Bank appears, it is to be interpreted as referring to National or National Savings Bank. Furthermore, where there is in any instrument a reference to a nominated officer of CBC or CBC Savings Bank, that reference is to be interpreted as a reference to a managing director of National or his delegate.

Subclause (3) deals with branches and other places of business. It provides that a place of business of CBC or CBC Savings Bank is, on the appointed day, to be deemed a place of business of National or National Savings Bank.

Subclause (4) is a special provision dealing with Torrens title land held under the provisions of the Real Property Act, 1886-1982. It deems National or National Savings Bank, as the case may be, to be the registered proprietor of an interest of which CBC or CBC Savings Bank is registered as proprietor before the appointed day. Subclause (5) provides for the Registrar-General to give effect to instruments executed by National or National Savings Bank where CBC or CBC Savings Bank is the registered proprietor. Subclause (6) ensures that where a liability to CBC or CBC Savings Bank remains a liability to those banks after the passing of the legislation, they will continue to have rights to enforce payment of the liability.

Clause 6 is a transitional provision relating to CBC. Paragraphs (a) and (b) ensure that instructions, mandates and instruments given by customers or others to CBC and in force before the appointed day become binding on National in place of CBC. Paragraph (c) provides that securities held by CBC before the appointed day are available as security for indebtedness and obligations to National after the appointed day, but in such a way that if, in a particular case, a person has liabilities to both banks before the appointed day, the former CBC security stands as security only for pre-existing liabilities and obligations to CBC and those to National incurred after the appointed day—in other words, where a CBC customer has an unsecured liability to National before the appointed day, a pre-existing CBC security will not thereafter cover that unsecured liability to National.

Paragraph (d) ensures that, where CBA has, before the appointed day, been entrusted with the safekeeping of documents or other property, National has, after the appointed day, the same obligations of safekeeping in relation to the relevant subject matter. Paragraph (e) provides that where, before the appointed day, CBC has a liability under a negotiable or other instrument, that liability will, after the appointed day, be a liability of National; and, similarly, where such an instrument is, before the appointed day, payable at a place of business of CBC, it will after the appointed day be payable at that place if it is then a place of business of National, or, if not, then at the place of business of National nearest to the place at which it was originally payable.

Paragraph (f) ensures that all banker-customer relationships existing between CBC and its customers immediately before the appointed day become, after the appointed day, identical relationships between National and the relevant customers. Paragraph (g) deals with all manner of contracts, agreements, conveyances and other documents to which CBC is a party before the appointed day, and puts National into the same position as CBC in relation to those documents.

Paragraph (h) preserves legal proceedings to which CBC was a party before the appointed day. Paragraph (i) ensures

that, by reason only of the amalgamation, CBC or National cannot be regarded as having committed a breach of contract or other civil wrong. It also ensures that a guarantor liable to CBC is not, by reason of the amalgamation, in any way released from his liability. Paragraph (j) is similar to paragraph (i) but preserves the validity of things done or suffered by CBC or National under the Act.

Clause 7 makes, in relation to CBC Savings Bank, the same provisions as are made by clause 6 in relation to CBC. Clause 8 deals with the occupation of land. It is directed particularly to cases where a leasehold interest in land is an 'excluded asset' and, by virtue of the amalgamation, National occupies and uses that land: for example, where CBC or CBC Savings Bank holds a lease of banking premises which, by virtue of the amalgamation, becomes National or National Savings Bank banking premises. In such a case, CBC or CBC Savings Bank, as the case may be, is not to be regarded as being in breach of its lease by reason only of the fact that National or National Savings Bank occupies and uses the relevant premises.

Clause 9: The purpose of clause 9 is to ensure that there is no change in the position or rights of any person who is engaged in litigation with CBC or CBC Savings Bank. Such litigation will, notwithstanding the amalgamation, continue in the same way as if the legislation had not been passed, save that National or National Savings Bank (as the case may be), will take the place of CBC or CBC Savings Bank. Clause 10 is concerned with evidence. It ensures that, notwithstanding the amalgamation, no party (whether one of the banks or another party) is disadvantaged so far as the availability of evidence in court proceedings is concerned.

Clause 11: This important clause deals with employees of CBC (CBC Savings Bank not having employees of its own). Because the businesses of CBC and CBC Savings Bank are automatically vested in National and National Savings Bank, it follows that CBC and CBC Savings Bank will not have any independent operations after the legislation takes effect. Hence it is necessary to provide that employees previously in the service of CBC become employees of National. This is achieved by clause 11 (a). At the same time, however, the rights and entitlements of these employees are fully protected.

Clause 11 specifically provides that an employee of CBC who, by virtue of the Act, becomes an employee of National does so in such a way that his contract of employment is deemed to be unbroken and the period of his service with CBC is deemed to have been a period of service with National. Furthermore, it is expressly provided that the terms and conditions of the employment of each relevant employee with National are, on the appointed day (and thereafter until varied), identical with the terms and conditions of employment with CBC immediately before the appointed day.

As far as variation of terms of employment is concerned, clause 11 provides that those terms and conditions are capable of alteration in the same manner as they could have been varied had the employees continued with CBC or in the same manner as the general terms and conditions of employment of other persons employed by National can be varied. Because of the safeguards as to continuity of employment, it is provided that an employee of CBC who becomes an employee of National is not entitled actually to receive benefits (for example, long-service leave) which would otherwise have been payable to him in the case of a termination of his employment. The terms of the legislation as a whole ensure that his ultimate entitlement, taking account of the whole of his combined service with CBC and National, will become available to him in the normal course as an employee of National.

Special provision is made about superannuation funds. The legislation provides that superannuation entitlements are to continue to be governed by the rules of the funds concerned. Thus, unless and until a former CBC employee elects or agrees to become a member of a National superannuation fund, he will continue to be a member of the relevant CBC fund, with the result that his entitlements will continue to accrue as if he had continued to be a CBC employee. In this way, there is no diminution of benefits, and employees will in due course be approached with proposals for transfer to National superannuation funds, which proposals they will be able to assess and evaluate for themselves. Any employee who wishes to remain indefinitely under existing CBC Superannuation arrangements will be entitled to do so. Finally, it is provided that a director, secretary or auditor of CBC or CBC Savings Bank does not by virtue of the legislation become a corresponding officer of National.

Clause 12 provides for the transfer of trust property held by the nominee company for the Commercial Banking Company of Sydney Group to the nominee company of the National Group. The transfer will enable the National Group to continue to provide trust and nominee services to its new customers. Clause 13 is a machinery provision designed to facilitate the registration of National and National Savings Bank as the holders of shares, debentures and other company interests vested in them by virtue of the legislation.

Clause 14 deals with a particular point arising under the proposed new Companies (South Australia) Code. In the absence of this provision, it would be necessary for National and National Savings Bank to file separate notifications of acquisition of each company charge to which they succeed by virtue of the legislation. The purpose of this clause is to ensure that, by filing with the relevant authorities a statement that the undertakings of CBC and CBC Savings Bank have vested pursuant to the legislation, National and National Savings Bank will be deemed to have satisfied the obligation otherwise binding on them.

Clause 15 ensures that a person dealing with an asset of CBC or CBC Savings Bank is not disadvantaged by reason of the fact that he is unaware that that asset is one of the 'excluded assets'. The public at large will thus be protected against the possibility of dealing with the wrong owner. Clause 16 declares that no duties will be payable in respect of any document or transaction executed or entered into for the purpose of the legislation. Instead a sum in lieu of stamp duty will be paid by National for the benefit of the General Revenue.

**Mr McRAE (Playford):** The Bill deals with the merger of the Commercial Banking Company of Sydney and the National Bank of Australasia. That was done on 1 October 1981 pursuant to schemes of arrangement under the New South Wales Companies Act. As I indicated previously, whilst the Opposition is fully in agreement with the justifiable fears expressed by the member for Hanson on this occasion, we are dealing with a purely machinery matter. The main transaction is a *fait accompli*. Given that, we support the Bill.

**Mr BECKER (Hanson):** While I would support the legislation and accept that it is a machinery matter, it is a tragedy that the Parliament, particularly the House of Assembly, has not had the opportunity to debate the issue before it. The merging of banks in this country has had a tremendous impact on the community, whether it be in this State or any other State. In this legislation we are dealing with the Commercial Banking Company of Sydney, which is a large banking organisation founded in New South Wales,

was well represented in Victoria, and had only two or three branches in South Australia.

The National Bank is, of course, the oldest private trading bank in South Australia and had considerable representation throughout the country as well as in the city and metropolitan areas. It was not that many years ago that we had seven free-enterprise banks. I would have thought the Opposition would have made great play of this, because we hark back to the 1948-49 era, when there were seven free-enterprise banks in Australia. After this legislation is enacted by the Commonwealth and other State Parliaments, there will be three.

As I said in an earlier debate, the Bank of Adelaide was swallowed up by the A.N.Z. Bank. No-one will ever convince me that that was not arranged in Canberra. The Commercial Bank of Australia and the Bank of New South Wales will be now known as Wespac. We have the Commercial Banking Company of Sydney Limited and the National Bank of Australasia. That bank does have representation in New Zealand as well. We will have three free-enterprise banks and the Commonwealth Banking Corporation. Fortunately, in South Australia we still retain the State Bank and the Savings Bank of South Australia. Suggestions are being put around the business community that perhaps those two organisations should merge.

I think that overall South Australia does not fare at all well with the merging of these banks and with representation, particularly in our country areas. At the very moment when we want finance and want long-term finance at reasonable rates of interest for the rural sector and small businesses to survive, hoping we can encourage others to establish, we will find that money deposited in our banks in South Australia is now going out of the State and supporting other enterprises throughout Australia. South Australia comes out of it very badly indeed. Again, I am surprised that the Bank Employees Union let this happen and did not make verbal representations and strong protests to the select committee.

It is a tragedy that all these affairs are handled nationally and the States have little say about them. The State will feel the impact of them. Gone will be the days of personal banking services to which we have been accustomed from all these banks. In the A.N.Z. Bank one can stand in the queue and take a considerable amount of time before getting served. There is a take it or leave it attitude shown. That is why the building societies and credit unions have been booming in this State in the past few years. That is not of benefit to the people or to the State.

The financial structure in this country is governed through the Reserve Bank of Australia, and a certain amount of funds has to be lodged on statutory reserve by the Australian free-enterprise banks. At one stage they were receiving less than 1 per cent interest on those deposits, which were quite substantial.

The Federal Government, through the Reserve Bank, was able to reinvest that money with the States as low interest loans. At a time of economic crisis, if we are looking to assist the rural industry, those statutory reserve deposits should be made available to those in need. They could even be made available to those who want to establish or continue in small business. Certainly, they should be pumped into the housing area to provide low-interest housing loans. Let us look very closely at this whole issue and the impact on the economy of Australia from the merging of those banks. If foreign banks are willing to come into Australia and provide the necessary finance at the interest rates that the community can afford, now is the time to let them in.

**Mr Mathwin:** They are knocking on the door now, aren't they?

**Mr BECKER:** They have been knocking on the door for many years.

**The Hon. R. G. Payne:** Aren't Barclays doing a bit of it?

**Mr BECKER:** Many foreign banks operating in this country are operating through the back door on the short-term money market and through *quasi* finance companies. They are not under great control by the Reserve Bank and that is where the system fails. It will fail if we are not careful with the huge build up in building societies, credit unions, and any other type of financial institution. Finance companies have been allowed to rape this country for long enough. They are not bound by any controls by the Reserve Bank. Whilst I never liked the control by the Reserve Bank, at least it protected the depositors in many respects. There is no guarantee with finance companies. They will close their doors if things get tough and if interest rates suddenly drop. Some of the finance companies and *quasi* organisations will get well and truly caught, because they are borrowing short on high interest rates and lending on the long term. That does not work. It has always been the recipe for financial disaster.

I would not sweep this under the carpet and say that it has been agreed to by the shareholders and that it is over and done with. The whole problem with shareholders in this country in a lot of companies is that they are too greedy. They do not consider the long-term impact of what they are doing. The whole trouble with the present economic situation in the future will be sheeted back home to the past few years, when we have seen so many companies merge and have seen the Australian free enterprise banking system (one of the most stable in the world) get swallowed up through these mergers.

Of course I must support this Bill, because the shareholders want it, the Government wants it, everyone has agreed to it, and it is only machinery. It is a tragedy that there has not been a reasoned and thorough examination and debate on the issue as to what is good for the country, good for the State, and good for the people. The people are forced to pay ridiculous interest rates on housing loans and ridiculous rates for carry-through finance for the farming community and for small business as we have come to know it. It has a great impact on the employment situation as far as this State is concerned and as far as the nation is concerned. I am sorry to see that happen. Again, it puts another nail in the coffin of what we did know as an excellent banking system in the past 40-odd years.

Bill read a second time.

In Committee.

Clauses 1 to 10 passed.

Clause 11—'Employees.'

**Mr BECKER:** Can the Minister obtain information concerning what guarantees and undertakings the Government has obtained from the two banks involved to protect the employment of the staff, to ensure that no-one will be discriminated against or suffer in any way under this merger?

**The Hon. H. ALLISON:** I will obtain that information.

Clause passed.

Clauses 12 to 15 passed.

Clause 16—'Duties.'

**The Hon. H. ALLISON:** I move:

To insert clause 16.

This clause is a money clause and accordingly it could not be inserted in the Legislative Council.

**The CHAIRMAN:** The question is that the amendment be agreed to. Those in favour say 'Aye' those against say 'No'. The 'Ayes' have it.

**Mr BECKER:** Can I seek information on this clause?

**The CHAIRMAN:** I have put the clause.

**Mr BECKER:** I was waiting for it to be seconded.

**The CHAIRMAN:** In Committee there is no requirement for an amendment to be seconded.

Clause inserted.

Title passed.

**The Hon. H. ALLISON (Minister of Education):** I move:  
*That this Bill be now read a third time.*

**Mr BECKER (Hanson):** The Bill, as it comes out of Committee, contains an additional clause which relates to duties and to the financial side of the hardcore legislative side of the matter. I am a great believer in financial impact statements as far as legislation is concerned. I understand that the Minister will obtain for me details about savings to the two companies involved in this merger. In seeking that information and making a request to the Government, I point out that I believe that the time has arrived when financial impact statements should be prepared for our legislation. It is a pity that this Bill, like a similar Bill that has already been dealt with, was commenced in another place, which means that we must consider an amendment after debating the Bill, because one of the key clauses as far as South Australia is concerned and this Parliament is concerned is the amendment that was unanimously supported by the committee.

Bill read a third time and passed.

#### LICENSING ACT AMENDMENT BILL (No. 2)

Second reading.

**The Hon. H. ALLISON (Minister of Education):** I move:  
*That this Bill be now read a second time.*

I seek leave to have that second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

#### Explanation of Bill

The Licensing Act section 5 (6) provides that a person holding or qualified to hold judicial office under the Local and District Criminal Courts Act may be appointed by the Governor to exercise the powers and functions conferred on the Licensing Court Judge. Minor difficulties have arisen relating to the manner in which a person appointed under this section should be addressed in court and the title which may be used in signing court documents. This amendment is designed to make clear that a person appointed under this section is an acting judge of the Licensing Court.

Clause 1 is formal. Clause 2 transfers the definition of membership of the court from section 5 (2) to section 4. Clause 3 strikes out subsection (2) of section 5 and amends section 5 (6).

**Mr McRAE (Playford):** Again, this is a purely machinery matter. As I understand it, Mr Tim Anderson was appointed by His Excellency the Governor in Executive Council to exercise the powers and functions of a Licensing Court judge. On behalf of the Opposition I take this opportunity to congratulate Mr Anderson. I understand that there was a bit of a flurry among the judges as to whether he should be called Mr Anderson, Judge Anderson, or His Honour. Because of that we now have this fiddly amendment, which we are happy to support.

**The Hon. R. G. Payne:** How about Your Judgeship?

**Mr McRAE:** Yes, as my colleague from Mitchell says, all sorts of strange titles could be given to him. However, I am sure that Acting Judge Anderson will do a good job. I realise that the Minister is in the unfortunate position, as is often the case, of having to carry the bag for his colleague in another place, but I would like the Minister to undertake

to explain to the Opposition in due course exactly what is meant by the provisions in clause 2, which simply states:

... transfers the definition of membership of the court from section 5 (2) to section 4.

There are so many amendments to the Licensing Act that I have not been able to locate this provision, but if the Minister can give that undertaking we will be happy to support the Bill.

**The Hon. H. ALLISON (Minister of Education):** I have been looking for an explanation as to the transfer of the definition from one section of the legislation to another. However, that information is not included in the file, but I will make sure it is provided to the member for Playford.

Bill read a second time and taken through its remaining stages.

#### ADDRESS IN REPLY

Adjourned debate on motion for adoption.  
(Continued from 28 July. Page 253.)

**Mr CRAFTER (Norwood):** When I concluded my remarks last night I was summarising the Government's programme as outlined in His Excellency's Speech to members of both Houses last week. One of the most disappointing aspects of the Government's programme is the lack of indication in His Excellency's Speech of any plan of action to assist people who are unemployed in our community. I would go so far as to say that, as indicated in the Governor's Speech and in the Government's clearly enunciated policies, it is the Government's policy to do nothing for the unemployed in our community. Unfortunately, it can be seen very clearly that there is a dovetailing of the policy of the Federal and State Liberal Parties with respect to the maintenance of structural unemployment in our community.

We well know of the perilous position of many of our manufacturing industries in this State and their reliance upon consumers in the Eastern States for their viability and hence their ability to employ workers in this State. It was with some concern that I read in the Governor's Speech that there had been an adverse impact on consumer demand for goods manufactured in this State as a result of uncertainty of power supplies in New South Wales. I would have thought that there would be a minimal loss of consumer demand as a result of those power strikes. There certainly has been some industrial disputation and some diminishing of working hours in New South Wales, although that seems to have passed for the present, bearing in mind that we are in mid-winter, which is a peak demand time for power.

I am further concerned to see the ever-growing reliance on this State's manufacturing industry for bolstering employment in this State, and indeed His Excellency's Speech mentioned that this State's manufacturing industry has increased by four times the national average during the past year. One cannot be other than concerned about the incredible spate of retrenchments and winding down of industry in the Eastern States, particularly New South Wales and Victoria, and to a lesser extent in the other States. This must have a real impact on consumer demand in those States for goods manufactured in this State, particularly whitegoods. So, we have a bleak employment future in the manufacturing industry if present trends continue.

Figures released yesterday by the Australian Bureau of Statistics in relation to consumer demand for a number of key items in manufacturing industry from this State show that there is a down-slide in demand, so we can expect that there will be a continuing number of persons coming on to

the unemployed list in this State, not a decrease. The Government obviously is accepting this and it boasts to some extent that it has reduced the increase in unemployment to only 3 per cent; it seems almost satisfied that there is only a 3 per cent increase in unemployment in South Australia. One on this side of the House can only fear for the unemployed in the community if there is a continuation of the policies of the Federal and State Liberal Governments with respect to those people who are suffering this plight.

A good deal of research has been carried out by academics and others into the nature of unemployment, and it seems clear that we can identify those who are most affected by this malaise in our community and this breaking down of our economy. A study done recently by Professor Richard Blandy and Mr Mark Wooden, of Flinders University, has indicated that adult males are bearing the brunt of the recent surge in unemployment, and that the other group clearly identified comprises teenage girls.

I find that those two categories are very evident in my own electorate. I am concerned about young girls whose parents were born overseas and who are not able to find employment. This seems to be a growing problem. It is my fear that many of these girls will not find employment at all prior to their marriage or will spend their teenage years and young adulthood at home helping their parents, or doing some sort of voluntary work in the community.

There is a great deal of concern among social workers, church leaders, and other responsible people in the community as to the long-term effect of unemployment on young people, and we see frightening statistics beginning to emerge with respect to suicides, mental illness, alcoholism, and the like, among older unemployed people. I have been closely associated with one organisation that is trying to tackle this problem. That organisation is DOME, which indeed has had a great struggle in establishing its *bona fides* with this Government and has only just received a small Government grant to assist in establishing an office and continuing to provide a very fundamental service that is otherwise lacking in the community for older adult unemployed persons.

Another organisation in my electorate, SHAUN, also provides very fundamental services to adult unemployed persons, and indeed it has established a number of ancillary services—for example, the Norwood Community Legal Service, a budget and accounting advice service, and general counselling services, in association with its other programmes, including workshops where unemployed people can spend time creatively and hopefully maintain some of their established work skills.

That organisation must struggle for financial assistance to meet even its rental payments and to find some accommodation more suitable than the most unsuitable accommodation presently occupied in a run-down building owned by the Highways Department. It provides a service that cannot be provided by Government departments. It calls on the unemployed to help other unemployed, and calls on people in the community who are concerned about this problem to come together to try to assist in a real and practical way. There are so few of these agencies that support the massive number of unemployed in our community.

We do not hear from Government Ministers and spokesmen any discussion about the human consequences of unemployment. We hear statements such as those we heard in the House today and yesterday by the Minister of Industrial Affairs as to the waste of money associated with job creation programmes, but there is never a discussion in terms of human dignity and the personality of the unemployed, their families, those who are dependent upon them, their children, and the wish and desire of so many of those people to continue some constructive and creative role in



our community. It is always assessed by this Government in money terms.

The Deputy Premier said today that such schemes would be taking jobs away from those employed in private enterprise, particularly in the construction industry. I was amazed to hear that comment, given the remarks of the Minister of Industrial Affairs when, almost two years ago, he opened the Burnside rugby clubrooms, at Kensington Gardens, constructed under the State Unemployment Relief Scheme. The Minister of Industrial Affairs complimented the workers, who he said otherwise would have been unemployed, for what they had done for the community, for themselves, and their families in establishing such a fine building which would, for many years to come, be of great service to the sporting club and to the whole community of the district.

The Minister boasted that there were not sufficient funds in that year's allocation under the State Unemployment Relief Scheme for the completion of the building, and said that he had persuaded his Cabinet colleagues to provide further funds for the project. He did not mention (in fact, quite to the contrary) that there would be a negative effect on the private building industry from that project. One could have inferred from his comments that it was a project that was sharpening up the skills of unemployed construction workers who would then be an asset to the private construction industry.

However, today we hear a different tune. The Minister condemns such projects in no uncertain terms, he condemns their presence, and he says that they are disastrous for the private construction industry, labelling them an absolute waste of money. That is a very disappointing attitude when one considers the tens of thousands of unemployed in this State who are seriously looking for work. There must be, of course, an attempt by any responsible Government to provide some job creation schemes. That is the practice right around the Western world, and it has been the subject of international conferences. Every European country has a variety of job creation schemes. It is clearly the promise of both State and Federal Labor Governments to initiate imaginative and constructive programmes to give opportunities to continue work skills, to develop a participatory role in the work force, albeit only for short periods of time or on a temporary basis.

The schemes, which will be based on the dignity of the individual, will give those people a constructive role to play in the community, enabling them to hold up their heads along with all those who enjoy full-time employment. I will not go into the depressing statistics that abound today in respect of unemployment not only in South Australia but throughout Australia. In my view, it is difficult to look at the unemployment situation only in South Australia, because many people, particularly young people, are leaving this State to seek employment opportunities interstate, as also are young families seeking investment opportunities in other States.

The net interstate population loss from this State is quite marked indeed. It is expected that within a few months the population of Western Australia will exceed that of this State, and we will then have the least population of any mainland State. Recent net interstate population loss figures are as follows: 1978-79, 3 181 persons; 1979-80, 6 919; and 1980-81, 6 860. The source of that information is the Australian Bureau of Statistics, Australian Demography Statistics Quarterly for June 1981. Since this Liberal Government took office the cumulative net loss of population to other States has reached almost 15 000 persons, the equivalent of the total population of Port Pirie, which is our fourth largest provincial city. If we examined the unemployment figures of this State, together with the loss of investment in terms

of our net population loss, the results would be quite staggering.

I was interested to read in the *Melbourne Age* a recent report on the number of unemployed people in our community who are withdrawing from the lists of people who are actively seeking work, that is, the lists provided by the Commonwealth Employment Service and the Australian Bureau of Statistics surveys. This indicates a withdrawal from the job market by an incredible number of people in Australia. This is often because of continual rejection by potential employers or they are people who have some handicap: maybe as a result of being granted a workers compensation claim they are tagged forever by potential employers as being a risk and, as a consequence, a high risk by insurance companies and, therefore, they are avoided when further employees are sought; or perhaps their spouses have a job, often a part-time job, which takes them above the limit to which they are eligible to receive unemployment benefits. There may be some other reason why these people's names are disappearing from the lists of those seeking jobs.

That must be alarming to all those who assess the welfare needs of the people of this country. Recent statements by Cardinal Freeman, the Archbishop of Sydney, and by the Anglican Church leaders in Western Australia give further evidence of the widespread concern in the Australian community about the effects of unemployment and the little that is being done by elected Governments to care for those who are unemployed. It is evident that by the end of this year there will be officially 500 000 people unemployed in Australia, and of that 500 000 many are young people, including teenagers.

The figures quoted in the *Melbourne Age* reveal the great increase in part-time work being done by workers in Australia. That gives further rise for concern about the ability of those persons to maintain their own life style, their financial commitments to their families and, indeed, to participate hopefully in a normal way in the community. Many of those people working part-time are excluded from basic medical and other social security benefits. It was interesting to note that when the last unemployment figures were released the Federal Minister for Industrial Relations (Mr Macphree) did not issue a statement at all; he chose to ignore those figures.

For seven years now, by adopting tight fiscal policies the Fraser Government has clearly wrecked the Australian labour market. Long term unemployment is now a real problem in Australia. One-third of the total number of unemployed in Australia, or 150 000 persons, have now been out of work for six months or longer, and that period is continually growing. The latest figures show that those people have now been out of work for about seven months on average. We have the most frightening *milieu* developing in this country.

One can only express a great deal of concern about the recent announcements of the Treasurer and the Prime Minister in support of industry concessions, because I believe that those massive concessions will do little, in either the short term or the long term, to increase employment opportunities in Australia. Indeed, they are almost directly designed to increase the profitability of trading companies in this country. I will quote page 1 of the *Melbourne Age* of 20 July 1982, under the byline of 'News analysis' by Kenneth Davidson, following the Federal Government's announcement of this mini package of aids to and tax concessions for manufacturers, miners, developers and farmers, which measures are basically designed, I suggest, to boost business morale and support for the Federal Government. Mr Davidson says:

For God's sake, let's get back to the good old days of reds under the beds election campaigns! They may have been dirty, but at least they were affordable. The decisions announced yes-

terday have nothing to do with restoring the economic fortunes of the country. They are simply a cold-blooded attempt to buy the support of the business community without imposing any strains on the forthcoming Budget.

Such was the page 1 comment of probably Australia's most distinguished newspaper. Let me analyse some of the aids granted by the Fraser Government at this time of massive and record high unemployment in this country. The *Age* report states:

No cut in protection levels. Industry will be able to depreciate plant ordered after yesterday [19 July 1982] over either three or five years. The present average depreciation period is about nine years, stretching to 20 and over. Mining companies will be able to deduct 100 per cent of the cost of a mine in 10 equal annual instalments. Previously they could only effectively deduct 65 per cent over 10 years. Plant used by farmers can be depreciated over three years, rather than the present five years.

Non-residential income producing buildings, such as warehouses, factories and office buildings, on which construction commences after yesterday, can be depreciated at a prime cost rate of 2½ per cent. At present these buildings are not eligible for depreciation allowances. The export market development scheme, designed to get Australian businesses into new markets, will be expanded, and the ceiling grant raised from \$125 000 to \$200 000 from 1 July. The export expansion grants scheme will end on 30 June 1983. The 18 per cent investment allowance remains, and its future will be reviewed before it is due to end in 1985.

So, we see a package of hand-outs to business, not aimed at increasing employment across this nation, although I would suggest, one could clearly justify it if it was, on that basis. However, that will not happen and, if it does, it will be to a small extent only. It is a direct hand-out to the larger sector of industry in this country. It is interesting to note that these proposals have come forward against the advice that was given to the Government in 1975 by the Aspery Committee into Taxation, in particular the recommendations of that committee on depreciation of buildings.

The Government ignored three Industries Assistance Committee reports which were brought down at about the time of the release of this package and the general protection reductions in reference to the I.A.C. can now clearly be seen as a token gesture at the time of the CHOGM conference in Melbourne last year. The export market development scheme has been described by a very distinguished economist as nothing more than a rort. It provides overseas holidays for business men at the expense of the wage earners of this country, that is, the major bearers of the tax burden. That scheme has now been further extended.

I suggest that these proposals give further avenues to those who are unscrupulous among the professions of accountancy and the law to find ways around the tax penalties that are placed on the increase of further profits. So, once again those who are richer in this country will enjoy their wealth to a greater extent, and those who are poorer will have to pay for it in additional use of taxpayers' money, which I believe is estimated will be \$1 600 000 000 by the end of the 1980s. The unemployed and recipients of welfare benefits will find themselves further and further oppressed to the realms of the very poor of this country, because of the continuation and, indeed, the encouragement of inequality of the distribution of wealth in this country.

I suppose the other most disappointing aspect of the Government's programme as outlined in His Excellency's Speech is the lack of support in any monetary way or by way of legislation for the small business sector. I suggest that that sector of our economy has been sadly forgotten by this Government and by the Federal Government, and that is further evidenced by the package of incentives announced recently by the Government. There are two very minor areas of support for small business men that I would have thought this Government would at least attempt to tackle.

The first is a matter that I have raised on a number of occasions with the Treasurer, namely, the releasing from

the responsibility of paying land tax those small business operators who run their business on the property where they live. They pay an additional penalty because they operate a business from their permanent place of residence. It seems that the only barrier to their being granted a concession from land tax, which is enjoyed by all other residents in regard to their principal place of residence, is that they run their business from there. The barrier to the granting of relief is the mechanics of how it would be assessed. I cannot believe that the Public Service of this State is incapable of devising a way in which that benefit can be passed on to a very deserving section of small business.

Further, it is disappointing that the Government refuses to provide some relief for those people who are renting or leasing properties, usually in supermarkets but often in shopping centres. Those leases come under the category of 'harsh and unconscionable'. Many of those people pay a lease based on a proportion of their daily turnover. I would have thought that it would be anathema to the philosophy of a Liberal Government that an incentive to earn more was stultified in this way.

The Government has had a report prepared and it has been presented, but I believe it has never been released widely to the public. That report was quite inconclusive in relation to many of its inquiries and, indeed, it did not seem to address the real problems that are being experienced by this section of the small business community. Many small retailers have told me that they are looking for some fair play in the market place and they can only look to the Government in that regard. They are paying incredibly high rates, taxes and rents which are disincentives to increasing their profitability and to their employing additional staff. Some 60 per cent of people in our work force are employed by the small business sector, and that sector cannot be overlooked any longer. The Government acted very belatedly in providing some relief from the harshness of the threshold of pay-roll tax for many people in this section of the community. Once again, it is a barrier to additional employment.

Another matter that has been drawn to my attention by a number of small business operators is the difficulty experienced by small manufacturers in paying, at the due time, sales tax to the Federal Government. It seems that here is an opportunity for the State Government, particularly this Government, to help in this area, where many of the manufactured goods have to go interstate and are sold some time later. This is a burden that falls unfairly on the small manufacturer. It seems that a very good case can be made out by the State for a certain number of these operators to be given relief in the payment of this tax. Once again, I would suggest that it is a great disincentive to employment.

In the brief time that I have left to me, I will refer to several local issues in my district. First, I want to put on record my great disappointment that this Government has not seen fit to involve the community to a much greater extent in the construction of the River Torrens Linear Park, the flood mitigation proposals, and the environmental mitigation plans for the construction of the O'Bahn busway. I can give one example. The Dunstan playground at St Peters is an elaborate up-to-date playground, established some years ago; it is well known and well used by the local community. That playground is to be dissected by the O'Bahn busway. A lot of discussion and planning is taking place about where that park will be relocated, if it is to be relocated, or how it will be reconstructed following the construction of the busway, the linear park, and the flood mitigation works.

However, the community has not been involved in these discussions: its views have not been sought. Many of the people in that area are concerned about this proposal and would like to be involved in it. There have been no displays of the final plans for the construction of the linear park.

Many of my constituents are facing compulsory acquisition of parts of their property for the construction of the park. They agree that, in the main, a park is a desirable feature of their area; in fact, it will bring some benefits to the community as a whole.

The people concerned would like to see what will be constructed there, whether there will be cycle tracks at the rear of their premises, whether it will be walkways, or whatever it will be, and that information has not been provided for those people. Indeed, it has been a great tussle to obtain for those people very basic information as to their rights at law when they are subjected to compulsory acquisition procedures, and just today I received some information from the Engineering and Water Supply Department concerning the rights of persons, whose properties are being acquired, to obtain legal advice and independent valuations of their property and, indeed, the method by which those properties will be valued. That information comes on 27 July, almost 18 months after those people were first advised that their properties were to be acquired.

The corporation of St Peters has been very sympathetic to the problems of its ratepayers in this regard and has made strong representations to the Minister on this matter following public meetings of persons to be affected. We can only hope that this shortage of information (and I would suggest basic information) in the community will cease and that there will be a very real role for the local community in the further work that is to proceed and, indeed, in the expenditure of very substantial sums of money for the construction of the linear park.

Similarly, there has been a great deal of misunderstanding and misinformation about the acquisitions that are to proceed, in or adjacent to the acquisitions to which I have just been referring, for the purposes on this occasion of the O'Bahn busway, and I have been most concerned about the attitude and the information being passed by officers of the department of the Minister of Transport to persons whose properties are to be acquired, or those whose properties will not be acquired but will be affected by the busway. I have, wherever possible, passed on those complaints to the Minister or advised those people to obtain independent legal advice on their rights in these matters. This situation should not have occurred.

There should not be that resentment that there is among those residents and, indeed, the Government should provide very detailed statements on persons' rights in these circumstances. In particular, it should state very clearly the rights of those people whose properties will be adversely affected by such a major transport corridor, and those people should be given access to the Land and Valuation Court, and given a right to claim compensation for the losses that they most surely will suffer to the enjoyment and use of their homes.

I argued for many months to have the scale model of the O'Bahn busway displayed at local government offices, and I thought that the scale model would be left on display at the St Peters council chambers for some weeks, only to find that that plan was whisked away and displayed, of all places, in Myers, in Rundle Mall. Once again my constituents, who will be the most affected of all those affected by this proposal, were denied this basic information.

In the brief time I have left I want to refer to just one area of Government initiative which I have supported. It is a matter that has been in the pipeline now for most of the 1970s, and that is the establishment of community service orders. I have strongly supported this alternative to either a fine or imprisonment for offenders in this State. The community service orders are to be established, first of all I understand, in the Noarlunga region and in the Norwood region, and I asked the Chief Secretary whether I could be briefed on how the scheme would be operated, considering

that it was to be established in my electorate. However, he has refused me that briefing, although I understand that similar briefings have been given to local newspapers in my electorate, and indeed to other community leaders. It is with great concern that I raise this matter, because I fear that there will be a community backlash against this scheme if it is not understood, and that would be most disappointing indeed.

It is very important that the community accept a proposal of this nature, particularly where projects are to be undertaken in aged persons' homes or in other institutions in an area, and that the people welcome this work to be done by offenders and understand the nature of the programme. I believe that I have a role, as have other responsible people in the community, to explain this so that there is not this backlash in the community, and I express my regret that the Minister preferred not to see me briefed on this proposal. One can only draw adverse conclusions from that attitude. I support the motion.

**Mr MAX BROWN (Whyalla):** In the limited time that I have to speak in this debate, I will endeavour to raise three or four matters that I believe are of the utmost importance to my electorate. The first issue that I raise concerns a matter that probably affects my electorate more than it affects any other member's electorate, and I refer to the drastic down-turn in employment opportunities.

Over the past few months I have listened to and read all sorts of statements regarding the employment or non-employment position. I am living a lot closer than many others to the moral, physical and obvious results of unemployment, because I represent in the main a community whose members virtually have the issue of unemployment right at their doorstep.

Recently I had figures taken out for me dealing with only four of the major cities in the northern part of the State, and they are interesting figures, to say the least. For example, on 7 May 1981, Port Pirie had a registered unemployment figure of 581. On 7 May 1982 that figure had risen to 632, an increase of some 8.8 per cent. At Port Augusta, on 7 May 1981, there was a registered unemployment figure of 479, whereas on 7 May 1982 the figure had risen to 525, an increase of 9.6 per cent. On 7 May 1981, there was a registered unemployment figure in Port Lincoln of 412, increasing to 543 by 7 May 1982 (an increase of 31.8 per cent). In my own city, Whyalla, on 7 May 1981, there was a registered unemployment figure of 1 004, and on 7 May 1982 it had risen to 1 311, an increase of 30.6 per cent. It would be a rather interesting exercise if the Minister of Industrial Affairs could juggle those figures so as to be able to justify them in the eye of the people I represent.

I will now outline what I consider to be the results of unemployment. First, my experience tells me that it takes away the dignity of a person. The fact that a person cannot get employment ultimately means they lose their very dignity. I have seen young people leaving school and start off applying for work with their head held high, their spirits high and eagerness supreme. After a few months (and I have witnessed this) they have adopted an attitude of desperation—in fact, defeatism. They are dejected and feel lost as far as their future is concerned. The current position in unemployment is close to depression—nothing more and nothing less. The only difference in my opinion between the early 1930s and the early 1980s is that in the early 1930s unemployed people queued up for rations and quite often were asked to move on if they travelled to seek work. In the early 1980s people queue up for social security payments and do not seek work because after a short time know that their seeking is a lost cause. That is the only difference.

I want to turn to the current Government's election to its present office. Surely every member in this House and every person in this State ought to remember the slogan that the current Government put out prior to its election to office. We must remember that the slogan was, 'Stop the job rot'. We ought to remember it very vividly. I and other members of the Opposition can recall that a second slogan came out to the effect that the Liberals would find 7 000 new jobs. That was stated during the course of its propaganda. Ironically, within 24 hours it was going to find 14 000 jobs. Let us look at the situation in my area. Never mind about finding 7 000 and 14 000 jobs and talking pie-in-the-sky. I am talking about what has happened in reality.

At Whyalla we have lost the shipyard—some 1 500 jobs. We have lost several employers that were dependent on the shipyard. We have lost the firm of Wardrope and Carroll, which employed 30 or 40 men. We have lost the firm of Booth Bros, which also employed 30 or 40 men. We lost Perry Engineering with about 60 men. We had the situation of the English turbine firm, C. A. Parsons, who sold out to Rayroll Parsons who in turn sold out to N.E.I. They went broke and we then lost 100 jobs. In the last few months in my electorate some 750 jobs have been lost in the Whyalla steel works. The Premier, invariably, in reply to this state of affairs, puts up the excuse that when Roxby Downs gets going we will have all sorts of new jobs. Somehow, magically, it will affect overnight the situation of losing 750 jobs at Whyalla. We are also talking about the development of Santos at Stony Point. The development of Stony Point is in no way going to solve the drastic problem of the downturn in the steel industry.

The latest matter that the Premier seems to have got on to, which is giving him pleasure, is in relation to the 750 lost jobs being early retirements, as though that was some magical way of solving the problem of unemployment. He is trying to do everything to fob off the bad situation in employment and trying in some way to justify the situation. The Premier is ill-informed and he ought to be exploring in depth the problem of our manufacturing industries as a whole.

I may be forgiven but I intend at this stage to return to the incident which led to the ultimate closure of the Whyalla ship yard because I believe that at that point that what happened was similar to what is happening in the steel industry. In dealing with the closure I remind the House of the television news item which appeared on the A.B.C. and Channel 7 on Tuesday 27 July and which showed, in all its glory, the new Mobil 60 000-tonne tanker coming into Port Stanvac. The tanker was built and bought entirely in and from Japan.

The Japanese shipyard workers are not poorly paid, as a lot of people may believe. They are not excluded from superannuation payments or ignored on the question of housing. The difference is that the Japanese Government demands of its ship builders new techniques, modernisation of plant and good industrial relations. In return the Government gives to the ship-building industry 100 per cent protection from foreign ship builders. I would ask members whether they have seen or heard of a Japanese ship owner buying a ship from South Korea (a country of lower wage structure) or from Taiwan (another country of lower wage structure)? I ask members whether they have ever heard of a Japanese ship owner having any ship built outside Japan? I would suggest that they have not. Yet, the daily press has condemned and is still condemning the idea of tariff protection. I fail to see where any country without tariff protection can compete with a country with complete tariff protection.

I have talked for years about Governments, industry and unions being responsible together for this country's future.

I still believe that that situation is just as strongly needed today as it was prior to the closure of the Whyalla ship yard. While I am dealing with ship building I remind members that the position of the steel industry is fast moving towards that which existed a few years ago in the shipbuilding industry.

I want to read from a press article which appeared in the Whyalla local press on 18 July 1977—just five years ago. One would think from reading it that it was about a similar situation that exists in the steel industry today. The article was headed 'Premier disgusted over lack of reply on shipyard future'. The Premier at that time was the Hon. Don Dunstan. The letter that was sent by the Premier at that time to the Federal Government spelt out exactly what I am talking about as far as protection for industry is concerned. It states:

Mr Dunstan said that throughout the Whyalla crisis, the State Liberal Party had done nothing. 'Dr Tonkin has not stood up for the unemployed in Whyalla or the people who are likely to lose their jobs any more than the Liberal Party has tried to help the jobless in the rest of South Australia. He and his party have consistently knocked the State Government's unemployment relief scheme, claiming the funds used were a waste of money.'

As they are now. The article continued:

'Apparently they would rather have left the 7 000 people who have had jobs under the scheme on the dole queues instead of out doing useful work. Mr Dunstan said the full text of the letter to Mr Anthony was:

That refers, of course, to the letter he wrote to the Deputy Prime Minister, which was as follows:

The recently released interim report of the all-party committee on foreign affairs and defence of both Houses of the National Parliament urged the retention of large shipbuilding facilities in Australia, and the immediate injection of Federal and State funds to save the Whyalla and Newcastle facilities.

The point I must make at this stage is that we are now at exactly the same point with regard to the steel industry. The letter continued:

The committee's findings that the problems in Australia's shipbuilding industry have stemmed mainly from inadequate workload, outdated plant and bad industrial relations, correspond to the views expressed by the South Australian Government in its submissions to the I.A.C. and the Commonwealth.

The broad proposals of upgrading existing shipbuilding facilities, some form of enforceable agreement on productivity, and improved industrial relations and a system by which potential buyers of Australian built ships can be offered financial terms that are competitive on the world scene, and strictly in line with the South Australian proposals to the Commonwealth Government on the shipbuilding industry contained in a submission dated October 1976.

The foreign affairs and defence committee also recommends that the Commonwealth Government set up an expert group of Commonwealth, South Australian, and New South Wales Government representatives, management, and the ACTU to examine its proposals to revive the industry.

That is exactly the same situation that exists in regard to the steel industry. That was never done, and the Government Senators who were on that committee and who supported that recommendation voted against the proposal when the issue came forward in the House. A similar press article appeared on 13 June 1977 which reported comments of the now Premier of this State. The article began with comments from that fly-by-night Senator who makes speeches and statements all over the world, Senator Don Jessop. The article stated:

Senator Don Jessop, who was accompanying Dr Tonkin, said the difficulties confronting the Federal Government had been the fact that there had been several shipbuilding industries established in Australia. The economy could not afford this situation.

With shipbuilding we've had problems over the years because the industry hasn't kept up with technological change.

On the question of union involvement, the object of the Federal Government has been not to bash unions, but to restore their credibility to a proper place in the eyes of the public.

I find those comments rather strange, to say the least. The article continued:

The shipbuilding industry is desirable for Australia, and Whyalla would be a good place.

There has to be a willingness from the industry to recognise technological change, and recognise the responsibility of industry and trade union officials to work together.

I take it that the Premier was reliably reported in that article, and the situation now is that when the proposition came to reality he voted against it. The article further reported the then Leader of the Opposition as saying that the wage structure in Whyalla was too high. From where he obtained that information, I do not know. The only thing I can put it down to is the existence in the Federal Award, which has been the case for as many years as I can remember, of a locality allowance worth 50 cents a week. For the life of me I cannot see how 50 cents a week could be in any way regarded as a high wage position.

**The Hon. Peter Duncan:** They probably consider that 50 cents a week was a whole week's wages.

**Mr MAX BROWN:** That might be right, I do not know. The fact is that Senator Jessop and the now Premier fail to see the very drastic results of losing the shipbuilding industry. At the time to which I referred I can recall that the Dunstan Government did not have the resources or the power to assist the ship building industry; it certainly did not have the resources that the Federal Government had, but it went as far as making available a subsidy of some \$6 000 000 over three years for the Whyalla yard, provided that the Federal Government was prepared to come to an agreement concerning retaining the Whyalla yard.

I believed then that the loss of the Whyalla ship yard would be a disaster; and I believe it is a disaster now. I believe that the steel industry is going along similar lines and I question quite sincerely whether ultimately this nation will be the loser because of the closure of the ship yard and whether the ship building industry will ultimately have to be revived.

**Mr Becker:** Can it be revived now?

**Mr MAX BROWN:** Yes, it can be revived. The point is that, having let it die, if I can put it that way, it was recommended by the committee to which I referred that it would take five years (conservatively estimated) to get it back to any form of revision.

**Mr Becker:** Could they build an air craft carrier there, or something, in a reasonable time?

**Mr MAX BROWN:** The point is that anything could have been built. For example, with adequate alterations the 60 000 tonne Mobil tanker could have been built. Of course, the problem at that time was that B.H.P. would not spend that sort of money unless it had a guarantee of some contracts to build such ships. None were forthcoming, and let us be frank, B.H.P. had a 100 000 tonne ore carrier built in Japan and Belfast; B.H.P. was not prepared to spend large sums of money without some assistance from the Federal Government. I am not prepared to go into the rights and wrongs of that, however; that was the situation and there is no argument about the fact that it could have built such tankers.

**Mr Becker:** What about some ships now for the Navy?

**Mr MAX BROWN:** I now refer to the problem within the steel industry. First, I refer to the fact that quite a long time ago I was advised by a very great friend of mine in the trade union movement (and this was when the viability of the ship building industry began to decline) that B.H.P. would get out of the ship building operation if that operation was not paying; history proved that that was correct. Similarly, and ironically, that same gentleman also said that if the day came when the steel industry was not paying, B.H.P. would also get out of that industry. Those statements are very interesting, to say the least. The decline in the steel industry and B.H.P. was dramatically outlined in the *Business Review*. An article appeared in that publication in the share-

market section entitled 'Now it's the not-so-big Australian'. I quote from the report, as follows:

Shareholders in B.H.P. lost \$2.7 billion in 1981-82. B.R.W.'s latest survey of the top 150 companies shows that B.H.P. is still Australia's largest listed company but, whereas on 29 June 1981, it had a market capitalisation of almost \$5 billion, its value has dropped to \$2.3 billion. Although many other resource companies have been trimmed, the fall of the Big Australian has been most dramatic. The top 150 companies were capitalised at \$45 billion a year ago: now they are capitalised at only \$31 billion. As might be expected, the largest fall took place in the top 20 companies, which fell from \$32 billion to \$22 billion.

That is exactly in line with what happened when the shipbuilding industry was going bad; there was a rapid decline of profit, and so on. I have had discussions with B.H.P. management and with members of the trade union movement, and I believe that there is a great need for an immediate study of the problems of the steel industry by means of a three-pronged attack. Whether we like it, whether the press likes it, or whether B.H.P. likes it, there have been problems with the administration of B.H.P. and the steel industry. Similarly, there are problems with the Federal Government, and we know that. There are also problems in the trade union movement on the question of what is needed in the steel industry, and I admit that. There are faults on all sides.

I think it is time that B.H.P., for example, looked at its mistakes. Governments have not protected and are not protecting our manufacturing industry. Unions have their role to play, although it has always been the case and still is that B.H.P. seems to believe that co-operation with the trade union movement means getting the union representatives into conference, telling them the problems, and then telling them what the company intends to do about it. Somehow, magically, it is expected that the unions will accept that without question, and that is what B.H.P. believes to be co-operation.

I was more than pleased to read what the Federal Leader of the Labor Party, Bill Hayden, had to say in relation to the problems of the steel industry.

**Mr Ashenden:** The temporary Leader.

**Mr MAX BROWN:** My reply to that is that, according to today's paper, the Liberal Party has its problems with Malcolm. Perhaps its members would do themselves greater justice if they worried about him and let the Labor Party worry about its problems. The report was headed, 'Hayden pledge on steel', and states, in part:

The Leader of the Federal Opposition, Mr Hayden, yesterday condemned the Government's failure to support the troubled steel industry and pledged a Labor Government would establish a steel advisory council to revitalise steel companies.

I believe that that is a much needed step. The report continues:

He claimed too few jobs were being created to provide for the entry of new members into the workforce, and warned that existing jobs were being destroyed by the 'severe, contractionary Federal budget'. Mr Hayden told delegates of the 80 000-strong [Federated Ironworkers] association that proposals put forward by Australia's largest company, B.H.P., for the phasing-out of 10 000 jobs in the steel industry should not be allowed to go ahead, and that a Labor Government would at once take an active role in bolstering the national steel industry.

I want to refer particularly to two or three extracts from the report, the first of which is as follows:

'This B.H.P. phase-down proposal cannot be allowed to go ahead—we are convinced B.H.P. and associated steel manufacturing concerns must declare a moratorium on the cut-back pending a program of rationalisation and revitalisation of the steel industry,' he said.

I could not agree more. The report continues:

The industry was of such vital importance to the national economy and had such a key role in regional employment that the problems of steel companies should be solved with extensive Federal Government support and co-operation between business leaders and the Labor movement.

I am more than pleased that somewhere, Federally, politically, someone has taken the matter up, and I am pleased that it has come from the Leader of the Labor Party. In relation to another matter, the report states:

Part of B.H.P.'s problem stemmed from 'conservative investment policies by management'—in particular, actions that had sought to maximise short-run profits in oil and gas production.

In other words, it had not invested capital within the steel industry but in fact had turned its attention on financial questions to oil and gas, which are more lucrative but which do not provide the employment opportunities that are provided by the steel industry. I have much more to say, so I seek leave to continue my remarks later.

Leave granted; debate adjourned.

### ADJOURNMENT

**The Hon. P. B. ARNOLD (Minister of Water Resources):** I move:

That the House do now adjourn.

**Mr ABBOTT (Spence):** The matter that I wish to raise in this adjournment debate concerns the way in which some Ministers have provided answers to certain questions that I have asked from time to time, and no doubt this applies also to many other members on this side of the House. It appears that, if the answer is favourable to the Government, one will receive a reply in Parliament, and in this way it is officially recorded in *Hansard*. If it is not favourable to the Government, one receives an answer by way of a letter, and as a consequence it is then not recorded in *Hansard*. I suppose the Minister hopes that in this way nothing more is said about the matter. It is a cunning method which is unfair not only to the member but also to members of the public who read *Hansard* and who may be interested in the answers to questions on certain matters. It is also unfair to members' constituents, who often ask their member to raise certain issues.

I should like to give some examples of what I am talking about. On 2 March of this year I asked the then Chief Secretary a question about police patrol accidents. I asked whether he was satisfied with the training programmes for police patrol officers who are required to drive at high speeds vehicles with power steering. I asked whether he would say what those training programmes were. The Minister said in reply:

The honourable member is seeking technical information and I will be pleased to get him a report. I will be pleased to arrange for him to have an expert tell him of the training given to our police officers.

On 6 April I received a letter from the present Chief Secretary, who advised me in the following terms:

Dear Roy, I refer to your question in the House of Assembly on 2 March 1982, relating to police patrol accidents and provide the following details for your information:

The current police driver training programme is considered to be adequate.

All police recruits undertake a full course covering the theory and practice of the handling characteristics of vehicles fitted with power steering. The knowledge is imparted by means of lectures, instructional notes, projection slides and video film produced specifically for that purpose. Holden Commodore vehicles fitted with power steering are used during the practical lessons.

Patrol members in the metropolitan area are subjected to theoretical training sessions using the abovementioned aids and members in country stations are issued with an instrumental precis if a vehicle with power steering is issued to their station.

The present training programme provides police members with sufficient knowledge to enable them to competently drive vehicles fitted with power steering in most situations.

If you require further detailed information regarding the Police Driver Training Programme, you should contact Inspector A. D. Steel, Officer in Charge, Education Wing, Training and Education

Branch, on telephone number 218 1322, who will be pleased to discuss this matter further.

Much public concern was expressed at that time over that matter. In my view, that reply should have been recorded in *Hansard*. On 15 June, I directed a question to the Minister of Education concerning the possible loss of contract staff in socially important areas of advanced education such as Aboriginal studies, community languages, and women's studies. Earlier this afternoon my electorate secretary told me that a letter from the Minister had arrived today at my office, but I have not read it. I wonder what the Minister might be trying to hide by not giving me that reply in the House.

On 18 June, I directed a question to the Minister of Health, representing the Minister of Community Welfare, in relation to funding of the Unemployed Workers Union. The Minister replied that day by saying that she would obtain a reply from her colleague. On 12 July, I received the following letter from the Minister of Health:

You will recall that in the House of Assembly on 18 June 1982 you asked whether the Government intends to provide funds to the Unemployed Workers Union in the 1982-83 financial year. I have now received advice from my colleague the Minister of Community Welfare on this matter and it is my intention to make the following formal reply to you in the House—

as yet I have not received that formal reply in the House and this letter was dated 12 July—

when the next Parliamentary Session commences later this month.

The Minister of Community Welfare did not say and does not think that the thrust of the Unemployed Workers Union ought to be handing out blankets and food parcels. If the union is to expect funding from the Community Welfare Grants Fund in 1982-83, it will have to establish from its records that there is a significant welfare component, in the general and accepted sense, in its work.

The availability of Community Welfare Grants for 1983 has been advertised. Guidelines and application forms are available from department offices. If the Unemployed Workers Union applies for a community welfare grant for 1983, the application will be considered, along with other applications.

That also is an important matter and one in which the public is also interested. On 4 June I directed a question to the Deputy Premier, asking him what was the policy of the State Government Insurance Commission in relation to insuring small businesses. The Deputy Premier, in his typically sarcastic way, replied as follows:

When I was an Opposition member of the front bench, I made it my habit to go direct to the S.G.I.C. and get an answer without taking the circuitous route of raising the matter in the House. It is not clear from the question what type of insurance is involved, except that it is a hairdressing firm. I will be perfectly happy to take up the matter with the General Manager of the S.G.I.C. and see what policy its board adopts in this matter. If the honourable member will make clearer to me what type of insurance he is talking about and what is involved, I will take up the details of this particular case.

On 6 July I received the following letter that was signed by David Tonkin for the Deputy Premier:

I refer to your letter of 4 June to the Deputy Premier, concerning the alleged refusal of the State Government Insurance Commission to insure a hairdressing business in Hindley Street. The State Government Insurance Commission does not operate on a quota system for insuring small businesses. The commission considers all proposals on their merits, irrespective of area. In business insurance, it is normal for the principal or his broker to approach an insurer who will then assess the proposal, often by inspection and survey. Where these elements are absent cover would not normally be provided by a responsible underwriter.

The circumstances you have described with respect to the approach from the business concerned are substantially correct. However, the reasons given for the unwillingness of the commission to provide cover were not correct, and it would have been preferable for the matter to have been referred to one of the commission's senior officers. The proprietors of the business are still unknown to the commission but if they would care to present the necessary details, the commission would be pleased to consider a proposal for insurance.

I do not know what the Government has got to hide by replying to questions in this way.

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

**Mr RANDALL (Henley Beach):** It is my intention to use this short portion of the grievance debate to express concern on behalf of union members who have come to me with some information. Before I do so I wish to read this information into *Hansard* to show quite clearly the basis of my concern. The information I have, along with other information in my office, is from the Public Service Association addressed to some unions. The letter states:

The association has launched into a State election campaign and considerable moneys have been allocated by our executive council to run this campaign.

The strategy is that worksite meetings are being conducted throughout our total membership with the intention to—

1. Raise the consciousness of the members to the effects of the Government's ideology of small governments.
2. To obtain a list of questions to be served on both Parties.

These questions will be carefully structured with the intent to commit the Parties to a particular position. It is therefore unlikely knowing the present Government's record that our membership will gain any gratification from any answers given by the Liberals . . . It will then be our intention to rally our membership around the log of claims in the form of a mass demonstration, either by rally or general meeting.

The Public Service Association is anxious to combine our union strengths with other unions who have members in the public sector behind such a campaign and with this in mind we would like to invite you along with the below listed unions—A.M.W.S.U., A.G.W.A., F.M.W.U., S.A. Institute of Teachers, R.A.N.F., A.W.U., S.A. Firefighters Union to attend a meeting in the P.S.A. board room on Monday 21 June 1982 at 10.30 a.m.

This will be the public sector unions' first attempt to initiate such a campaign of this magnitude and we are most anxious to see it succeed. We look forward to your attendance at this meeting. Please contact Jim Douglas or Helma McHugh in the event of further information.

I have quoted that letter as the basis of my concern. The agenda for that meeting is most interesting. Item 5 of the agenda is the proposed joint union meeting with A.L.P. Parliamentary leadership.

The basis of my concern is that the P.S.A., quite clearly and quite openly, is becoming political by linking itself closely, clearly demonstrating that 'the leadership of the A.L.P. will meet with the executives of the P.S.A. and other unions to discuss and devise election strategies, with which to put pressure on the Government, the employer.'

**The Hon. Peter Duncan:** That is not what the document said.

**Mr RANDALL:** That may not be what it said, but the fact is that union executives are voting expenditure from \$10 000 to \$40 000 to commit themselves to election campaigns, without their members knowledge. They are committing union funds to campaigns for the A.L.P., and that is why I am concerned. A union member would clearly express concern if his union did that. I encourage union members to find out what their union is doing and to ask the executive how much money has been committed to the A.L.P. Members should ascertain how much that represents for them, whether it is \$5 or \$10 of their membership fee, over and above the sustentation fee that they already pay to the union.

One does not deny that if a union takes a democratic decision to link itself to the union movement and pay a sustentation fee, it has the right to collect those fees; most members would be aware of that. However, what I question and what I ask people to question the union executives about is how much extra is being committed to the A.L.P. campaign. When an executive passes a motion which states that its aim is to get rid of the Tonkin Government and when it commits \$40 000 to that end, the members should

become upset and question the union in that regard. I believe that union members are upset.

I call on teachers to ascertain how much money the Institute of Teachers is spending on A.L.P. election campaigns. Last week I raised a question in this House in relation to the radio advertisement that is being carried quite frequently on 5AD and 5SAFM. An advertisement such as that, which runs for 30 seconds and including that package, costs between \$4 000 and \$5 000 a week. Let us see what the latest South Australian Institute of Teachers paper says about the State elections. Under the heading 'Entitlement', subheading 'Radio advertisements', it is stated:

S.A.I.T. is active in State elections. In addition, a series of advertisements in prime radio time will highlight the role and needs of education. These will start in July, and run right up to the election date. Stations selected for the first run are 5AD and 5SAFM, with expansion into other city and country radio stations later.

I am concerned that \$5 000 a week of Teachers Institute funds is being directed in this way. If one tallies up the sum that will be spent between now and the election (and I have begun to do that) one finds that a significant amount is involved. I will ensure that the teachers in my district know how much their union has spent on blatant political campaigning.

The Minister last week demonstrated quite clearly that those advertisements are blatantly untrue. At page 108 of *Hansard*, the Minister pointed out that those radio advertisements are false, misleading, and have no basis in fact on which to stand. I believe that, as teachers begin to find out what is happening, they will, quite rightly, ask the union how much the left wing executive of that union has committed to the election campaign for the next State election. I ask that teachers investigate their union. I was pleased to hear from some union members the other day that, having found out what has happened, they approached the union executive and asked how much it had committed. I am pleased to report to the House that I understand that that executive has backed down to the extent that its motions have changed and that it is no longer making a financial commitment to the A.L.P. That union deserves credit for at least resolving the issue and listening to its membership. As more and more union members take an active role in their union and question what the executive is doing, sense will return to the union movement in South Australia.

I am not ashamed of the fact that I came from the union movement. I have no hesitation in saying that I believe that the sooner politics gets out of the union movement in South Australia, the better for the unions in this State. If unions are given the opportunity to perform the job that they should perform (and that is to look after the rights of their members), they will be able to do that without the interference of the A.L.P. The problem is that, when one looks at the executives of the unions in South Australia and at the executives of the Public Service unions, one finds that there is a transition from the union executive to the A.L.P. Familiar names on A.L.P. management executives also appear in the P.S.A.

The problem is that the membership is not aware of that: it does not realise that the union leaders who are elected to the executive will go on to the executive of the A.L.P. The members are not familiar with the way in which the A.L.P. executive has quietly worked to tie itself closely to the union movement. I repeat, the sooner the A.L.P. gets out of the union movement, the better for South Australia.

**The Hon. PETER DUNCAN (Elizabeth):** In opening, I want to make clear that the member for Henley Beach obviously knows little or nothing about history. He has said that the A.L.P. has tied itself closely to the union movement.

The fact is quite simply that the A.L.P. was created by the union movement, not the other way around. The honourable member should study a little bit of history. Needless to say, he would have to do more study than that to understand what is going on in the world, but perhaps a study of the union movement would be a good place to start his long political education if he is to become aware of what the world is all about.

The honourable member made generalisations about the P.S.A. and the Institute of Teachers, and cast aspersions on those unions without giving one example of the links he claimed between the A.L.P., the institute, and the P.S.A. I want to make the point that neither of those unions is affiliated to the A.L.P. or the United Trades and Labor Council. The honourable member's complete ignorance of these matters is only too obvious to the House.

Apart from that, I want to make two points. First, the honourable member read a document to the House which quite clearly indicated that the P.S.A. apparently is proposing to draw up a shopping list to see each of the major political Parties and to obtain their response. What in the heck is wrong with that? Any person who is undertaking a job interview (in this case for the job of the government of the State) would, quite properly, want to interview both contenders to see what each of them was able to offer. I believe that is a perfectly proper way in which to operate.

It is a pity that the honourable member has chosen to waste the time of this House in the sort of Party political point-scoring that he has gone on with this afternoon. Any person could make the same points about companies that donate money to the Liberal Party. Of course, the shareholders do not approve of those donations, and we all know that that is the case. They are the facts of political life. The honourable member has wasted the time of the House this afternoon in petty political point-scoring.

In the time available to me this afternoon, I wish to refer again to the gentleman to whom I referred the other night and who was imprisoned as a result of the grossest piece of administrative bungling that I have ever come across. I want to refer to the letter that was sent by the then Deputy Commissioner Giles (now the Commissioner) to the Ombudsman. In his letter, Deputy Commissioner Giles, referring to the Clerk of the Court, stated:

Furthermore, Mr Speers' [the Deputy Clerk] unorthodox action in providing Mr McLaren with a letter . . .

It seems to indicate an attitude on the part of the police that is highly undesirable. Apparently, it is, to use the Deputy Commissioner's words, unorthodox to produce written advice to an individual citizen on a decision that has been made by a public servant, for fear presumably that at some later time the advice may be used as evidence of the decision that has been made.

What would have been the circumstances that Mr McLaren would have found himself in if he had not had the written advice from the Deputy Clerk of the Court? The situation would have been, on the one hand, that the police would have been saying that a warrant was out and, on the other hand, he would have said that he had offered to tender the amount of the fine. Who would have been believed? Of course, not the citizen: the police would have been believed in those circumstances. It is quite unsatisfactory for the present Commissioner to have written describing the supplying of written advice about the situation as an unorthodox act. That should be the norm rather than the exception.

The next matter I want to deal with is the disgraceful administrative mess this Government has created for itself with the implementation of the community service work orders scheme in the courts of this State. In a most gross bungle, the Chief Secretary has chosen to set up schemes of a pilot nature in two parts of the metropolitan area with the intention that only persons appearing in the courts covering those areas should have the benefit of those community services orders.

Because the Government has proclaimed the legislation to apply throughout the State, the effect is that those orders are available to magistrates and other judicial officers anywhere in the State and such orders can now be made by judicial officers to apply to citizens anywhere in the State. Yet, the administrative machinery to give effect to the orders applies in only two trial areas. I believe one is Darlington and I am not sure of the other. In those circumstances, the Government stands roundly condemned.

It is one thing, as it is now finding in its innocence, to introduce high sounding legislation to the Parliament. It is quite another situation to carry that legislation into administrative effect. This Government, in its bungling way, has now created a situation where people throughout the State can be placed by the courts on community work orders. There is no administrative machinery set up in other parts of the State to give effect to the community work orders. I do not know what the result of this is going to be. It is obvious that there is going to be a situation of turmoil and chaos.

Already this week, I understand, in the Juvenile Court the Minister had the temerity to send along a prosecution officer to argue against a community service order being granted by a court, on the basis that the administrative procedures to carry out the order were not in place. Quite obviously, the magistrate or judge concerned pointed out to the prosecution officer that it was none of the concern of the court if the Government had not carried out its part of the legislative requirements or if the Government had not set up the machinery to administer the orders when they were made.

The power was there for the Judiciary to make the orders and the Judiciary in those circumstances had a responsibility and an obligation to exercise that power in appropriate circumstances. In fact, in an appropriate case, if the court had refused to exercise that power to grant a community service order, that might well have led to an appeal to a higher court, where the judge or magistrate in the lower court could have stood condemned for failing to carry out his or her responsibilities. In those circumstances, I believe it is an absolute disgrace.

Fancy the Government bringing legislation into effect before it had set up the administrative machinery to carry out the matters! I cannot believe the bungling involved in that. Surely the Government would know that, with a scheme like a community service order scheme, it must have an administration, a bureaucracy, if you like, to be able to give effect to the court orders. However, we find ourselves in the circumstances where the Government has proclaimed the legislation and given the courts the powers, yet the orders will be made and will be completely empty gestures. I believe this Government stands condemned for allowing this situation to occur and develop.

Motion carried.

At 5.25 p.m. the House adjourned until Tuesday 10 August at 2 p.m.