

HOUSE OF ASSEMBLY

Thursday 11 August 1983

The **SPEAKER (Hon. T.M. McRae)** took the chair at 2 p.m. and read prayers.

BUSINESS FRANCHISE (PETROLEUM PRODUCTS) ACT AMENDMENT BILL

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

PETITION: MARIHUANA

A petition signed by 146 residents of South Australia praying that the House reject any legislation which will legalise or decriminalise the use of marihuana was presented by Mr Mathwin.

Petition received.

PETITION: MEAT SALES

A petition signed by 171 residents of South Australia praying that the House reject any legislation to extend the existing trading hours for the retail sale of meat was presented by Mr Ingerson.

Petition received.

PETITION: ADULT VIDEO CASSETTES

A petition signed by 78 residents of South Australia praying that the House urge the Government to clarify and standardise the laws on the sale and hire of adult video cassettes was presented by Mr Mathwin.

Petition received.

QUESTION TIME**ELECTRICITY TRUST**

Mr OLSEN: Can the Premier say whether the Government has taken any recent decisions that will have major impact on the costs of the Electricity Trust in relation to its borrowings and therefore on electricity tariffs?

The Hon. J.C. BANNON: The Government has instituted, as I think I announced in this House some considerable time ago, a review into the whole area of public sector finances, the chief object of which was to ensure that Government financial resources were being used to the greatest extent possible in the most efficient ways. It has become apparent that the Government has funds at its disposal. It has the opportunity to ensure that those funds are used much more productively than they are. There is also considerable practice, which has probably grown up by accretion over time, whereby certain concessions and subsidies in terms of Loan Accounts and so on are provided, and yet do not really appear in the accounts.

It is really an extension of the principles involved in the programming and performance budgeting which the previous Premier and his Government espoused so vigorously and strongly. As part of that process, the Government has reviewed the ways in which money is made available and

the interest rate which should apply. The aim is to ensure that where concession rates are being offered one can clearly identify the source of those concessions and where the ultimate price of those concessions is being paid. As part of that process a review is being made and a decision taken in relation to the rates of interest to be paid by the various authorities that are borrowing within and outside the Government. We have established the South Australian central borrowing authority, which is co-ordinating and, I believe, using far more efficiently the Government Loan funds and raising those funds at the most appropriate rates of interest. The effect of that will be that, in certain instances where funds are being made available at a concessional rate that is not disclosed, the rate will be adjusted so that some form of ruling Government rate is applied. That decision has been taken and its implications are being worked through at present.

YATALA PRISON

Mr HAMILTON: Will the Chief Secretary report on the disturbing allegations that members of the prisoners needs committee at Yatala prison have been treated unfairly? There have been various reports in the news media, including radio 5DN news and the *Advertiser*, about treatment allegedly meted out to several key members of the prisoners needs committee at Yatala. One allegation has apparently come via a member of the Legislative Council (Mr Gilfillan), who is reported to have said that the Chief Secretary does not know what is going on. According to the *Advertiser* report, prisoner Easom and prisoner Kloss are being held in the security and discipline section of B division. I understand that some fairly hysterical accusations about inmates being hosed down and held in a cell referred to as the fridge have been broadcast, although the consensus now seems to have developed that these allegations cannot be sustained.

The Hon. G.F. KENEALLY: Before answering the question, I take the opportunity to tell the House that there has been another fire at Yatala. The fire, at the back of the assembly hall, beneath the stage, is now out. Four prison officers have been overcome by smoke inhalation and I understand they have been taken to Modbury Hospital. I further understand that their condition is not serious or critical, although sufficiently bad for them to be hospitalised. I thank those officers who obviously put their lives and health at risk in trying to combat the fire. As in every other instance, the fire will be investigated and any action flowing from that investigation will be taken.

As to the honourable member's question, I was concerned when I heard reports that two prominent members of the prisoners needs committee at Yatala were being unfairly treated. I was concerned because I knew the community generally might see it as a provocative action, so I called for an early report. I believe that the prison authorities at Yatala have acted appropriately in taking the action that they have taken. At the unlock on Tuesday morning, the prisoners referred to refused to obey a series of orders and consistently argued with the prison officers, so a senior officer (one of the chiefs) then ordered that the prisoners be moved to S division. As there was insufficient accommodation in S division, one of the prisoners (Mr Easom) was placed in D division, which is the disciplinary division, in the only cell unoccupied in the block.

The Hon. W.E. Chapman: The fridge.

The Hon. G.F. KENEALLY: There is no such cell at Yatala. If there was in the past, I know nothing about it. There is certainly no such cell there today. The particular cell in which Mr Easom was placed is regarded as the quiet cell. Nevertheless, it was the only one available. Mr Easom

was provided with the normal privileges, in that he had power attached, a television set was provided to him and, whilst in D division in his cell, he was able to make a phone call to a member of the Legislative Council. Therefore, it was quite obvious to all who would have an interest, that he was not being treated as a disciplined prisoner. He was placed there temporarily because it was the only accommodation available in the S and D block. It is quite apparent to all of us that, if prisoners refuse to obey instructions from prison officers, some action needs to be taken. The alternative to that is that the prison system would degenerate into chaos.

Members interjecting:

The SPEAKER: Order!

The Hon. G.F. KENEALLY: Charges will be laid against the two prisoners concerned. They will be charged with disobeying the order of an officer, contrary to section 46 (a). Both prisoners are now back in B division and, in fact, Mr Easom is not regarded as a prisoner warranting segregation at all. Earlier this week he was offered an opportunity to be transferred to minimum security accommodation at Cadell. However, he did not wish to go and, as we do not intend to send prisoners to Cadell who do not want to go there, in what is otherwise a volatile situation, other prisoners who want to go have been transferred to Cadell. However, these people are people who warrant classification in the minimum security situation.

I make that point to indicate to the House that Mr Easom is not regarded as a serious security risk, otherwise the opportunity to go to Cadell would not have been provided to him. Nevertheless, he did disobey an order. He consistently argued with the officers in the legitimate course of their duty. They had to take immediate action, which they did, and I support the action they took. The situation now is that both prisoners are back in B division in their normal cells, and they will be charged with a breach of the regulations.

ELECTRICITY TRUST

The Hon. E.R. GOLDSWORTHY: In view of the Premier's answer earlier to the Leader of the Opposition, stating that the Government had taken a decision to adjust interest rates in relation to Government agencies, will the Premier say what impact this will have on the Electricity Trust and what will be the effect on tariffs?

The Hon. J.C. BANNON: I cannot provide precise details of the impact of that decision, except to say that there will obviously be some impact on the trust because it has been receiving funds at concessional rates. As part of its overall rationalisation, it would be expected to pay at the proper-going Government market rate. If that results in substantial increases (it will certainly result in increases, there is no doubt about that), then that may well have an impact on tariffs.

Again, the precise impact is something that my colleague would discuss with the trust itself. However, I would simply repeat that, in relation to this, I believe that this is a principle which should have been established long ago. Indeed, I would suggest that it is totally consistent with the financial policies of the previous Government in that we are attempting to ensure that those statutory bodies are not receiving concessional rates without some good reason or policy in which one identifies what the actual going rate would be. If there is then a call for some concession to be provided, it should be done by way of subsidy which is made very clear, rather than by a device which has an artificially low interest rate. That is a sound accounting procedure which is already used in the private sector and,

imported into the public sector, I think that it would be of great assistance to our methods of financing. However, I am afraid that I cannot give the precise details to the honourable member without notice off the top of my head.

GLEN OSMOND QUARRY

Mr GROOM: Will the Minister of Mines and Energy provide a progress report on the rehabilitation of the Glen Osmond quarry, on which I understand work has been under way for several months? As the Minister would be aware that rehabilitation work generated several complaints about dust and blasts in the early stages, can he say whether those problems have been resolved and whether the project is near completion?

The Hon. R.G. PAYNE: Yes, I have some details in regard to the honourable member's question. I am happy to report that progress is being made on that project on which virtually all major work will be completed by the end of this week, weather permitting, with the remainder of the work being completed by the end of August. Honourable members would be aware that the rehabilitation has taken place with funding that has come from the Extractive Areas Rehabilitation Fund and the cost of the project is \$389 000. There were some difficulties encountered when the project began, to which the honourable member referred in his question. These were caused by the presence of hard quartz rock, and some blasting was required in excess of that which was originally suitable for the job. There was also a problem with dust before the rain successfully damped that down. The position now, which I am sure the honourable member will be pleased about, is that no more blasting will be required. Earthworks, reshaping of the quarry floor to assist drainage, and the sowing of grasses are all expected to be completed by the end of this week. More than 300 trees have already been planted on the site, and by the end of the month that number will have risen to 2 000. One less happy note in regard to this excellent example of rehabilitation of a quarry is that the tree planting has delighted the local rabbit population, and some form of protection for the young plants may well be necessary.

ADVISORY TEACHERS

The Hon. MICHAEL WILSON: Did the Minister of Education at a recent curriculum launch support the importance of advisory teachers? Subsequently, has the Minister decided to reduce the number of advisory teachers by about 12½ per cent, and does this mean that some advisory positions now being advertised will not be filled?

The Hon. LYNN ARNOLD: The answer to the first question is 'Yes'; to the second question 'No'; and the third question is really part of the annual review of advisory teacher positions that is now taking place. I hope to be able to tell the House soon what the situation will be in 1984.

HOSPITALITY COURSE

Ms LENEHAN: In view of the recently announced decision by the Department of Technical and Further Education not to offer hospitality courses in the area of food and catering at the new Noarlunga College, will the Minister of Education assure the House that negotiations will take place between the Department of Technical and Further Education and the Noarlunga College Council? The aim of such discussions will be to provide courses at the college that are

appropriate to the employment needs of the area. With your leave—

Mr LEWIS: On a point, Mr Speaker. I understand from the direction you gave to the House yesterday that it is not appropriate for members to debate the matters about which they are asking a question. I do not recall that the member for Mawson sought leave of the House to make her explanation. I ask you to direct us as to what the real position is.

The SPEAKER: It is not a question of directing what the real position is: the real position is quite clear, in that leave must be sought, and if it was not sought, then I ask the honourable member to do so.

Ms LENEHAN: The comments that I made were the first part of the question. I was about to seek leave to explain my question.

Members interjecting:

The SPEAKER: Order! I do not want some sort of coffee shop discussion about what is going on. If the honourable member has completed the question, she could seek leave to explain it and that would make the process easier.

Ms LENEHAN: Yes, I was about to seek leave, and I will do so. With your leave and the concurrence of the House I should like briefly to explain my question. Recently, a decision has been made by the Department of Technical and Further Education in respect to the Noarlunga College. Originally, it was proposed to have at the new college a hospitality course, particularly in the area of food and catering.

It has now been decided that those courses will be offered at the new Adelaide College, and that those courses at Noarlunga will be replaced by courses in home economics. My constituents have suggested to me that, as in the Noarlunga area there is an incredibly high level of unemployment, courses should be offered in areas of growing employment prospects such as tourism, hospitality, technology, and computing, and that is the background of my question.

The SPEAKER: Order! Before the question is answered, and referring to the point of order that was taken by the honourable member for Mallee, it is one of those matters that the Standing Orders committee will have to consider, because in some ways the whole thing becomes a matter of semantics: the more experienced the member is, the easier it is to introduce what is, in fact, debate under the guise of a list of facts. On the other hand, it is quite unfair if facts are being introduced and a member suffers simply because of the way they are put. Technically, what the honourable lady member has put by way of explanation went close to debate, but I assure the honourable member for Mallee that I am keeping an eye on the whole process.

The Hon. LYNN ARNOLD: In summary, the answer to the honourable member's question is 'Yes'. I will raise the matter with the Director-General and ask that discussions take place with the college with particular emphasis that those discussions relate to courses that will clearly have an employment prospect to them.

May I say in explanation that it is always the intention of the Department of Technical and Further Education to fill a niche in the education section of the community that aims to provide what the community wants. One of the important needs the community has is education for employment opportunities. We have built at Noarlunga an impressive technical and further education facility and we want to see that facility used to best effect. That means each respective college of the Department of TAFE is to study the particular needs of the community within which it is placed. Another need that is also important is that TAFE has to consider its whole offerings, through all of its community colleges, and try to offer the best to the entire South Australian community. In some instances that will

mean that courses will be offered at only some of the colleges, and it will be expected that people will travel to those select few colleges from all parts of the metropolitan and rural areas of the State. In other instances it may be possible to provide those offerings in many colleges so that distinct localities will have access to those particular courses. However, the Noarlunga College will be offering courses that do relate, among other things, to employment opportunities for people in that area. We want that to happen, and the Director of TAFE will have discussions with the college to that effect. The decision not to place hospitality offerings at that college should not be taken to imply any other sort of direction as to the courses that will be offered there.

TEACHER HOUSING

Mr MEIER: Will the Minister of Education give an undertaking to disallow the savage rent increases for Teacher Housing Authority houses in country areas of which most teachers received notification yesterday? Were these rent increases negotiated with SAIT before the Teacher Housing Authority made the announcements? It has come to my notice that teachers have received notice of increases in rent of T.H.A. houses, and the increases in most cases, if not all, are apparently in excess of 20 per cent. I was told of one example that shows a rent increase from \$68 a fortnight to \$88 a fortnight.

That is a huge 29.4 per cent increase. In the light of these increases, I draw the attention of members to a report on the front page of the *South Australian Teachers Journal* of Wednesday 20 April 1983, which, under the headline 'Country conditions improvement', stated:

The Minister agreed that the Government had an obligation to provide housing assistance to its employees in the country.

It was further stated by the Minister:

Rents will not be increased while the wage pause is on, and also until significant progress is made on the T.H.A. maintenance backlog. The method for determining any future rent increases would be negotiated with S.A.I.T.

I wonder whether the Government is breaking another undertaking.

The SPEAKER: Order! That was a classic example of introducing debate into an explanation. If that is to continue, the tolerance that has been displayed over the past few months will have to cease. It will cut both ways.

The Hon. LYNN ARNOLD: I suggest that the inexperience of the new member possibly accounts for that, and he will learn on other occasions. I find the question from the member for Goyder most interesting. It does not fit in with several of other espoused attitudes of members opposite. I understand, from hearing press reports earlier today, that some amendments will be moved by members opposite to legislation now before the House. That follows criticism last evening about the capacity of the Government to provide services, and a call for funds to do so. What exactly is the honourable member suggesting should happen? What is implicit in his question? Is he suggesting that more funds should be put into this area? Is he joining this to many other requests that he as a local member has made?

I join his list of requests that he has made to me as Minister of Education, along with many other members opposite, asking for money for this area, that area and every other area of education. When the Government starts talking about how it is to get the money, members opposite say, 'You cannot have the money, we just want you to provide the goods'. The Government does not consist of little elves out working at 2 a.m. to attend to the needs of people. It has to operate within budgetary constraints. When the hon-

ourable member starts considering what he wants from the Government—

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: —he should bear in mind what he is prepared to provide. In specific reference to the point made by the honourable member, I suggest that he go to his nearest community college and take a course in reading—that would be useful. If he had studied closely that article, which he waded around against Standing Orders in this House, and had read what it contained and, if he had also looked at the election policy that I as shadow Minister of Education had put to the House on the Teacher Housing Authority, he would have realised that his question today was somewhat irrelevant.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: If he bothered to do any research, he would find that the rent increases for Government employees (which include those for the Teacher Housing Authority) apply from October. If he has done any other homework, he will also know that it is expected in the community that there will, in fact, be a wage determination before that time. Of course, we could have obliged the honourable member and simply given people 24 hours notice of a rent increase. I suggest that that would be quite out of keeping with the spirit of the legislation on this matter. On the other hand, we chose to give people the required two months notice. The other matter he raises is in regard to the backlog of maintenance.

I do not really know—I have not had much of a chance to look, as have some members who were in the House before the honourable member—but I hope that they have the grace to blush, because, under the previous Government the maintenance backlog grew out of all proportion. One of the things we will be able to guarantee in this financial year is that the maintenance backlog of the Teacher Housing Authority will in fact get smaller, and it will get smaller for a number of reasons.

I indicated to the House some months ago that extra funds were available within the Teacher Housing Authority to address part of that maintenance problem. The honourable member raises an example where he says that someone will be paying a rent increase of 29 per cent. That is not within the guidelines approved by the Government, and I suggest that he bring that matter to my attention (as the local member serving his constituents well), and I will certainly investigate that proposition.

The other question he asked was whether the Institute of Teachers was involved in the rent increase negotiations, and then he read from the article on which his question was supposedly based. The article from which he quoted stated that the method of determining rent increases would be negotiated. The Government has approved the release of the report undertaken by the previous Government into Government employee housing, and that report is going out for public discussion. Among other groups that I hope will come and sit and talk with us about the propositions made in that report will be such groups as the South Australian Institute of Teachers.

I suggest that the honourable member ask teachers in the field what their main problem is with teacher housing. Invariably, the feed-back I get as I go out and visit teachers in their own homes and speak to them about this issue is the maintenance question and the amount of money made available to address the maintenance backlog. I can only ask the honourable member to wait until the Budget comes down to see the way in which that matter has been addressed. I repeat that the funds available to the Government are limited by what is voted upon by the Legislature, and I

hope that means that the honourable member will be crossing over and joining with us in voting for the provisions presently before this House.

GOVERNMENT EXPENDITURE

Mr TRAINER: Has the Premier seen statements that the Leader of the Opposition has made on Government expenditure, and has he any information on the level of expenditure proposed by the Opposition? Can the Premier indicate the cost to the South Australian community of any extra expenditure which the Opposition has requested?

The Hon. J.C. BANNON: That is a very good supplementary question to the one just asked by the member for Goyder, and very pointed indeed as to what is happening concerning State finances. I have certainly noted recent statements by the Leader, both in this House and elsewhere, that the Government has failed to exert sufficient economic control, it has not been firm enough, it needs to institute responsible economic management and there has been substantial overspending in departments.

I think we have explained clearly indeed in a number of statements exactly what has happened and where in fact one could put the responsibility. We have that line being pursued vigorously not only here and in the press but also in the context of particular Bills and financial measures about belt tightening—

Mr Baker interjecting:

The SPEAKER: Order! The honourable member for Mitcham is totally out of order. The honourable Premier.

The Hon. J.C. BANNON: —and cut-backs in community services. The extraordinary thing about that is that virtually every day Ministers in my Government are getting requests from members of the Opposition to spend more and more on behalf of their constituents. There are innumerable requests about schools in this State and the needs of education, and they have just been referred to explicitly and thoroughly indeed by the Minister of Education. He is attempting to address those needs, but add up all those requests and one finds that many millions of dollars of requests for extra expenditure have been flowing not just from members on this side of the House recognising the needs of their constituents but from each and every member opposite.

I would be very interested indeed if some of those members would like us to go to their constituents and ask them how they can reconcile their member taking up various expenditure requests on their behalf and yet that same member standing against the essential revenue measures that the Government needs to try to meet those demands.

That is appalling hypocrisy. There is no question as to the need for the revenue measures that we have, nor about our maintaining firm control of expenditure. Without trying to waste the time of the Public Service responding to requests, I asked my Ministers from their knowledge of the requests coming from members opposite to put a financial estimate on those requests and a simple list reveals about \$90 000 000 extra expenditure that the Opposition wants us to, indeed demands that we, undertake. Yet in the light of a deficit of over \$60 000 000 and in the light of revenue measures that we are told—

The Hon. Michael Wilson: At least you have the grace to smile.

The Hon. J.C. BANNON: Indeed I did, because it is a ludicrous position: one feels either total despair at this irresponsible attitude or the desire to shrug and smile about it because, frankly, while the Opposition maintains this attitude we will get nowhere in this community. If on the one hand members opposite recognise the community's

legitimate demands which must be recognised, on the other hand, I would expect that in the interest of responsibility they would recognise the need to assist the Government in explaining the necessity for its policies and in supporting the few measures we can adopt to try to remedy our financial position. Unless we do that, not only will the community be totally dissatisfied and will there be a general run down in our essential services, but we will find that the needs of those constituents that are being urged on us cannot be met. I therefore suggest that the Opposition cannot have it both ways: if members opposite are to assemble this spectacular spending package, all well and good, but let there be no carping criticism of the way the Government is trying to get on top of the current deficit.

YATALA PRISON

The Hon. D.C. WOTTON: Bearing in mind that today we have had yet another fire at Yatala Labour Prison, the third serious fire since the end of March in which human lives have been put at risk, as well as a number of smaller spot fires, will the Chief Secretary say what specific action is being taken to ensure that these fires do not continue and that prisoners shall not have flammable liquid in their possession? Is it a fact that, during a search carried out at the Adelaide Gaol on Thursday 4 August, about six gallons of kerosene was discovered? If that is true, what action has been taken as regarding that incident?

Members interjecting:

The SPEAKER: Order! As I understand the question, the honourable member for Murray was posing a situation in which human life could be lost; therefore, in this instance, unlike the last question, in respect of which I was extremely tolerant, I shall be extremely tough and say that I do not want stupid and inane comments that breach Standing Orders. The Hon. Chief Secretary.

The Hon. G.F. KENEALLY: We are well aware of the continuing potential for fires within our prison system as there is in all other States and in all prison systems throughout the world. I have told the honourable member previously that there remains a classic threat that discontented prisoners will burn down a prison. That is not peculiar to South Australia: we do not face this problem alone. We have had three fires at Yatala this year and we have had a number of spot fires that have been put out quickly. I am pleased to say that today's fire was handled well as a result of the efforts of prison officers, some of whom have been hospitalised. I have already expressed the Government's respect and regard for the actions taken by those officers.

Every time we are advised that there is potential for a fire, we take that matter seriously. We are continually investigating and doing spot searches through the Yatala Labour Prison. Last week we had the South Australian Metropolitan Fire Services undertake a complete review of Yatala to ascertain whether or not there was a fire risk and where the fire risks were. We are taking the actions that are needed. I might say that that is the first time that anybody at Yatala can recall the South Australian Metropolitan Fire Services being called in to undertake an investigation of that institution when there was no fire there. We also investigated the Adelaide Gaol for the same reasons, that is, to determine whether or not there existed extreme fire hazards.

I am not aware of the six gallons of kerosene, as such. I am aware that we are finding flammable materials in the prisons. I might point out to the honourable member that he knows, as well as I do, about the ingenuity of prisoners in being able to make up what they regard as flammable incendiaries.

Members interjecting:

The Hon. G.F. KENEALLY: Of course, what the honourable member is doing is reflecting upon the prison officers at Adelaide Gaol. That is exactly what the honourable member is doing.

Members interjecting:

The SPEAKER: Order!

The Hon. G.F. KENEALLY: He is reflecting upon those officers who are currently in our prison system.

The Hon. D.C. Wotton interjecting:

The Hon. G.F. KENEALLY: Is the honourable member saying that it is my responsibility that six gallons of kerosene was found at Adelaide Gaol? I point out to the honourable member that the fact that the six gallons of kerosene or flammable material was found and that it was possible to find potential incendiaries is a credit to the system. That is a fact of life, and we will continue to do that. When we have information—

The Hon. D.C. Wotton interjecting:

The SPEAKER: I call the member for Murray to order.

The Hon. G.F. KENEALLY: Frankly, I find this quite outrageous, Sir. When we are told that there are problems within the prisons in relation to fires (and we continually get this information), we investigate it. We do have spot cell searches and we do searches of the prisoners themselves. I cannot say that that happens continually but it happens at regular intervals, because we are always aware of the possibility that materials of this nature are being put together with a view to starting a fire. It is a fact of life in the prison system. I expect that the honourable member himself will never be faced with it, but those of us who are faced with it realise that.

UNLEY CRIME RATE

Mr MAYES: Will the Chief Secretary initiate an investigation and report on the level of crime in the electorate of Unley and, further, take any action that may be deemed necessary? In yesterday's *Courier Messenger* newspaper, circulated in the Unley electorate, an article headed 'Residents "living in fear after bashings"' states:

Former Unley Mayor Cec Rowe claims local residents are living in fear after a series of attacks on people in the Goodwood Institute toilets. 'In the past six weeks four people, including a policeman, were bashed there,' he said. A police spokesman has confirmed that an officer was attacked at Goodwood.

The article further states:

Mr Rowe, who is Goodwood Institute's Chairman, recently approached Unley council about the spate of bashings when nearby residents expressed fears of being attacked.

Will the Chief Secretary please report, given the gravity of this article?

The Hon. G.F. KENEALLY: I will bring down a considered report for the honourable member. However, I should point out that, because we were advised some time ago by the honourable member himself of the view that the incidence of crime in Unley was higher than elsewhere, we had an investigation made. In fact, the investigation in which the police took part showed that the incidence of crime in the Unley area was lower than in most other areas in South Australia.

I do not have those figures at my finger tips. I am always distressed when I hear of communities believing that the crime rate in their vicinity is greater than elsewhere, and, in a sense, they live in fear. I should point out to people in South Australia that, despite the spate of crimes that unfortunately we have been subjected to, Adelaide is the most peaceful city in Australia in terms of crime, and I would expect in regard to its size that it would be the most peaceful city in the world in terms of crime. Therefore, we should

be quite positive about that: there is a lot going for Adelaide in terms of the incidence of crime. Nevertheless, at times people in the community are afraid. I well realise that. The problem put to me as a result of an article in the local media will be investigated and I will bring down a considered reply for the honourable member.

CONVENTION CENTRE

The Hon. JENNIFER ADAMSON: Will the Premier say when the \$100 000 000 international convention centre on the Adelaide railway station site will be formally approved and announced by the Government in accordance with the Premier's undertaking to the tourism industry two months ago? On Wednesday 8 June the Premier told the South Australian Tourism Conference that he had been involved for several months in negotiations to get the centre. He said, 'Plans are getting very close to fruition.' He said that the State Transport Authority had been considering a number of design and development proposals and that the final plan was expected to be announced 'within a couple of months'. He said that construction tenders would then be called 'almost immediately'. The Premier said that funding for the centre would be a joint venture between overseas and State interests but that it could involve some Government help. In view of the fact that that announcement was more than two months ago and that nothing has been said since, I ask the Premier if he could bring the House up to date with the state of negotiations.

The Hon. J.C. BANNON: I also made the point at that gathering that this Government was not in the business of making grandiose announcements until the thing had actually happened.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: That announcement constituted a briefing to the tourist industry which I think it appreciated, and certainly, that sort of thing will continue. The fact is that negotiations are still proceeding, and what I said then remains true. I used the term, 'a couple of months'. I am not prepared to be more precise than that. I thank the honourable member for her interest, and I can indicate that things are going along quite reasonably in relation to that project.

SHOPPING CENTRE LEASES

Mr FERGUSON: My question is to the Minister of Community Welfare, representing the Attorney-General in another place. Will the Minister inform the House whether any progress has been made on the inquiry into shopping centre leases. Constituents in my electorate, who are the owners of small businesses, are deeply concerned about the leasing practices taking place. Their businesses are being affected by greedy landlords seeking very high rents. Unfortunately, the more successful the business, the higher are the rents that are being charged. Constituents have stated that they want the cancer of unfair practices against tenants stopped. Many landlords are demanding a percentage of turnover and a percentage of goodwill when a business is sold. Constituents have also stated to me that the platitudes of free enterprise would not cut any muster with these business men who are worried about what will happen when their leases run out. Rents at Henley Beach have increased by 70 per cent to 90 per cent during the past 12 months.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and for his interest in small business in this State. The working party that is inquiring into shopping

centre leases is currently considering the private member's Bill which was introduced into this House by the member for Hartley as well as other matters relating to this important area of commercial practice in South Australia.

Indeed, there are similar inquiries being conducted in other parts of this country. I understand that submissions from the public are being sought, have been received, and are under consideration. A report is expected to be received by the Attorney-General within the next few months, and presumably action will be taken on that report shortly after that time.

TELEPHONE TAPPING

Mr BECKER: Will the Premier state what is the State Government's policy in protecting citizens' rights in relation to telephone tapping in South Australia? I understand from media reports that the Deputy Premier's telephone conversation with a person interstate, and the member for Elizabeth's telephone conversation with a person interstate, were the subject of tapping by ASIO. I also believe the police in this State from time to time have requested the right to tap persons' telephones pursuant to certain criminal matters. I believe there was a report in the media some time ago that some Telecom staff had been approached to assist in telephone tapping, and that telephone lines can be isolated at telephone exchanges. I also accept that, over a period of time, politicians do become paranoid in believing that telephones are tapped. But what I am concerned with is the right of citizens and politicians in this regard, and whether the Government is ever consulted, or what the State Government can do to prevent a repetition.

The Hon. J.C. BANNON: I am not aware of a State policy as such. The control of telecommunications in this country is of course a Federal matter, and under the Intelligence Act and I would think the Telecommunications Act—I am not sure if that specific point is covered—but certainly under appropriate legislation, certain authorisations are required if any telephone tapping is to take place. I am not aware if the State is consulted about that. As the honourable member mentioned, in respect of certain criminal investigations, it may well be that permission is granted, and again, I am not sure whether that is forwarded through the State Attorney-General to the Commonwealth, or whether that is a question that goes directly to the Commonwealth. I will refer that aspect of the question to my colleague in another place for his reply.

In the two instances the honourable member mentioned, of course it was not the phones of either the Deputy Premier or the member for Elizabeth that were tapped; it was in fact the person who was either phoning them or they were phoning and as a result their conversations were recorded, but the tapping was not taking place here in South Australia.

I would certainly view very gravely any overall policy that opened up communications in this way to recording and surveillance without people's knowledge. It is an important part of civil liberties and indeed it is important as far as communications are concerned that people have some assurance of confidentiality. These days it is vital that the telephone is used for the whole range of communications, things that in previous days would have been conveyed in writing or directly face to face. The telephone now is an absolutely essential method of communication and if people are working under the inhibition that others may be eavesdropping and then using or misusing, as certainly has been the case with the transcripts published in the latest instance; they have been misused in this Parliament—

The Hon. Michael Wilson: They are public documents.

The SPEAKER: Order!

The Hon. J.C. BANNON: —there should be concern. The question is not whether they are public documents, but whether they should become public documents. I am suggesting very important principles of civil liberties are involved. I will get some further information from my colleague in another place and it may be that the matter should be taken further.

RAILWAY OVERPASSES

Mrs APPLEBY: Will the Minister of Transport provide the House with any information on the study being carried out on priorities for the southern areas, in particular in regard to the proposed overpasses at Oaklands and Hove railway crossings? An article appeared in the press which has created much confusion and misunderstanding. Headed 'Oaklands overpass may get priority', it states:

A major rail overpass may be built at the Oaklands crossing on Morphett Road before the planned Hove crossing on Brighton Road.

Mr Mathwin: Hear, hear!

The SPEAKER: Order!

Mrs APPLEBY: The article continues:

This is believed to be a recommendation included in a preliminary report on the southern metropolitan region road networks. The report also lists other rail crossings and major intersections in the area which may need to be redeveloped. The change in priority from the Hove crossing to the Oaklands crossing was stated at a Glenelg council meeting recently.

My constituents would like to know whether a decision has been made on those priorities. Does the Minister have a report at this time?

The Hon. R.K. ABBOTT: The decision on the question of priorities has not been made at this point of time but I hope that, within a few weeks, I will be able to announce to the House those priority questions which the honourable member has raised. She will be aware of the work in progress in the southern districts of Adelaide at the moment, including the construction of Ocean Boulevard and the upgrading of Ocean Boulevard between Majors Road and Brighton Road. Some of the work scheduled to commence this financial year includes the upgrading of various sections of Dyson Road between Sherriffs Road and Beach Road; the construction of Reservoir Drive between Black Road and Chandlers Hill Road; and minor improvements to South Road between Darlington and Reynella.

Work presently under investigation by the Highways Department includes studies being conducted into many matters affecting the transport network south of Adelaide. The overpasses at the Oaklands and Hove railway crossings and in the Darlington area are amongst the projects being reviewed as part of this process. The overpasses are being assessed in relation to other overpass and intersection treatments throughout the whole of the metropolitan area. When these studies are completed, the priorities of the various projects in the southern area will be determined in consultation with the southern region councils. I expect to have that information available very shortly and will undertake to provide a copy of the report to the honourable member.

YATALA PRISON

Mr OSWALD: Will the Chief Secretary inform the House whether it is correct that members of the prisoners representative committee at Yatala prison have informed senior staff that prisoners will not work in the new works complex because cameras have been placed there and also because of a lack of greenery in the vicinity of the new complex

completed some 18 months ago at a cost of \$7 000 000. If so, what is the Chief Secretary going to do about the matter?

The Hon. G.F. KENEALLY: It is the intention of the Government to have the industries complex at Yatala up and working as soon as possible. We have moved some prisoners into a part of it so that we can release 39 cells in B division which has now been upgraded to increase the cellular accommodation. The first part of the honourable member's question as to whether or not the prisoners have made a decision to not work there and have informed prison officers that that is the case is something that I am prepared to look at, and I will bring down a reply for the honourable member.

FISH MANAGEMENT OPTIONS

Mr KLUNDER: Will the Minister of Education ask the Minister of Fisheries to indicate whether the State Government has promised to introduce all fish management options, as claimed by the member for Alexandra on 4 August?

The Hon. LYNN ARNOLD: I have had discussions with the Minister of Fisheries in another place. I can advise the member for Newland that the answer to the question is 'No', and that the Minister has made this clear to the fishing industry several times. This relates to a matter raised by the member for Alexandra last Thursday in this place, when he said that options put to the industry in a letter on 1 July had been described by the Minister as being promises and that the Minister had told some vague source that his policies did not have to be those of the Government.

My colleague, the Minister of Fisheries, when asked to comment on that situation said that that is arrant nonsense. The Minister has at no stage said anything that would conform with the member for Alexandra's quite ridiculous remarks and, because there is no substantiation for those remarks, I believe that the member either owes it to this House to apologise for the quite scurrilous and ridiculous statements he made last week or, alternatively, provide substantiation. However, this cannot be provided, because there is no evidence to support his remarks.

SECONDMENTS

Mr PETERSON: Can the Minister of Education state the Government's policy regarding secondment of Government trainee personnel to TAFE colleges? I believe that several Government departmental trainee personnel have been relocated or seconded to the TAFE colleges, and that the normal practice for such secondment is that, after a period of 12 months, the position is either confirmed at the new college or the person returns to his original employment.

In the case of some TAFE secondments the persons who have been appointed have had their secondments renewed for three separate years (annually), and I believe that this action is causing those persons considerable concern. Also, the departments from which they were seconded are worried about where they stand, because they have to employ temporary persons in the departments.

The Hon. LYNN ARNOLD: I will have a report brought down amplifying this whole matter, but some important issues were raised by the member for Semaphore. In this regard his question touches several other areas of employment. We should also consider closely the contract appointment situation in areas other than secondments from other Government departments.

I have said, as I did when I was in Opposition, that we should be trying to reduce our dependence on contract employment and, where we do have to rely on contract

employment, we should be giving greater security within that situation, and we should be able to extend some appointments, but not all of them. The same situation for similar reasons may well apply to the secondee situation from other Government departments.

The honourable member has referred to the difficulties caused to Government departments, among other difficulties that arise, because they do not know whether the person released on secondment will be there next year or whether they will have to use someone else. The opposite aspect that has to be considered, and will be with any policy change we make in this regard, is that, when we offer a course within TAFE, we have to take account of the fact that some offerings will change over time, and that it is not possible for us to say at this point that the following set of course offerings will be the set that we will need for the rest of the 1980s and 1990s. Indeed, there are difficulties in determining the demand for those course offerings within the immediate term and even within the next few years. There will always be some stage when we have to maintain a temporary kind of arrangement that is not entirely satisfactory, but it is done because of the realities of the lack of knowledge about course demand.

I think we can improve the present situation. I said that when I was in Opposition, so I have to say it now. Although we have improved the contract situation, we still have some way to go on that. However, I will bring down a complete report for the honourable member in due course.

At 3.5 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

PERSONAL EXPLANATION: TELEPHONE TAPPING

The Hon. PETER DUNCAN (Elizabeth): I seek leave to make a personal explanation.

Leave granted.

The Hon. PETER DUNCAN: During Question Time today the member for Hanson raised the question of the telephone conversation that was tapped by ASIO between me and Mr David Combe. By way of explanation I want to bring to the attention of the House the fact that although the tap was not on a telephone in this building, in fact I was using a telephone in the Parliament when that tap was made. I am quite sure that members will join with me in agreeing that this seems to be a serious breach of Parliamentary privilege. In light of that I ask you, Mr Speaker, to take what action can be taken to ensure that members of this Parliament in using the telephones of this building can be reassured that they are not to be subjected to telephone tapping.

Aside from that, I appreciate that in this case the tap was apparently on a telephone in Canberra and, therefore, was clearly out of the jurisdiction of this Parliament. In these days when the affairs of this State and this Parliament are more and more intermeshed with interstate affairs and matters, I think that it is quite a serious matter that telephone taps can be placed on telephones and that we can be subjected to telephone tapping in a situation in which we as a Parliament have no direct control over. I think that some interstate negotiations between—

The SPEAKER: Order! I ask the honourable member to resume his seat, because I think we have reached the stage of debating. Certainly, I will consider the matter as requested by the honourable member. Clearly, there are serious connotations in his personal explanation, and I will bring down a report in the near future.

BUSINESS FRANCHISE (PETROLEUM PRODUCTS) ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 10 August. Page 139.)

The Hon. J.C. BANNON (Premier and Treasurer): Speaking in reply to the points that have been made in the second reading debate, I embarked upon my remarks last evening and will complete them fairly briefly today. In relation to the time for this measure to be examined, I argue that adequate time was provided for what is essentially a simple measure. The package of measures was announced last Thursday. The Opposition knew their import: the detailed Bill was introduced, and there was time before the debate resumed yesterday for it to be properly analysed. It is certainly not being rushed in. We are simply attempting to keep to the timetable that is necessary. In the case of petroleum products the companies need a few weeks in which to refer the matter to the Federal pricing authority in their industry. It is up to the Government to ensure that any measure is introduced, and up to the Parliament to see that it is passed, in time for that to be done.

Referring to the suggestion that we want money and refuse to say how it will be spent, I made it quite clear in my statement last Thursday, and subsequently, that the package of measures we propose falls way short of the recurrent deficit with which we will finish 1982-83, and also well short of the accumulated deficit after the transfer of capital and loan funds that we will carry over to 1983-84. Even if one budgeted on a standstill or reduced expenditure basis, there is no way these revenue measures will adequately cover that sort of deficit.

That is all I need to say on that matter. Every cent of this money will be needed. I have said previously, and I repeat, that we are trying to wipe out the current deficit over time, and these revenue measures, however stringent they may appear, in fact fall well short of what would be needed if we were to try and get on top of our deficit in the short term.

Regarding the holding of declared values over time, it is true that under the legislation we could have done what the previous Government did in May 1982 when it raised the amount by simply altering the declared price, and extra revenue was collected in that way. That did not require a change in the legislation and the matter was not put before the House. This time we are raising extra revenue as part of our revenue package rather than by doing something with the price levels in order to achieve our aim, which is to collect an extra 1c a litre in revenue by means of this amendment. That procedure ensures flexibility, and is enshrined in clause 3 of the Bill. The Government has been honest and clear on that point. In terms of extra revenue for which we are budgeting in 1983-84, the matter is being handled by means of legislation before the House.

The member for Coles spent much time complaining about what she considered would be the drastic impact of this tax increase on tourism, and her concern was echoed by other members who talked about its impact on rural properties and so on. Most of the remarks that the honourable member made, however, were based on a misapprehension of a levy. For instance, she referred to the possible effect of the increased tax on pleasure boats on the Murray River and spoke about the resultant effect on river development as part of our tourist impetus. Those remarks were made on the basis of an incomplete reading of the legislation.

Any increased costs to be borne by tourist operators, opal miners, fishermen, and certain other classes of people would relate only to transport costs, and I draw the attention of members to section 18 (2) of the original Act, which provides

that, in determining the amount of the fee for a Class A licence . . . the value of any diesel fuel sold by the applicant or, as the case may be, a member of the applicant's group during the relevant period that is to be used otherwise than for propelling diesel engined road vehicles on roads . . . shall be disregarded. That means that diesel fuel used for lighting, heating, power generation, or river transport, which was one of the chief matters raised by the member for Coles, or for grading roads on private property shall be exempt: diesel fuel used for such purposes will not attract the tax imposed by this legislation.

I should have thought that the honourable member would have known that before she made her alarmist statement and accused the Minister of Tourism of not approaching the tourism industry on this matter. Had the impact been as the honourable member indicated, she may well have flagged her concern to the tourist industry, but these exemptions are provided for in the original Act. It is unfortunate that the fact that the off-road use of vehicles would not attract the licence fee was not made clear to certain members who have spoken on that aspect of the legislation.

The other questions raised by members opposite relate to the general purpose of the Bill, but I can tell them that this increased revenue is necessary. We are raising no more than we believe is a responsible amount. Certainly we recognise that the legislation may have an impact on the c.p.i., but I refer to the revenue base from which we operate and ask the Opposition where can we turn for revenue. Last week, the High Court ruled out a Victorian taxation measure that provided for a tax to be levied on materials carried through pipelines.

It is all very well to say that that is an illegal tax, one that cannot be gathered, but at least it was levied on a resource that was being directed to interstate and export markets. Having excluded that area of revenue, where do we go? That is the simple problem. We have a revenue base that is so restricted that whatever we do we are faced with these problems, and we must look at a balance because, if we do not collect this revenue, the implications for the State's economy are profound. That is why we are introducing these measures and why I urge all members to support the Bill.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Fees.'

Mr OLSEN: Will the Treasurer say what work has been done on the impact that the Government believes will result from this legislation on retail prices of petrol and diesel fuel?

The Hon. J.C. BANNON: That is hard to ascertain because, as I explained the other day in reply to a question from the member for Flinders, the pricing policies and the way prices are determined in the market place at the retail end are rather complex. We have seen over many years the ups and downs of fuel prices, the impact of discounting policies, and the effect of price wars. This has been an unstable market. I understand that oil companies will seek from the pricing authority the right to pass on to the public the 1c a litre it is intended to raise by this legislation. However, there are a few stages to be gone through in that process, so it is impossible to say whether the full amount will be passed on. Nevertheless, one could expect to pay no more than 1c a litre at the retail end.

Mr LEWIS: Has consideration been given to those sectors of the community which will be impacted most heavily by the tax? I believe that the incidence of the tax will fall most heavily on those people who, in order to sustain their lifestyle, must travel the greatest distance. In other words, the tax will be borne by people proportionately to the distance they

must travel on the roads, and the consequent volume of fuel they use. Did the Premier give any consideration to that aspect of the tax?

The Hon. J.C. BANNON: Yes, I did. As I said earlier, one of the problems with our tax base is that it tends to be regressive. I appreciate the point the honourable member is making. I wish that he could convince a lot of his other colleagues that we should be moving away from the so-called indirect taxes, which I understand is being supported as official Liberal Party policy. That is certainly as I have heard it enunciated. They want to move away from a regressive tax structure to a consumer-related or indirect tax. As the honourable member points out, that has a regressive effect.

I would suggest in this case, because of the breadth of the tax, that that regressive effect will not be unsustainable. I concede that it certainly contains that problem within it. However, we have no real choice while we have the existing tax base. I would like to see the honourable member for Mallee advocate more vigorously, through the channels of his Party, the very point that he is making.

Mr BECKER: I am not very happy at all. As I said during my speech, I would like to either delay this legislation or oppose it outright without the risk of throwing the State into chaos, having an election, and so forth, because we do not have before us a copy of the statement of the Consolidated Account for June 1983. All we have is a bland statement about what the deficit was on the Consolidated Account as at the end of June. However, we have no indicators whatsoever in relation to the performance during the last financial year, whether it be on the receipts or payments side.

I think that the Premier has a cheek to come here and ask us to agree to a new taxing measure at this time of the Parliamentary session, when I cannot recall that having been done ever before. We expect this sort of thing when the Budget is brought down—fair enough—we get an explanation. The Budget is introduced, and we have a full and detailed list of receipts and expenditure, but, we are not given that information on this occasion. We are merely asked to believe that this is what has happened as far as the deficit is concerned and that it is therefore necessary to increase the petrol licensing fee, which will add 1c per litre to the price of petrol. Of course, we all agree that that will be very inflationary, and I do not like the idea of introducing a measure that will be inflationary. I do not like the impact that it will have on the community and on those who can least afford it. The Labor Party's policy document issued prior to the last State election states:

The taxation policies of a State Labor Government will be guided by the following principles:

- (a) ability to pay;
- (b) efficiency;
- (c) administration simplicity; and
- (d) the need to provide sufficient revenue growth to finance improved Government services.

I refer to the 'ability to pay': how can the unemployed and those who need the mobility because of the inadequacies in our public transport system then afford to seek employment, make life worth while and enrich or improve their living standards through earning an income when they will be hit by an impost like this? That may not sound very important to some people, but it can be quite significant if those who have to use a motor vehicle to seek employment are on a limited fixed income. Every dollar counts to those people, and I feel very much for them.

I do not think that this is the way the Government should go about improving its cash flow, which is what it is all about. The Government has financial problems. It finished up with a \$57 000 000 deficit at the end of the financial year. All I can go on are the figures for May. These are the

figures I received on 3 August, and nobody can explain why it has taken so long. At that stage the Consolidated Account was \$80 000 000 in deficit. Therefore, part of those funds were being used within the Treasury to finance that huge deficit, which means that trust accounts and other reserves were unable to earn interest, and there was an impact on the finances of the State through the drop in interest. Yet, we are asked to merely give blanket approval to this measure.

I am bitterly disappointed that the Premier has not provided any information at all about the Consolidated Account. Those figures would have to be in his department (certainly they would be at Treasury) and would have been available within the first week of July. Yet, here we are, on 11 August, and Parliament is not given the courtesy of having those figures before it. I want to know whether the business franchise receipts figure, estimated at \$63 500 000, was accurate and whether in actual fact the Government received that amount or more. If it did not receive that amount and the petroleum licence fees did not come up to the estimate, I would like to know why, because I have not seen any proof yet. I am still waiting to see proof of why the deficit is as huge as it is and why there has been that extra overrun. I want to know how all this links up with the Government's current policy on State finances and taxes, because in the 1981 economic policy document the Premier made this statement on page 47 (chapter 5):

Record mismanagement—One of the most alarming features of the Tonkin Government's administration has been its mismanagement of the State's finances. This disastrous record will make the task of an incoming Government very difficult indeed.

In 1981 the Labor Party and the now Premier were recognising and making such statements as the 'disastrous record will make the task of an incoming Government very difficult indeed'. The document mentions the \$600 000 that the Tonkin Government inherited from the Corcoran Government (I concede that) and further states:

In addition, the State's reserves comprising cash and liquid assets were in a very healthy position. In 1978-79, the reserves had been increased by \$28 000 000. Despite these advantages, in nearly three years of office the Tonkin Government has managed to establish the following dubious records:

- record Budget deficits on recurrent activities;
- a record forecast accumulated deficit at the end of 1981-82;
- record transfers and diversions of capital funds to pay day-to-day bills;
- record cuts in school building, hospitals and other public works;
- record increases in charges for vital public services including electricity, water and sewerage, and public transport;
- record errors in calculating State revenues.

That is the key to the issue. The document continues:

There has not been anything like this in South Australia since the days of the Great Depression.

However, what really gets me is the statement 'record errors in calculating State revenue'. If that is correct, how do I know what I am being asked to approve now? How do I know that the figures for 30 June 1983 did not disclose even further record errors during the period of the new Government? There is an overrun of the estimated Budget figure, and that is why I do not now enjoy having to approve a new taxation measure prior to the release of the normal data. If it were Budget time and the Budget documents had all been presented to us, I would have no argument. I want to know why the Premier has not given the Committee the courtesy of providing that information.

The Hon. J.C. BANNON: I appreciate the honourable member's desire for detailed information, which certainly will be presented when the Budget is brought down. The facts of the end-of-year result are as I have indicated in the statement made last Thursday: I can assure the honourable member of that. The size of the deficit and the overall figures are quite accurate and they will be confirmed in the

actual published figures when the honourable member will have the opportunity to analyse in detail the nature of that deficit. But the deficit is a fact as it stands, and I repeat that we need this revenue.

The Hon. MICHAEL WILSON: This clause deals with an increase in the *ad valorem* duty. As the Premier pointed out earlier, when referring to the previous Government, that Government did in fact raise the State fuel franchise by two very small amounts by declaring the wholesale price of motor spirit and diesel spirit. I point out to the Premier that the previous Government was thereby able to do that and keep within the bounds of inflation, whereas doing it in the way proposed will mean a large jump in the price of motor and diesel spirit. In fact, in one fell swoop with this piece of legislation the Premier is more than doubling the increase in State franchise tax as compared with what the Tonkin Government did during its three years in office. In other words, the Government is increasing the franchise tax in six months, almost doubling what the Tonkin Government did in three years. The Tonkin Government did it on the basis of declaring the wholesale price of petrol when it did rise, and by doing so the tax was increased well within the bounds of inflation; therefore, of course, the community was able to absorb that measure.

What will be the increase in the c.p.i. caused by this measure? The Premier was not able to answer the Leader in specific terms about the effect on business; can he tell us what will be the increase in the c.p.i. caused by this measure? I know that it is possible for the Premier's officers to work that out, because when we were in Government we had it done on one or two occasions in regard to important measures such as this. Before we made the decisions that we had to make at the time, we ascertained what the increase in the c.p.i. would be. I do not expect the calculation to be exact, but at least there should be some indication given to the Committee of what the increase in the c.p.i. will be. I shall be very surprised if the Premier cannot supply that information but, if what I said can be done, will he let me have the information later?

The Hon. J.C. BANNON: No, I cannot supply the exact figure. It definitely will have an effect, but of course that effect will be dependent, in part, on the way the price works its way into the system and the final level of that.

Mr BAKER: I refer to the declared price of motor spirit and diesel fuel. We have already heard that the Liberal Government during its term of office changed that price and so reflected the inflation rate of the day. As the Premier is well aware, with this new measure we find that South Australia has now the second highest rate of any State. We have the dubious privilege of sitting alongside New South Wales in regard to the rate at which taxation is imposed on motor spirit and diesel fuel for the purposes of State taxation. In New South Wales it is 8.4 per cent of the value; in Victoria it is 5.4 per cent; and in Queensland, that State which the Government tends to rubbish so often, it is zero. That in itself is worth noting.

The important thing is, first, that we do have an imposition of 1c a litre. The second point concerns what will happen to the declared price of fuel. Currently, the value determined by the Minister is 33.4c a litre for motor spirit and 36.65c a litre for diesel fuel. Can the Premier say what guarantee the Committee has that in the life of this Parliament (or even in the next 12 months) there will not be an increase in the declared value of fuel, because, in fact, this is another way in which the Premier can raise further taxes?

The Hon. J.C. BANNON: Let me first correct the honourable member concerning his statement that we have the second highest rate in Australia. In fact, that is not true. In relation to petrol, the figure applying to New South Wales is about 3c, and in Tasmania 2.71c for super petrol and

2.65c a litre on standard petrol, which is above the 2.5c rate that we will have. Victoria is below that by about .3c; and Western Australia, in relation to petrol is .4c below us. Those are the latest figures available. Indeed, there may have been changes in those States. In relation to diesel fuel, South Australia has the fourth highest rate. Victoria has a rate of 3.61c, New South Wales 3.57c, and Western Australia (in the case of diesel fuel) is well above us with a rate of 3.85c—in fact, the highest rate imposed on diesel fuel. The figure applying in South Australia will be 3.5c. So, I think the honourable member should check his facts before he makes those allegations. We are not outrageously out on a limb, nor indeed do I think we should be.

As far as the declared price is concerned, we have based this measure on present values as last declared by the Tonkin Government in May 1982. The proposal bears in mind that level remaining steady in the 1983-84 Budget. That is how the Government made the revenue calculations.

Mr BAKER: I wish to correct what the Premier said concerning the rate at which tax is levied. I point out that the rate is a certain percentage rate. Obviously, the Premier did not listen properly, because what I am saying is that the rate at which it is levied on the declared value of fuel is 8.4 per cent for New South Wales, 7.1 per cent for South Australia and 5.4 per cent for Victoria. Tasmania, in fact, finishes above us because of the declared value. What I was pointing out is that the declared value of fuel becomes most important in the equation. That was exactly the point I was making to the Premier. Therefore, I am referring to that simple proposition that the declared value is obviously fairly critical to the whole structure of taxation on fuel.

If in fact there should be a change in the declared value (I can only imagine the declared value would go up under this Government), that would increase the impost on South Australia. The Premier has given an undertaking that it will not be changed in the 1983-84 year: I would like that confirmed.

Mr BLACKER: I express the concern, as mentioned by the member for Mallee, at the manner in which it affects communities, and the further out a community is from the metropolitan area the greater is the effect on that community. I think that is a point that is understood. The other point which should be mentioned is that for the bulk of the people within the metropolitan area private transport is not an essential commodity: it is a desirable thing, it is a convenience, but there is an alternative means of transport and that is the public transport system. As such, I have some qualms in accepting the point of view that conditions applying to what could be termed a luxury item for some sections of the community should apply to people in the country areas where it is of absolutely vital importance. It is a necessity to a country community because the people there have absolutely no alternative means of transport, other than to go back to the horse. That is where I feel there is some differentiation between the communities.

The other point concerns the fishing industry. I understand that the diesel component of what we are debating would be exempt. I would be grateful if the Premier would clarify this. I think the diesel component could be exempt but the outboard fuel, which is used by most people in the fishing community, is not exempt. There are many fishermen using their drum of fuel and more a day, and this is going to add up to many hundreds of dollars for the year. Those fishermen who run dual outboard motors on vessels which travel a considerable distance off-shore will be hit very severely by this type of legislation. Not only is their private transport to and from the coastline from which they fish affected, but so too is the petroleum product they use on board their vessel. I would be grateful if the Minister could confirm to

the House whether my assessment so far of diesel being exempt and petrol not being exempt is in fact the case.

The Hon. J.C. BANNON: Yes, that is the case. In terms of these exemptions, I am advised that up to August 1983 of the 523 certificates issued, 42 were issued to persons engaged in the fishing industry which was one of the categories raised in the debate. Only one-third of diesel fuel sold attracts the licence fee, so there is that recourse open to those people to seek exemption certificates.

Mr Blacker: Is that under the Federal rebate scheme?

The Hon. J.C. BANNON: We are using the Federal system. From August 1982 in that budgetary provision, the Federal scheme has been transferred to and is administered at the State level.

Mr LEWIS: In the circumstances, does the Premier consider that that is fair? On the one hand if one has a diesel motor, one does not have to pay that tax. However, one's competitor or another person in the industry competing with a person with a diesel motor has to pay that tax. I wonder why the Government thinks that it is fair and just, if it has that attitude. It seems to me to be quite unjust and quite unfair. Because of the choice of their motor-type, one particular group of producers is disadvantaged.

The same situation applies to primary producers, particularly horticulturists who may not necessarily have every motor on their place run on diesel. Why should the fuel used by the motors run on diesel be exempted when the fuel used in motors run on petrol, if we can call it that, cannot be exempted? That seems to be discriminatory and unfair especially given that our indigenous crude in Australia does not have the kind of fractions that enables production of all the distillate needed. We are encouraging people to use more imports and also exacerbating the balance of payments problem and throwing an even greater burden on the primary industries to produce a sufficient contribution toward the system. This inequality was created by the Government and iniquitously imposed on them in the first place. What is it that the Government has at the back of its mind to enable it to justify this discrimination on the pure chance that one motor has a spark plug and another does not?

The Hon. J.C. BANNON: It has always applied in this way and it applies Australia-wide. Part of the reason is the sheer administrative problem. I am told that if exemptions were offered in the motor spirit area it would virtually be impossible to police or control in any adequate way. The same sort of problem does not arise in relation to diesel fuel and therefore the exemption has been applied, and it seems to operate satisfactorily. A change of the sort that the honourable member suggests would really have to be tackled on a national basis.

Mr BLACKER: I take up the point that the Premier has made. In relation to differentiating between the use of fuel for marine purposes and for road purposes or agricultural purposes, I do believe there is a case to be made. I accept the fact that it has previously applied on an Australia-wide basis but I think there is a case to be made for and on behalf of the fishing industry because the outboard fuel is predominantly a mixture of oil and the only other users of that are the lawn-mower owners. I do not know that that would come into the question to any great degree. It would be quite an easily identifiable section of the industry. It could be sorted out and be said, 'Yes, there are grounds for an exemption on that particular basis.'

Mr OLSEN: I am amazed that the Premier has not been able to advise the House of what the inflationary impact will be of this measure, and also that he has chosen to ignore the honourable member for Mitcham's specific, precise and clear questions. Regarding the present regulated price of petrol of 33.4 cents and 35.65 cents, to which I referred

in my second reading speech and to which the member for Torrens has referred, and in view of the approach that the former Government took in relation to this matter, will the Premier give an undertaking that those figures to which I have referred will not be increased to apply a further cost to motorists in the ensuing year?

The Hon. J.C. BANNON: I have answered that question a number of times.

The Hon. B.C. EASTICK: Can the Premier indicate what is the Government's assessment of the impact of this increase on commodities such as milk, bread, groceries and transport; in other words, on those matters which are vital to the consumer price index package affecting every person in this State?

As is clearly spelt out, the additional sum of money will impact on the transportation of those goods—some of them several times. We can take the example of vegetables going into the market, going from the market into the shops and the cost of procurement of the supplies by the purchaser. I refer also to milk distribution, the cost of production of the milk on the property, the cost of the transportation of the milk, the finished product, the delivery of the finished product and so on. I refer also to beer supplies and all other essentials which the population recognises as their right to consume. The sum of money to be raised is quite considerable. It is obviously going to have an impact. I would have expected that, before the Government acceded to the requests of Treasury or had agreed to the increase which we are being asked to pass here, it would have had some in-depth assessment of the impact upon the community. It may have had an impact on various areas of the community.

I go beyond consumer goods and relate to the impact which it must have on manufacturing, on the transportation of Leigh Creek coal to Port Augusta because of the motive power associated with transport. There will be a carry-through to the capacity of the Electricity Trust to provide electricity at its present tariff rate, apart from any other announcement which may come later or has already been exposed.

I would have thought that the Government would look at impacts rather than just looking at the financial deal which would benefit the State's coffers. This impact on the community is one to which I believe the Government should have given serious consideration. I would give it the benefit of the doubt, as it is the natural thing to expect of any group of people forming the Government of the State. I would welcome that information from the Premier, filled out in greater detail at a later stage if it is not all in his mind at the moment. I believe he has some information which the Opposition and the people of South Australia would expect to have on this vital issue.

The Hon. J.C. BANNON: The honourable member is highlighting an important point and one which I conceded from the beginning: namely, that fuel increases affect a whole range of transactions in our community. Certainly, the Government had in mind the impact of the taxes. That is why we have constructed the revenue package (and this is one aspect of a package of revenue-raising measures) to attempt to minimise the impact. I believe we have done so. The total amount to be collected spread over the whole community in a range of transactions which, in this financial year, will bring in an amount of the order of \$11 000 000 (\$15 000 000 in a full year), is the increased cost in which we are involving the community. Its impact at various stages of transaction will depend on the degree that the 1c a litre petrol rise counts in the cost structure of those bills. Let us not get too carried away with analysing it. Let us look at it overall. That is the impact on the community and it is quite sustainable. It also lines up with interstate situations.

The Hon. B.C. EASTICK: I accept what the Premier has said but he is talking about the primary or direct impact. I and other members of the Opposition are asking him about the secondary and tertiary impact which is obviously the normal multiplier effect.

The Hon. J.C. BANNON: Only if people try to take advantage of it.

The CHAIRMAN: Order!

The Hon. B.C. EASTICK: I fall out with the Premier's philosophy at this stage. He has not thought the matter through to its end point. He and his Cabinet should give consideration to that, as the people of South Australia would have expected Cabinet to have done. His backbenchers should also have given consideration to the multiplier effect at the secondary and tertiary stages, even if they conceded, accepted and succumbed to the primary impact. I believe that they are the real issues which are coming back to me from the people who come through the electoral office door and from the people I meet in the street. They are worried about the ongoing costs of what they see as only the first cost. I have not had sufficient evidence from the Premier at this stage to convince me that he or his Cabinet have thought it through to the end. I grant that they have looked at the primary aspect but I do not believe—nor do I think that the people of South Australia believe—that the Government has thought through the total effect or the multiplier problems which will cause many difficulties in a far wider area than the immediate transport industry.

The Hon. J.C. BANNON: I cannot respond to the honourable member's beliefs. I refer him not only to statements that I have made in this and other debates about our tax base and its impact but also to statements I made at the Premiers' Conference where, on behalf of the States, I strongly urged the Commonwealth to have regard in terms of the level of assistance it offers the States to the fact that the States would have to have recourse to measures which must have some impact on inflation. By so doing it could well cut across the Commonwealth Government's overall policy for the national economy. To some extent I think that that was heeded in the fact that we did get a special allocation on this occasion in part recognition of that fact. However, it did not mean that we could simply abandon responsibility for making some tax effort on our own and accepting as I have (and I will put this on the record once again) that it does have impact on the cost of living. That is one of the problems of the State's revenue base. In constructing that package we sought to minimise the effect. Whether or not the honourable member or the people of South Australia believe it, I assure them that that is the way we have constructed our revenue measures in order to ensure the minimal possible impact on that very narrow revenue base.

Mr LEWIS: I reassure the Premier that the remarks he made to me—whether gratuitously or otherwise—about the Liberal Party's policy in relation to indirect taxation do not make me, as a member of that Party, resile from my view that indirect taxation is a more appropriate form of taxation. It beats the cheats. He was confusing the fact that, wherever the Liberal Party would seek to impose indirect taxation, it would also ensure that the person paying the tax, as part of the goods and services they were procuring, had a choice in deciding whether they wanted to use as much of those goods and services as they had in the past. In this case, the vast majority of my constituents have no ruddy choice at all, yet they are the very people who the Premier has told us have suffered because of recent disasters. As part of the component of the deficit which the Government is trying to finance by these taxation measures, it claims that the State's economy was badly hit by the drought, the bush

fires in the hills, the South-East and in other areas during summer, as well as the floods in the Barossa Valley.

I cannot for the life of me understand how the hell the Government can say that we (the Government) have been hurt by those disasters and now we have to make up the difference. The Government ignores the people who have been hurt the most by these same calamities and slaps on a tax that rips the guts out of their capacity to recover before they have even had a chance to get in any income whatsoever from any crops or anything else they might have produced on their farms since those disasters affected them. That is definitely unjust, surely; definitely unreasonable, surely; definitely thoughtless, surely. Such ill-considered approaches to taxation ought to be brought to the attention of the rest of South Australia. Quite apart from the fact that the Premier said one thing and then did another (and I know that I cannot call that lying—not here, anyway, but it is certainly deceitful and the rest of the people of South Australia need to recognise that point), I want to ensure that the Premier now understands, if he did not before, that it is regarded as being in no way fair by the people in the country who will certainly pick up the biggest slab of the tab per capita.

I would like to ask the Premier (not because of any inferred attitude I might have when he gives his answer) a direct question in the hope that he will give an honest and direct answer. Does he believe there are enough service stations in South Australia at the moment? Does he believe there are too many or are there too few? I would be interested in his view because it bears substantially on the options available to me as a member of this House as to how I should amend the legislation, and bears substantially on the nature in which the imposts could have been made in this sector of the economy. That is why I want to learn from the Premier what he believes to be the case in relation to the retail fuel outlets to motorists at the present time. Are there enough, are there too many, or are there too few, and how does he think these taxes will affect them?

The Hon. JENNIFER ADAMSON: I wish to repeat my criticism made in my second reading speech of the rush with which this measure was announced and the lack of time that each of us in our representative capacity has had to consult with the people who will be affected by it. In his reply on the second reading the Premier said that I had misunderstood—

The CHAIRMAN: Order! The Chair is being tolerant but it must point out to the honourable member that this is not to develop into a second reading debate. The debate must refer to the clauses.

The Hon. JENNIFER ADAMSON: I am referring to clause 2 which states that section 18 of the principal Act is amended by striking out paragraph (a) of subsection (1) and it is that to which the Premier referred when he stated that the use of off-road diesel fuel would not be affected by this measure.

Accepting that, does the Premier still acknowledge that the on-road diesel fuel and the motor spirit fuel that will be affected by this measure are an integral part of the tourist industry? As the Premier knows, tourism is the third largest industry in this State. It depends on travel; that is, tourists go from one place to another for enjoyment or hospitality and by far the greater proportion of travel undertaken within South Australia is road travel. The Premier's Minister failed to consult with the industry on the effect of this measure on the industry. I would have thought that the first group to be consulted would have been the bus and coach tour operators whose profitability is going to be affected by this measure.

They have had no word from the Government either prior to or since the introduction of this measure about the

effect that it will have on their businesses. It is important that the Government understands that bus and coach tour operators, like almost all other tourist operators, have to set their fees, their fares and their charges in advance, usually for a period of one year, so that the fare schedules can be distributed and can be relied upon by agencies selling travel. The bus and coach tour operators who will be affected by clause 2 have in most cases already set their fares for the forthcoming year or for most of the forthcoming year and therefore will not be able to recoup the costs imposed upon them by this measure.

Does the Premier accept that in these circumstances some prior consultation would have been desirable, particularly in support of the undertaking that his Minister gave to the industry council that it would be consulted 'on measures' and there was no qualification by the use of the word 'specific' on measures that would have an impact on the tourist industry?

Mr INGERSON: As I am only new to this place I would like to know if we can be assured that in future all costs imposed by the Government that will affect the c.p.i. will be reported to this House when the Premier makes these sort of reports?

The CHAIRMAN: The Chair must point out again that we are debating a clause of a Bill. The Chair is concerned about the debate linking up with a particular clause.

Clause passed.

Clause 3—'Manner in which moneys collected under this Act are to be dealt with.'

The Hon. D.C. BROWN: I point out to the Premier that from 1972-73 until 1981-82 the real value of money spent on road construction in South Australia declined. In fact, the decline in that period is 44 per cent. The expenditure in constant dollar terms dropped from \$125 000 000 in 1972-73 to \$70 000 000 in 1982-83 and in the last year of the Tonkin Government the expenditure was significantly raised to almost \$80 000 000 from that \$70 000 000 in constant dollar terms. On the figures that I have been able to work out, if the Premier upholds the undertaking he has given in his second reading speech, that is, that the Highways Fund can be guaranteed no more than it received in 1982-83, that means there is an inbuilt deflation.

The Hon. J.C. Bannon: No less than.

The Hon. D.C. BROWN: That is what I said, no less than what it received in 1982-83. There is no guarantee that it will receive more than that. It could possibly receive more but there is no guarantee that it will. That means that there is no guarantee that there will not be a reduction in real terms of 14 per cent because that was the inflation factor which applied to highway construction over the past 12 months.

The Hon. J.C. Bannon: What about the next financial year, surely that is the important thing?

The Hon. D.C. BROWN: We are comparing it with 1982-83 and that is the inflation factor, and therefore the amount by which we have to deflate the value in real dollar terms.

The Government has already introduced a measure that will hive off much of the Highways Fund for Police Force administration and for safety purposes, and the Minister of Transport has indicated that he will increase that amount substantially, presumably in the current year, so that 75 per cent of safety costs incurred by the Police Department will be covered by money from the Highways Fund, which will mean that a total of about \$3 000 000 will be hived off.

I am concerned that at a time when it is acknowledged that South Australian roads are in a deplorable state as a result of the constant rundown in road construction (and this has been acknowledged by the Federal Government in introducing the Bicentennial Road Development Programme and by the State Government in increasing funding for

roads last year) insufficient funds will be provided for road construction in this State. When this tax was introduced in the 1970s by a Labor Government—

The Hon. J.C. Bannon: It was introduced by the Liberal Government in October 1979.

The Hon. D.C. BROWN:—there was a guarantee that the revenue would go to the Highways Fund. However, we now see that undertaking breached, and I find it incredible that the Treasurer has destroyed the whole principle on which the tax was introduced originally: to get more money for road construction in this State. The Treasurer has introduced a measure that could lead to a reduction in real terms of road construction in this State. He cannot hide behind the Bicentennial Road Development Programme, as he tried to do in answering the question asked by the member for Torrens on Tuesday this week, because the State Government has only to match funds provided under that programme on a \$1 for \$1 basis, and it does not have to match, on a \$1 for \$1 basis, funds from other Commonwealth sources whence most of our road construction funds come.

Based on the figures given to me, in terms of reduced expenditure, by the Highways Department with the knowledge of the Minister, the Treasurer must explain why his Government has decided that road construction in this State should enjoy a lower priority than it has enjoyed in the past. Why in a period of high unemployment, when he and the National Economic Summit have said that more money should be put into construction projects, is he willing to reduce funds from State sources for road construction?

The Hon. J.C. BANNON: The figures produced by the honourable member are subject to varying interpretations. In terms of State road funding, we have had problems with Federal special purpose grants and Federal funding generally, but that is not the crucial issue. The reason for introducing this measure is that it is part of the revenue package desperately needed in this State because of our present financial problems. Without public sector activity, country towns and rural districts would not exist. Small businesses in the Mallee and in other rural areas would have no services were it not for public spending. We need a healthy public sector to ensure the level of employment and facilities in the country. Indeed, if the public sector expenditure (Federal, State and local) is deducted from the money spent on facilities in our country districts, there will be little left. The metropolitan area heavily subsidises facilities provided in rural districts.

The Highways Fund will not receive less than the 1982-83 allocation. The Federal programme, which is substantial, will require a considerable effort to find matching grants. In view of the Government's other commitments, many affecting country districts, it is difficult to find such grants. The Government will try to provide as much finance as possible for the construction of roads consistent with the demand for other State services.

The Hon. D.C. BROWN: The Treasurer's reply is unsatisfactory. I support the move announced by the Leader of the Opposition early this afternoon: the whole of this clause should be removed from the Bill. I have on file an amendment that will ensure that the level of funding set down in the Act is increased each year according to the increase in the consumer price index in this State. In that way we can ensure that the fund will maintain its income. The Treasurer referred to the inflated dollar amount, but that means that over the past 12 months there has been a possible deflation of 14 per cent. I move:

After line 7 insert subsection as follows:

(5) In this section—'the prescribed amount' in relation to a particular financial year means an amount arrived at by multiplying the base amount by the consumer price index as at the commencement of that financial year and dividing the product by the consumer price index as at the commencement of the 1982-1983 financial year: 'the base amount' means the

amount paid into the Highways Fund, out of moneys collected under this Act, in respect of the 1982-83 financial year.

The Committee divided on the amendment:

Ayes (22)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown (teller), Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen, Oswald, Rodda, Wilson, and Wotton.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, J.C. Bannon (teller), Crafter, Duncan, Ferguson, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Majority of 2 for the Noes.

Amendment thus negated.

The CHAIRMAN: Before putting the question, I do not know whether this is unparliamentary or whether or not it is etiquette. However, the Chair reminds members that there is the likelihood of another vote very quickly.

The Committee divided on the clause:

Ayes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Ferguson, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Noes (22)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Majority of 2 for the Ayes.

Clause thus passed.

Title passed.

Bill reported without amendment.

The Hon. J.C. BANNON (Premier and Treasurer): I move:

That this Bill be now read a third time.

The House divided on the third reading:

Ayes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), M.J. Brown, Crafter, Duncan, Ferguson, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Noes (22)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Majority of 2 for the Ayes.

Third reading thus carried.

BUSINESS FRANCHISE (TOBACCO) ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 9 August. Page 53.)

Mr OLSEN (Leader of the Opposition): I oppose the Bill in its present form and give notice that, in Committee, the Opposition will move an amendment with the aim of reducing the severe impact of this discriminatory tax. As with the previous tax-raising measure debated by this House today, this legislation has been introduced with all the hallmarks of panic and lack of consultation that now characterise the activities of this Government.

The confusion which led to increased cigarette prices earlier this week and threats of price control from the Premier indicate a complete lack of any adequate consultation with the industry about this measure. In the Premier's explanation of this Bill yesterday, there was a complete failure to address some of the problems that will arise as a result of this measure. Before dealing with them, I refer to the recent move by the new Labor Government in Western Australia to increase the licence fee payable by retail and wholesale tobacco merchants from 12½ per cent to 35 per cent.

At least the Western Australian Premier did his Parliament the courtesy of giving a detailed justification for the measure. All this Parliament received was an explanation comprising one-and-a-half pages of empty pleading by the Premier. This was about a measure which doubles an existing rate of taxation to boost Government revenue by \$17 000 000 in a full year. In his explanation, the Premier completely overlooked the fact that this tax is discriminatory, that it attacks only those who smoke and that, in many cases, it will result in those who can least afford them having to pay much higher prices for cigarettes.

A recent survey has shown that more than 85 per cent of Australia's adult smokers earn less than \$20 000 a year. In fact, more than 35 per cent of adult smokers are not even in the workforce. So, this measure amounts to the Labor Party's imposing a savage indirect tax on many unemployed, pensioners, and dependants. So much for the A.L.P.'s concern for these people.

Another matter the Premier has not addressed is the possibility that this legislation will lead to mail order cigarette sales into South Australia, and therefore to reduced activity for local retailers and distributors, especially small businesses. This increase will open up a price differential of up to 40c a packet between South Australian prices and those applying in some other parts of Australia. In Queensland there is no State taxation on tobacco, and there is nothing to stop cigarettes being mail ordered into South Australia from that State to avoid the tax. There is also strong inducement for bootlegging. The tobacco industry estimates that a truckload of cigarettes purchased interstate at a value of \$600 000 would return a profit of \$120 000 if sold in South Australia at our new price of over \$1.70 a packet.

Undoubtedly, this price increase will lead to some reduction in tobacco consumption in South Australia, and therefore to reduced earnings in this State by the tobacco companies. In turn, this may lead to a loss of some sponsorship of valuable community activities by the tobacco companies in South Australia. The loss of jobs could also extend from wholesaling and retailing to other areas such as outdoor advertising.

It is clear from the Premier's brief explanation of this measure that he has not considered all of the implications. We certainly saw that in regard to the Premier's response in the debate in regard to the measure before the House considered earlier this afternoon as it related to its effect on the consumer price index. The Premier acknowledged to the House that he had no idea what the impact of that measure would be on the c.p.i.

I question the sincerity of the Government when it proposes a measure which cracks down hard on cigarette smokers, while at the same time proposing relaxed penalties for the smoking and possession of marihuana. The Government is going soft on the greater of two evils.

I am not a smoker nor is anyone in my immediate family so this measure will not affect me. But it will affect perhaps half a million South Australians, many of whom can least afford it and who regard smoking as one of the few luxuries that they can still share with the rest of the population. I believe that this proposed tax increase must be reduced.

While the Opposition recognises that it is the responsibility of the Government to raise money and to take the consequences of any revenue raising measures it does implement, the Government has no mandate for this measure nor has it adequately considered all the implications of such a savage increase.

Therefore, I intend to move an amendment in Committee to reduce by half the amount of the proposed increase. To some extent, this will minimise its impact on those who can least afford it, and take away some of the incentive for mail order sales and bootlegging, thus preserving local wholesale and retailing activities.

I make clear that this move does not signify any agreement by the Opposition to tax increases introduced by the Government. But given the inevitability of the Government's determination to increase taxes and charges in a whole range of areas in a way which will affect all South Australians, I will propose an amendment to minimise some of the adverse impact of this tax increase.

The Hon. G.J. CRAFTER (Minister of Community Welfare): I move:

That the time for moving the adjournment of the House be extended beyond 5 p.m.

Mr ASHENDEN (Todd): I intend to speak briefly on this matter to express concern, as I did last evening when another taxation measure was considered by this House. It would be remiss of the Opposition if it again did not put forward the viewpoint that the Government now in office is the most dishonest Government that this State has ever seen. Despite the promises and assurances given by the Premier before the election last year, and subsequent to the election, that there would be no new taxes introduced into South Australia and that there would be no extension of existing taxes, we now find the Premier announcing some of the greatest tax hikes that this State has ever had to suffer.

South Australia now has the highest taxes in Australia, the highest unemployment rate in Australia, and the highest rate of inflation in Australia. What a sorry record for a Government that has been in office for only eight months. It is a Government that obviously does not believe in telling the truth to anyone: it does not believe in telling the truth to Parliament or to South Australians. The Labor Party obtained government under totally false pretences. The Premier, as I said last evening when his Deputy would not resign for having on at least three occasions told untruths to this Parliament, has allowed the Deputy Premier to remain in office only because the Premier knows full well that he has told far more untruths than has his Deputy. Before us is another tax measure which no-one in South Australia expected, in view of the promises given by the Premier.

The Hon. W.E. Chapman: Nor the other 27 taxes.

Mr ASHENDEN: That is so, as the member for Alexandra has said. At the moment South Australians are absolutely shell-shocked by what is happening. Although the Government is hoping that the residents of South Australia will have memories as short as that of the Deputy Premier, the Government should make no mistake about the fact that there is a lot of anger being expressed in the electorate at the moment, and that these matters will not be forgotten for a long time.

I am certainly looking forward to the next election in South Australia, because I have no doubt whatsoever that the new Labor Government will return to these Opposition benches with severely depleted numbers. The Government is being seen for exactly what it is: one of total deception, as a Government whose word cannot be accepted, and as

one that is prepared to hit the little man, the man that the Labor Party is supposed to be interested in.

Every tax that it has imposed hits the little man hardest, and I refer especially to the people living in the outer suburbs; they are the people who returned this Government to power. They will not be conned again, and I am looking forward to having greatly increased numbers in the Liberal Party when it returns to Government. Hopefully that will not be too far away, because obviously the longer this present Government lasts the worse the situation in South Australia will become.

The taxes which are being increased will cripple small industry. The taxes already are being felt very hard indeed by those least able to afford it. The cynicism of the Premier and the Government in the way in which it is treating the public of South Australia has to be seen to be believed. I know from the telephone calls coming to me that people will not forget what this Premier has done to them. I think that if he had been honest before the election they may have been able to take some of these increases.

The Premier can laugh, as he is doing at the moment, but I point out that what constituents are saying when telephoning me (including constituents from neighbouring electorates that belong to Labor members of Parliament) is, first and foremost, a criticism not just of the tax but also of being told something by the Premier which has turned out to be totally untrue. That is the point of the phone calls coming to me—the Premier is dishonest; why can he do this; why is it that this Premier cannot be defeated? It is explained that unfortunately the Premier has behind him a group of backbenchers who obviously in Caucus have not been game enough to stand up and point out to him just exactly what his Government is doing to the people living in their electorates. If they were game enough to do this, perhaps the Premier would have had some second thoughts.

This is another taxation measure which was not expected by the people of South Australia, and it is yet another confirmation (not only to those of us here in Parliament but also to those residents in South Australia who are having it brought home to them yet again) that this Premier and this Government cannot be trusted. The people concerned are merely shaking their heads and saying, 'We wonder what on earth is going to happen next.' That is exactly how most of us in the Opposition feel at the moment.

The Premier, in answer to a question asked by the Leader of the Opposition last Tuesday, did not answer the question directly and, by the absence of a direct answer, indicated that there were still further taxes to come. When that does occur when the Budget is brought down, that will only confirm to the residents of South Australia that they have unfortunately elected a Government that has broken promises, a Government that never intended to keep its promises, a Government with a Premier who says that he was totally aware of the financial situation which existed in South Australia prior to its election. He is now turning around and saying he was not aware. Which of the Premier's untruths does he expect the people of South Australia to believe? It is a sad state of affairs when South Australians are saying, 'Well, with this Government, just which promise is to be broken next?'

Another matter that concerns me is that the behaviour of the Premier and his Deputy is reflected on all members of Parliament, and now all of us are being painted in the same light as the Premier and the Deputy. We are all expected to be untruthful and the rest of us in Parliament will have to fight tooth and nail to try to restore some credibility among the public of South Australia in relation to the members who represent them here.

I can only conclude by again expressing my very great concern at what this Government is doing. I will certainly

be supporting the Leader in his amendment, and I can only hope that perhaps today or some time in the not too distant future the Premier and his Government will wake up to what they are doing to South Australia.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Amendment of s. 11—Fees.'

Mr OLSEN: I move:

Page 1—

Line 20—leave out '25 per centum' and insert '18.75 per centum'.

Lines 26 and 27—leave out '25 per centum' and insert '18.75 per centum'.

Line 30—leave out '25 per centum' and insert '18.75 per centum'.

The effect of this amendment is to halve the impact of the present provision in the Bill. In moving such an amendment, particularly to a money Bill, I recognise that it is tantamount to a vote of no confidence in the Government: so let it be and be seen as such. This Government has no mandate to increase the tax to the level it has. It has no mandate to continue the tax slug, as we have so obviously seen from the response to the question asked of the Premier earlier today. The Opposition objects to the Government proceeding with this measure when it gave a clear and unequivocal commitment to the electorate that it would not do so.

The Hon. J.C. BANNON: The amendment is totally unacceptable, and the Leader knows very well that it is. He has not adduced any reasons except the most general in support of his proposition. In terms of the tax—

Mr Olsen: I made my second reading speech while you were out. If you were here you would have heard the reasons.

The Hon. J.C. BANNON: I am sorry I did not hear all the words of wisdom of the Leader, but I can guess the theme. This is certainly a large increase, and it has been said that it may well discourage persons from smoking and thus reduce the revenue; that is fine by me. The consequent lowering of the health bill and the general improvement to the health of those who give up smoking will be significant, and I hope that that may be at least one side effect of this measure. It is not a case of the Opposition simply being able to say, 'We oppose these measures because there is no mandate for them.' There is no mandate for any Government to see the State slide into bankruptcy. Any Government that did so would be utterly and totally condemned. The damage that would be done to our social fabric would be far greater than any damage done in terms of having to make that hard choice, that hard decision we had between a number of options. We have made the choice and have done so in the interests of South Australia and the South Australian community.

Mr Ashenden: They certainly don't believe that!

The Hon. J.C. BANNON: No, the community is not being assisted in its understanding at all by the Opposition, which is privy to the facts. The way in which the Opposition has approached these measures is absolutely scandalous. This measure is essential to the overall package, and I commend it to the House.

Mr Ashenden: Commend it to the House?

The Hon. J.C. BANNON: I commend it to the House, and I utterly reject the Leader's amendment.

The Committee divided on the amendment:

Ayes (22)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown, Chapman, Eastick, Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Rodda, Wilson, and Wotton.

Noes (24)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, Duncan, Ferguson, Gre-

gory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Majority of 2 for the Noes.

Amendment thus negatived; clause passed.

Title passed.

Bill read a third time and passed.

SELECT COMMITTEE ON THE MARALINGA TJARUTJA LAND RIGHTS BILL

The Hon. G.J. CRAFTER (Minister of Aboriginal Affairs):

I move:

That the Select Committee on the Bill have leave to sit during the sittings of the House next week.

Motion carried.

ADJOURNMENT

The Hon. J.C. BANNON (Premier and Treasurer): I move:

That the House do now adjourn.

The Hon. D.C. WOTTON (Murray): I take this opportunity to become involved in the grievance debate and refer to some of the matters with which we have been involved over the past two days. The two pieces of legislation with which we have just dealt are the first of many that will result in higher taxes and charges for the people of South Australia. It makes it very clear just what the people of this State have wrought upon themselves with the election of the Bannon Government. Now becoming blatantly clear for everyone in the State to see is the most important difference between Liberal and Labor policies. The Liberal Party is committed—and was committed in Government—to financial and economic responsibility, as opposed to Labor's plans for bigger, more expensive and, I suggest, interfering Government.

When the Liberal Party was in Government it made promises to keep, not to be broken. That is very different from the situation that we are seeing presently under the Bannon Government. We continually expounded a theory—a principle—that Government charges should be set at a level to recoup what it cost to provide those Government services. That did not mean that we reduced in any way the services that were expected of Government in this State. It did not mean that we reduced any of the services that we were committed to provide. In fact, we went to great lengths to ensure that Government services were efficient and relevant to the needs of the people of South Australia. We made a commitment that we would do that prior to the election, and we kept to that commitment. We kept our promises. We did so to ensure that charges in this State were contained—and contained they were.

In Opposition, while the Tonkin Government was acting as a responsible Government (and nobody can deny that), the Labor Party was making play of any increases in State charges. It constantly indicated and constantly gave the impression that when it came to Government it would not increase State charges. Continually it informed the public of South Australia that it would not increase Government charges. We heard the Premier say in his speech that, unlike the Liberals, he would not allow State charges such as transport fares, electricity and hospital charges to be used as a form of back-door taxation. That quote has been used on a number of occasions over the past two days in the debates in this House on the first of the Bills that the Government has introduced to increased taxes. It is a quote

that we will hear for a long time to come, because it proves how efficient the present Government is at breaking its promises. We were told that in no way would a Labor Government increase taxes and charges. The tragedy of it was that the people (unfortunately the majority) in this State believed the then Leader of the Opposition, who is now the Premier.

I do not know why they did so, and I would suggest that the Premier is not a particularly good actor. He does not have the ability of acting as had some previous Premiers, particularly Mr Dunstan, but the fact is that the majority of people believed him. Out came all those hollow promises that were totally lacking in responsibility. We now realise that he sold the community a pup, and at last the people of South Australia are recognising what they did when they elected this Government.

There is no doubt that more promises will be broken in the months to come, especially when the Budget is brought down soon as we expect it to be. Out came all those hollow promises that were totally lacking in responsibility, and they can soon be proved. The community was sold a pup, and it had to believe that a Labor Government would somehow provide services without recovering the costs of providing them. We have now come to realise just how the Government intends to do that—by increasing taxes and charges in this State.

Since coming to office the Premier and his Government have broken promise after promise. Is it any wonder that the people are so totally cynical, I would suggest, about politics and politicians at present? How easy it was for people to forget the responsible attitude of the Tonkin Government when those hollow promises were being handed out in the way that they were. The Liberal Party said that in Government it would reduce the cost of Government to the people, and that is exactly what we did. We were responsible for the lowest taxed State in Australia, and we were proud of it. We said that we would reduce taxes, and that is exactly what we did. We reduced succession and gift duties and land tax, to name only three, and we did that early in our term.

It was not something we delayed for political purposes. We made a commitment—a promise—and that is exactly what we did. What has Labor done in eight months, eight shocking months, about the development of this State? Bus, tram and train fares have increased by about 47.6 per cent; water and sewerage rates have risen by between 22 and 26 per cent and Housing Trust rents are to be increased. I could go on but it is not my intention to do so, because my Leader in this House gave an example of some 20 increases in charges and taxes that we have experienced in this State since the Bannon Government came to power. Also, we have seen a massive increase of 2 000 people in the Public Service. We reduced the size of the Public Service. We said that we would do so and we did. It was a promise that we made and a promise that we kept. We reduced the size of the Public Service dramatically, and therefore we reduced the cost of the Public Service to South Australia.

I am sure that no-one in this House would not agree that government is exactly the same as housekeeping. Good government is exactly the same as good housekeeping or running a large business. We have to act responsibly in that position. We have to look after the purse, as it were. The Bannon Government has acted without responsibility, and now management control under this Bannon Government is deteriorating alarmingly. The Premier and the Government must accept full responsibility but the Premier as Treasurer particularly must accept that responsibility.

Of course, the cynical part about all this is that in Opposition the now Premier convinced the majority of people in this State that he had all the answers. The Chief Secretary

is a bit like that also. He had all the answers to the problems at Yatala before his Party came into Government. We have seen what has happened since the former Opposition came into power. The situation has deteriorated dramatically. There has been yet another fire at Yatala. The Chief Secretary knew all the problems. He had Government dockets, he had material that had fallen off the back of trucks and he had the Auditor-General's Report. He knew how to fix it all up. We have seen in the last eight months just how he has fixed it up. It is funny how the attitude of the Premier changed on the very night of the election. That was obvious to all who saw that event on television. This Government was elected under false pretences. It suggested that it would put more on the public pay-roll, that there would be more benefits and that they would reduce taxes.

The ACTING SPEAKER (Mr Whitten): Order! The honourable member's time has expired. The honourable member for Hartley.

Mr GROOM (Hartley): That was a pathetic attempt on the part of the honourable member to justify the Opposition's record whilst in Government. It was scandalous (to use his own word) in the way in which it managed the State's finances. It permitted the State's finances to run down to such an extent that an incoming Government would ultimately face a deficit of between \$30 000 000 and \$60 000 000. The former Government did that because it was facing an election period and did not want to increase taxation until after the election, on the assumption that it would win. South Australians would have been in for a massive increase in taxation under the previous Liberal Party but, nevertheless, one cannot excuse that Party for the massive mismanagement of South Australia's finances. That is one of the reasons why the State is in its present situation. It is one of the reasons why the State is facing a deficit of \$62 000 000—because of the mismanagement of the previous Liberal Government. However, I did not want to get into those matters.

I want to deal with several matters in connection with my electorate. The first matter I want to deal with is one of congratulations. I want to congratulate the Minister of Labour in the State Government in particular and also the Federal Government for making a grant available to allow the old Payneham Primary School to be developed as a community centre. This was a grant that was announced recently from the \$17 500 000 that was made available by the Hawke Government. Two years ago the City of Payneham purchased from the Minister of Education a property known as the Payneham Junior Primary School on a site on the corner of Payneham Road and Arthur Street at Payneham. The purchase price was \$194 000 of which half was subsidised under the public parks scheme by the State Government. It is a large property and well situated on Payneham Road.

It is served by public transport along Payneham Road and also by the ring route bus service. It is a very prominent site and well placed for the establishment of a community centre. Of course, under the policies of the previous Liberal Fraser Government and the previous State Government nothing would have been done with the site and the council would have been left to its own devices. It would have been many years before anything actually eventuated with regard to that site, but as a consequence of the deliberate efforts of the new Labor Government (both Federal and State) to create jobs in this State, an application lodged by the Payneham council for a grant was accepted. It is an excellent project and one that will bring many benefits to the Payneham area.

The council's intended use of that site is to develop it as a total community centre which includes offices for certain organisations, meeting rooms, craft areas, a playground,

barbecue areas, parks and gardens, some areas for off-street car parking and, naturally, public toilets. It is a very deserving project and one upon which the Payneham council is to be congratulated for quickly getting an application lodged with the State Minister of Labour. It is no secret that I strongly supported that project and made representations to the Minister to ensure that it would go ahead.

About 15 community groups at the time the application was lodged had expressed interest in using the site. I will not list all those community groups but they are wide ranging in interests. It is quite clear that that development in what is probably an older part of my district will be of enormous benefit to the local community. It will in itself attract and probably provide a nucleus for the commencement of other community groups and organisations, particularly those with a high ethnic content. I know that many ethnic clubs and organisations are looking for locations and sites on which to conduct their organisations.

This project will provide an enormous boost to the community, and I place on record my congratulations to the Minister of Labour, the Federal Labor Government, and the Payneham council for lodging the application and for the way the need was assessed.

Regarding school security, I congratulate those people who saw fit to organise a meeting, at the Hectorville Primary School on 27 July, of the Eastern Regional School Council Security Committee, as a consequence of action by several primary school councils in my district to assess and combat the high level of vandalism in those schools. The meeting was well attended and all the groups, representing parents of primary schoolchildren, expressed concern at the vandalism in primary schools. The degrees of vandalism varied from minor vandalism in those schools where there was a high level of community use to a greater degree of vandalism in those schools that had been hard hit over a number of years.

I was impressed by the responsible way the people at that meeting expressed genuine concern for school security. They were not after political capital, but they required adequate security measures to be taken in their schools. The general consensus was that most, if not all, schools had an actual or a potential problem that needed solving. Several motions were passed by the meeting. First, the meeting viewed with great concern the prevalence of vandalism and theft in schools. Secondly, the meeting demanded that immediate action be taken to install suitable alarms and locking devices to secure all school buildings, and that these be funded by the Education Department. May I say that I strongly believe that, where schools seek improved security measures to protect school buildings, that should be solely the responsibility of the Education Department, although in minor instances of vandalism, such as a broken light, a school might be called on to meet part of the cost.

The third motion asked the Education Department to provide better access for school councils to information in order to assist in combating vandalism and theft in schools. There are times when one school council is subject to a series of incidents and, if another school has knowledge of those incidents, it can implement measures to prevent similar occurrences in that school. Fourthly, the meeting requested the upgrading and expansion of the department's security branch and, fifthly, that the department support and encourage greater community involvement in the use of school facilities and give proper support to those schools that seek a wider use. It was the general feeling of the meeting that schools having a wide range of community uses by comparison tended to be hit less by vandals.

The sixth motion was that the Education Department ascertain why persons vandalise, and implement an appropriate educational programme and an awareness of the whole

school community. Those motions were carried in a responsible manner.

The Hon. B.C. Eastick: Are you pursuing those matters with the Minister?

Mr GROOM: Yes, and the honourable member may care to use the subject matter of those motions if it will help schools in his district. I duly requested to meet with the Minister of Education and the Director-General of Education and introduce to them a deputation that could explain the motions, to which I have referred, with the aim of seeking improved security measures. I fully support the motions that were carried at the meetings and the moves that have been and are being made to upgrade security. I believe that security alarms in schools are essential; for example, those with the silent ring that is not heard by the vandal, with the result that the vandal will still be there when the police arrive. The provision of such alarms would go a long way to solving the problems caused by vandals. I am happy to say that the Minister has agreed to meet a deputation on this matter soon.

Mr MAYES (Unley): My grievance concerns a problem affecting many members of the community. Yesterday, I planned to ask the Minister representing the Attorney-General a question on the subject but, unfortunately, because of the move by the Opposition to suspend Standing Orders without notice, I could not do so. I believe that any move such as that of the Opposition yesterday takes away from back-benchers the opportunity to raise matters that may be of importance to the community, and it must be remembered that the opportunity of back-benchers to speak in this Chamber is limited.

I now take the opportunity this afternoon to bring to the notice of the House a matter that was headlined in yesterday morning's *Advertiser* regarding the recent crashes of insurance companies, not only a major insurance broker in Adelaide but also a company in Canberra during the past fortnight and another in Melbourne over the weekend. In addition, I refer to an aspect that should be considered in relation to company law and the auditing of the books of proprietary and private companies within the national securities and companies legislation. Careful consideration should be given by all State Attorneys-General and by the Federal Attorney-General to the audit requirements in respect of such companies. As I need time to develop that argument, I shall take it up later.

According to the report on the front page of yesterday's *Advertiser*, written by finance writer Malcolm Newell, major insurer Bishopsgate Insurance Australia Limited has crashed and securities worth \$19 000 000 are alleged to be missing. The article goes on to say that news of the Bishopsgate crash followed the collapse of an Adelaide insurance firm, Adelaide Insurance Brokers Proprietary Limited, with debts of \$180 000. On page 3 of that edition of the *Advertiser*, the finance writer tells of the crash that brought about the collapse of both those companies and suggests that there should be improved regulation of and control over the insurance industry to prevent such occurrences in the future.

As a junior auditor, many years ago I had dealings with a major investment house and an insurance company between which there was a close connection. As a junior officer of a large world-wide auditing firm, I submitted qualified statements to my senior partner because I had seen practices that I regarded as unsavoury, unbusinesslike, and certainly irresponsible to the community as a whole. Unfortunately, my recommendations were not taken up, and it was not long afterwards that the insurance company and the Adelaide-based finance company went through the hoop, having a sad effect on members of the community

who were insured with the former and had investments with the latter.

In his article yesterday, the finance writer went on to outline the impact of the collapse of Bishopsgate on the insurance industry of Australia, saying that the collapse was a big one, as the company had an income of \$51 000 000 in 1981-82, had about 100 employees throughout Australia, and had gone into liquidation with an apparent shortfall in securities of at least \$19 000 000. According to the article, police inquiries are in hand, and a Supreme Court action is pending in relation to the company, in an effort to ascertain how the crash occurred. It appears that one director (Mr Stathis) left the country on Sunday. In fact, securities and exchange officers approached the company on Thursday and Mr Stathis said he would be available on Friday. On Monday, some members of his staff found that he had gone overseas on Sunday.

That is an appalling situation, and it appears that he has also taken liquid assets from the company and transferred them overseas as well. Therefore, certain suggestions of misappropriation of funds are attached to the collapse of Bishopsgate.

That also raises the question of insurance brokers. Yesterday morning I had the opportunity to hear on the radio the General Manager of J.M. Insurance Brokers of Adelaide. He also raised the question that there should be a further review of the regulations in regard to insurance brokers. We find that, if one wants to be an insurance broker, one has merely to hang one's name plate on the front door and set oneself up as an experienced and expert insurance broker.

My experience over the years through various organisations with which I have had dealings is that, in many cases, their expertise and experience does not equal that of someone who is a lay person in the community. I think that we, as a Government, ought carefully to look at that as well, in terms of how a person comes to be an insurance broker and what registration requirements and regulations need to be considered if we are to allow people to set up and establish themselves as brokers.

If we look at the collapse of the South Australian based Insurance Brokers Pty Limited, we find that they failed with debts of about \$180 000. What happens to those people who are insured, those people who have workers' compensation matters with that company, and those people who continue to believe that they are covered against outside liabilities, when that brokerage firm no longer exists and is no longer able to trade? Fortunately, from the information given by the General Manager of J.M. Insurance, I understand that that company has picked up some of the commitments and the register. However, that highlights the need to look very carefully at the situation of insurance and insurance brokers in this country. I know that the Attorney has taken up the matter and on Wednesday called for an inquiry and legislation to control insurance brokers. I now raise another matter which, as I have already indicated, I will endeavour to raise in this House in future, namely, the matter of auditing requirements. I believe that the auditing requirements in this country in many ways ought to be tightened quite significantly. I can speak with some limited experience, having worked as a staff accountant for a large auditing firm in Adelaide and a large corporation, and having seen the auditing requirements which were placed on that firm by American auditors.

The audit requirements in this country, both for public and private companies, are governed by the Australian national companies and securities legislation. The Act and regulations are standard for the Commonwealth and all States. However, there are minor variations within the States in regard to audit requirements which differ between companies. In particular, exempt proprietary companies are not

required to appoint an auditor if they fulfil certain conditions. These issues should be carefully examined by all attorneys in this country because I believe that that leaves a gaping hole. It may not affect those people who own private companies, but it certainly may affect the creditors who do business and trade with those companies.

We have recently seen private proprietary companies collapse, leaving creditors in an awkward and very difficult situation, having no previous knowledge of what the situation was in regard to the companies' finances.

The position of exempt proprietary companies is covered in paragraph 714 of the *Guidebook on Australian Company Law*. Briefly, if within 14 days of incorporation all members of a proprietary company agreed that it is not necessary, or if all members have agreed not more than a month prior

to an annual general meeting, no auditor is required. In fact, the information that is provided to the public at large—not only those who own the company in a limited sense but the proprietary of that whole company—is not known to the public at large. I do not believe that that is good enough. Those private companies and proprietary companies ought to be carefully examined by a public auditor so that the whole operations and financial standing of that company are known by the public at large. I give notice that I intend to pursue this matter with the Attorney and raise it in future in this House.

Motion carried.

At 5.25 p.m. the House adjourned until Tuesday 16 August at 2 p.m.