HOUSE OF ASSEMBLY

Tuesday 29 November 1983

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

MAGISTRATES 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.

STATUTES AMENDMENT (MAGISTRATES) 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.

STATE BANK OF SOUTH AUSTRALIA 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.

LOCAL GOVERNMENT FINANCE AUTHORITY 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.

ASSENT TO BILLS

His Excellency the Governor, by message, intimated his assent to the following Bills:

Historic Shipwrecks Act Amendment,
Land Tax Act Amendment,
Licensing Act Amendment (No. 2),
Lottery and Gaming Act Amendment,
Statutes Repeal (Health),
Tertiary Education Authority Act Amendment.

PETITION: FINDON HOTEL

A petition signed by 37 residents of South Australia praying that the House urge the Government to enforce stricter controls on licensee and patron behaviour and reduce the public nuisance in the vicinity of the Findon Hotel was presented by Mr Plunkett.

Petition received.

QUESTIONS

The SPEAKER: I direct that answers to questions on the Notice Paper, as detailed in the following schedule that I now table, be distributed and printed in *Hansard*: questions on the Notice Paper except Nos 61, 166, 203, 205, 207, 209, 224, 231, 232, 245, 246, 248, 249, and 252 to 255; and I direct that the following answers to a question without notice and a question asked in Estimates Committee A be distributed and printed in *Hansard*.

BIRTH, DEATH AND MARRIAGE CERTIFICATE RATES

In reply to **Mr EVANS** (20 October).

The Hon. J.C. BANNON: Consideration has been given to the suggestion that concessional charges apply to persons requiring birth, death, and marriage certificates for biographical purposes. The time taken by registry staff to search for and issue certified copies of old registrations is much longer because many of the applications are incomplete and imprecise. It is Government policy that charges should accurately reflect the costs of providing services, and therefore it is not proposed to agree to the suggestion. There would also be considerable administrative difficulties in determining whether certificates were genuinely required for biographical purposes. It is pointed out that indexes to the pre-1906 registrations have been made available for public access. This considerably assists biographical researchers and often reduces the number of certificates required.

COMPUTERS
(Estimates Committee A)

In reply to **Mr BAKER** (29 September).

The Hon. D.J. HOPGOOD: The financial data provided in reply to the honourable member's questions relates to the two financial years 1981-82 and 1982-83. This covers the period from the effective operation of the Department in its present form to the end of the most recent financial year. The answers to the specific questions are:

(1) The total cost of all computer applications in the Department is $1.435 million. This amount includes equipment costs, software development costs, operating costs, and staff costs.

(2) The cost of computer hardware and software is $1 047 500. This amount includes hardware and operating software costs, the cost of software packages, and the cost of developing application software.

(3) Apart from normal software maintenance for correction of minor errors or for changes due to altered requirements, the only system which has had a major redevelopment is the project management system. This was moved to the Government Computing Centre because the majority of data used by the system is produced by the Goverment Computing Centre and also because the majority of Government financial systems (present and future) will be processed at the centre.

(4) LANDSAT data from the latest satellite LANDSAT 4 is now being collected over South Australia. A feasibility study was carried out by the Remote Sensing Applications Branch over Kangaroo Island, the South-East, and near Ceduna, testing the ability to digitally map existing vegetation. The results of those feasibility studies were in the affirmative, and it was decided to proceed with such mapping over the State's settled areas on an annual basis using LANDSAT MSS data (80 m. resolution) at a scale of 1:500 000. The annual production of these maps will be carried out from now until March 1984, when satellite coverage is most likely to be cloud-free.

DARLINGTON TO WATTLE PARK WATER SUPPLY

The SPEAKER laid on the table the following report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Darlington to Wattle Park Water Supply Reorganisation.
Ordered that report be printed.

PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. J.C. Bannon)—

Pursuant to Statute—

I. Pay-roll Tax Act, 1971—Regulations—Exemption and refund scheme.
II. Superannuation Act, 1974—Regulations—Elections, higher duties and investment trust.

By the Minister for the Arts (Hon. J.C. Bannon)—

Pursuant to Statute—

I. History Trust of South Australia—Report, 1981-82.

By the Minister of Marine (Hon. R.K. Abbott)—

Pursuant to Statute—

Harbors Act, 1936—Regulations—
I. Port MacDonnell boat haven fees
II. Robe boat haven fees
III. North Arm fishing haven fees
IV. Marine Act, 1936—Regulations—Survey and equipment of fishing vessels. Fees.

By the Minister of Education (Hon. Lynn Arnold)—

By Command—

I. South Australian Egg Board—Report, 1982-83.

Pursuant to Statute—

I. Vertebrate Pests Control Authority—Report, 1981-82.

By the Chief Secretary (Hon. G.F. Keneally)—

Pursuant to Statute—

I. Health Act, 1935—Regulations—Construction of Swimming Pools.
II. Hospitals Act, 1934—Regulations—long stay patient fees.
III. Commissioners of Charitable Funds—Report, 1982-83.
IV. South Australian Health Commission Act, 1975—Regulations—Hospital long stay patient fees.
V. Nursing Home long stay patient fees.
VI. South Australian Psychological Board—Report, 1982-83.

Food and Drugs Act, 1908—Regulations—
VII. Coffee standards.
VII. Thickened cream.
IX. Soft drink standards and food contamination.

By the Minister of Community Welfare (Hon. G.J. Crafter)—

Pursuant to Statute—

I. Acts Republication Act, 1967—Workers Compensation Act, 1971—Alterations made by the Commissioner of Statute by the Commissioner of Statute Revision.
II. Rules of Court—Local and District Criminal Courts Act, 1926-1982—Local Court Rules—Practitioners Costs.
III. Planning Act, 1982—Planning Appeal Tribunal Rules—Costs.
IV. Trade Standards Act, 1979—Regulations—Solid Chlorine Compounds.

By the Minister of Local Government (Hon. T.H. Hemmings)—

Pursuant to Statute—

I. Fees Regulation Act, 1927—Regulations—Local Government Officers Certificates Fees.
II. Local Government Act, 1934—Weir Restaurant—Indenture between the Corporation of the City of Adelaide and William Sparr.
III. Corporation of Adelaide—By-law No. 10—Street traders.
IV. Corporation of Glenelg—By-law No. 1—Bathing and controlling the foreshore.
V. Corporation of Thebarton—By-law No. 46—Lodging houses.
VI. District Council of Kimba—By-law No. 26—Amendments to by-laws.
VII. District Council of Victor Harbor—By-law No. 34—Dogs.

MINISTERIAL STATEMENT: WATER SUPPLY SYSTEM SECURITY

The Hon. J.W. SLATER (Minister of Water Resources): I seek leave to make a statement.

Leave granted.

The Hon. J.W. SLATER: Following the Ash Wednesday bushfires on 16 February 1983, it was decided that the Engineering and Water Supply Department should compile an internal departmental report into the security of water supply systems in the event of a major bushfire in South Australia. This report, entitled 'Report on the investigation into the review of the security of water supply systems in the event of a major bushfire', has now been completed, and I wish to make its findings known to members of this House.

However, before I do so I would like to acquaint members with some of the background, circumstances, and reasons that have led to these conclusions. First, in relation to the responsibilities of the Engineering and Water Supply Department under the Waterworks Act, the Department, as a water supply authority, is required by the Waterworks Act, 1932-1975, to provide a water supply for normal domestic, industrial, commercial, and stock consumption. In the event that it would be impossible to maintain a water supply under all circumstances, the Act states in section 31 (1):

> The Minister shall, in each water district, unless prevented by unusual drought or other unavoidable cause or accident, distribute to all persons entitled thereto under this Act, a constant supply of water in the manner prescribed under this Act.

Therefore, under the provisions of the Act, the Department is only obliged to supply water for normal (I repeat: normal) requirements, whether it be used for consumption or fire fighting. It is the opinion of the Department's legal officer that the demand placed on a water system during a bushfire of the intensity and magnitude of that experienced on Ash Wednesday last February could not be considered normal and, consequently, the Department's legal responsibilities were fully met.

In relation to major fire-risk areas, historically, the majority of bushfires have occurred in the southern half of the State, and to some extent in the Eyre region. Among these, the most serious bushfires have been experienced in the Adelaide Hills and the South-East regions of South Australia. The report examined pumping stations in 100 locations throughout the State, and applied fire-risk ratings to each one of them ranging from low to medium to high.

There are considered to be 21 pumping stations in high fire-risk areas, 12 in medium risk areas and 67 in the low risk category. Among the 21 pumping stations in high fire-risk areas, Beachport and Robe already have fixed emergency power generators; Millbrook and Clarendon are too large to provide emergency power; and Lucindale and Penola can be adequately serviced by mobile emergency power. During the bushfires on 16 February 1983, although a number of water supplies were affected due to electricity blackouts, only four of them experienced total power failures. This fact highlights not an inadequacy in water supplies, but a major reliance on continued electric power supplies in the event of bushfires.

It must be said that ETSA's operational policies are aimed at minimising power outages during bushfires. However, it must also be understood that some outages, such as flash-overs due to ionisation, inevitably occur due to the effects of bushfires. The report's main finding was that each of the water supply systems which failed did provide a normal standard of supply in respect of security: namely, more than four hours supply at the average flow on the day of peak demand following a failure of power. Therefore, the failures

at Mount Osmond, Houghton, Tarpeena, and Kalangadoo could only be attributed to the exceptional circumstances of excessive water demands and prolonged power failures.

Turning now to the options available to improve water supply security, the report concluded that security of water supplies depends on:

(a) the capacity of mains;

(b) the volume of storage in tanks; and

(c) the continuity of pumping.

Of these options, only the pumping component lends itself to an improvement in increasing security of water supplies on an economic basis. However, this cost is still a major consideration in pursuing this option. To provide fixed emergency power generators at the six pumping stations affected by recent bushfires and at four other stations of high priority, plus five mobile units to cover the other 17 stations in high and medium risk areas, would require capital costs of about $1.27 million and $285 000 in on-going annual costs.

A full coverage of fixed emergency power at the 15 pumping stations in high fire-risk areas and the provision of six mobile emergency power units to cover two pumping stations in high fire-risk areas (Lucindale and Penola) and nine pumping stations in medium risk areas, would cost about $2.25 million, with on-going annual costs of $470 000. It has been assessed in the report that only a very small number of homes may have been saved on 16 February 1983, mostly during mopping up after the passage of the fire front, if water supplies had been maintained. The expenditure I mentioned would make supply more secure, but would not guarantee supply in conditions of extreme water usage.

The issue must be addressed under these extreme and exceptional conditions. The spending of these vast amounts of moneys is, therefore, not justified on a cost-effective basis. This is clearly supported by a statement made by the Director of the Country Fire Services, who said:

> The provision of emergency power units to secure water supplies as suggested in this report would be of little or no help during or after a major bushfire and certainly this system would not be a cost-effective fire protection strategy for which the community should be asked to pay. Funds of this order could achieve far greater protection and provide real benefit to the community if expended in other ways, such as: fire-fighting equipment; aggressive advertising campaigns to sell the principles of bushfire safety and survival to the community; and scientific designation of the State into relative fire hazard zones.

For all these reasons, which have been carefully examined and rationalised, the Government cannot justify this expenditure to provide emergency power at water supply pumping stations to marginally improve the security of existing supplies during major bushfires. In relation to alternative actions being taken by the Department, as Minister of Water Resources, I can assure the House that adequate measures are in hand. These include: first, a review of the landscaping of pumping station sites to provide fire protection to each station, while meeting environmental requirements and promoting low-cost maintenance; secondly, a review of the possibility of providing fire plugs on major pipelines in areas of fire risk for C.F.S. and local government fire-fighting purposes; and, thirdly, a review and update of standing procedures for operations personnel during the bushfire season, including standing authorities for requesting community announcements to be made by the media to maximise the effectiveness of currently available water supplies.

I come now to major measures to combat bushfires. As I previously mentioned, the spending of vast amounts of money to increase security of water supplies is not justified on a cost-effective basis. However, funds can be and are being spent to maximise fire protection, fire-fighting and public awareness of bushfires in this State. This year, the C.F.S. has a total budget of $3.7 million, which is a 31 per cent increase over 1982-83. The funds include State Government subsidies for the purchase of fire-fighting equipment by local government councils.

In 1983-84 the Department of Agriculture has allocated $35 000 to the C.F.S. for fire research and $82 000 for the training of personnel. This year the Department of Agriculture has also allocated $86 000 for a public awareness campaign on the hazards of bushfires. The allocation is almost double that of the previous year. In addition, the C.F.S., the Public Service Board and a private consultancy firm are carrying out a study into the standards of fire cover for the State. The aim of the study is to identify the highest fire risk zones and determine equipment needs accordingly. This study is expected to be completed in about three months. I table the report.

QUESTION TIME

CANEGRASS SWAMP

Mr OLSEN: Will the Premier say whether it is true that taxpayers' funds have been used to provide supplies to protesters who have blockaded a major access road for the Roxby Downs project at Canegrass Swamp?

Mr Hamilton: Tell us about the Olympic Games.

The SPEAKER: Order!

Mr OLSEN: I have been informed that through Department of Environment planning order No. A38395 an amount of $700 was spent at Andamooka on 5 August this year to purchase supplies (mainly of petrol, food and cigarettes) for a group of protesters who, on that day, began a blockade at Canegrass Swamp, which is still delaying important work on the Roxby Downs project. It has been put to me that that represents a back-door attempt by the Government to support demonstrations against the project, and is an unprecendented use of taxpayers' funds—

Members interjecting:

The SPEAKER: Order!

Mr OLSEN: —to assist activities aimed at stopping work which is proceeding according to conditions set down by this Parliament and, in the case of the road, following specific approval announced by the Minister for Environment and Planning on 28 June.

The Hon. D.J. HOPGOOD: I suppose that people can put what they like to the Leader of the Opposition. However, I would have thought that it was for him to exercise judgment as to the veracity of what has been put to him. It is true that $700 was expended. Let us make absolutely clear that in fact there is no-one there at present—at least on information given to me yesterday—so we are not talking about an existing situation. I notice that the Leader started his question in the present tense, not in the past tense. However, in any event the House might recall that my officers were there and the Kokatha people were there in furtherance of a system of negotiation—

Mr Olsen: It was $700?

The Hon. D.J. HOPGOOD: —to provide (yes, it was $700) for a track for the bore-field road and the pipeline. It was an extemely successful procedure until on one occasion there was a misunderstanding: the Aborigines were not where they were supposed to be at a particular time, a bulldozer driver became impatient, and what has been claimed since that time is that there was destruction of a sacred site, and that has led to the escalation that we have witnessed since that time.

We believe that the presence of the Aborigines on site at that time was important for the resolution of what was

proving (and is still proving) to be a difficult problem. In those circumstances the request on the part of the Aboriginal community for some sustenance to their people, who were there on site, was agreed. There was no paying of wages or anything like that. It involved money for petrol and food for the people there.

Members interjecting:

The Hon. D.J. HOPGOOD: Certainly, I authorised it, but let us make it clear that we are talking not about protesters, but about the Kokatha community and their presence on site as part of a negotiation process which should have taken place 18 months ago.

SHOPPING CENTRE LEASES

Mr GROOM: Can the Minister of Community Welfare, representing the Attorney-General in another place, say what steps will be taken by the Minister in relation to implementing the recommendations of the working party on shopping centre leases? The working party's recommendations, released by the Attorney-General last week, made a number of important recommendations for change for the protection of small business persons. As this is a very important matter for small businesses, I ask the Minister to outline the future steps proposed by the Government.

The Hon. G.J. CRAFTER: I will obtain a report from the appropriate Minister for the honourable member. I am aware of his long-standing interest in this measure and, indeed, his initiatives in this House in that regard. I understand that the Government has circulated the working party report to the sector of the industry concerned, and is awaiting their response and that of the community at large. When it is received, which I understand will be early next year, legislation will be introduced into the Parliament to provide proper remedies for such people.

CANEGRASS SWAMP

The Hon. E.R. GOLDSWORTHY: Will the Premier ask the Auditor-General to investigate the use of funds by the Department of Environment and Planning to support activities to prevent work proceeding at Canegrass Swamp on a major access road in the Roxby Downs project?

Members interjecting:

The SPEAKER: Order!

The Hon. E.R. GOLDSWORTHY: I ask this question because the answer by the Minister has clearly established a new principle—

Members interjecting:

The SPEAKER: Order! Leave to explain has been given.

The Hon. E.R. GOLDSWORTHY: The answer by the Minister has clearly established a new principle in relation to the use of taxpayers' funds, namely, that tax can be used to support demonstrations against activities which are being conducted legally (that is, the construction of the road) and which have the full approval of both this Parliament and the Government.

The Hon. J.C. BANNON: I do not think that there is any cause to ask the Auditor-General to make specific investigation into this matter. I would have thought that, if the Deputy Leader had listened to what the Minister for Environment and Planning had said, he would fully understand what had happened: in fact, it is not as the Opposition is attempting to categorise it: on the contrary, this expenditure was involved as part of that study in which the Kokatha peoples were co-operating and which the Government was encouraging in order to try to get a solution to the problem and get the project rolling. It seems to me quite extraordinary that a Party that purports to be interested in this project and getting ahead with it attempts to—

Mr Olsen: In addition to the $700.

The Hon. J.C. BANNON: Well, I guess that this sort of exercise is quite sterile. The Government is attempting to ensure that that project goes ahead with the consent and support of the whole community. It is no easy task, and certainly it has not been made any easier by the role that the Opposition has played in this destructive way in this place; there is absolutely no help from it. I refer again to the answer given by the Minister for Environment and Planning that what was engaged on was an exercise where such expenditure could quite legitimately be incurred. I would be interested in seeing the Leader of the Opposition's entertainment allowance, as a former Minister of the Crown, just to get some sort of perspective on this sort of aspect.

NOISE CONTROL

Mr HAMILTON: Will the Minister for Environment and Planning say what action the Government is considering to assist residents of South Australia who wish to lodge complaints to officers of the noise control section of the Department of Environment and Planning on Saturdays and Sundays? Last weekend, in particular last Saturday, I received again a large number of complaints from very angry residents who live adjacent to the factory of Allied Engineering at Royal Park. As the Minister would well be aware, this is a matter of long-standing complaint. I might add that I believe that the complaint is justified. However, I do not wish to comment. When I contacted the Minister, I pointed out that residents were unable to contact officers of the noise control section to lodge complaints. Hence my reason for this question about the action the Government intends to take to assist not only my constituents but others in South Australia in similar circumstances.

The Hon. D.J. HOPGOOD: The honourable member does highlight a problem. Of course, in relation to domestic noise, members of the public can contact the police at any time and request that an investigation take place. There has not been until now the capacity for the noise control unit to go out and investigate a particular complaint, because there is no provision in the Act such as occurs, say, with the Mines and Works Inspection Act, as I understand it, whereby an inspector could actually take a stoppage notice in order to quit work for a short time while there was a discussion with management about how best to ameliorate the problem.

Therefore, given that we do not have that power at this stage (and the matter is being actively considered by the Government), there is seen historically to be no point in having the resources available to have officers go out and actually take readings, because what could one then do with the reading? However, the honourable member does raise a problem and I am prepared to take it up with my Department and with the Government as a whole to ascertain whether we should try to get additional resources to enable there to be some procedure whereby people could over a weekend telephone in complaints of this nature and have them immediately investigated.

INSTITUTE OF TEACHERS

The Hon. MICHAEL WILSON: My question is addressed to the Premier. In view of the announced affiliation of the South Australian Institute of Teachers with the United Trades and Labor Council of South Australia, an affiliation

which will mean that all members of the Institute will now pay compulsory dues to the Labor Party—

Members interjecting:

The SPEAKER: Order! I take it that the honourable member will seek leave to explain.

The Hon. MICHAEL WILSON: I am about to ask a question.

Members interjecting:

The SPEAKER: Order! I take it that the honourable member will now ask a question.

The Hon. MICHAEL WILSON: I will ask a question, but honourable members over there do not want to hear it.

The SPEAKER: The honourable member sought leave to explain.

The Hon. MICHAEL WILSON: I continue: is it the Premier's intention to bring the Education Department within the requirements of his earlier circular to all Government departments, namely, that the names of non-unionist employees will be provided to the appropriate union, in this case the South Australian Institute of Teachers?

The Hon. J.C. BANNON: I am aware of the decision made by the South Australian Institute of Teachers to affiliate with the United Trades and Labor Council, and I guess that all of those people who are interested in and concerned with industrial relations should welcome that move, just as I think it is pleasing when one sees employer bodies or individual major employers joining their appropriate employers' organisation. Our whole system of industrial relations and its effectiveness is based upon such representative groupings and negotiations. I am pleased to see this: it is a decision taken by SAIT and I think it should prove a very useful one for that organisation, for the United Trades and Labor Council and for all those who have to deal with it.

When I hear that an employer or some other body has joined the Chamber of Commerce and Industry or the South Australian Employers Federation, I do not ask whether that means they are now going to pay compulsory fees or levies to the Liberal Party; equally, that part of the question was framed totally erroneously. There is affiliation of trade unions with the Labor Party, and we are very proud of that, but that is a decision taken by individual unions by the democratic means allowed to them, and they determine whether or not they will be affiliated: some are, but a number are not and that is their decision. The Institute of Teachers is not an affiliated union, and its membership of the United Trades and Labor Council does not make it one. As to the impact that will have on the matter raised by the honourable member, I would not see that it made any difference to action taken in the past.

PROPERTY TRUSTS

Mr FERGUSON: Will the Minister representing the Minister of Corporate Affairs ascertain whether the Corporate Affairs Department is in agreement with the Commissioner of the National Securities Commission about the need for more investor protection for investors in property trusts? Mr Tony Greenwood, the Commissioner, in an address to the Young Lawyers Section of the Law Society of New South Wales suggested a series of reforms that need to be looked at in relation to investor protection.

Two of the most serious reforms relate to projections of capital gains and the skill and training of the licensees. Mr Greenwood stated that the projection of capital gains or income in the prospectuses of property trusts should be prohibited until the trust industry is able to adapt to and submit details of forecasting techniques which may be relied upon by investors; some evidence of the skill and training of licensees in connection with the property trust industry was probably necessary. Mr Greenwood said that there had been complaints that licensees who claimed to give independent advice where not truly independent because they were strongly influenced by the amount of commission they received for promoting investments in particular property trusts.

The Hon. G.J. CRAFTER: The honourable member raises a matter that is obviously important to all investors in this State, as much money is being invested in property trusts at present. I will obtain for the honourable member a report from the appropriate Minister.

CANEGRASS SWAMP

Mr GUNN: I direct my question to the Premier. It is supplementary to the question asked by the Leader of the Opposition. Was the Premier consulted before the payment of $700 was made to provide supplies to demonstrators at Canegrass Swamp? The Aborigines involved were in fact demonstrating against the route of the proposed access road. Their demonstrations began on 5 August, the day on which the funds in question were spent at Andamooka.

The Hon. J.C. BANNON: This matter is in the hands of the Ministers responsible. In this instance, the Minister for Environment and Planning is working closely with my colleague the Minister of Mines and Energy, and there is no need for me to have been informed. The group concerned was not demonstrating: I think that has been made quite clear. In fact, they were in consultation with officers of the Government in relation to a dispute that had arisen. They were, if you like, acting in a consultancy capacity on that occasion.

Members interjecting:

The Hon. J.C. BANNON: So, it is nonsense to talk about a demonstration.

Members interjecting:

The SPEAKER: Order! The honourable member for Florey.

OTWAY BASIN

Mr GREGORY: Can the Minister of Mines and Energy provide the House with any additional information on the recent joint Commonwealth-State announcement inviting applications for a petroleum exploration permit in the Otway Basin, off the State's South-East coast? It appears that this announcement is part of an Australia-wide push to step up offshore oil exploration, because I have noticed media coverage of other joint announcements relating to areas off Tasmania and Western Australia.

The Hon. R.G. PAYNE: The honourable member is quite correct in assuming that a concerted joint effort is being instituted by the Commonwealth and the States generally to encourage a greater level of oil search in prospective offshore areas. The decision to make a co-ordinated release of offshore exploration areas was taken in Brisbane earlier this year at the last meeting of Mines Ministers. It was designed to offset a decline in offshore exploration caused by the withdrawal of a considerable number of small explorers from permit areas, owing to the difficulty they were having in raising exploration funds in recessionary times.

Extensive advertising is being undertaken overseas, as well as within Australia, to attract interest in the offshore areas concerned. It is a matter for conjecture that recent happenings somewhat further offshore in the north-west of Australia involving Jabiru might well provide additional stimulus. The area available in the South Australian section

of the Otway Basin has been explored previously. Five wells were drilled in this permit in an exploration phase which ended in 1975, but since then gas has been found onshore in the Victorian section of the Otway Basin, thereby, presumably creating an increased interest (funds permitting) in offshore work.

In addition, improvements in seismic technology are now available to help any future explorer provide a better definition of the potential of the area. I understand that my Department has already had a number of inquiries about the permit area and is hopeful of further interest before the closing date for applications in April next year. I guess that is another feature: that a proper advertising campaign is being carried out so that maximum interest can be generated. Members will be interested to learn that an offshore well will be started in the neighbouring South Australian permit area, EPP 18, next month. The well, Break Sea Reef 1, will be drilled by Ultramar Australia Incorporated using the semi-submersible rig, *Diamond Epoch*. On present planning, spudding-in is due in mid-December.

RAILWAY STATION REDEVELOPMENT

The Hon. JENNIFER ADAMSON: Can the Premier give an assurance that an operator for the international hotel proposed as part of the railway station redevelopment will be secured before the construction of the project begins? In the case of the development of the Hilton International Hotel, the agreement of the Hilton chain to be operators of that hotel was secured before detailed design work began. This procedure is customary for such hotel developments but, in the case of the railway station development, I understand that detailed design work is now under way, despite the fact that an operator has not yet been secured for the hotel.

The Hon. J.C. BANNON: I think a better expression is 'has not yet been chosen'. The matter has been canvassed previously in this place. I am not directly involved in those negotiations—that is the task of the consortium—but a number of hotel chains are interested in taking up the project. A final decision has not yet been made.

COASTAL LAND

Mr MAX BROWN: Will the Minister of Lands, as a matter of urgency, have his officers confer once again with the Department of the Army to seek an immediate rescinding of that Department's recent decision not to concede to the State Government a small but very important coastal strip of land between Stony Point and Point Douglas? The Minister would be aware that on 5 August this year, after inspection of the area, the Department of Defence, the Department of Administrative Services and his own Department, together with officers of the Whyalla City Council, agreed that the small coastal strip of land referred to would be given over to the State Government. It appears since that agreement that the Department of the Army has decided to reverse the decision for reasons, which I find very strange. I point out that the decision by the Army now means no access road to shacks or beach areas as an alternative to the one at Stony Point taken away by the Department. This has led to a hostile public outcry in Whyalla.

The Hon. D.J. HOPGOOD: I am happy to arrange for officer level discussions. However, in view of the outline given by the honourable member, I wonder whether such discussions would be sufficient. In any event, it might be a useful first step and, in light of the report by officers, we will see whether it is necessary for me to contact the relevant Commonwealth Minister. I share the honourable member's concern in this matter.

RAILWAY STATION REDEVELOPMENT

The Hon. B.C. EASTICK: Will the Minister of Local Government advise the House whether the Adelaide City Council has been consulted about plans to redevelop the Adelaide railway station site and, if so, whether the council has agreed to forgo rates in connection with the redevelopment at an estimated annual cost to the council of more than $1 million?

The Hon. T.H. HEMMINGS: No, I cannot advise the member for Light but will have a detailed report sent to him within the next two or three days.

OLYMPIC ATHLETES

Ms LENEHAN: Will the Minister of Recreation and Sport make representations to his Federal counterpart to ascertain whether there is any truth in the allegations that a total of $500 000 was paid by the former Federal Liberal Government to Australian athletes as an incentive to boycott the Olympic Games in Moscow in 1980?

The SPEAKER: Order! I rule the question out of order on the basis that the approval for and expenditure of the money would clearly have fallen within the jurisdiction of the Federal Government.

FISHING LICENCE FEES

The Hon. P.B. ARNOLD: Will the Premier give an assurance that all fishing licence fees will remain unchanged for the next two years? On Tuesday 15 November 1983 the Minister of Fisheries said in the Legislative Council:

> The industry has an assurance from me that there will be no increases during the life of this Government in licence fees—that is, in the part of the licence fee that has been in dispute over the past few months.

The Minister continues:

> There is to be no increase in licence fees for two years.

In view of the statement made by the Minister, the fishing industry has expressed concern that he might later suggest that there will be no increase for two years, further to the increases proposed in his letter dated 1 July 1983. As the Minister's statement in the Legislative Council could be interpreted in two ways, can the Premier give an assurance that there will be no increase in fees for the next two years?

The Hon. J.C. BANNON: I will consult with my colleague and bring down a reply for the honourable member.

RIVERLAND COSTS

Mr WHITTEN: Has the attention of the Minister of Water Resources been drawn to the statement of the Chairman of United Farmers and Stockowners Horticultural Section, Mr John Petch, that water and drainage rate increases represent only a minor portion of growers' costs and problems? If it has, does the Minister agree with that statement? In the November issue of the *Farmer and Stockowner* at page 26, an article under the heading, 'Water rates not only problem', states in part:

> The Chairman of the UFS horticulture section, Mr John Petch, said recently that while the UFS shared irrigators' concern over water and drainage rate increases and supported action taken by irrigators, the increases represented only a minor portion of growers' costs and problems. He said his calculations were that the 28 per

cent increase recently announced would add only 1-2 per cent to growers' total costs. Mr Petch claimed Riverland irrigators faced a much deeper economic malaise than that being attributed to water rate charges.

The Hon. J.W. SLATER: I am aware of the statement to which the member for Price has referred. Indeed, it is probably one of the most commonsense statements that we have heard from anyone in the Riverland over the past few months. I certainly support Mr Petch's comments. His point is one I have made previously in this House: it is not water rates that are the problem for irrigators in the Riverland, but a combination of factors, one of the major ones being market forces and that they are not getting a return for their produce. The relevant quote in the article is in the next paragraph, where it was stated:

'It is of major concern to the UFS that those people now calling for action over water rate charges have all too willingly in the past been totally supportive of marketing and organisational regimes which have done so much to reduce grower viability in the region,' Mr Petch said.

That is the point I made on the day I was asked a question by the member for Chaffey, when growers from the Riverland came to Adelaide to protest and came into this House. I said that that was the problem to which we had to address ourselves, and that it was not only water and irrigation charges causing concern. Consequently, the Government will set up a Riverland redevelopment council, which will address itself to all problems associated with fruitgrowers in the Riverland. Unfortunately, the Leader of the Opposition and the member for Chaffey have been playing politics over this issue. We want to address the situation: we want to make sure that people in the Riverland get a fair go in the market place, and that they remain viable.

GOVERNMENT TENDERS

The Hon. D.C. BROWN: My question is directed to the Minister for Technology, or it may also be answered by either the Premier or the Minister for Environment and Planning.

An honourable member: Who is it going to be to?

The Hon. D.C. BROWN: They have to sort that out, because they do not seem to communicate amongst each other. Why did the South Australian Government specifically exclude local manufacturer, Raytheon Data Systems, from even tendering for the supply of at least some personal computing and word processing equipment? Why did the Government allow this $2 million order to go to I.B.M. without going through the public tendering procedures? Raytheon Data Systems, set up at Hendon under the former Liberal Government, assembles and partly manufactures word processing equipment and visual display units (v.d.u's), which are fully compatible with I.B.M. equipment. That is one reason why the former Liberal Government gave so much importance to that Raytheon manufacturing facility in this State.

Some of the units that have been purchased by the State Government are stand-alone units and, therefore may not need to be compatible with I.B.M. equipment. Furthermore, yesterday, the Minister for Technology released his blueprint for South Australia's technology and, as part of that blueprint, advocated the purchasing policy for Government that specifically encouraged the development of high technology industry in South Australia. However, by the actions of this Government in the purchase of this equipment from I.B.M., a local manufacturer has not even been given the chance to tender, let alone to supply the equipment.

The Hon. D.J. HOPGOOD: First of all, I thank the honourable member for the advance notice of this question to me through the media and I would like to help him in respect to it. He has indulged his imagination somewhat in relation to his media statement, and also demonstrated this afternoon his lack of understanding of the Act under which the Supply and Tender Board operates.

However, I can perhaps best assist the honourable member and the House by putting to the House three or four propositions which I think are self-evident and which are bipartisan, and they are these: first, we have a Government Computing Centre, and it is a bipartisan position that we should have that Government Computing Centre. It is not altogether self-evident. It would be theoretically possible for the whole of it to be let out to private enterprise, but the Government of which the honourable member was a part made no attempt to do that during its three years in office, so I assume it accepted the reality that there is a Government Computing Centre.

The second proposition with which I think the honourable member will agree is that the Government Computing Centre should pay its way. For some time now the Department of Services and Supply has been moving towards a system whereby it would not be a direct charge on the Budget at all, but rather would charge for all services that it provided to other departments and would pay its way. This implies of course a degree of entrepreneurial skill on the part of that division of the Department of Services and Supply and, indeed, of the whole of the Department.

The third proposition I put to the honourable member, with which I am sure he would agree, is that there are limits to this entrepreneurial area. That is also a bipartisan position, that the Government Computing Centre should not be providing services to private industry outside of Government. If we accept those three propositions, clearly the Government Computing Centre will exercise these entrepreneurial skills within the limited area available to it to ensure that it does work towards the best possible outcome in terms of its concept of remaining self-sufficient.

It was in that spirit that the Supply and Tender Board was invited to agree to a system whereby this contract would be specifically negotiated, and that the normal conditions of letting out to tender would not apply. This by no means is an unusual procedure: it happens from time to time. It certainly happened during the time that the honourable member was in Government and, indeed, there are specific—

The Hon. D.C. Brown: We supported major industry; we didn't exclude them.

The Hon. D.J. HOPGOOD: The honourable member does not want to listen to what I am saying: he wants to go off on some other tack. There are specific conditions laid down to make possible the Supply and Tender Board setting aside the normal tendering system. It decided to do that on this occasion. The Supply and Tender Board is not subject to Government direction, and I assume that that is the other aspect on which the honourable member and I agree: in relation to specific matters as opposed to very broad areas of policy, it would be most unfortunate if the Supply and Tender Board were subject to political control and, no doubt, the honourable member would be the first to complain if there was a skerrick of evidence that that was the case.

In relation to the specific matter, the Government Computing Centre, in furtherance of the entrepreneurial avenue that it must follow, determined that, in light of the decision taken in 1981 under the honourable member's Government to obtain I.B.M. main frames, given that from time to time those systems may be partly compatible (they are not always fully compatible), and given further that there is a servicing requirement from other Government departments that the Government Computing Centre has to satisfy, the best way to proceed would be to enter into this arrangement. Let me explain to the House exactly what the arrangement is.

For a 12-month period from a date last month to a date next October, there will be a system under which personal computers can be purchased through the Government Computing Centre for other Government departments and instrumentalities. There has been no specific negotiation as to the number of units to be purchased, and to talk about a certain number of units or $2 million or $2.5 million as the honourable member has done is pure fantasy. There is absolutely no basis in that at all. The position will be reviewed at the end of the 12-month period, and the Supply and Tender Board will review that decision in the light of the charter and the Act under which it operates.

I also make the point that there is no specific Government contract generally in relation to the purchase of data processing equipment. If other Government departments or instrumentalities want to purchase directly from other makers of data processing equipment, they are perfectly at liberty to do so. In relation to this matter, it is interesting that before the Supply and Tender Board yesterday (it may have already been resolved: I do not know) there was a consideration that data processing equipment should be purchased for the Regency Park Community College, and that this would be done not by going to tender but by setting aside that tender. That is not in respect of I.B.M. equipment: it is in respect of data processing equipment, which is provided by another firm. I doubt whether honourable members could argue that the Government has been in any way single handed as opposed to even handed in dealing with manufacturers of data processing equipment.

I have a table which is purely statistical and which I will seek leave to incorporate in *Hansard*. It is a summary of micro-computers (not including accessories) purchased between 1 July 1982 and 21 November 1983. I will not canvass the contents of it except to say that, once honourable members and the people who read *Hansard* have looked at it, they will see that there is a very broad range of products purchased by the Government. Therefore, I seek leave to have that table inserted in *Hansard*, it being specifically statistical, without my reading it.

The Hon. D.C. Brown interjecting:

The Hon. D.J. HOPGOOD: I certainly commend the information I have been giving, if not to the honourable member because he has chosen not to listen, to the House for its consideration.

Leave granted.

SUMMARY OF MICRO-COMPUTERS (NOT INCLUDING ACCESSORIES) PURCHASED BETWEEN 1.7.82-21.11.83

	Model	Quantity	Approx. Total Value
			$
Zenith:	ZW-120-22	11	
	Z-90-88	2	
	ZW-120-32	1	70 000
I.B.M.:	PC	8	64 000
Apple:	II	24	
	III	3	
	Lisa	1	60 000
Sanyo:	MBC-1000	21	
	MBC-3000	1	46 500
Hewlett Packard:	Sub System I	1	
	Sub System II	1	
	HP87	1	40 000
Sirius 1		7	30 100
DEC:	LSI-11/23	2	29 000
NEC:	Advance	3	25 800
Quantel:	Model 10-1	1	18 500
Golden II		15	18 000
Remington:	NBI Model 2	1	16 700
Commodore:	VIC 20	21	
	4016	10	
	64	1	15 360

SUMMARY OF MICRO-COMPUTERS (NOT INCLUDING ACCESSORIES) PURCHASED BETWEEN 1.7.82-21.11.83

	Model	Quantity	Approx. Total Value
			$
Olivetti:	BCS 2030	1	14 000
ICL:	03125/20 Model 25N	1	12 600
Burroughs:	B21-43T	1	11 000
BBC:	Model B	6	
	Model A	1	8 300
System 1		1	7 000
PC 1		1	4 800
Hitachi:	Peach	1	4 500
Kaypro II		2	4 400
Wang:	UJ-5-105-1	1	4 200
Osborne		1	2 500
PC1500		4	1 020
Atari:	800	1	1 000
Micro-Bee		1	600
		159	$509 880

BLACK FOREST PRIMARY SCHOOL

Mr MAYES: Can the Minister of Education say what assistance his Department will offer to the Black Forest Primary School to relieve the traffic dangers and parking difficulties being encountered by parents delivering and collecting children at the school? At present there is a major redevelopment of the South Road, and the problems faced at the school in terms of parking and traffic hazards is quite significant.

Both parents and the school council have approached me for assistance in regard to dealing with, first, the parking problem and, secondly, the traffic hazards. Black Forest school is located on South Road and access to the school from South Road is quite hazardous for both children and parents. Access to Forest Avenue, which is at the northern end of the school, and access to Addison Road at the southern end of the school cause major problems for children being delivered or collected at the school. The school council seek the assistance of the Government in resolving these problems.

The Hon. LYNN ARNOLD: A few weeks ago, when answering a question from the honourable member on this matter, I indicated that I was having officers of my Department review the situation and that they discuss with the school its redevelopment, paying particular attention to the car parking needs. I acknowledge that the redevelopment of South Road gives some urgency to the car parking situation at Black Forest Primary School, and that that particular aspect will need to be addressed sooner than otherwise would be the case with the redevelopment programme.

I mentioned a few weeks ago the situation of the toilets, and said that some funds had been set aside in the capital works programme for that. Again, work has been done on how much will need to be spent on the toilets. It seems there may be some funds available from that allocation, and it could well be that that allocation could provide the necessary funds to provide improved car parking facilities. Where there are established schools of many years standing near major arterial thoroughfares there will always be problems relating to car parking and the movement of traffic.

The resolution of that may never be perfect, so I am not saying that any resolution that we may be able to achieve will be the perfect solution to the problem. I acknowledge that the need is serious and that we can do something better than will be the case if the present redevelopment of South Road takes place with no changes to the school car parking arrangements. It would be irresponsible if we took that kind

of attitude. We certainly want to know how best we can improve the car parking situation as well as the general pedestrian movement near the school.

CANEGRASS SWAMP

Mr INGERSON: Can the Minister for Environment and Planning say whether he was consulted before the sum of $700 was spent by his Department on 5 August to provide supplies to demonstrators at Canegrass Swamp?

Members interjecting:

The SPEAKER: Order! I ask the honourable member to resume his seat. Honourable members must be allowed to ask their questions in their own way so long as they are within Standing Orders. The honourable member for Bragg.

Mr INGERSON: Thank you, Mr Speaker. Media reports on 5 August make clear that they amounted to a distribution and nothing more. Departmental officers were not involved in the manner suggested earlier by the Premier; they were merely onlookers. I refer, for example, to an article in the *Advertiser* of 6 August, which stated, in part (and this may help the Minister's imaginative memory), 'Also present were two observers sent by the Minister for Environment and Planning to keep an eye on proceedings.'

The Hon. D.J. HOPGOOD: I have already answered this question. I recall that the Leader of the Opposition by way of interjection asked me earlier in the day whether I gave approval to the expenditure. I said that I gave approval for the expenditure, and it is difficult to give approval for something about which one has not been consulted. As to the status of my officers, I maintain that they were there in consultation with the Kokatha people in furtherance of our desire to resolve this difficult issue.

NURSING HOME BEDS

Ms LENEHAN: Will the Chief Secretary ask the Minister of Health to make representations to the Federal Minister of Health requesting him to investigate the disproportionate allocation of nursing home beds in Adelaide, such an investigation to specifically examine the extremely small number of standard fee beds in the southern suburbs of Adelaide because of the ever increasing population and thus demand for beds in this area? Members of my constituency who are in need of standard fee beds have approached me expressing concern, indeed concern bordering on desperation, about the lack of standard fee beds in the southern community.

On my investigations I have found that there are only 41 standard fee beds in the area south of O'Halloran Hill through to Victor Harbor. My constituents have made further representations to me that it is the consistent lack of support by previous Federal Liberal Governments to provide standard fee beds in the southern community that has resulted in the disproportionate allocation of nursing home beds, in particular standard fee beds, for the sort of constituency I represent. These people do not have access to nursing home facilities.

The Hon. G.F. KENEALLY: The honourable member raises a serious matter, not only for her constituents in the southern suburbs, but also for South Australia generally. I have certainly taken note of the question, because it highlights the lack of action taken in this State to resolve many problems that South Australians now face. I will be pleased to take this matter up with my colleague, and to have a report brought down for the honourable member soon.

SAMCOR

Mr BLACKER: Will the Premier convene a special Cabinet subcommittee meeting, comprising the Premier, as Minister of State Development; the Deputy Premier, as Minister of Labour; the Minister of Agriculture; and such other Ministers as appropriate, to assess the implications of the pending closure of the Samcor abattoirs Port Lincoln works and, if the present decision is not reversed, to recommend an appropriate course of action for:

1. The 110 employees of Samcor and the 80 employees of associated dependent industries.
2. Wholesalers and export processors.
3. Local butchers.
4. Clientele of Samcor who have geared their operations in accordance with the Meat Hygiene Authority.
5. Producers, and whether they should mate their flocks for meat or wool products.
6. The supply of meat for the Port Lincoln area, as there will no longer be a licensed abattoir on Eyre Peninsula.
7. The effects on employment or unemployment on Lower Eyre Peninsula.
8. The additional cost to the Government should the works be permanently closed.
9. The costs to the Government should the works be scaled down to a seasonal works.
10. Maintenance of the United States export standard licence, if the works become seasonal.
11. Provision of 'service' facilities in the event of fire, flood, or drought.
12. Should the Samcor abattoirs become seasonal, and the establishment of a local kill works in the area.
13. The continuation of local stock markets and such other markets associated with the effects of such a proposed closure.

Late Tuesday evening it was announced that the Samcor abattoir at Port Lincoln would be closed from 16 December, to reopen possibly on 6 February. This has left local butchers without Christmas meats and not having on Eyre Peninsula a licensed abattoir to supply them. Some constituents believe that Samcor has an obligation to supply meat at similar costs ex Port Lincoln works in lieu of their inability to honour existing contracts and obligations. Needless to say, suppliers, processors and producers of meats just do not know where they are going.

The Hon. J.C. BANNON: I think the formation of a subcommittee that the member suggests is premature, as it is not really warranted at this stage. I was talking to the Minister of Agriculture about this matter as recently as yesterday, and we have major problems at the abattoir at Port Lincoln. As the member for Flinders would well know, because he has been familiar with the scene for many years, it is making considerable losses, and all sorts of solutions and possibilities have been explored to try and find a way out of this problem.

I understand that currently there is a proposition that it be closed at least on a temporary basis (a sort of seasonal lay-off) while the situation is further assessed and the availability of stock and possible return to productive levels are analysed. The Minister is very concerned about the matter, which is under active consideration. He is keeping me and other relevant Ministers informed. When we discussed what further action is needed, the Minister's advice to me (with which I agree) was that we should simply leave the matter in his hands to pursue it as he is at the moment and if there is a need for my intervention, whether as Premier or Treasurer, he will let me know. At this stage, that is not called for.

STATE PROMOTION KIT

Mr KLUNDER: Can the Minister of Tourism investigate the production of a State promotion kit for use by people such as teachers who go overseas as part of an exchange programme? Next year some 50 teachers will go overseas from this State to countries such as the United States of America, the United Kingdom, Canada, and New Zealand to teach in those countries for one year. It is almost inevitable that during their stay in those places they will be asked to address groups of people, such as school groups and service club groups, and so on. A number of teachers have approached me over the past few months indicating that they would find it useful to have a kit consisting of, say, slides and posters about South Australia to use as visual aids during such talks and lectures. At present these materials appear to be not available in a collected or kit form. So, I ask the Minister whether he can investigate whether the production of such a kit would be a cost effective method of making people overseas aware of South Australia as being a desirable place to visit.

The Hon. Jennifer Adamson: That is a great idea.

The Hon. G.F. KENEALLY: I certainly appreciate the support of the shadow Minister of Tourism for the concept put forward by the honourable member. I have already instituted a meeting between the Department of Tourism and the Education Department to bring this idea into effect. It is intended that teachers who go overseas (I think about 55 leave South Australia each year) will be provided with a kit such as that described by the honourable member, and also that teachers from overseas countries who come here are provided with briefings, video tapes and slides on South Australia. The reason for this is the importance of using South Australia and overseas teachers as emissaries of the South Australian tourist product.

As the honourable member pointed out, while they are overseas teachers are required to speak to not only school groups but also to community service groups generally. A kit has not been readily available in the past, although I think that on occasions where teachers have asked, having been able to get through to the Department, these kits have been provided. However, they have been unavailable on a number of occasions. It is the Government's intention to ensure that kits are available through the Education Department so that teachers travelling overseas will not have to make requests of the Department of Tourism; the kits will be readily available within their own Department. I thank the honourable member for his suggestion. It is a worthwhile matter which the Government will pursue.

PERSONAL EXPLANATION: PRESS MISREPRESENTATION

Mr MAYES (Unley): I seek leave to make a personal explanation.

Leave granted.

Mr MAYES: I wish to correct a situation concerning my being badly misrepresented in the local press, in particular in the *Sunday Mail* in an article related to the Parliamentary Salaries Tribunal submission. I refer to a number of items reported in that article that had a very poor reflection on me, and to the claims made in the article which reflected on a purported claim being made by members of the Labor Party. The statutory declaration which was submitted to the Parliamentary Salaries Tribunal and which is still before that tribunal was made on the basis of expenses that I believed were properly incurred as a member of Parliament in undertaking my duties. It related to those expenses, and was not made as a claim. Members of the House who have worked in any tribunal situation dealing with salaries and conditions of employment would appreciate that fact. I was not putting forward those amounts seeking full reimbursement: it was an explanation of the type of costs Parliamentarians incur.

The press report which referred to those costs made two very glaring and obvious errors. It was reported that I had made a claim, whereas I had put down those expenses as a representation of costs incurred. The reference to hair care being $1 000 was a gross exaggeration and a blatant error, for in fact any person who looked at the statutory declaration would see quite clearly that I had not claimed that amount. Anyone with basic arithmetical skills would be able to understand how the figure had been calculated. It was made up of many items, and not just the one item of hair care.

I have written to the *Sunday Mail* and requested a retraction of that error. I am currently involved in discussion with the *Sunday Mail* concerning its publishing a correction. I wish to put on record that in fact I did not claim that amount and that I am claiming nothing like that amount. In fact, I put before the tribunal a figure which represented expenses that I fairly believe I incurred as a member of Parliament in undertaking my duties.

The SPEAKER: Call on the business of the day.

STATE BANK OF SOUTH AUSTRALIA BILL

Adjourned debate on second reading.

(Continued from 17 November. Page 1937.)

Mr OLSEN (Leader of the Opposition): I support the Bill, but in doing so I give notice that the Opposition will be moving some amendments. In my Address in Reply speech delivered in this House on 22 March, I indicated that distinct advantages for the people of South Australia would flow from a merger of the operations of the State Bank and the Savings Bank. At that time I said that a merger of the banks would enable the Savings Bank of South Australia branches to offer a wider range of lending and other financial services, and it would have a greater capacity to offer full international banking services which, due to restrictions (which subsequently have been removed), have not been fully implemented within that service and are currently not offered.

The size and strength of a South Australian banking corporation would be such as to enable it to expand or move into new services and enable the corporation to compete more equitably with the other banks represented in Adelaide in such areas as: corporate banking, including management of consortium loans in local and foreign currencies (over a period of time a business development and trade inquiry service could be developed) and investment services, including nominee and registrar services and portfolio management. Other services in this category include management of superannuation funds and investment of short, medium and long-term funds, and would include also a more comprehensive travel service, a migrant advisory service, an economic research and information service covering mining, rural, and industrial undertakings.

A merged bank would have the expertise and strength to raise off-shore funds for financing resource and other projects for the benefit of the South Australian community in general. I particularly pointed out at the time that a merger would encourage and assist investment in South Australia and

liaise and co-operate with organisations with similar objectives, and I believe those points are still valid. It is interesting to record that this merger was not even a twinkle in the eye of the Government before the last election. In his policy speech, the Premier said:

> We will bring about closer co-ordination between the State Bank and the Savings Bank. Together, they can be an engine for economic growth.

The merger even breaches Labor Party policy. The Premier said at the time of the election:

> A State Labor Government will expand the State Banking system and plan for the co-ordination and integration of the services of the State Bank and the Savings Bank of South Australia under the control of separate boards . . .

It was not until the Liberal Party urged the amalgamation of the two banks earlier this year—only a matter of weeks after the election and, in fact, during the Address in Reply debate—that the Government took up the proposal. I am pleased that it has done so. The amendments I propose will not in any way negate the overall concept of the legislation introduced by the Government.

What does concern me is that at least some of the advantages which both the Government and the Liberal Party visualise as emerging from the amalgamation have already been lost. I speak particularly about the opportunity of using the new and expanded bank as a catalyst for generating new investment in South Australia. I turn again to the Premier's policy speech of last October, when he said:

> Our banking sector is important as a generator of growth. Labor will initiate a bold new approach to our banking sector.

And, later in his speech, the Premier said:

> The financial sector offers us one of our best opportunities for the creation of new jobs in service and high technology areas.

I emphasise again that, when the Premier made these statements, he was still talking about two separate banks, not the merger of the Savings Bank and the State Bank of South Australia. Like the Government, I believe that the merger of these banks has the potential to attract new industries and new jobs to this State.

The amalgamation will give the new bank greater influence, greater flexibility, greater bargaining power in the market place, and greater potential for lending. But, what the Government is giving with one hand, it has already taken with the other. The climate for large scale investment and economic growth is not achieved with one single initiative. It must be part of a package, and that package must have depth and broad appeal. It must also be able to compete, in favourable terms, with the economic packages offered by other States in Australia.

If South Australia, situated 800 kilometres from the major eastern markets, is not able to provide to potential investors terms and conditions at least equal to those of competing States, then industry will be seriously disadvantaged in this State. When this Government came to office, those conditions did apply. South Australians were paying less State taxation than were people in any other State. It goes without saying that industry, both established and potential, had the same taxation advantages.

When other factors, such as South Australia's lifestyle, its pool of skilled manufacturing workers, its low-cost housing and industrial property, and the lower wage structures are added, South Australia had a ready-made environment to benefit from the likely economic recovery. But, this Government has done precious little to enhance that positive environment for investment; in fact, it has done a great deal to destroy it.

For example, Labor promised that as a first step it would establish the South Australian enterprise fund to assist the expansion of industry. The Premier went on in his policy speech:

> The enterprise fund will pump investment into high technology and export industries . . . The fund will get behind businesses which have potential to expand and create jobs.

Although the Premier promised to establish the enterprise fund (to use his words) 'as a first step', the Government has now been in office 384 days (one-third of its term) and the enterprise fund seems no closer to emerging.

As I have said, the Premier cannot expect to develop a climate for economic recovery, growth and investment by taking isolated action, such as the banks' merger. It must be part of an overall package: part of a long-term, well-planned strategy. Yet, in the past 384 days the Government has increased four existing taxes, introduced two new taxes and raised 76 different State charges. This is the equivalent of one increase in taxes and charges every 4½ days. Those charges inevitably impact on every man, woman and child in this State, and they affect every business operation in this State.

The latest, of course, is the financial institutions duty, which will have an impact on the level of new account openings in the banking industry. That tax was set at a level of 0.04 per cent—a rate higher than the 0.03 per cent applying in New South Wales and Victoria. The Government, which is attempting to create a stronger and more flexible banking corporation to encourage investment on the one hand, is driving away that same investment by applying taxes at a rate above that of our key State competitors. There are many other examples of lost opportunities which are the direct result of Government action and which I do not intend canvassing today. However, I am pleased that the Government has accepted the benefits of merging the Savings Bank and the State Bank.

When outlining my proposal for this amalgamation last March, I emphasised at the outset that a merger of the banks should be based on the fundamental principle that the merged bank should be liable to a range of imposts, such as State and Federal taxation and charges levied at normal rates, and that it would have no Government created commercial advantages over its private sector counterparts. The legislation that we have before this House today provides the bank with a precise modern charter, a charter that will enable the new bank to be well placed to participate in the future economic development of this State.

Since before the beginning of this century, the State Bank of South Australia and Savings Bank of South Australia have been well respected institutions in the Australian banking industry. Following the enactment of the State Advances Act, 1895, the original State Bank was authorised to make advances up to £5 000 to any person on the security of land.

Advances were made mainly under the provision of the settlers on Crown Land Act, loans to co-operative societies engaged in rural production under the Loans to Producers Act and the Advances for Homes Act. In 1925 the State Government introduced the Agricultural and General Bank Bill, thereby establishing an agricultural and general bank of South Australia. A new State Bank was born.

The former State Bank passed out of existence, and its staff, assets and liabilities were taken over by a new State Bank. The new bank was empowered to receive money on current account and fixed deposits, and transact all the ordinary business of a trading bank; its business was not to be confined to primary producers. The charter of the new bank was modelled on the trading bank operations of the now defunct New South Wales Government Savings Bank, the forerunner of the Rural Bank of New South Wales, now a highly successful bank in that State.

The Hon. J.C. Bannon: The Rural Bank doesn't—

Mr OLSEN: I just said that, if the Premier would listen. I referred to the now highly successful State Bank of New

South Wales. As early as 1925 a merger of both the State Bank and the Savings Bank was raised in this House, but the issue did not receive popular support. However, the State Bank Act of 1925 empowered the two banks to come to an arrangement whereby the Savings Bank could carry on the business of the State Bank at its branches and with its officers. Following the Second World War the bank administered the Commonwealth Re-establishment and Employment Act as far as it related to agricultural loans to eligible ex-service personnel. Over the years many of the banks' valued customers have been on the land or in rural-based industries. The State Bank has always recognised the special needs of the State's primary producers.

There are men and women, whether they are from Barmera or Berri in the Riverland, Cleve or Kimba on the West Coast, or from the South-East who will say, 'The State Bank has served us well over the years.' Under the Advances for Homes Act, the bank assisted many thousands of South Australians to obtain their first home. From the home builders account and other sources that bank has also granted housing loans on a concessional basis to those in our community who have not been able to obtain first home buyer assistance through the traditional home lending institutions.

At the end of 1938 the bank had 17 branches all of which were conducted in the rural areas of this State. Branch numbers remained unaltered during the war years, but by 1950 the number of branches totalled 23. Through a policy of expansion and desire to broaden its customer base, the number of points of representation reached 35 during 1975. During the late 1970s the bank decided to further broaden its customer profile, and new branch openings were concentrated in the metropolitan area of Adelaide, in most instances in direct competition to the Savings Bank of South Australia.

Over the past 10 years a whole new range of services was introduced, in line with those on offer by its competitor trading banks, to service the bank's expanding commercial sector clientele. An international division was created in 1975. Savers accounts and personal loans were introduced.

The State Bank had become a much more formidable bank in a Statewide market place. There is probably no institution in South Australia with which more of this State's great men have been associated through the years than the Savings Bank of South Australia. South Australia's first Premier, B.T. Finnis, was a Vice-President of the bank. Sir Robert Torrens was the first Chairman of Trustees. Sir Henry Ayers served as a trustee for nearly 40 years and for 10 years presided over board meetings. Mr J.C.A. Rundle retired as Chairman in 1945 after serving the bank as trustee for 40 years. Many other notable South Australians gave valued service to the bank.

Shortly after incorporation of the Savings Bank in 1848, discussions were held by the trustees for establishment of branches to service the growing province of South Australia. It was not until 1861 that authority was given by the Parliament for the appointment of agents for the receipt of payments and deposits. In January 1862 a branch was opened at Port Adelaide under a local board of agency comprising prominent citizens of the district. Other branches were opened under similar arrangements at Gawler, Kapunda and Mount Gambier. The system soon proved to be cumbersome and costly. This prompted the trustees to seek other and more satisfactory arrangements. In November 1866 local telegraph station masters at selected locations were appointed as agents of the bank, the branches run by local boards being closed with all accounts being transferred to the telegraph office.

At the turn of the century, country and suburban agencies numbered 135. It soon became apparent to the trustees that there was a need for establishment of a branch network. The first branch staffed by the bank's own officers was established at Port Adelaide in 1906. In 1930 the bank had 40 branches and 373 agencies. From its humble beginnings, the bank now has 158 branches and an extensive network of 605 agencies throughout the State. During the 1960s the trustees adopted a deliberate strategy to broaden the bank's customer profile. From 1970, when it began writing personal loan business, the bank moved gradually towards provision of full trading bank facilities, services in most instances matching those provided by the State Bank.

Both banks pioneered the banking industry in this State, and over many years have developed a closer co-operation with each other through provision of agency services and sharing of computer facilities. Collectively, the banks have been the dominant providers of housing finance in this State. In many ways the development of both banks has reflected the economic development of South Australia. Both banks have proved that they are well placed to participate in the economic development of this State.

Over the past couple of years there has been a number of significant changes to the Australian financial system. Some of these have occurred following the findings of the Campbell inquiry. In December 1980 interest controls on both savings and trading bank deposits were removed. Up until June 1982 the trading banks had operated under quantitative Government controls whilst their competitors, such as merchant banks, operated in a free lending environment, and potential customers were therefore lost to the merchant banks.

Following the Campbell inquiry, competition between the bank sector and the non-bank financial institutions became more intense as insurance groups and other non-bank financial institutions expanded into money services, with the banks widening their operations into non-traditional areas. The expanding array of investment opportunities placed increasing pressure on the banks, and their cost of funds procurement increased as customers switched funds from non-interest bearing cheque accounts and low interest passbook accounts to the higher cost areas such as savings investment accounts and term deposits.

Two of the recent bank mergers to form Westpac Banking Corporation and the National Australia Bank were argued for on the ground of the larger size providing for greater efficiency and capacity to mobilise larger parcels of funds to finance business activity in Australia. Although two of the banks involved in the merger programme (the National Bank and the Commercial Banking Company of Sydney) had been eyeing each other off for over 60 years, it was not until 1981 that they finally got their act together. It was a classic marketing situation: the National was after increased market share in New South Wales, and, likewise, the C.B.C. in Victoria at minimum cost.

I started my working career in the Savings Bank of South Australia and have some affinity with the passage of this legislation through the Parliament. The recent mergers in the private banking area have achieved cost efficiency and flexibility of service, and the Bill now before the House will bring about the same improvement in South Australia.

Following consummation of the recent mergers, the Australian banks have been gearing up for increased competition (with or without foreign bank entry) over the past 12 months. For the first time in the history of Australian banking, banks are moving into a marketing era where they are required to initiate lending business, not merely await a loan request. Recognising the need to match the services offered by other financial intermediaries, the former Tonkin Government finalised negotiations in 1982 for the Savings Bank to acquire an equity in the International Merchant Bank Credit Commercial de France Limited.

This initiative will enable all South Australian companies access to a locally based full service merchant bank. It will

also lead to a closer banker/customer relationship between the Adelaide head office of C.C.F. and its corporate account customers. Both banks—the State Bank with 32 of its 42 branches located in country centres where it has over many years engendered strong loyal support, and the Savings Bank with 66 of its 158 branches located in rural areas (there being only 19 country points of dual representation) and broad network of metropolitan branches—can to some extent be also compared with the National Bank/C.B.C. Bank dilemma of obtaining an increased market share at minimum cost. Following a world-wide trend for banks to increase in size, market share and size are extremely important in the Australian banking sector. Size is of crucial importance in exposure to major corporate and Government customers and the development of South Australian major resource projects, which are expected to become a significant aspect of the banks' operations, as the bank will be required to borrow overseas to fund these projects.

A new State Bank of South Australia will be the largest banking organisation in South Australia with total assets of more than $2 400 million, total deposits of approximately $1 700 million, and account holders numbering 700 000. After allowing the merger of some branches, there will be more than 170 new State branches in this State, the largest branch banking network in South Australia. The merged bank will provide the household, commercial, manufacturing and rural sectors of South Australia with a full range of banking and related services.

An extension of services will enable existing Savings Bank branches to offer a wider range of lending and other financial services. Existing State Bank branches will have access to on-line computer and Easy-Bank automated teller machines. Because of the wide geographical spread of the expanded branch network, a whole new range of services will be readily accessible to most South Australians. South Australia has been the only State with two State-operated banks, which I believe has led to an inefficient allocation of capital and human resources. Prior to the merger date an excellent opportunity exists to create a new public awareness of the new State Bank of South Australia, a new South Australian bank, a new giant awakening—a South Australian bank operated by South Australians for South Australians.

Because of an enlarged rural network of branches the opportunity exists for a more aggressive approach to capture a greater share of the seasonal grain proceeds generated from time to time at country branches, with an eventual spin-off for the benefit of all South Australians as funds will be held within the State. In times of rural hardship, the new bank will be there to assist rural producers, rural business operators, and rural-based manufacturers with carry-on finance. The merger will be complementary to all sectors of South Australian industry.

Clause 19 of the Bill gives the new bank wide powers to transact all forms of banking business, from the financing of small business to the provision of lending packages for large corporate customers. A Corporate Banking Department currently administered by the Savings Bank is up and functioning effectively. The Department has recently finalised arrangements for its first move into the national corporate area, having joined a consortium of other State operated banks to participate in a $140 million loan, to the extent of $10 million through utilisation of a commercial bill facility, to fund the take-over of W.R. Carpenter Holdings Ltd. Participation in syndications of this nature will not disadvantage depositors of the bank. Funding by way of commercial bill finance will be from sources outside the bank.

An added advantage by way of syndication with the other State banks will be that the bank's exposure in terms of risk will be shared between the partners. All of the major trading banks have either introduced or are in the process of developing an electronic funds transfer system for their corporate clients. Indeed, one could almost say that the 'buzzword' in corporate banking these days in cash management. Corporate treasurers are most concious of having cash balances lying about not earning interest. An opportunity exists to provide a similar service for the sweeping of funds lodged by corporate customers from cheque accounts to interest-bearing accounts if the bank is to compete equitably with the other trading banks.

There are a number of benefits in terms of better use of staff resources which will result from the merger. Existing specialist staff resources in such areas as personnel, accounting, data processing, premises and marketing will be responsible for a larger number of personnel and branches, thereby providing greater potential for staff to specialise in these areas. All staff members, particularly those in former savings bank branches, will be able to be involved in a greater range of banking services, such as small business lending, lease finance and international trade related transactions for both imports and exports, forward exchange cover, foreign currency hedging contracts, letters of credit and exchange control services, to name a few.

Opportunities will arise for staff to obtain a broader work experience and to develop new skills. This will lead to better career prospects, greater job satisfaction and therefore a more highly motivated staff. The progression to full service banking will entail introduction of new facilities and changes in procedures, necessitating greater knowledge and expertise on the part of staff. I understand the bank merger team is well under way in streamlining branch procedures and methods, and that all staff will have the opportunity to gradually become aware of new and integrated systems before merger date.

Regionalisation of the bank's administration on an area branch basis, whereby special skills are concentrated in regional centres rather then being dispersed through the whole branch structure, will also create more satisfying specialist positions, and this will also eventually lead to a smaller time period in turn-around of loan applications. I am convinced that the merger will provide opportunities for all career minded staff of both banks. There is no doubt that the opportunities for attaining higher skill levels and consequential job satisfaction will be substantial. During my discussions with the Chairmen of both banks, I was informed that a committee is currently appraising all personnel related issues such as superannuation, annual leave, long service leave and sick leave, which are covered by either the Public Service Act or the A.B.E.U. Award. Other issues to be addressed include staff housing and other loan packages ensuring that officers of both banks are not disadvantaged through loss of benefits previously enjoyed.

I realise that bringing both existing Acts together is a complex task, and as the merger date comes closer work loads and time constraints will become more pressure intensive. Accordingly, to ensure that all staff related issues are resolved well before merger date, I intend to move an amendment that this Act shall not come into existence until the separate Bill relating to employment conditions is passed by this Parliament. To ensure a staggered rotation of board appointments, the Liberal Party intends to move an amendment that three members of the first board shall retire at the end of three years, with the remaining members completing the five-year term. Therefore, every member appointed in lieu of a retiring member shall have the opportunity to serve a full five-year term. An irregular retirement pattern will bring the bank into line with similar arrangements which exist in other financial institutions.

Clause 8 (1) refers to the appointment of directors 'upon such conditions as are specified in the instrument of his

appointment'. The inclusion of this qualification may lead to onerous obligations being placed on any appointee by a Government, and I propose to exclude that provision from the legislation. It is not in either existing Act as it relates to the appropriate bank, and we do not see any need for it to be incorporated in this legislation. Some have put the view that it is tantamount to riding instructions to anyone appointed to the board. I am sure that that is not the intention of the Government, but to make it quite clear the Opposition will seek to amend the legislation in that regard.

Clause 15 (2) gives the board extremely wide powers, including management of the bank, with a view to achieving a profit. We shall be moving an amendment to ensure that the intention of subclause (2) is more specific by substituting 'shall' for 'should'.

Clause 21 (3) relates to fixed charges to be levied by the Treasurer in respect of guarantees provided by the Government, in so far as they relate to specified liabilities of the bank. The opportunity exists for any Government to extend the guarantee fee to cover all borrowings (or deposits) of the bank, and this would lead to increased operating costs and hence reduce the profitability of the bank, the resultant effect being a net revenue gain to the Government through a form of back-door taxation. The amendment I propose will serve to exclude the possibility of all borrowings (or deposits) being classified at some future date as specified liabilities.

We note in relation to the new financing arrangements approved by the Government that under Government guarantees an extra fee of .5 per cent is applied to those borrowings. What we do not want to see is savings bank accounts held with the Savings Bank of South Australia included in the area of guarantee—that is, on call by customers—and the Government applying the levy as it relates to those areas. That may not be the Government's intention, but the Bill is not clear. The amendment merely makes clear that it is for specified liabilities.

The final amendment relates to clause 22, payments to general revenue. The Opposition supports subclause (1) *(a)* and the payment of a sum equal to income tax to the general revenue of the State. The Opposition, however, is concerned about the possible ramifications of subclause (1) *(b)*. To ensure that any future Government is not given the opportunity to siphon off funds by way of excess dividend demands on the bank, we will move that any dividend rate to be determined by the Treasurer be limited to a return on bank capital at a rate of return no greater than the Australian savings bond interest rate prevailing as at the end of that financial year covered by the trading results, or 50 per cent of the net operating surplus, whichever is the lesser amount.

It is accepted that during the first two years of the merger merger-related expenses will serve to dampen profitability of the group. But, as excess properties are disposed of, there will obviously be some offset. It should not be the intention of any Government to request the maximum return on capital during the merger period; however the bank has been given extremely wide powers once the merger is well down the track, and it will be well placed to improve its profitability. Subject to the proposed amendments to which I have referred, I commend this Bill to the House.

The Hon. B.C. EASTICK (Light): I also have pleasure in supporting the Bill, and congratulate the Leader on his analysis of the measure. We certainly have at present two organisations albeit with similar corporate existence and goals. However, the fact that they are separate means that they are competitors one with the other and, therefore, it is not possible for them effectively to give a service to the community at the best possible cost. I laud the fact that, in the discussions the Government undertook, although it would seem from the Premier's initial statement that there was an intent perhaps to maintain an individual identity for each of the organisations working in closer co-operation, the eventual decision was one of complete merger.

One does not then run into the difficulty that otherwise could apply of each at times seeking to outdo the other, because of the need to retain something of their own corporate identity. The decision by the Government that there should be a complete merger is an attitude members on this side have had for some time. I believe that the destiny of the change is bound to have a successful end.

Had there been that division of opinion and a demand by the Government to maintain an area of identity of each, it is possible that there would have been a conflict, and the Premier would not have been able to say that he was appreciative of the fact that there was a bipartisan attitude to this measure. I alluded to various aspects of the relationship of this proposed Bill when talking to the Savings Bank of South Australia Act Amendment Bill as recently as 17 November 1983, and that is recorded on page 1943 of *Hansard*. I do not refer to it in great detail: my closing remarks were that the action we were taking on that occasion was one step closer towards a smoother merger of both organisations. We genuinely believed that to be the case, and events since would suggest that that will be the case.

In relation to events since, I congratulate the Government for making available to the Opposition facilities not normally made available for briefing and better understanding of measures to come before the House. More is the pity that this is not done more frequently: then the conflict as it would be seen by the media would be minimised, and the effective production of this place would, I suggest, be much greater. It is not a matter of getting into bed with one another; it is not a matter of saying, 'Yes, we accept what you have done and you accept what we do'; it is a matter of constructively considering all aspects of a Bill, having in-depth questions, the provision of the adequate answers to those questions, and then the possibility of the bipartisan view, which has been referred to in this measure.

In indicating that I give full support to the Bill, it would be fairly clinical to say that it was the merger of two financial institutions, and leave it at that. We should write into the equation (because it is a major part of the overall equation) the factuality that what we are doing is bringing, together two groups of human beings, each with their particular aspirations and expectations, some of which, by virtue of this merger, will not eventuate. Therefore, we should not lose sight at any stage that, whilst we are perhaps on this occasion doffing our hat to the financial aspects of the measure, there is a large human element in the whole exercise that will require a delicate and sensitive approach when the appropriate time comes.

The Premier has indicated his desire that the matters be concluded so that the merger can become effective from 1 July. I sincerely hope that that time schedule is achievable, but I support the comments made by the Leader that it can only be achieved if the other measures associated with the human elements have been completely and adequately addressed and that the legislation to be brought in in another Bill, related in a direct sense to this Bill, is in place. It would be an intolerable situation for either the Government or the employee groups to be seeking to negotiate after the merger had occurred. It would be likely to create chaos: it could be expensive to the public; and it could put an unnecessary dent in the new image that one would hope the new merged bank will bring to the scene.

I believe that the new bank, by virtue of developing quickly and effectively its new image, will be acceptable to the people of South Australia, because the two elements introduced into the measure (the State Bank and the Savings Bank) are institutions, the existence of which has been

recognised by the community for many years, and the involvement of those organisations in the community has been much appreciated, more so for the Savings Bank, which has a high profile and wide application, but less so for the State Bank. However, the remarks I have made relative to the existence of the State Bank in the community are more applicable to country areas.

The State Bank has played a significant role in the development and continuing development of many of those isolated country communities, because in many circumstances it has been the only bank to which the people in those areas have had immediate access. It has existed for the purpose of the development that has taken place in isolation. Whilst there may be those who would be critical of some aspects of the trading policy, nonetheless, the management and staff of those individual banks have been appreciated in their communities, and are still appreciated there. I believe that the appreciation of the services to be rendered by the wider approach of the merged banks will be equally appreciated, and I look forward to seeing that development in the years ahead.

Because I believe that it bears reiterating and placing on the record yet again, I refer to what one might say are the ideals or principles upon which the legislative framework of this measure have been developed. It was outlined by the Premier in a debate directly associated with today's contribution, and for those who read today's contribution but who do not have access to the previous one, I think that these four points should be read once again, as follows:

1. That the bank should conduct its affairs with a view to promoting the balanced development of the State's economy and the maximum advantage of the people of South Australia. Bearing in mind the traditional emphasis on housing, the bank shall also pay due regard to the importance, both to the State's economy and to the people of the State, of the availability of housing loans.

2. That the bank should operate in accordance with existing principles of financial management.

3. That the bank should operate in conditions as comparable as practicable with those in which its private sector counterparts operate.

4. That the bank should be able to become an active, innovative, and effective participant in the South Australian economy and the financial markets with the flexibility to adjust to the changes which are a feature of these markets.

The first of those points relates to housing. Certainly, housing is as important to the economy today, and more specifically to the human element of our community, as it has ever been. The State Bank has played a major part, and loans from the Savings Bank have been quite significant in the overall development in housing. There has been no dimunition in the desire of people to own their own houses but, unfortunately, there is an increasing number of people unable to aspire to owning their house.

Therefore, the funds made available by the private and public sector is important and will remain important. The South Australian Housing Trust has the longest list of outstanding applicants it has ever had: that list is now approaching 29 000, so the demand for housing will continue for many years. Whilst many of these demands will be different from what they were in the past (many will rely on the development of pensioner-type cottages and maybe even hostel accommodation) the banks will be able to continue to play their vital role in the provision of housing.

No-one denies the right of the banks to have some stringent requirements of people who shall be eligible for their funds. As I have said previously, in a changing world situation (and the merger of the banks is necessary because of changing economic circumstances) and a changing social situation, I believe that it is unreal to require the combined ages of applicants for housing loans to be no greater than 52 years. With more people continuing in the work force for a longer time before seeking a loan to enable them to build a house, that is one aspect that ought to be considered.

There can be no argument with the second point. The attitude of this Parliament over a period of time and the attitude of the Public Accounts Committee and its conclusion on several perhaps undesirable aspects of management, clearly outlines what we would expect of any organisation created by Statute. I am a little concerned at the suggestion in the Bill that the organisation should conduct its business in a practical way. That is much the same wording as is contained in the Local Government Financial Authority Bill, in which there is a presumption that the organisation will follow appropriate economic standards. It ought to be an expectation that does not require definition.

The third point will give the organisation associated with the merger bank a challenge that will be good for it. The fact that it has to measure up against its competitors, the fact that it does not have a particular discriminatory benefit so that it is able to be a little lavish in its activities (I am not suggesting that the two banks are doing that), but will be created in the same general mould as its competitors, is good. I believe it will be more competitive than would otherwise be the case.

The fourth point relates to the bank becoming an active, innovative, and effective participant in the South Australian economy and financial markets. This presumption has been foremost in the statements made by members on this side of the House for a considerable time. The Leader certainly made those statements more than 12 months ago, and they have been repeated in Address in Reply debates and in debates associated with Appropriation.

This matter is as valid today as it was when it was first stated. In debate on the Savings Bank of South Australia Act Amendment Bill on 17 November, it was clearly pointed out that the idea of being active and innovative was quite important. I suggested then that, for both banks to expand and diversify, it was necessary to get the maximum benefit in the changing financial world and, therefore, we fully supported the move.

A little later in his remarks the Premier indicated the manner in which those points to which I have just referred were incorporated in the various clauses of the Bill. He went on to say:

The powers are wide in relation to financial transactions, as the Government is determined that the bank should have the flexibility necessary to operate effectively in a rapidly changing financial environment.

I appreciate the fact that the need for the new merged bank to be flexible has been recognised and promoted by the Government. I believe it is a fair indication by this Parliament that it recognises the need for flexibility, and it offers the challenge to the merged bank to show that element of flexibility. Knowing the number of people associated with the two banks, one would presume that some of these key personnel are likely to be the trustees of the new merged bank. Therefore, there will be a continuation of the sound managerial policies that have existed. Flexibility will be important in relation to the impact the new bank makes when it is launched. One recognises that there have been launches of other merged banks throughout Australia recently, and some have been launched at a considerable cost. One recalls the launching of the Westpac organisation, which spent $12 million promoting its new corporate image. I am not suggesting for one minute that the new bank should splurge $12 million on promoting itself.

I place on record the recognition that some of the funds that are available to the two banks could be justifiably spent in a proper promotion of its new image, because the first impact it makes will be important for its future well being. The Premier also made the point, and I accept it, that the

flexibility that is to be injected into the new merged bank will enable it to play a leading role in strengthening South Australia's financial base. South Australia needs a strong financial base, and anything we can collectively do through the Parliamentary system to strengthen that financial base is good for South Australia, and I believe that that is the desire of all members in this House.

Later, in discussing other aspects of the measure the Premier referred to 'consultation', and indicated that it is important that consultation should occur. He made the point that it is clear that consultation is expected between the Government and the bank on matters of mutual concern. I do not disagree with that, but I hope that the Premier can guarantee that consultation in this matter will be undertaken more equitably than that which has taken place on matters involving certain Ministers in Cabinet with interest groups throughout the community. Regrettably, in the past there has been a fair measure of consultation meaning, 'Yes, we will talk to you, but what we say will go.' I put to the Premier quite sincerely that consultation entails dialogue around the table until there is mutual acceptance of a point raised. It does not involve a dictate or heavy instruction from the Government to a board that it will do a certain thing, or else.

Maybe I am over-reacting, but in that simple clause, referring to the requirements of a director meeting such conditions as determined, I see an unfortunate conjunction between consulting and accepting what the Government says, the alternative being to not be a member of the board. If that is stretching the bow too far, that is unfortunate. However, the inference is there and the possibility exists that a Government could seek to interfere unnecessarily into the affairs of the merged bank. That is not on for members of the Opposition, and would not occur when members of the Liberal Party are in Government, as they recognise that the merged bank will be an on-going entity and that it will function in the future under political groupings of both Labor and Liberal persuasions. Members of the Opposition consider that 'consultation' should not be construed in any other way other than to mean a mutual acceptance of an end point reached. That is paramount.

The Premier also highlighted that the merged bank will retain one or two of the traditional roles played in the past. For example, he referred to the fact that the Government, together with representatives of the banks, has agreed that the service to clients provided by money being held in accounts and then being claimable by clients at a time long after that when claims could be expected to be made shall be guaranteed, and that the accounts that have fallen into disuse will be paid out when proper identification of the person who initiated the account, or a representative of that person, has been made.

It has been a feature of many charitable and sporting organisations and other community organisations throughout South Australia that where possible the Savings Bank was chosen for the conduct of an organisation's financial affairs. We could almost say that that is one of South Australia's traditions. It is one that is to be retained following the merger, albeit with one or two administrative changes. However, the opportunity will be there for this to continue. Provision is also made for the retention of the facility enabling the operation of accounts by minors. The Savings Bank of South Australia has always been the repository for funds from schoolchildren, and has promoted financial responsibility through generations of young people. We appreciate that the merged bank will continue to foster this habit. Certain habits developed during early formative years often flow through to one's later life, and the continuing involvement with minors in this regard is good and the Opposition totally supports it.

The Leader has indicated that some areas in the whole process require questioning. The Opposition has placed some amendments on file that will be debated. The ultimate acceptance of all aspects of the Bill will be greatly determined by the willingness of the Government to respond to the sincere and what we believe to be beneficial amendments that we will be moving. There has been a bipartisan approach to this measure thus far, and the Opposition hopes that that will continue through the Committee stages. I support the Bill, and recommend it to members of the House.

Mr BECKER (Hanson): Almost 20 years ago, as State President of the Bank Officials Association of South Australia, I opposed any suggestion of a merger of the State Bank of South Australia and the Savings Bank of South Australia. In those days in the climate that prevailed it was believed that the merging of the two banks could be detrimental to the staff, that it would be detrimental to South Australia, and that no great benefit would flow from it. Today, for the sake of the viability of banking in this country it is essential that these two banks now merge.

It will be a sad day, considering that the Savings Bank of South Australia commenced operations 135 years ago on 11 March 1848: from 1 July 1984 its name will disappear. With the disappearance of its name, a highly respected banking institution will go from the record of financial institutions. I say with the greatest respect, having had 20 years experience in a private bank, that those who founded the Savings Bank of South Australia and those who worked for it, did so loyally and with a tremendous amount of dedication and pride to ensure that its founding principles were upheld.

At the same time, one can look back at the role played in South Australia by the State Bank of South Australia, founded in 1896. It serviced the remote areas of the State, establishing branches and providing finance for the rural sector, in particular, and also to many companies and partnerships, which eventually became large South Australian manufacturing companies. The State Bank, through Government influence, was often required to support organisations that normally would not have been so well supported through the normal private trading bank system. It gave the Government of the day the operations of a bank. No doubt Governments of various political shades have used their influence on it. The two banks will now merge. Before this measure passes and the two independent banks become part of South Australia's history I quote some passages from a book entitled, *Our Century—The History of the First Hundred Years of the Savings Bank of South Australia.*

It is important to realise and appreciate the contribution made by the persons involved in that bank. I quote a passage from page 15 of the book, which states:

> On 11th March, 1848, the Savings Bank of South Australia commenced business. In the words of the preamble to the originating ordinance, it was considered *'desirable for the encouragement of frugality that persons possessing small sums of money beyond what they require for the supply of their immediate wants, should be afforded an opportunity of depositing the same on good security, to accumulate at interest, and to form a provision for themselves and families.'*
>
> Following the enactment of the Ordinance on 22nd September, 1847, the trustees appointed under it held a number of preliminary meetings. Rules and regulations were formulated, books and stationery prepared, an office obtained, and a permanent officer appointed.
>
> Actually, the Bank had legal entity from 1st January, 1848, but after consideration it has been decided that 11th March—the first day on which the doors were opened to the public—shall be regarded as the birthday of the institution.

So, that original ordinance has remained dear to the heart of those who served that bank and, no doubt, to the people of South Australia who deposited their money with it. The book further states:

The first money deposited in the bank was £29 belonging to Croppo Sing, a shepherd employed by Mr William Fowler of Lake Victoria. As it is understood that he was an Afghan, Croppo's name probably should have been spelt, 'Singh;' the fact that he could not write and merely made a mark, helped to perpetuate the mistake.

Actually, the account was opened in error in the name of Mr Fowler himself, but this was rectified a few months later, and to Croppo Sing goes the honour of being the bank's first depositor. Twelve other citizens, perhaps with some trepidation, lodged deposits aggregating £172/6/- [$344.60] on that first business day.

Mr Lewis: A lot of money.

Mr BECKER: Yes, in those days it was; I wish that today's dollar was worth what the pound was worth in those days. The passage continues:

It was 32 years before the bank accumulated a million pounds of depositors' balances; the second million came 11 years later, and the third, six years after that. This was in 1897. The first £10 million was not attained until 1917, sixty-nine years after the inception of the bank. What a contrast was the acceleration in the financial year 1943-4, when depositors' balances soared by almost £8 million in less than 12 months.

As at 30 June 1982, bank depositors funds totalled $1 284 452 million. Unfortunately, I am unable to obtain the figures for 30 June 1983 but I believe the deposits of customers of the Savings Bank of South Australia exceeded $1 421 million. That shows the phenomenal growth the bank has enjoyed, such growth being reflected in the confidence of the people of the Colony of South Australia—subsequently the people of South Australia—in an institution that was well founded and aimed to serve the people of the State. I understand that it was quite some time before the first loan of £500 was made. In those days there were strict regulations concerning finances. However, at least the first loan was made on a satisfactory basis.

What worries me in the situation when we have to consider the merging of banks is the duplication of branches. The State Bank went out into the country, whereas the Savings Bank was the first in many areas and followed the growth and development of South Australia: certainly it followed the wealthy areas of the State. Today we will find that, with the merging of the two banks, some 19 country branches will have to be closed, and that worries me. Branch banking is not necessarily profitable, although it can be made so with extremely frugal and strict management, depending on the methods and systems used in assessing the value of deposits and loans made by the branches and allocating the share of running costs to that branch.

Let us consider the ramifications of a merger in the country towns such as Barmera, Berri, Ceduna, Cleve, Kingston, Loxton, Maitland, Millicent, Minlaton, Mount Gambier, Murray Bridge, Nuriootpa, Port Augusta, Port Lincoln, Renmark, Tailem Bend, Tumby Bay, and Waikerie, each of those towns having a State and a Savings Bank. At present there will be a surplus of at least 19 branch managers. There will have to be a surplus of at least one junior or a clerical person on the staff of each branch, with a loss between 19 and 45 staff—45 being the top figure and an educated guess. There will be some loss of job opportunities. Tragically, there could be the loss of future employment opportunities for young people in these country towns. That is the point that worries me. We cannot force the new bank to employ additional staff, but young people in those towns will now have to look elsewhere for employment.

I hope that, with the merger, with keen competition, and the fact that this new bank will have a broad licence, it will be able to compete more than favourably in some areas with the private banking system, and perhaps the growth factor may be there and new employment will be created. Unfortunately, with computerisation I find that difficult to imagine in the current climate. Those 19 country towns will be disappointed. There will be a surplus of premises, a surplus of housing, and a difficult employment situation will arise. There may be some chance in the larger centres, such as Port Lincoln, Port Augusta, and perhaps Mount Gambier for the two banks to remain.

I notice from the annual report of the State Bank that, in February 1982, a branch was opened at Murray Bridge and another at Port Augusta. So, after many years of dormant representation, the State Bank is starting to move. As at 30 June 1982, the State Bank employed 503 staff in its 60 branches and agencies. The Savings Bank of South Australia had 1 974 staff, with 158 branches and agencies. So, the new bank will be starting with a staff of more than 2 477. Difficulties no doubt are envisaged when merging the staff, the superannuation schemes, and the benefits that both banks' staff enjoy. The two banks did have differential agreements in the past. On occasions the Savings Bank of South Australia was considered virtually similar to the private banks, but with some slight benefits. The State Bank of South Australia staff was always considered semi-governmental and wanted to enjoy the best of both worlds. Its members could not be blamed for that.

I wish the negotiators the best of luck in hammering out an agreement acceptable to both staffs. I would be very disappointed if any staff member felt in any way discriminated against or that future promotional opportunities would be inhibited. Banking has a career structure. During the 1950s and 1960s and to some degree in the 1970s, promotion within the banking system in Australia was quite rapid. It was not uncommon for young persons to reach middle management at a very early age. It was a little more difficult in the State Bank, although it was not impossible in the Savings Bank of South Australia.

When one brings about a merger of the two banks and reduces the number of branches by 19 some promotion opportunities must be reduced. No doubt, there will be an opportunity for development and new promotional positions within the administration. The very complex nature of some activities that the State Bank is expected to carry out and does carry out for the Government will make it a very different ball game for some of the staff of the Savings Bank of South Australia.

I would like to have seen the whole package presented to Parliament, not one then the other. Further consideration should have been given to it, so that if we say, 'Right, we approve the merger of the two banks,' the staff is fully covered and fully protected. I do not like the idea of legislation coming along after everything is in train, and finding ourselves in a very difficult situation as far as the staff is concerned.

When I looked at the name, the State Bank of South Australia, I said, for very parochial reasons, 'I am sorry to see the Savings Bank of South Australia's name disappear.' I looked at the name of the State Bank of South Australia I thought that that did not really do anything for me. I wonder whether it does anything for the people of South Australia. I wonder whether the Government would not be well advised to consider starting completely afresh and forming a South Australian Banking Corporation or State Banking Corporation of South Australia. I realise that playing with names—and I do not suggest a change of name for the sake of change—can cause problems. But, I still believe there is room for a South Australian Banking Corporation, as such.

Under the umbrella of that organisation, which should be the Government's major financial institution, one could still have the State Bank and the Savings Bank of South Australia (as those banks were operating), and one could incorporate the Public Trustee and the Government Tourist Bureau (the Travel Centre). One could then cover the whole of the State by at least 158 branches and agencies, which incorporated agencies of the Public Trustee or the Travel

Centre or provide an opportunity for those bodies to be represented.

That would increase income opportunities for the new bank and increase opportunities for people in remote areas of South Australia to enjoy benefits similar to those of people in the metropolitan area. I often wonder, when something new is created, how much thought is given to its total impact and ramifications. Why not take the opportunity to go all the way to presenting a really neat economic package? I do think that there is benefit in that suggestion.

One could consider ruthlessness of banking and the opportunities the Savings Bank of South Australia has had for many years with its coverage through schools with the school banking system, which was an extremely successful department of the bank, and that was really what it was all about. It had its customers from the time they went to school, it kept them through their adolescent years, it got them again when they went into employment, and it was able to finance the purchase of housing for them. The Savings Bank of South Australia has helped tens of thousands of persons purchase houses in this State at a very reasonable interest rate. It has made the Australian dream possible.

The bank helped them in their middle years with investment opportunities (fixed deposits, inscribed stock, or whatever system was used). In latter years one could help people through the agency of the Public Trustee. In other words, a trustee company should be incorporated in the system. When people retire and want to travel overseas there would also be an agency of the Government Tourist Bureau to help them. Through a South Australian Banking Corporation one could incorporate all the financial needs and requirements of a person virtually from birth to the grave. If one is to help people by looking after their finances, bearing in mind the original ordinance, perhaps that is something that we should remember.

I return to chapter 3 of the book, *Our Century—The History of the First Hundred Years of the Savings Bank of South Australia*, and read from page 9 this quote by the author:

> When the Board of Commissioners set up by the South Australian Colonisation Act to carry out the settlement of the new Province was drafting its instructions to Mr James Hurtle Fisher, who was to sail with Governor Hindmarsh as the first resident Commissioner, it included the following:
>
> > The economical institution which seems best calculated to promote habits of frugality and industry, and to bind the working classes to the Colony by the ties of interest, is a savings bank, founded on the principle that no deposits shall be withdrawn except in cases of death, until after a residence of some fixed period, say three years, in the Colony.
>
> James Hurtle Fisher was not the sort of man to forget or disregard an instruction, particularly one which, as pointed out in the last chapter, had such an important bearing on the whole success of the Wakefield Scheme;

I do not suggest that that is what should have happened, but certainly the Savings Bank of South Australia fulfilled its role extremely well for the people of South Australia. This House, this Parliament and this Government must acknowledge that. I hope that some time between now and the commencement of the new bank this will be done publicly.

Similarly, I believe that is the case with respect to the State Bank of South Australia. Those people went out as bankers to the West Coast and to the Mid North in the very early days of the State. If I recall correctly, one branch was in a dugout way out on the West Coast. But, certainly, banking in those early pioneering days was not what it is today. Officers who were required to go out into the developing areas of the State were not always provided with modern facilities. Many suffered considerable hardship, as did their wives and families. They did it because they believed in the institutions for which they worked and in the State that they helped pioneer.

The Leader and the member for Light referred to certain aspects of the legislation about which they may have some doubts and which they believe should be further considered. I was pleased to note that the main officer of the new bank will be called the Chief Executive. The title does not convey very much. Generally, there is a general manager who becomes a managing director if he is allowed to be elected to the board.

However, in this instance the title 'Chief Executive' has been agreed, and that officer has the opportunity to be elected to the board, which I believe is a wise and excellent move. Of course, it is necessary to present a very attractive package to encourage persons to seek that position. This is the marketing system today and to attract the best executives in the country, one has to pay the top salary and provide the best conditions. There is no doubt that the new executive's salary and benefits would be well into a six-figure sum, and I would not begrudge him that at all because his job will be to put confidence into this new bank. The Premier, in his second reading explanation, stated:

> Clause 15 makes it clear that consultation is expected between the Government and the bank on matters of mutual concern. Consultation may be initiated by either party and there is no provision for either party to coerce the other into accepting a particular course of action. However, the bank is required to give serious consideration to any proposals that the Government may put to it and to report formally on such proposals if is asked to do so.

I believe that a working party of eight drew up this legislation: two from the Savings Bank, two from the State Bank, two from Treasury, and two chief executive officers of the banks. This means that Government (or Treasury) in no way can instruct the new bank to do what it would like it to do. If it does, then the board would be required to or should report the action. I like that provision because that clause protects all parties: Treasury, the Government and particularly the board, with its responsibilities. So, there is no way in which a Government can coerce the bank into doing something that the board believes is not in the best interests of the bank.

I also note that the management is placed in a board. Much has been said about membership of the board, and again this is a complete change from the role of the two former banks. The Savings Bank of South Australia officers were called trustees, and were charged with holding in trust the savings of the depositors. The State Bank had a board of management and that is exactly what it did: it managed the bank, in the interests of that bank. So, here we define the membership of the board and we call it the board of directors. It is interesting to note in the book *Our Century—The History of the First Hundred Years of the Savings Bank of South Australia* that reference to the trustees of the bank. It is worth recording, as far as the history of that great institution is concerned, this passage at page 45:

> At first the Board comprised a president, vice-president and eleven trustees. They met once a month. Besides framing the policy of the bank, the early trustees were required to help with the clerical work involved in the receipt and repayment of deposits.
>
> Rule 3 of the original Rules and Regulations provided:
>
> > That one trustee and the accountant, or, in the absence of the accountant, two trustees do attend on each day appointed for receiving or repaying deposits, and do enter in a book to be called the Trustees Book the number and amount of every deposit or repayment as the case may be; and at the close of business of the day do compare the entries in such book with those of the Accountant's, and ascertain that they both agree in all respects, and do thereupon sign the same: and also on the days for repayment of deposits that such trustee do ascertain the balance remaining in hand at the close of the business of the day and do state and sign the same.
>
> Trustees unable to attend as rostered were expected to find substitutes. Travelling was difficult in those days; what is now

the closely settled metropolitan area was then sparsely populated, and members who resided 'out of town' obtained permission to attend in the morning, rather than in the evening, during the winter months.

We now find, at long last, that the role of trustees and the board of directors has been brought right up to date, but one can imagine the reply if someone asked the board of directors to attend on a voluntary basis, and to supervise the day-to-day operations of the bank. Such was the dedication, such was the devotion of those early pioneers in the Savings Bank of South Australia, and such was the dedication of the State Bank, that we owe them and the staff a tremendous debt of gratitude for what they have done for South Australia. I wish the new bank continued success and growth.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): This is one of those felicitous occasions when the Opposition has no great argument with the Government's proposals. I read with interest again the Premier's explanation of the Bill, and I would have been disappointed had we not had the usual reference to the A.L.P. policy speech, and the tedious repetition of the Labor Party in seeking to sell to the public of South Australia that it is taking a whole range of new initiatives which are revolutionising the activities of the State. However, other than the opening gambit, which is obviously the work of the political gurus who advise the Premier, I find the explanation entirely satisfactory. In fact, the Premier well knows that approaches were made to the Liberal Party, if he has taken the trouble to read the correspondence, back in 1981. There was an approach from the State Bank in relation to a possible merger and the Liberal Party was certainly interested in what was being proposed. The Premier's second reading explanation states:

> The principles upon which the legislative framework for the new bank is based are:
>
> 1. That the bank should conduct its affairs with a view to promoting the balanced development of the State's economy and the maximum advantage of the people of South Australia. Bearing in mind the traditional emphasis on housing, the bank shall also pay due regard to the importance, both to the State's economy and to the people of the State, of the availability of housing loans.

Every member of this House, (or those who have been here for any time), have had ample testimony to the importance of these two banks in relation to housing finance in South Australia. I have not had a lot of inquiries from constituents over the years in relation to general banking. There is the occasional complaint from people who are not satisfied with the way in which banks have treated them. Recently, I had a complaint about a private sector bank where a deal had been negotiated, the bank found that it had made a mistake, and it sought to change the ground rules after the loan had been negotiated. I sought to telephone the State Manager, who was not available, but I did contact the officer concerned and told him in no uncertain terms that it was not a very satisfactory way to do business: when one strikes a bargain, that is it. If in fact a mistake had been made, it was not the customer's fault; if the loan is not in conformity with the general ground rules that the bank normally observes, that is its bad luck. My constituents were very pleased with the result: the bank acknowledged that the loan should stand under the terms and interest rates which applied. I told the officer concerned in fairly blunt terms my view of the situation.

As I say, they are fairly isolated instances. I have no great complaints at all about the banking system as we know it in Australia: it serves us well. However, the State Bank and the Savings Bank are special institutions in South Australia; I believe that they are recognised as such and provide a public service that no institution could provide in the sort of circumstances which attract bipartisan support from the political Parties. In fact, I think that the operations of these banks have been fairly instrumental and influential in forming the habits of the public of South Australia. South Australians traditionally over the years have had the highest level of savings bank deposits of any State in the nation and, in my view, it goes right back to the operations of the Savings Bank in our primary schools.

I think that I can speak from first-hand experience, and probably a lot of my attitudes to finance and the principles that I espouse go back to those early days when thrift seemed to me to be just about as close as one could get to cleanliness, which was supposed to be pretty close to godliness. The operations of the penny bank (I think it was called) in the primary schools were pretty influential in the Depression days, when money was not freely available and before the advent of the credit society where one buys now and pays later, a theory espoused with some alacrity in South Australia by succeeding Dunstan Governments, I might observe. However, in my view the operations of the Savings Bank going right back to primary school days, when kids would come along (and I was one of them) with a penny or sixpence and the bank balance was toted up, were pretty influential. From memory, I think that the first withdrawal I made from that account was at the end of my secondary school career.

In my view, that has been very influential throughout South Australia, and inculcating in people some of those habits in thrift has led to the result that South Australians over the years have always had higher savings deposits and have been more careful in that regard, it seems, than have our compatriots in the other States of Australia. I must confess my ignorance as to how the State banks operate in the other States. However, it is my experience that the Savings Bank, particularly in relation to school bank accounts, has been very influential in reinforcing what was obviously part of the mores in relation to the financial dealings of the parents of children going right back to the Depression days in South Australia.

As I say, it has certainly influenced the outlook of a large number of people and has probably led to a degree of conservatism in South Australia in relation to financial dealings which is perhaps peculiar to some of the long established institutions in this State. However, I think that our modern financial institutions would collapse if we were not living in a credit society. In fact, that situation has escalated enormously since the Second World War, and we see certainly in the rising generations quite different attitudes in relation to the acquisition of goods and services and payment for them. These banks have been most influential, the Savings Bank of South Australia particularly, in that area.

I think that the State Bank, likewise, as it impinges on the average citizen, has played a most important role in relation to housing, and I have had numerous constituents through my electorate office (and I would be surprised if this did not apply to other members) in relation to waiting times for State Bank housing loans, conditions in relation to the loans, whether they apply for a concessional loan, and so on. All that has been most valuable in contributing to that other feature of Australian society not necessarily peculiar to South Australia, and I refer to what is described in most circles as the great Australian dream of a family owning its own home.

I saw that matter attacked recently in the daily press by some authority who suggested that it was far more sound economically to rent premises for one's whole life than to aspire to owning one's own home. I guess that that depends on one's outlook. If one wants to have a stake in this country and have one's own castle, which is one's bit of the

country, of course, we want to encourage property ownership. I certainly subscribe to that view. However, if one takes the calculating view that this commentator obviously took in relation to home ownership, one would never aspire to that. I certainly do not agree with that viewpoint for sociological reasons, among others, and it is fairly basic Liberal philosophy that there be a pride in ownership and the responsibility of ownership which we believe is valuable. In reading through the principles which the Premier outlined in his second reading explanation, I find nothing at all with which to quarrel. I refer to it, as follows:

. . . the bank shall also pay due regard to the importance, both to the State's economy and to the people of the State, of the availability of housing loans.

I have mentioned that: I believe that it is most important, and no-one for a moment envisages that these merged banks will not continue those emphases. Before leaving the operations of the Savings Bank, I think that the school bank system still operates and officers of the bank still visit schools. I am told that they do not deal with passbooks as they used to but that they have some sort of voucher system. Nonetheless, it would be a great pity if that activity ceased because, as I say, I think that it was fairly influential in encouraging characteristics in the rising generation which I think are valuable. The second principle espoused by the Premier was as follows:

That the bank should operate in accordance with accepted principles of financial management.

That is obvious. The third principle is as follows:

That the bank should operate in conditions as comparable as practicable with those in which its private sector counterparts operate.

We believe that that is essential. We do not subscribe to any view that Government instrumentalities should have any trading advantage over their private sector counterparts, and we have made this point on numerous occasions in relation to the operations of the State Government Insurance Commission. Wherever Government wants to intrude into what are traditionally private sector activities, we believe that it must be competitive. The fourth principle is as follows:

That the bank should be able to become an active, innovative and effective participant in the South Australian economy and financial markets, with the flexibility to adjust to the changes which are a feature of these markets.

Of course, we agree with that entirely. As I say, the views of the Opposition have been clearly spelt out early in the piece. I refer members to the remarks of the Leader of the Opposition on 22 March when our position was made perfectly clear to the House, as follows:

I now turn to the State banking institutions. Following the merger of the Bank of Adelaide with the A.N.Z. Banking Group during 1980 and the recent mergers of the remaining free enterprise banks, I believe that there are distinct advantages for the people of South Australia which would flow from the merging of the State Bank to form a South Australian banking corporation.

Of course, the new name of the bank is to be the State Bank, so the fact that reference is made to a South Australian banking corporation is, I believe, a minor point and immaterial in terms of what the merged bank is to be called. The Leader's remarks continued:

In putting forward this proposal, I want to emphasise at the outset that it is based on the fundamental principle that such a corporation should operate on the same basis as do the private banks; in other words, it should be liable to other imposts, such as taxation at normal rates, and it would have no Government created commercial advantages over its competitors.

I believe that such a corporation, operating on this basis, would still be able to provide the people and businesses in South Australia with a full range of banking and related financial services. The merged bank's goals would be:

To provide banking, financial and related services to the people of South Australia and to those segments of the economy of importance to the State's strength and further development;

To ensure adequate levels of competition in the markets available to the bank;

To encourage and assist investment in South Australia and liaise and co-operate with organisations having similar objectives;

To provide services to all levels of government and to public authorities;

To manage effectively and efficiently those services that the bank performs on behalf of the State Government.

A merger of the banks would enable the Savings Bank of South Australia branches to offer a wider range of lending and other financial services, and it would have a greater capacity to offer full international banking services which, due to restrictions (which have been removed), have not been fully implemented within that service and are currently not offered.

The size and strength of a South Australian banking corporation would be such as to enable it to expand or move into new services and enable the corporation to complete more equitably with the other banks represented in Adelaide in such areas as:

Corporate banking, including management of consortium loans in local and foreign currencies. Over a period of time a business development and trade inquiry service could be developed;

Investment services, including nominee and registrar services and portfolio management. Other services in this category include management of superannuation funds and investment of short, medium and long-term funds;

Other services, including a more comprehensive travel service, a migrant advisory service, an economic research and information service covering mining, rural, and industrial undertakings.

A merged bank would have the expertise and strength to raise off-shore funds for financing resource and other projects for the benefit of the South Australian community in general.

The people of South Australia would have a single bank 'The South Australian Banking Corporation'—

we have no objection to the name 'State Bank'—

offering a comprehensive range of banking and related facilities. South Australia is the only State with two State banks, which, I believe, leads to an inefficient use of capital and human resources. There is no longer a bank with its head office in South Australia which offers a range of services in complete sympathy with the local scene.

Existing branch structures of both banks would bring these services to the whole community. With the possible entry of a limited number of foreign banks (and that matter is under question), the whole banking market is expected to change significantly and become even more competitive over the next few years. A merged operation of the two banks would be better able to cope with the challenges these changes will present than either bank could expect as a separate entity. A merger of the State-owned banks would bring rationalisation of the use of all resources, as well as economies of scale with ultimate savings to its shareholders—the people of South Australia.

As a result of a merger of branches, staff will be freed to move into new and expanded service areas. Opportunities would arise for staff to have a broader work experience and to develop new skills. This would lead to better career prospects, greater job satisfaction, and a more highly motivated staff. The marketing image of a merged bank would be greatly enhanced, as it would be able to promote the idea of a South Australian bank, operated by and for South Australians.

A South Australian banking corporation would hold a market share of approximately 34 per cent of total trading and savings bank deposits in South Australia. Because of the geographical spread of the merged bank, a South Australian banking corporation would be able to ensure that funds were retained within the State for the benefit of the State . . .

In the case of the banking institutions, I have advocated action to maximise the efficiency of long established facilities to benefit all South Australians, provided such action does not place the private banks at any disadvantage. These proposals are completely consistent with Liberal philosophy that action by the State can best be achieved through a public sector which has its role clearly defined so that, on the one hand, it can serve public needs effectively and efficiently in those areas where its services are needed and for which it has a responsibility but, on the other hand, is not wasteful, superfluous or inhibiting and does not stifle or threaten individual freedoms, enterprise or initiative.

That put down clearly many months ago the Liberal Party's position in relation to a merged bank. As I suggest, the new Bill incorporates in a large measure what the Leader of the Opposition said then. The Premier got up and went through

all that nonsense about what was in his policy speech, and he said that this is an initiative of the Labor Party, just as he is suddenly saying that Technology Park is a Labor Party initiative and Roxby Downs has suddenly become his baby. Suddenly, the Premier has embraced Roxby Downs yet a year ago it was a mirage in the desert. Now he is fighting for it. I could not help smiling when I read his introduction to the Bill.

The Hon. J.W. Slater: It was not a smile, it was a smirk.

The Hon. E.R. GOLDSWORTHY: It was not a smile, it was a smirk, because the Premier had his tongue in his cheek. When one has a look at what the bank is empowered to do one sees that it can put into effect what the Leader was saying in March. Clause 19 delineates in precise terms just what the Bank can do. One of the pleasing features of this Bill is that it can be read and quite clearly understood by a layman.

It is an important Bill which deals with what we believe is a most important merger for the benefit of the South Australian public. It is also a Bill which is quite readily understood and its intent is quite clear. Most of the issues which the Leader enunciated in March are spelt out in precise terms in clause 19. That clause indicates a wide scope for the activities of this new bank, and I believe that that will encompass all the activities which the Leader enunciated earlier this year.

I do not want to traverse the same ground as earlier speakers have done but I refer briefly to the fact that, despite our support for this Bill in suggesting that it is a good Bill, a well drafted Bill, and brings into effect this merger which the Opposition wholeheartedly supports, we believe that some aspects of it can be tightened up. Some of our suggestions may appear to be minor but I believe that some are quite important. The Leader mentioned five matters which he believed could be tightened up, some of which related to the appointment and duties of the board, in an attempt to make the provision more definite and to make it imperative rather than optional.

The one area which I think is important, particularly in relation to the operations of the present Government, is the clause relating to what the Government can syphon off from the bank, and that is not specified in the Bill. Judging by the track record of the present Treasurer, that clause should be a cause of considerable concern to this side of the House and to the people of South Australia because wherever the present Premier and Treasurer can get his sticky fingers on money, he does so and gets it from the public. We have had a hike in electricity charges because the Premier wanted to get his sticky little fingers on money from the Trust through increased interest rates. When his Government came into power he said that there would be no backdoor or increased taxes yet we have just had a new tax introduced. This is an open-ended clause through which the Treasurer can syphon off what he considers to be a fair slice of the cake. This is not on as far as we are concerned, because his sticky little fingers are, indeed, very sticky when it comes to syphoning off funds from the public of South Australia.

That is the only foreshadowed amendment of the Leader to which I want to refer, but it is a most important amendment. We have seen all this thrashing of the Labor Party in the past: it intended to soak the rich, tax the tall poppies. Mr Dunstan, who lived on credit for 10 years, put a tax on electricity and gas to soak the rich. This open-ended provision where the Premier and Treasurer can siphon off what he thinks is his fair share of the cake from the profits of the bank is just not on. With that fairly severe reservation of the Opposition, we have no hesitation in supporting this excellent piece of legislation.

The Hon. J.C. BANNON (Premier and Treasurer): I appreciate the support given by the Opposition for this measure. It is certainly important for the success of the merger and, in this banking area, particularly important for the ongoing confidence in our financial base that that support be forthcoming. Contributions made by members of the Opposition were fairly useful, although perhaps I would make an exception in regard to the Deputy Leader, who has just completed his speech. He spent most of his time when not referring to matters very distantly related to the Bill quoting old speeches of his Leader made earlier this year, which were very enlightening but fairly boring.

The situation now is that there is support for the Bill, and it is important for the success of the merger that that be so. I guess that that is reinforced if one thinks back to the experience of the Dunstan Government in the mid 1970s, when in an effort to integrate and co-ordinate the activities of the banks, and no more, certain dual appointments of members of boards were made to enable those involved to ensure that the policies of the respective banks were moving in at least the same general direction. The Opposition's attitude to that and the sort of speculation and rumours that were sent flying on that occasion would have made any Government somewhat nervous about venturing into such an area of bank mergers without the sort of bipartisan support that is apparent on this occasion. I am pleased to see that the Opposition has changed its views on this matter and that it is supporting it.

Mr Olsen interjecting:

The Hon. J.C. BANNON: The Leader says that his views have always been the same: that is fine. I am talking about the views of the Liberal Party expressed while it has been in Government and in Opposition in the past. The Leader referred to a speech he made on 25 March during the Address in Reply concerning bank mergers. I welcomed his remarks, although I think I should set the record straight in regard to the Government's activities in this matter. I met with the banks separately and in regard to the Savings Bank I had a meeting with board representatives within some days of the election to discuss with them the general policy and possibilities involved in terms of closer co-ordination and integration of the services of the respective banks.

As a result of those meetings held within a few days of the election, the Savings Bank Chairman responded in a very positive way, making clear that there would be considerable advantages in a merger of the two banks. He communicated that to me on 15 December following our meeting on 12 December. I indicated to him quite clearly that the matter would be pursued. The banks themselves have been actively involved in initiatives leading to the merger, because only with the support of the respective boards and managements of the banks were we able to make the sort of progress that has been made. The Government acted within a matter of days following the election. In fact two days after the Government had been sworn in I met with the Chairman of the Savings Bank to get this area of policy rolling. I am pleased to say that it has progressed very smoothly and steadily since then.

The Leader, of course, could not resist using his second reading speech as yet another vehicle for talking about the rate of taxation in South Australia and about certain imposts and charges that have been made. I was interested in his statement that we were leading the rest of Australia in this area. I would refer the Leader to a speech made by the Federal Leader of the Opposition, the Hon. Andrew Peacock, just a couple of days ago to a Young Liberals conference in which he analysed tax increases in the various States. In fact, of those cited, South Australia's increases are the lowest by quite a few per cent.

Mr Olsen interjecting:

The Hon. J.C. BANNON: Let me go on to say that there is no point in a broad financial strategy of the kind that the Leader of the Opposition was referring to if in fact the public sector is financially crippled. The incubus of bankrupt public services would simply be fatal to economic recovery and would mean that we would have no capacity to meet the challenges of structural changes in the economy and economic development facing South Australia. It is for that reason, and for that reason only, that the Government has been forced to take measures to raise its revenue to ensure that the public sector is not that incubus, that it is able to play its vital part in the development of this State. The fact of life is that the smaller the economic base, the smaller the State, the more important is the public sector as part of that process.

It is clearly demonstrable (we have had the argument philosophically many times in Parliament) that members opposite, in a period of three years in office, were willing to live off the accumulated finances and reserves built up by the previous Government, letting them run down, while at the same time patting themselves on the back in regard to South Australia's low level of taxation. Because the accumulated reserves were allowed to be depleted to an alarming extent, the present Government was faced with a major financial crisis. Had the public sector finances not been restored we would not be here debating a bank merger or anything like that. That would be out of the question: we would simply be struggling to survive in a deepening economic crisis. The fact is that the present Government has had the guts to take action to get the house in order, and it has done that while recognising that that would not be a popular move.

So, we are now in a position to expect that the economy in an integrated way will improve over the next two or three years. In that improvement, in their role the merged banks will play a key part. I refer to comments about industrial conditions made by the member for Hanson. He made some interesting historical digressions and called on his experience as a former bank officer. As I said in the second reading explanation, it is appropriate that the banks be dealt with separately, but I would assure the member for Hanson that it is the Government's intention that they be dealt with thoroughly and fully in consultation with both the staff and the unions representing them. That process is well under way. In the meantime, if we have the overall administrative merger set in place, the background in which those discussions on industrial conditions occur can be much sharper and better understood. Naturally a Bill with provisions covering those areas must be in place before the actual merger takes place. I shall address myself to the various amendments foreshadowed at the appropriate stage in Committee.

Bill read a second time.

In Committee.

Clause 1—'Short title.'

Mr BECKER: Was consideration given to a name other than 'State Bank of South Australia Act, 1983'? I believe that a name such as 'South Australian Bank Incorporation' or 'State Bank Incorporation' would be more appropriate. By using a totally different name we would be virtually starting afresh, the Savings Bank of South Australia having lost extreme credibility. The State Bank of South Australia is also an older name.

The CHAIRMAN: Order! The Chair points out to the honourable member that clause 1 simply deals with the title. I suggest that the matter to which the honourable member is referring could be dealt with under clause 3 relating to interpretation, which is what the honourable member is getting at.

Mr BECKER: I agree with that, Mr Chairman, but, if consideration was given to a change of name with an amendment being moved and carried in clause 3, we would then have to come back to clause 1. I thought it best to raise this matter in clause 1, as the legislation is entitled 'State Bank of South Australia Act'. If we are going to change the title, why not do it now?

The CHAIRMAN: The Chair does not agree with the honourable member's interpretation of clause 1. Clause 1 is simply the title, whereas clause 3 is the interpretation. If the honourable member reads on he will see that his query clearly comes within the interpretation clause. The Chair does not intend to allow the honourable member to debate the interpretation of clause 1.

Clause passed.

Clause 2—'Commencement.'

Mr OLSEN: I move:

Page 1, after line 19—Insert new subclause as follows:

(2) A proclamation shall not be made under subsection (1) unless the Governor is satisfied that legislative provision has been made protecting the rights and interests of the officers of the Bank.

The amendment refers to industrial legislation looking after the interests of bank officers. In his remarks closing the second reading debate the Premier said that it was the wish of the Government that the legislative protection be in place prior to this Bill coming into force. The Liberal Party amendment seeks to ensure that the Government's objective is met. The amendment will ensure that the discussions to which the member for Hanson has referred (with various officers and staff groups of the respective banks) are taken into account and fully discussed before the legislation is proclaimed.

As the merger date approaches, work loads build up and time constraints become more intense. Whilst I acknowledge that bringing the two Acts together is a complex matter, the welfare of the employees must be considered and is of paramount importance, as highlighted by the member for Hanson. The Opposition has sought to have discussions with various A.B.E.U. representatives in relation to this matter. The amendment seeks to ensure, for the protection of the unions concerned, that the appropriate legislation is brought before Parliament and is in place prior to its proclamation. For that reason I commend the amendment to the Committee.

The Hon. J.C. BANNON: I have no objection to the import of the amendment, as I made clear during the second reading debate. We envisage this being done by having either piece of legislation in place, perhaps with a scheme of regulations. We will certainly have an agreed document that can go before Parliament. The two pieces of legislation must operate together. We can support the purport of the amendment. However, I suggest deleting the word 'protecting' and inserting in lieu thereof the words 'in relation to', as 'protecting' may have some specific or limiting reference. I do not think that we can deny the flexibility of negotiations in terms of actual provisions. I appreciate the point that we should include something to indicate that the two measures work together. I suggest that the Leader move accordingly to amend his amendment.

Mr OLSEN: I seek leave to amend my amendment to read as follows:

(2) a proclamation shall not be made under subsection (1) unless the Governor is satisfied that legislative provision has been made in relation to the rights and interests of the officers of the bank.

Leave granted; amendment amended.

Clause as amended passed.

Clauses 3 to 5 passed.

Clause 6—'Establishment of the bank.'

Mr BECKER: When this merger was first mooted I thought that it would be a pity to lose the identity of the Savings Bank of South Australia. It would also be a pity to lose the identity of the State Bank. I believe that the Savings Bank of South Australia carries a tremendous amount of weight and credibility within the community. There is no doubt that it has enjoyed a high reputation with undoubted integrity in relation to its banking reputation. Therefore, I believe that we should create an instrumentality such as the State Banking Corporation, using that as the umbrella organisation. We could the retain the Savings Bank of South Australia, bringing in the Public Trustee and branches of the bank to act as agents.

They could also act as agents for the Government Tourist Bureau. Did the Government consider calling the new body the State Banking Corporation, the South Australian Banking Corporation, or something else that would identify it with South Australia? I realise that there are other State banks. I believe that in New South Wales the name has been changed to the State Bank of New South Wales, and in Victoria it is the State Bank of Victoria. Regrettably, there is no State Bank as such in Queensland—but that is another country, a world apart.

I realise that there is an agency arrangement between the other State Banks, the Commonwealth Bank, the State Bank of South Australia and the Savings Bank. The various State Banks benefit by using interchanging computer programmes. Of course, there is an office of the Savings Bank of South Australia in London. Certainly, it is very important for the bank to retain a London office. Hopefully some time in the future there could be justification for branches of the bank in California on the West Coast of America and, who knows, even on the East Coast. Possibly, branches could also be established in Malaysia, Singapore and Japan. When I was looking for a name I considered something that incorporated many other benefits under the banner. I thought about the State Banking Corporation of South Australia or the South Australian Banking Corporation. Was consideration given to that matter, bearing in mind the possibility of future overseas expansion?

The Hon. J.C. BANNON: Considerable consideration was given to the name, because it will obviously be a very important part of the identity and marketing of the bank and its services. Market survey work was undertaken, and staff members were consulted. Among a number of suggestions the State Bank of South Australia was a name that consistently emerged as being recognisable, understood and accepted.

It has a number of advantages, particularly the initials S.B.S.A., because they are identical to those of the Savings Bank of South Australia.The contraction S.B.S.A. could be used on many occasions to describe the State Bank, rather than its full title. That contraction immediately relates in people's memories to the S.B.S.A. Savings Bank motif. That would be reinforced by the logo, which will adopt the Savings Bank map of South Australia logo rather than the State Bank striped logo. We have achieved quite a clever and skilful amalgamation of the two banks, both of which have very particular clientele and both of which have a high reputation. Obviously, the new bank's recognition factor is important. Coming back to the basic point, the name was chosen because market research indicated that that was the best title for the new bank.

Mr BLACKER: I spoke to the Premier prior to commencement of the debate as to members' positions in relation to pecuniary interests. I, and I believe other members of Parliament, have bank accounts with the two banks concerned (in my case, it is with the Savings Bank). We have just repealed the previous two banks' powers. We are now to establish another bank. I ask the Premier to define the position for those members who have a pecuniary interest. I will gladly stand out of the Committee if it is deemed that I have a pecuniary interest.

The Hon. J.C. BANNON: Perhaps the Chair is being asked for a ruling in this matter.

The CHAIRMAN: The Chair has sought advice. If the member has (as many of us probably have) a savings account with one of the two banks, that fact would not preclude him from voting on or debating the issue. Under the pecuniary interests legislation the honourable member would only be affected if he was in some way an administrator of one of the banks.

Mr BLACKER: Mr Chairman, I make the point that I have more than just a savings account with the Savings Bank. My entire banking is with that bank. I raise the point because I do not want to be accused, as I have been in the past, of banking with a bank of the State. I hope that all members are happy with my declaration and that they understand—

The CHAIRMAN: The Chair does not recognise that an account with the Savings Bank is a pecuniary interest for the purposes of this legislation.

Mr BECKER: The clause provides:

> Notwithstanding that the bank is an instrumentality of the Crown, the bank is liable to rates, taxes and other imposts under the law of the State as if it were not such an instrumentality.

I had difficulty in determining whether the State Bank previously paid rates or taxes or whether it made a donation towards them. We have not been advised of the total new capital structure of the new bank, but I assume that it is $42 million. Interest is payable on moneys that have been advanced to the State Bank by Treasury and, of course, there is also the question of rates and taxes. Several points have arisen, but the actual fine financial details have not been made available to me. First, I refer to the capital structure. I understand the situation in relation to interest-free payments. Rates and taxes are a further contribution that the new bank will make to the local community and to the economy.

The Hon. J.C. BANNON: Under existing arrangements both the Savings Bank and the State Bank pay local government and E. & W.S. charges. The only additional impost for the new bank will be land tax, which is calculated at about $400 000 a year. That liability, which is consistent with placing the new bank on a commercial basis, must be read in conjunction with clause 22. The dividend payable by the bank is set out under the existing arrangements; for instance, with the two banks where one gets about 50 per cent of the profits, a particular yield can be ascertained. Under this measure those taxes will be paid. There is some flexibility under the dividend arrangement which allows for the establishment of a total return to the Government based on the recommendation of the banks. Some adjustment in relation to land tax could be easily encompassed within the overall financial arrangements between the Government and the banks.

Mr BECKER: The $400 000 estimate for land tax gives us some idea of the capital value of the property held by the new bank and its branches. Where will the head office be established—in Pirie Street or King William Street? The ideal location would be King William Street. The other problem is that in time the new bank will have to face the question of the duplication of branches. Some 19 country branches are affected. Is the Premier able to give the Committee an indication of what the policy will be?

The Hon. J.C. BANNON: The head office will be in King William Street which, I suppose, is the most prominent and imposing location. Obviously, over time all branches of the new bank will be redecorated with the new logos and styling. Where there is more than one branch in juxta-

position (where it is inefficient to have two), rationalisation will occur. That will depend on the nature and quality of the particular buildings and properties involved in those centres. However, this measure provides the opportunity for a wider extension of services. One hopes that any closures of particular outlets will be matched by a general increase in business, which will provide greater employment and expansion opportunities for the amalgamated banks. Therefore, the debit, on the one hand, obviously will be matched by a credit on the other hand.

Clause passed.

Clause 7—'Membership of the board.'

Mr OLSEN: How many directors will comprise the first board of the new bank? Is it the intention to draw from existing board members, perhaps an equal number both from the State Bank and the Savings Bank?

The Hon. J.C. BANNON: No final determination has been made on that, but it would certainly be the intention to provide some continuity of membership from the existing boards of both banks. The numbers and persons involved have not been determined at this stage.

Mr OLSEN: When does the Premier intend to announce the composition of the board for the new bank? That is fairly important if we are looking at a merger proposal operative from 1 July 1984. The composition and format of the board should be announced so that it can gear up for a 1 July start. Any lengthy delays will aggravate management decisions of the board. It will also delay implementation of some of the new bank's policies. An amalgamation of this nature involves the board in quite significant areas of decision making in the first instance.

The Hon. J.C. BANNON: Once this legislation has been passed and is in place, we will proceed fairly rapidly to the appointment of the board. I agree that the sooner it is in place the better. I hope that it will be early in the new year.

Mr BECKER: Will the Premier advise the Committee about the remuneration for the Chairman and each member of the new board?

The Hon. J.C. BANNON: That is normally determined by the Public Service Board and agreed to in Executive Council. That is the way that it has been handled in the past, and that arrangement will continue. There are standard levels for particular types of board membership, so I envisage that there will be no change to the general level of remuneration for the Chairman and directors of the new bank.

Mr BECKER: Can the Premier advise the Committee whether the Chief Executive Officer has been selected and, if so, when the appointment will be announced?

The Hon. J.C. BANNON: Preliminary work has been done on selecting a Chief Executive. It is hoped that an appointment will be made very shortly after the passing of the legislation so that he will be ready to start work fairly soon. Both banks, in a combined sense, have been doing what can be termed a bit of head hunting in relation to choosing an appropriate Chief Executive. The initial appointment will be made on a contractual basis, as a start-up executive director. Negotiations in that regard are proceeding at the moment.

Mr BECKER: Can the Premier give some indication as to the contract being considered? I understand that, as it is a contract appointment (possibly for five years), as with all senior administrative positions, if we are to attract the best available it would have to be a package deal. So, is South Australia moving with the times in this regard? I believe that a package deal could well amount to about $100 000 or more. Is that the figure that is being contemplated?

If we are genuinely sincere in attracting the best person available in this country to launch our new bank with a very solid base, we need to be absolutely sure that it will continue as a very successful instrumentality. On occasions there is a little dip before a merger takes off. That has happened in every merger. When the A.N.Z. merger was first brought about with the Union Bank and the Bank of Australasia in 1951, there were a few difficulties before it was finally accepted. The A.N.Z. takeover involving the English, Scottish and Australian Bank meant that some of the former E.S. & A. bank customers were not very happy. I understand that the latest bank mergers have created similar feelings among customers. If the Government can find the right person, and if it is given the wholehearted support of the Parliament and has the confidence of everyone in the State, the new bank will not suffer any difficulties. It is very important to have the best executive possible up front. However, I was concerned when I heard that that could cost in the vicinity of $100 000.

The Hon. J.C. BANNON: We are certainly well aware of the need to ensure that the person appointed is of the highest calibre: it is a very key appointment. The advantage of a contract is that it provides a freedom for negotiation, both as to time and on a remuneration package. I would not like to speculate on the value of the remuneration package, but the Government and the new bank will be flexible, recognising that it is important to secure the best possible person available.

Clause passed.

Clause 8—'Term of office.'

Mr OLSEN: I move:

Page 3—

Lines 13 to 15—

Leave out subclause (1) and insert new subclauses as follows:

(1) Subject to this section, a director of the bank shall be appointed for a term of office of five years.

(1a) Of the first directors to be appointed, three shall be appointed for a term of three years.

Lines 17 and 18—

Leave out 'subject to the limitation prescribed by subsection (1)' and insert 'limited as mentioned above'.

I referred to this amendment in my second reading speech. The objective is to establish a staggered rotation of board members, which is good commercial practice. Similar arrangements exist in other financial institutions. The amendment ensures that three members of the first board retire at the end of three years, with the remaining members completing their five-year terms. Thereafter, every member appointed in lieu of a retiring member shall have an opportunity to serve for a period of five years. The appointment of directors in the terms specified in the amendment will ensure that a full board may not be appointed by the Government of the day, changing over a complete board as it suits it.

Legislation that we are considering is legislation that will be on the Statute Book for decades to come as, indeed, it is replacing legislation that has been on the Statute Book for many decades. For that reason, whilst I have no doubt that it would not be the objective of this Government to take that course, we seek to have the legislation before the Committee amended in this regard to ensure that that is the position in future. I commend the amendment to the Committee, because I believe that it is good commercial practice and is in line with other financial institutions.

The CHAIRMAN: Is the honourable Leader moving the whole of the amendment?

Mr OLSEN: Yes, because (1a) is consequential on (1) and, of course, existing clause 8 (1) reads in part as follows:

. . . upon such conditions, as are specified in the instrument of his appointment.

By moving the amendments we seek to delete that aspect from the clause, and I draw the Committee's attention to the fact that the Opposition believes that it is not appropriate to include on the Statutes that directors to a board should be appointed 'upon such conditions as are specified in the

instrument of his appointment'. Once again, for appointments in the future it may well be that people will be appointed directors of the board with certain conditions attached to that appointment. It does not tie in with either of the existing pieces of legislation that this seeks to replace. Indeed, it is something that we are surprised to see included in the legislation before the Committee and we do not believe that it is appropriate. We would seek to have it removed by acceptance of my amendments.

The CHAIRMAN: Order! The Chair is a little confused. I am not sure whether lines 17 and 18 and line 21 are part of the amendment. I am seeking clarification.

Mr OLSEN: I am moving the amendments down to (1) and (1a). The others will be consequential, and I will determine the course of action when we know the Government's position.

The Hon. J.C. BANNON: The Government does not accept these amendments. As far as the staggered appointments are concerned, I agree with the Leader of the Opposition that that is desirable and that that is what should be done. The drawing of the clause has, of course, been done in such a way as to provide for that flexibility. I point out also, as I informed the Committee earlier (and we are really talking only about the initial stage in terms of continuity or first appointment of a board), that some existing board members of the two banks will form the core of the new board. However, equally they will be appointed for staggered terms of office. The Opposition's proposal creates far too great a flexibility. There may be occasions (and I am sure that the Opposition in government was confronted with this itself) when a fixed five-year term is not appropriate in a particular instance. Let us say that a director (a board member) has completed his five-year term and feels that, for reasons of age or whatever, he would accept reappointment, but not for an extended period: he would prefer a shorter period.

There should be that flexibility if it is the wish to make such an appointment, and that is common in most of these areas. As to the conditions specified in the instrument of appointment, this has been imported into quite a lot of recent legislation. It is not with sinister intent: it is simply and in fact about the only area in which it may apply, and certainly on current thinking in this case it would be to provide some form of condition whereby a director may not accept appointment to a board or employment in some form of competing financial institution. It is to avoid problems, specifically excluding problems of conflict of interest. In broader commercial terms there are joint directorships of boards, and I guess that there would be no embargo on a director of a bank board (many of whom are drawn from business and commerce) being a director, managing director, or whatever. One would hope that we have a number of active business men involved in the boards. However, in terms of financial institutions and so on it may be desirable to impose some condition which would be imposed and specified at the time of appointment, so that it is not a case of imposing some obligation on a person who has accepted a position on the board.

Therefore, I would say that it is in the interests of any Government of the day that it does have flexibility in relation to appointments, and certainly I can undertake, as far as my Government is concerned, that it would be making those appointments on a staggered basis in order to preserve that continuity over time and, certainly equally importantly, ensuring that vacancies occur at regular intervals so that the Government of the day has that ability to make appointments during the course of its term of office. That is how the situation would work.

Mr OLSEN: The objective put down by the Premier is not different to that which we want to ensure happens by requirement legislatively and we are not, as I understand the Premier's remarks, far apart. It is merely that he wants to leave it open to future Governments, over subsequent decades, to apply the same goodwill that he has suggested he will apply. I am afraid that I do not believe that, in drawing up legislation and amendments such as this, we ought to leave it open. As for flexibility, there is flexibility there because, if a director resigns from that position, indeed, there is the flexibility for a Government to appoint obviously an alternative to that position. Therefore, we seek to make it a requirement, not to leave it open-ended as indeed the Premier suggests in this instance. His explanation does not meet the requirements of the Opposition to pull back from its position as enunciated.

The Hon. J.C. BANNON: I think that the position is far too rigid in relation to the Opposition's proposals. I have indicated quite clearly the policy that would operate, a policy that successive Governments have used in the past. I cannot see them changing it in the future. It is the prerogative of the Government of the day to appoint directors to various boards, corporations, and so on, and it will exercise that as those vacancies occur. It cannot remove a director, except under very strict contingencies provided under clause 9. Casual vacancies (that is, resignations in particular) are covered more specifically by another amendment that the Opposition will move which we will deal with in a moment.

Mr OLSEN: A little more rigidity in the provisions might not be such a bad thing, in that it does not give the capacity for the Government of the day to remove people from the board quite as openly and as freely as the Premier has suggested. In relation to 'upon such conditions as are specified in the instrument of his appointment', some people have referred to that as saying, 'Go on the board of the bank; here are your riding instructions; this is what you will implement in policy making.' That might not be the intention of the Premier or his Government, nor would I suggest that it is.

The Hon. J.C. Bannon: I do not think the law would allow it.

Mr OLSEN: It is there: it is part of the legislation. It ought not to be there; it ought not to have that requirement on it, and for that reason the Opposition would wish to persist with its amendments after dinner.

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

Progress reported; Committee to sit again.

STANDING ORDERS SUSPENSION

The Hon. J.D. WRIGHT (Deputy Premier): I move:

That Standing Orders be so far suspended as to enable the introduction forthwith, without notice, of seven Bills, namely, the Further Education Act Amendment Bill, the Education Act Amendment Bill, the Prisons Act Amendment Bill (No. 2), the Petroleum Act Amendment Bill, the Road Traffic Act Amendment Bill, the Industrial Conciliation and Arbitration Act Amendent Bill (No. 3), and the Real Property Act Amendment Bill (No. 2).

The SPEAKER: I have counted the members of the House present, and there being present an absolute majority of the whole number of members of the House, I accept the motion. Is it seconded?

Government members: Yes, Sir.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): The Opposition does not intend to oppose the suspension, but I wish to put on record one or two points which I think are pertinent to the business of the House. I

read with some interest a comment made by the Premier that the Opposition was turning this place into a bear garden.

Mr Olsen: Beer or bear?

The Hon. E.R. GOLDSWORTHY: He has trouble with the meanings of words, notwithstanding a Tennyson Medal. The fact is that the Government is making a farce of this place, because it is incapable of arranging the Parliamentary session. Yesterday we were given notice of the Government's programme for the next fortnight, part of which included a list of Bills to be brought in today, without notice, and to be debated later this week.

Members interjecting:

The SPEAKER: Order!

The Hon. E.R. GOLDSWORTHY: It is unprecedented in my experience in this place, to bring in a series of Bills, some of which are quite important, at this late hour. Because I understand they were not ready earlier and to expect the Opposition to debate these Bills later in the week without having had an opportunity to make the necessary inquiries. That is making a farce of the Parliamentary process. In the past, when I was Deputy Premier, the then Deputy Leader of the Opposition on occasions said to me that the Opposition could not go on with a Bill because it had to take the matter to Caucus. I never objected, because a Party must discuss legislation if it is to have an attitude. The Labor Party Caucus meetings and the Liberal Party meetings are held at the beginning of the week when we know the week's programme. We do not have the faintest idea of what is contained in some of these Bills about to be introduced—not the faintest notion. We have had no opportunity for consultation with the various parties involved to discover their attitude before deciding our attitude. That is just not good enough. On Saturday, the shadow Minister learned that the Government wanted to do something with the parole system. We asked for a copy of the Bill, although still we have not received a copy of it. The media has been briefed but we do not have the Bill.

Members interjecting:

The SPEAKER: Order! The Chair would hope that the honourable Deputy Leader will be heard in silence.

The Hon. E.R. GOLDSWORTHY: I learnt something of the parole Bill tonight on the A.B.C. newscast, when I saw a harassed Minister answering some fairly probing questions. I doubt whether the Minister himself knew what it was about: he certainly gave that appearance. The Bill is to be brought in tonight for debate tomorrow night. What a farce; what a travesty of the Parliamentary process! One of the features of Parliamentary democracy is not only that members of Parliament and the Opposition have a chance to study a Bill, but that the public have a chance to find out what is in legislation which is about to pass into law. It makes an absolute farce of that process to suggest that Standing Orders be suspended at this hour of the night to bring in Bills to be debated tomorrow night and on Thursday. I have been given an advance copy of the Petroleum Act Amendment Bill. It turned up three minutes ago. I was told, 'Here is your advance copy of a Bill to be introduced in about five minutes time.'

An honourable member: Who said that to you?

The Hon. E.R. GOLDSWORTHY: One of the Parliamentary Attendants brought it over. This Parliament is degenerating into a sham, or a 'bear garden' (if that is the term that the Premier wishes to use) not because of any lack of co-operation on the part of the Opposition. I have been getting along strangely well with the Deputy Premier. I have been getting on well with him: it is strange, but I have. For the Premier to have the gall to go to the media (and I must admit that it surprised me that it got a headline in the morning daily) and suggest that we are turning this place into a bear garden is a complete travesty of the facts and of the Parliamentary process.

Previously we have seen defective legislation introduced here where the Premier himself did not know what it was all about. I refer to liquor taxes and new taxes that the Premier said he would not introduce. This was brought in in a rush. The Opposition did its homework and pointed out to the Government the deficiencies in the Bills. However, now it does not even want to give us the chance to do that. It wants to bring in major Bills and debate them tomorrow. That is just not on.

The Opposition will agree to the suspension for the Bills to be introduced. If the Government is looking for late nights, it will get them, because there is no way that the Opposition will let Bills through this Parliament without having had a chance to investigate them and find out what the public thinks about them.

Mr Olsen: That's our responsibility.

The Hon. E.R. GOLDSWORTHY: That is our responsibility and the responsibility of Parliament. I bet that a whole host of people on the Government back benches would not have the slightest clue of what the Government is up to. When the Premier himself does not have a clue about the provisions in regard to f.i.d., what hope have the people who are not present here to listen to the debates? They would have none whatever. Where is the Government's responsibility towards its constituents and the public of South Australia? For the Opposition to learn from the news media some of the provisions of the Parole Bill that are to be debated here, when we have not even seen the Bill, is absolutely disgraceful.

Members interjecting:

The SPEAKER: Order!

Mr Ashenden interjecting:

The SPEAKER: Order! I hope that interjections will not continue while the question is put.

Motion carried.

FURTHER EDUCATION ACT AMENDMENT BILL

The Hon. LYNN ARNOLD (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Further Education Act, 1975. Read a first time.

The Hon. LYNN ARNOLD: I move:

That this Bill be now read a second time.

The purpose of this Bill is to make three sets of changes to the Further Education Act, 1975-1980. The first change is concerned with titles and, although the simplest, is perhaps the most significant.

The passage of the Further Education Act in 1976 placed into legislation one of the important reforms initiated by the Report of the Karmel Committeee of Inquiry in 1971. At the time of the Karmel Report, the importance of what was to become known as the technical and further education sector of tertiary education was recognised but a variety of terms were in use to describe it. This terminological confusion arose from an awareness of the fact that the traditional description 'technical education' had become inadequate for the range of skilled vocations catered for by this area of education, quite apart from its involvement in education for migrants, Aborigines, the handicapped and adults seeking to remedy gaps in their earlier education.

In the early 1970s, it appeared that the British term 'further education' would be adopted for general use in Australia, but in 1974 a committee of inquiry commissioned by the Commonwealth Government (the Kangan Committee) promoted the use of the term 'technical and further education' and the handy acronym TAFE. This terminology is now in widespread use throughout Australia and is incor-

porated in the titles of the other major independent TAFE authorities—the New South Wales Department of Technical and Further Education and the Victorian TAFE Board.

During the recent Keeves Inquiry, the Department of Further Education proposed that its title be changed to 'technical and further education'. It did this because of the need to create an informed public awareness of the role of TAFE on a nationwide basis and because many people in the community associated the phrase 'further education' with leisure interest courses—an important aspect of the Department's work, but quite a minor proportion in comparison to its vocational training role in trade, technician, business studies and other work skill areas. The Keeves Inquiry supported this proposal and it was subsequently accepted by the Government and implemented under provisions of the Public Service Act, in respect of the name of the Department, and by exercise of the Minister's powers, in respect of college titles. It is now proposed to make the necessary legislative changes to formalise the use of the new titles. Four sets of changes will be made: to the name of the Act, to the name of the Department, to the title of the Director-General, and to college nomenclature.

As far as college names are concerned, certain colleges have been permitted to use the local title of 'community college' where that has been preferred by the local college council, although the generic title used in the Act is 'colleges of further education'. This amending Bill will change the generic title to 'colleges of technical and further education', but, where local sentiment wishes it, colleges may retain the title 'community college', simply adding the acronym TAFE in parenthesis.

Another important step contained in this legislation is the establishment of a South Australian Council of Technical and Further Education. Probably the most distinctive feature of TAFE compared to the other education sectors is its close links to industry and the labour market and the flexibility it needs to show in responding to emerging job training needs. The Department of TAFE therefore relies on close links to business and industry and to the wider community. These links are maintained, among other ways, by two important chains of advisory groups: college councils and curriculum committees. College councils are a means of conveying local community needs in respect of individual institutions, while curriculum committees ensure that the relevant industry has representation, usually majority representation, on the committees preparing the training curriculum for occupations within it. Both these community links have proved extremely valuable, but what has seemed to be missing is an apex body to both chains—that is, a body which could advise the Department and the Minister on employment developments and community needs at the broadest level, encompassing all the State's community groups and all the State's industries and other avenues of employment.

As a consequence, in March this year the Government established an interim Council of TAFE with three functions: a general advisory role, a liaison responsibility, and an advisory function in relation to accreditation of courses and academic awards. Membership has been accepted by an impressive range of leading figures in industry, commerce, the rural sector, employee bodies, the arts, Government, and other areas of education. The interim council is already in vigorous operation with a network of subcommittees addressing a number of key issues in TAFE.

As I mentioned, the South Australian Council of TAFE will advise the Department of TAFE in relation to accreditation of courses and academic awards, as well as having a general advisory and liaison role. It is a primary responsibility of every educational institution to provide some mechanism by which the educational validity and integrity of its courses, and the appropriateness of the academic awards bestowed, can be assessed in an objective and professional manner. To date this has been done by a variety of internal checks within the Department, culminating in the Director General's approval or disapproval of proposed courses, but the Government considers that such a function can be more effectively performed by a body such as the Council of TAFE, which brings together a wide range of expertise and experience on the part of people who are not employees of the Department.

The new council will not in any way diminish the role of the Industrial and Commercial Training Commission or of the Tertiary Education Authority of South Australia, both of which have statutory responsibilities in respect of the approval or accreditation of certain categories of TAFE courses. Rather the Government takes the view that every tertiary educational body must take responsibility for the educational integrity of its own courses, whatever other forms of scrutiny they may be subjected to. In practical terms, it is hoped that the establishment of a more formal and objective process of accreditation within the Department of TAFE may encourage other bodies, such as the Tertiary Education Authority, to delegate some of their assessment responsibilities to the Department.

The third area to be dealt with by this Bill is the question of fees. Most courses offered by the Department of Technical and Further Education are free, and these amendments do not change the situation in respect of activities for which fees may be charged. The fees which may be charged in TAFE are determined by Federal legislation as a consequence of the fees abolition agreement with the Commonwealth. Under Commonwealth States Grants Acts, fees may only be charged for leisure interest courses, for certain types of short courses in vocational areas, for the provision of materials, and for amenities and similar ancillary areas.

The Further Education Act at present contains no specific power in respect of fees, and while I am advised that the fees charged may be justified by the actual provision of services or may be validated through the Fees Regulation Act, the simplest way of resolving any legal doubts on this matter is to add a fee-making power to the list of regulation-making powers in the Act. The rest of the second reading explanation is formal, and I seek leave to have it inserted in *Hansard* without my reading it.

The SPEAKER: Is leave granted?

Opposition members: No.

The SPEAKER: Leave is not granted.

The Hon. LYNN ARNOLD: I accept the churlish decision of certain members of the House and will carry on. Clauses 1 and 2 are formal. Clauses 3 and 4 amend the long and short titles of the principal Act respectively. Clause 5 amends section 3 of the principal Act. Clause 6 amends the definition section of the principal Act to bring definitions used in the Act into line with the new terminology adopted by the Government. Clauses 7 and 8 make similar amendments to sections 5 and 6 of the principal Act. Clause 9 makes a similar amendment to section 9 of the principal Act—I hope the honourable member for Glenelg is listening very carefully and studying the implications of all this; I will appreciate his comments in the Committee stage—and by paragraph *(b)* includes in subsection (3) a reference to training as well as to instruction in colleges of technical and further education. The definition of technical and further education in section 4 includes training as well as instruction and it is therefore correct to include a reference to training in this context.

Clause 10 replaces section 10 of the principal Act with two new sections. The first of these sets up a council to assess the needs of the community in relation to technical and further education and to advise on the nature and

content of educational programmes to fulfil those needs. The council will also have general advisory function. Section 10a replaces the substance of the existing section 10 except that committees established under the section will advise the Director-General instead of the Minister. Clauses 11, 12 and 13 amend sections 11 and 28 and the heading to Part V of the principal Act, respectively. Clause 14 amends section 34 of the principal Act. The phrase 'prescribed course of instruction' is used in Part VI of the principal Act, and this amendment extends the operation of the definition to that Part. Clause 15 amends section 36 of the principal Act to include references to training in conjunction with the existing references to instruction. Clause 16 amends section 43 of the principal Act. Paragraph *(c)* gives the Governor power to make regulations for the imposition of fees, for instruction, training or material supplied to students. Paragraphs *(b)*, *(d)* and *(e)* insert references to training in various provisions of the section.

The Hon. MICHAEL WILSON secured the adjournment of the debate.

EDUCATION ACT AMENDMENT BILL

The Hon. LYNN ARNOLD (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Education Act, 1972. Read a first time.

The Hon. LYNN ARNOLD: I move:

That this Bill be now read a second time.

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

The SPEAKER: Is leave granted?

Opposition members: No.

The SPEAKER: Leave is not granted.

The Hon. LYNN ARNOLD: These amendments to Part V of the Education Act, 1972, which establishes the Non-Government Registration Board, are designed to strengthen and clarify its powers and vary its membership. Three recommendations have come directly from the board itself: first, the power to limit period of registration. This amendment will give the board the power to limit the period for which a school is registered, where it is of the opinion that this is an appropriate limitation upon the registration of a school. As the legislation presently exists, the board must either register a school 'forever' or not at all. This is particularly inappropriate with respect to proposed schools where the board must rely on the written and verbal assurances from the proposers of a new school that they intend to offer a satisfactory education as prescribed in section 72g of the Education Act. It would be more satisfactory for the board to be able to register the school initially for, say, a period of 12 months and then, upon the expiration of that period, to make another decision based upon an inspection of the school and its programme.

Secondly, grounds for an inquiry: a narrow interpretation of section 72j of the principal Act, means that, if a school has been unconditionally registered, the board is powerless to intervene no matter what paths the school takes in the future. This amendment gives the board the express power to make orders concerning the registration of a school where the school does not comply with the criteria for registration, namely, that the nature and content of the instruction offered at the school is satisfactory and that the school provides adequately for the safety, health and welfare of its students. Schools will also be able to institute an inquiry where they wish to have their conditions of registration amended. Two schools are at present seeking to have the board's authority to offer instruction for additional year levels.

Thirdly, the power to vary or impose conditions following an inquiry: at present the board's only power, following an inquiry, is to cancel the registration of a school. The amended legislation will give the board the power to cancel or vary existing conditions and to impose new conditions, irrespective of whether the school's registration was originally conditional or unconditional. It is also proposed that the board have the power, following an inquiry, to limit the period for which a school is registered.

Furthermore, it was decided not to implement the above legislative changes, which were suggestions of the Non-Government Registration Board itself, without also incorporating some further changes in line with the Government policy of accountability. Similar changes were in fact passed in both Houses of Parliament in Act 108 of 1980 but repealed before proclamation on 13 October 1981.

Tied in with the Registration Board's recommendations for it to have the power to limit the period of registration and vary or impose conditions of registration, consideration was given to the period of registration. It is proposed that schools should be given registration on an ongoing basis so that they can continue to make long-term plans and borrow, etc. However, the registration of schools should not be given unconditionally and forever, and therefore it should be incumbent upon the schools to satisfy the board on a regular basis that they still satisfy the criteria of registration (the application of the criteria prescribed by the Act will not necessarily stay static from the time of first registration as education norms and requirements develop). It is therefore proposed that, while registration be granted on an ongoing basis, the board will review each school at least once every five years.

The persons to review or inspect schools will also change. At present members of the board are included in inspection panels which consist of a majority of people from the non-government sector. In other instances the process of inspection and adjudication are kept separate, for example, the Builders Licensing Board and the Metropolitan Taxicab Board; it is therefore felt appropriate to create a similar separation in this instance. While the non-government sector has made it clear that it feels it should be self-regulating, this sector is not self-sufficient in funding and therefore should have some accountability to the community through the Government. Besides, the Minister of Education, as the appropriate Government Minister, takes overall responsibility for the education of children in the State, and thus independent inspection is deemed appropriate.

It is therefore proposed that officers of the Education Department and persons from the non-government sector (but not members of the board) should be authorised by the board to undertake inspection and provide reports for the board's consideration. The changes incorporated now also increase the composition of the board from seven to eight members. At present the chairperson is nominated by the Minister, and there are two Ministerial nominees as members (one of whom is to be an officer of the Department). The remaining membership of the board consists of two nominations of the South Australian Commission for Catholic Schools and two persons nomiated by the South Australian Independent Schools Board Incorporated. It is intended to increase the Ministerial nominations from two to three so that, along with nominating the chairperson, the Minister will now nominate half of the board members. It is also proposed that, as with any other registration, a fee prescribed by regulation should be charged on the registration of a non-government school. I seek leave to have the detailed explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 makes an alteration to the heading to Division III of Part V which is a consequence of a change made by a subsequent clause. Clause 4 makes an amendment to section 72 of the principal Act which will increase the size of the Non-Government Schools Registration Board from seven to eight. The additional member will be appointed on the nomination of the Minister.

Clause 5 makes a consequential amendment which will increase the quorum required at meetings of the board from four to five. Clause 6 amends section 72g of the principal Act. Paragraph *(a)* replaces the substance of subsection (2) with an additional provision that requires the payment of a prescribed fee on an application for registration of a non-government school. The words added to the end of subsection (3) by paragrpah *(b)* will enable the board to register a school for a limited period. New subsection (4a) empowers the board to vary or revoke a condition attached to the registration of a school. Paragrpah *(d)* replaces subsection (5). In addition to repeating the substance of the old provision the new subsection requires the board to inform an applicant for registration of its reasons for deciding to register the school for a limited period.

Clause 7 makes a consequential amendment to section 72h. Clause 8 amends the heading to Division III of Part V of the principal Act. The other remedies referred to in the new heading are the power of varying conditions or imposing new conditions on registration or of limiting or reducing the period for which a school is registered. Clause 9 amends section 72j of the principal Act. The amendment to subsection (1) will enable a school to request the board to make an inquiry into its administration. New subsection (1a) requires the board to make an inquiry into every non-government school at least once in every five-year period.

New subsection (2) enables the board to take action against a school not only where there has been a breach of a condition attached to the registration (as is the position under the existing subsection) but also where the instruction at the school is unsatisfactory or the safety of the students is at risk. Under this subsection the board may vary a condition attached to the schools registration, impose new conditions on its registration, limit or reduce the period of registration or cancel the registration. Formerly the only action that the board could take was to cancel the school's registration.

Clause 10 amends section 72p of the principal Act to ensure that inspections of non-government schools must be carried out by an officer of the Education Department and another person who is not a member of the board. Paragraphs *(b)* and *(c)* make consequential amendments. Clause 11 makes an amendment to section 107 of the principal Act which will allow the prescription of fees for registration of non-government schools.

The Hon. MICHAEL WILSON secured the adjournment of the debate.

PRISONS ACT AMENDMENT BILL (No. 2)

The Hon. G.F. KENEALLY (Chief Secretary) obtained leave and introduced a Bill for an Act to amend the Prisons Act, 1936. Read a first time.

The Hon. G.F. KENEALLY: I move:

That this Bill be now read a second time.

I am certain that all members are aware of the Government's commitment to the reform of South Australian correctional services. This commitment takes many forms, from the proposed $40 000 000 investment in prison accommodation and facilities, through expansion of alternative sentencing options, to administrative and legislative change. As part of proposed legislative change, this Bill seeks to amend the Prisons Act so as to provide substantive changes to the parole system. The proposed system is not radical or untried, in that it already operates in other States of Australia. For South Australia, the Bill constitutes a significant social and penal reform. The new system of parole, although largely modelled on the Victorian system introduced in 1974 by the then Hamer Government, also incorporates the best features of other interstate models.

Members would recall that in August of this year I released a discussion paper entitled 'Proposals for a New Parole System'. In that paper I expressed the view, which the Government holds, that to sentence a person to imprisonment, to order that they be deprived of their liberty by confinement is, apart from death, the most drastic sentence which can be imposed by law. For some categories of offences, imprisonment is necessary for the protection of society as, for example, in cases where a lesser sentence would depreciate the seriousness of the defendant's crime or where lesser sanctions have been applied in the past and have been ingored by the offender.

The Government believes that, in so far as imprisonment is a necessary form of punishment for persons convicted of some offences, it should as far as possible be certain, consistent and proportional to the gravity of the crime for which the offender is being sentenced. The existing system of parole which appears to subject the offender to double jeopardy is not consistent with that principle.

The Bill embodies three main principles: The first is that it places with the courts the responsibility of determining the length of time which a prisoner will serve in prison. Currently some of that power and responsibility is vested in the Parole Board itself and many people have argued, and the Government concurs with the view, that the Parole Board should not have that responsibility.

The second principle is the provision of a greater degree of clarity and certainty in the sentencing of offenders. Currently offenders have no real idea of how long they are likely to spend in prison. This Bill aims to ensure that, when a person is sentenced, he can have a clear expectation that if he behaves and works well he will be realeased on parole on the completion of his non-parole period, less remissions earned.

The third principle is that there will be a much greater incentive for prisoners' good behaviour during the term of incarceration, by ensuring a right to earn up to one-third remission on all sentences of over three months and on a life sentence in respect of which a non-parole period is fixed or extended after this Act comes into operation, and by permitting the reduction of non-parole periods by that remission. Failure to behave in prison will mean that the prisoner will spend longer there, so that it will be within the capacity of the prisoner to determine whether he will be in prison for all of the non-parole period fixed by the court, or whether he will be eligible for an earlier release date. Under the present system, remission earned only reduces the total length of a sentence of a prisoner who is not released on parole, and therefore has no effect in relation to the majority of prisoners who are released on parole.

Remission on non-parole periods is an essential management tool enabling the authorities to maintain control over correctional institutions. I should point out to members that the court itself will take into consideration non-parole periods and the remission that a prisoner can earn on his or her non-parole period when determining sentences. The Government believes that the court should always determine the minimum and maximum length of time an offender might spend in prison, while at the same time a system is

provided whereby the prisoner has a very real incentive to behave well while in prison.

The introduction of a system that permits the reduction of non-parole periods by the earning of remission of course results in the abandonment of the concept of conditional release (which has not yet been brought into operation), as all but a very small number of prisoners will automatically be released on parole and will stay on parole for the balance of their sentences or, in the case of life prisoners, for a period of not less than three but not more than ten years. The Bill reflects the Government's belief that the setting of a non-parole period should be fixed in all cases of life sentences or sentences of terms of imprisonment in excess of 12 months. The only exception is where in the opinion of the court there are special reasons for requiring an offender to serve the whole of his sentence in prison. The new system will provide for the ultimate release on parole of all offenders sentenced to life imprisonment or terms of imprisonment in excess of 12 months, with only rare and reasonable exceptions. By restricting eligibility to sentences of 12 months or more, the use of parole as a rehabilitative measure is more realistically applied.

Prisoners sentenced to life imprisonment or terms of imprisonment in excess of 12 months before August 1981 who do not have a non-parole period fixed will have the ability to apply to the sentencing court for a non-parole period to be fixed. The Crown may apply to the sentencing court for an extension of a non-parole period, whether fixed before or after this amending Act, but the court may only grant such an application where it is necessary to do so for the protection of the safety of other persons. Another important aspect of this Bill is the provision for a slightly differently composed six person Parole Board with a Chairman and Deputy Chairman. This will enable the board to divide into two divisions for the purpose of expediting proceedings, but with the obligation to meet as a full board when a matter before a division cannot be resolved unanimously. This will speed up the parole process, as well as ensuring due consideration to serious and difficult questions of release conditions or cancellation of parole. A prisoner or parolee will be entitled to have legal representation before the board in cancellation proceedings, or on an application for discharge from parole.

I would point out that the Government, in formulating this Bill, considered a number of submissions received in response to the discussion paper. As a result, the Bill's clear objective is to develop a modern parole system in which the prisoner has a sense of certainty in relation to his or her future and the rules of which are easily understood, and that may be accepted with confidence by law enforcers, courts and the community alike.

Clause 1 is formal. Clause 2 provides for the commencement of the Act upon proclamation, with a power to suspend the operation of any specified provisions. Clause 3 amends the arrangement section.

Clause 4 repeals a definition of 'conditional release' in view of the retention of the remission system. Clause 5 provides for the transition from the old system of parole to the new. Parole orders in force at the commencement of the Act will continue in force as if they were granted under the new system. Where an application for parole is part-heard at the commencement of the Act, the old board will continue to dispose of those applications that are from prisoners who have non-parole periods as if the prisoners were being released under the new system. Applications from prisoners who do not have non-parole periods will be disposed of by the old board under the old system (such prisoners of course will also have the right to seek a court order fixing a non-parole period). All other part-heard proceedings (for example, review of indeterminate sentence prisoners, and cancellation of parole) will be disposed of by the old board, but under the new provisions. The members of the board are to vacate their offices to allow for new appointments, but will continue to consititute the old board for the above purposes.

Clause 6 deletes the regulation-making power relating to remission of sentence—this matter is now provided for in the Act itself. Clause 7 is a consequential amendment. Clause 8 substitutes the provision that deals with the actual release day for prisoners. Under the current system, long-term prisoners may be released up to two months early, short-term prisoners up to three days early, on the authority of the Director. Other provisions are made for early release where a discharge day falls on Good Friday or Christmas Day, or in the period between Christmas Day and New Year's Day. The new provision rationalises the whole situation by giving the Director a simple power to authorise the release of a prisoner at any time during the month preceding his normal discharge day. This provision will be used particularly in relation to prisoners serving sentences of three months or less, or returned to prison for three months or less upon cancellation of parole, as such prisoners are not eligible to earn remission.

Clause 9 deletes the definition of an expression that is redundant. Clause 10 alters the composition of the parole board, by allowing for the appointment of a judge, or a retired judge who has not reached 70, of the Supreme Court or the Local and District Criminal Court, as Chairman of the board. It is made clear that there should be at least one member of both sexes on the board. At lease one member of the board must be of Aboriginal descent. Provision is made for the appointment of one member as the Deputy Chairman.

Clause 11 repeals the section that deals with the procedures of the board and substitutes a provision that enables the board to sit either as a full board or in two separate divisions if the pressure of business so requires. A division will be comprised of two members plus either the Chairman or the Deputy Chairman. A decision by a divison must be unanimous and if not, the matter must be referred to the full board for fresh hearing. New section 42ca repeats provisions currently contained in section 42c. Clause 12 makes it clear that any member of the board, whether Chairman, Deputy Chairman or ordinary member, may issue summonses or administer oaths.

Clause 13 requires the board to review annually and report on each prisoner who is serving a sentence, or sentences, exceeding one year and in respect of whom a non-parole period has not been fixed, and each prisoner who is returned to prison upon cancellation of parole by reason of a further sentence of imprisonment being imposed upon him. Clause 14 amends the section dealing with the fixing of non-parole periods by courts. A non-parole period must be fixed in respect of all sentences which singly or together exceed one year, and all sentences of life imprisonment. If the sentencing court thinks special reasons exist, it may decline to fix a non-parole period, which will mean that such a prisoner will be outside the parole system altogether. A non-parole period must be fixed for a parolee who is sentences to further inprisonment while on parole. A prisoner who currently does not have a non-parole period (that is, those prisoners sentenced before August 1981, when the courts only had a discretion to fix non-parole periods) may go back to the sentencing court for the fixing of a non-parole period.

The Crown is given the power to apply for the extension of a non-parole period, whether fixed before or after the amending Act, but the court may only grant such an application if it is necessary to do so for the protection of other persons. Where a court is fixing a non-parole period for

prisoner who currently does not have a non-parole period, the court is not permitted to look at his behaviour in prison, as the length of the non-parole period is to be based on the offences, not on subsequent behaviour. Where the court is determining an application by the Crown for extension of a non-parole period, the court may only look at the prisoner's behaviour in prison for the purpose of assessing his likely behaviour if released from prison.

Where a court, in fixing a non-parole period for a prisoner who does not currently have a non-parole period, decides that he has already served a period in prison that would equal or exceed such a period (less remissions), the court must fix a non-parole period that expires forthwith. Such a prisoner will then be released on parole when the board has fixed, and he has accepted, the conditions of his parole. A prisoner may apply to the sentencing court for the reduction of his non-parole period, and if such an application is refused, the court may fix a date before which he cannot re-apply. New subsection (6) provides a definition of 'sentencing court'.

Clause 15 substitutes a new section dealing with release on parole. the board is obliged to order that a prisoner whose non-parole period was fixed or last extended before this amending Act comes into operation be released on the expiry of that non-parole period, and that a prisoner whose non-parole period is fixed or extended after that commencement be released on parole upon the expiry of his non-parole period as reduced by any remission he may have earned during that period. The primary role of the board is to fix the parole conditions or, in the case of a prisoner serving a sentence of life imprisonment, to recommend those conditions to the Governor. A prisoner will not be released on parole until he has accepted those conditions. If he fails or refuses to accept the parole conditions, he must be reviewed regularly by the board and if he subsequently accepts the conditions, he will be released on parole.

Clause 16 is a consequential amendment. Clause 17 provides the Governor and the Parole Board with a power to vary or revoke the parole conditions of a person who is serving a sentence of life imprisonment. Clause 18 provides that where a person is discharged from parole, his sentence is wholly satisfied. Clause 19 repeals the provision that deals with cancellation of parole where the parole was obtained by some unlawful means. As the board no longer has a discretion to release on parole, such a provision is no longer necessary. Clause 20 provides that where the board cancels parole as the result of breach of a parole condition, it may only return the parolee to prison for a period not exceeding three months. At the end of this period, the prisoner is automatically released from prison to continue his parole under the original order. Clause 21 makes it mandatory for the board to interview as soon as possible a prisoner who has been returned to prison upon cancellation of his parole as a result of the imposition of a further sentence of imprisonment. It is also made clear that a person returned to prison under this section after the amending Act comes into operation in respect of whom a non-parole period is fixed, is only liable to serve that non-parole period in prison. Clause 22 empowers the board to cancel warrants that have not been executed.

Clause 23 gives prisoners and parolees the right to be represented by a legal practitioner in any proceedings before the board for cancellation of parole, or for discharge of parole. Clause 24 repeals a section that is redundant as a result of the new system of parole. Clause 25 is a consequential amendment. Clause 26 repeals the Part that provided for conditional release, and substitutes a new Part dealing with remission. At the moment, remission is dealt with under the regulations. A prisoner serving a non-parole period of a sentence of life imprisonment, being a non-parole period fixed or extended after the commencement of this amending Act, will now be eligible to earn remission. Prisoners serving sentences exceeding three months will continue to be so eligible. Parolees returned to prison upon cancellation of parole for breach of condition will not be so eligible, as the board will now only have power to return such a person to prison for a period not exceeding three months. The Director may credit up to 15 days per month, which effectively means the remission of one third of the total sentence. The emphasis is on the earning of remission for good behaviour, not the loss of remission for unsatisfactory behaviour. Provision is made for the release of the prisoner in his final month (whether release on parole, or release under this section). New section 42rb provides that a prisoner who is released under this Part (that is, those who do not have non-parole periods) is deemed to have wholly satisfied his sentence. Clause 27 is a consequential amendment.

The Hon. D.C. WOTTON secured the adjournment of the debate.

PETROLEUM ACT AMENDMENT BILL

The Hon. R.G. PAYNE (Minister of Mines and Energy) obtained leave and introduced a Bill for an Act to amend the Petroleum Act, 1940. Read a first time.

The Hon. R.G. PAYNE: I move:

That this Bill be now read a second time.

It contains a range of amendments to the provisions of the South Australian Petroleum Act, which governs on-shore oil and gas exploration and development in the State. The main thrust of the changes is aimed at updating and making the exploration expenditure and relinquishment provisions of petroleum exploration licences more realistic, and to ensure that licenses are subject to appropriate and continuing work programmes. The Bill also removes an anomaly that has arisen since the enactment of the new Companies Code. Routine provisions to raise licence fees and fines, which have not been increased since 1978, are also included. As the remainder of the second reading explanation is mainly related to the specific clauses in the Bill, I seek leave to have it inserted in *Hansard* without my reading it.

The Hon. E.R. Goldsworthy: No, that's not so.

The SPEAKER: Order!

The Hon. E.R. Goldsworthy: The clauses start at page 6, and you know it.

The SPEAKER: The honourable Minister of Mines and Energy.

The Hon. R.G. PAYNE: I shall be delighted to read every word. Expenditure conditions for the renewal terms that follow the initial five-year term of a petroleum exploration licence are currently inadequate largely due to the effect of inflation since they were last amended in 1978. For example under the present arrangements a licence over 10 000 square kilometres in its sixth to tenth licence years would attract an annual expenditure requirement of only $310 000 as compared to drilling costs which frequently exceed $1 000 000 per well. This is unrealistic, especially as it relates to a licence which has already been held for five years. Licence expenditure conditions will therefore be doubled from their current levels for the three renewal periods which follow the initial five-year term.

Modern petroleum legislation increasingly emphasises work programmes rather than expenditure obligations. The present amendments retain the concept of expenditure commitments but make provision for increased emphasis on work programmes, that is specific seismic and drilling programmes, as a basic condition of petroleum exploration licences. The provision allowing carry over of excess

expenditure to succeeding years of a licence term has in practice meant that credits can be built up so that no work need be carried out for a number of years and prospective areas can lie idle. The present amendments, therefore, restrict carry over rights by allowing excess expenditure to be carried forward for only one year. Other amendments require submission of work programmes for approval prior to the grant or renewal of a licence and strengthen the provision that entry into a licence year carries with it the obligation to comply with the work and expenditure conditions applicable to that licence year. All these amendments will help to ensure that licences are subject to continuing and appropriate work programmes consistent with the prospectivity of a particular area.

Currently, companies are able to relinquish areas with sizes and shapes that inhibit future exploration by incoming explorers. The present amendments require relinquishment of more regular shaped areas which would then be available for exploration by another company, as was intended by the relinquishment process. Other amendments would prevent petroleum production licences from being taken out over unnecessarily large areas and only when petroleum of economic quantity and quality had been discovered. These provisions would prevent production licences being used as safety acreage and thereby escaping exploration commitments. Unless amended this practice would have allowed the retention of exploration areas for up to 21 years, rather than the five years renewable orginally intended.

The enactment of a new Companies Code has meant that some foreign companies previously registered in South Australia have instead become 'recognised companies'. On a strict interpretation of the Petroleum Act, these companies cannot now apply for or hold tenements. The present Bill removes this anomaly.

Clauses 1 and 2 are formal. Clause 3 inserts a definition of 'production' of petroleum. Clause 4 removes an anomaly in section 6 of the principal Act.

Members interjecting:

The SPEAKER: Order! I call for order on both sides. I will not tolerate bad language, and I will not tolerate making a jollity of the whole proceedings. The honourable Minister.

The Hon. R.G. PAYNE: Subsection (1) (iii) refers to companies registered under the law of the State. Since the commencement of the Companies (South Australia) Code most companies operating in the State that are not incorporated under South Australian law are either recognised companies or recognised foreign companies within the meaning of the Code. Clause 5 amends section 7 of the principal Act. Besides increasing fees prescribed by the section the clause inserts a new provision that will require applicants for a licence to submit a programme of proposed exploration and expenditure.

Clause 6 replaces section 8a of the principal Act so that licences comprising separate areas of land will only be granted in exceptional circumstances. Clause 7 repeals section 16 of the principal Act. The substance of this section is replaced by the amendments to sections 7 and 17. Clause 8 amends section 17 of the principal Act. The new subsections restate the existing provisions (except for subsection (2) which is replaced by clause (10)) in more general terms. Clause 9 amends section 18 of the principal Act. Paragraph *(a)* replaces subsection (1) with a requirement that an exploration and expenditure programme be submitted with an application for renewal of a licence. New subsection (3a) inserted by paragraph *(c)* is designed to ensure that the areas of land left after excision are of a suitable size and shape for further exploration. New subsection (6) ensures that a licence will remain in force pending the determination of an application for renewal.

Clause 10 amends section 18a of the principal Act. Paragraphs *(a), (b), (c)* and *(d)* increase the minimum expenditure levels prescribed by subsection (1). Paragraph *(e)* replaces the other subsections of the section with provisions similar to those inserted into section 17 by clause 7. Clause 11 inserts two new sections into the principal Act. The first of these sections replace subsection (2) of sections 17 and 18a. The new provision restricts the carrying over of excess expenditure to the first year after the excess expenditure occurred. New section 18ac replaces section 16 (3) of the principal Act. Clause 12 increases fees prescribed by section 18c.

Members interjecting:

The SPEAKER: Order! I do not want a debate going on while the Minister is reading a second reading explanation.

The Hon. R.G. PAYNE: Clause 13 inserts new subsection (1a) into section 27 of the principal Act. This subsection is designed to ensure that petroleum production licences are only granted for worthwhile fields. Clause 14 replaces section 28 of the principal Act. The new provision provides that the area of a petroleum production licence will not exceed an area that is twice that assessed by the Minister as the area of the field concerned. The provision of a minimum area is no longer considered necessary. Clauses 15 and 16 increase fees prescribed by sections 32 and 34 of the principal Act.

Clause 17 replaces subsection (2a) of section 38 of the principal Act with two new subsections. It is desired that the conditions existing in the year in which a licence is surrendered must be fulfilled. The new subsection (2b) provides that the surrender of a licence will not take effect until the end of the year in which the surrender is granted. Clauses 18 and 19 increase fees prescribed by sections 42 and 80 of the principal Act. Clause 20 increases penalties prescribed by section 87 of the principal Act.

The Hon. E.R. GOLDSWORTHY secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL

The Hon. R.K. ABBOTT (Minister of Transport) obtained leave and introduced a Bill for an Act to amend the Road Traffic Act, 1961. Read a first time.

The Hon. R.K. ABBOTT: I move:

That this Bill be now read a second time.

It contains a number of miscellaneous amendments to the Road Traffic Act. The Bill provides that, where road maintenance equipment is forced to operate against the flow of traffic, its driver is excused from compliance with the Act. The opportunity has been taken to provide for the use of part-time and conditional traffic regulation signs. Power is conferred upon members of the Police Force and officers of local councils to remove vehicles that are parked in such a manner as to obstruct entrances to property adjacent to roads and footpaths.

An important aspect of the Bill is the provision of a specific penalty of $1 000 for breach of the provisions dealing with inspection and maintenance of buses and tow trucks. This level of penalty is considered to be appropriate in the context of these provisions. The penalty for failing to comply with a direction of an inspector or member of the Police Force not to drive a vehicle on a road in circumstances where the mass carried on the vehicle exceeds the permitted maximum has been amended to reflect the penalty applicable to the actual offence of driving a vehicle on a road in such circumstances. The opportunity has been taken to revise penalties applicable to offences relating to requirements as to stopping vehicles and weighing vehicles. The Bill also

empowers inspectors and members of the Police Force to direct drivers not to operate vehicles in circumstances in which the vehicles do not comply with the provisions relating to length, height and width of vehicles. The provisions of the Bill are more fully explained in the detailed explanation of the clauses. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 amends section 40 of the principal Act, which deals with the exemption of certain vehicles from compliance with particular provisions. The amendment provides that, while a vehicle is an exempt vehicle by virtue of the fact that it is a vehicle of a specified class being used for road making purposes, the following matters shall not apply in relation to the driving of the vehicle:

(a) driving or standing on any side or part of a road;

(b) passing another vehicle on a specified side of that other vehicle;

(c) the mode of making right-hand turns.

The amendment further provides that, where an exempt vehicle is used in a manner that would but for the fact that it is an exempt vehicle constitute a breach of the Act and the driving of the vehicle in that manner would endanger a person in the vicinity, that person is excused from compliance with the Act for the purpose of avoiding the danger.

Clause 4 provides for the insertion in section 42 of a specific penalty, namely $1 000, for failing to comply with an authorized direction to stop a vehicle. Clause 5 provides for the repeal of sections 76 and 77 and the insertion of new section 76. The new section deals with 'traffic signs' (defined as a sign or mark on or near a road for the purpose of regulating the movement of traffic or the parking or standing of motor vehicles). The driver of a motor vehicle must comply with instructions on traffic signs. Such instructions may be expressed to be subject to specified exceptions or qualifications and, if so expressed, have effect subject to those exceptions or qualifications. Regulations may be made providing that specified words or symbols be interpreted in terms set out in the regulation, and the signs or symbols shall be interpreted accordingly. In proceedings for offences against the section, it shall be presumed in the absence of proof to the contrary that a traffic sign is lawfully erected. The section is expressed not to derogate from the operation of any other provision of the Act.

Clause 6 is consequential on clause 5. It repeals section 78a. Clause 7 amends section 86 of the principal Act which deals with the removal of vehicles causing obstruction or danger. The breadth of the section is increased so that it deals with vehicles placed on roads or footpaths so as to obstruct or hinder vehicles from entering or leaving adjacent land. Clause 8 makes an amendment to section 134 of the principal Act. The amendment provides that the section (which forbids the installation on vehicles other than certain specified vehicles, of bells or sirens) does not prevent the installation on vehicles of bells or sirens in connection with burglar alarms. Clause 9 inserts new section 143 into the principal Act. The new section provides that, where an inspector or member of the Police Force considers that sections 140, 141 and 142 are not being complied with, he may direct that the vehicle be driven to a specified place, and that the vehicle not be driven until the requirements of those sections have been complied with. The penalty for non-compliance with such a direction is $1 000.

Clause 10 provides for an increase in the penalty contained in subsection (2) of section 152 from $600 to $2 000. Clause 11 amends section 156 of the principal Act. The amendment provides that the penalty for failing to comply with the direction of an inspector or police officer under the section is calculated by reference to the amount by which the mass carried on the vehicle exceeds the maximum permitted by the Act. The penalty is:

(a) not less than $1.75 and not more than $10 for every 50 kilograms of the first tonne of the mass carried in excess of the prescribed maximum; and

(b) not less than $10 and not more than $20 for every 50 kilograms thereafter.

Clause 12 amends section 160 of the principal Act to allow inspectors to exercise the same powers as police officers for certain purposes. Clause 13 inserts new section 163ka in the principal Act providing a specific penalty for offences against Part IVA. Clause 14 amends section 176 of the principal Act by striking out from paragraph *(p)* of subsection (1) the passage '(not exceeding twenty dollars)', thus removing a limitation on the amount of penalties that may be imposed for certain offences.

The Hon. E.R. GOLDSWORTHY secured the adjournment of the debate.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL (No. 3)

The Hon. J.D. WRIGHT (Minister of Labour) obtained leave and introduced a Bill for an Act to amend the Industrial Conciliation and Arbitration Act, 1972. Read a first time.

The Hon. J.D. WRIGHT: I move:

That this Bill be now read a second time.

I am not sure what sort of mood the Opposition is in at the moment, but this is a very small Bill. I consulted with the Deputy Leader about this Bill some weeks ago and explained it to him, and he indicated to me that he would agree with it. I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Members of this House will be aware that amendments to the Industrial Conciliation and Arbitration Act have been foreshadowed by the Government in line with the recommendations of the Cawthorne Report. Discussions on those amendments with the Industrial Relations Advisory Council are well in hand, and it is hoped that a Bill will be introduced into this Parliament towards the end of the current session. However, there is one machinery matter which requires urgent attention in this place. In his report, Mr Cawthorne recommended that some attention be given to the provisions of the Act relating to acting appointments of Industrial Court personnel to alleviate problems caused by illness and absence on leave and fluctuating workloads.

At present, section 10 (1) of the Industrial Conciliation and Arbitration Act provides that, where the President of the Industrial Court is for any reason unable to perform his duties, the most senior in office of the Deputy Presidents of the Court shall act during the period of that incapacity. However, a problem has arisen with the application of this section in that the President of the Court is to be on sabbatical leave between 19 March 1984 and 21 September 1984, and the next most senior Deputy President has indicated that he does not wish to act in the office of President during that period. In the light of this position, it is necessary to make an urgent amendment to the Act to enable the necessary administrative arrangements to be put in train well before the President proceeds on leave. Accordingly, this Bill seeks to correct the deficiency in the existing Act

by providing that, where the President is unable or unavailable to perform the duties of his office, an Acting President may be appointed from the ranks of the Deputy Presidents of the Industrial Court. The appointment to the office in respect of an absence of a fortnight or less may be made by the President himself to enable short-term absences to be expeditiously covered, with a general power to appoint an Acting President for periods of both a short-term and long-term nature to be vested in the Governor.

In accordance with the established procedure, the draft Bill has been considered by members of my Industrial Relations Advisory Council, and no objections have been raised to its provisions. Clause 1 is formal. Clause 2 amends section 10 of the principal Act which provides for absences from office of the President of the Industrial Court. The section presently provides at subsection (1) that, where the President of the court is unable to perform the duties of his office, the most senior in office of the Deputy Presidents is to act in the office of President. The clause amends this section so that it provides that, where the President is or will be unable or unavailable to perform the duties of his office, the Governor or the President may appoint one of the Deputy Presidents to act in the office. Under the clause, the President is not empowered to appoint a Deputy President to act in his office for a period exceeding two weeks. The present provision for payment of an allowance to a Deputy President while acting in the office of President is repeated under the amendment. The clause makes amendments to subsection (3) that are consequential upon the rewording of subsection (1).

The Hon. E.R. GOLDSWORTHY secured the adjournment of the debate.

REAL PROPERTY ACT AMENDMENT BILL (No. 2)

The Hon. D.J. HOPGOOD (Minister for Environment and Planning) obtained leave and introduced a Bill for an Act to amend the Real Property Act, 1886. Read a first time.

The Hon. D.J. HOPGOOD: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill proposes a retrospective amendment to the Real Property Act, 1886, to overcome an anomaly with the present provisions requiring payment of 'open space' contributions on strata title proposals. Where land is being divided, the Real Property Act requires the applicant to either provide a recreation reserve, or make a financial contribution to allow the purchase of land for recreation purposes. As the creation of strata titles under the Real Property Act has the effect of increasing the density of population in the same manner as land division, it has, for many years, been the practice under successive Acts to require an open space contribution on strata title proposals.

Associated with the coming into operation of the Planning Act, 1982, on 4 November 1982, substantial amendments were also made to the Real Property Act, 1886. During debate on the Real Property Act Amendment Bill, Parliament raised concern over the rate at which open space contributions were proposed to be charged on land divison proposals, and following amendment to the land division rates, parliament also amended the strata title contribution provision so as to be consistent with the land division provisions.

Before the 1982 amendment an exemption from paying open space contributions was provided in the Act in relation to building unit schemes that existed at the commencement of the Real Property Act Amendment (Strata Titles) Act, 1967. One effect of the 1982 amendment was to remove this exemption. This Bill replaces this exemption. The justification for the exemption is that a strata plan of an 'existing scheme' does no more than change the nature of the tenure of the land concerned. If it does not involve an increase in the number of units it is unlikely to result in an increase in the population density in an area or an increased need for open space.

The Bill also addresses a problem that has not been dealt with before. The Real Property Act as present does not provide for a strata scheme to be varied. Consequently, when an owner wishes to add an extra room, or adjust a unit boundary, a new scheme must be submitted. The existing and previous legislation required a contribution in relation to each unit of the new scheme. The effect of the amendment will be that contributions will only be required in relation to units that exceed the number of units in the old scheme. The Bill will operate retrospectively and therefore people who have made open space contributions in circumstances covered by the amendments since November 1982 will be entitled to a refund of those payments.

Clause 1 is formal. Clause 2 provides for the retrospective operation of the Bill. The Bill removes the requirement, in certain circumstances, that contributions be made to the Planning and Development Fund. The retrospective operation of the Bill will enable contributions already made to be refunded.

Clause 3 replaces subsection (3) of section 223mc of the principal Act. The new subsection makes it clear that, for a building to come within its terms, the building must have been divided in accordance with a building unit scheme immediately before the commencement of the Real Property Act Amendment (Strata Titles) Act, 1967. Paragraph *(b)* makes a small amendment to subsection (4) of the section. It is possible that both subsections (2) and (3) could apply to some strata plans and the determining factor will therefore be the subsection under which a plan is lodged with the Registrar-General.

Clause 4 adds two new subsections to section 223md of the principal Act. New subsection (6a) provides an exemption for 'existing schemes'. New subsection (6b) provides an exemption where the plan is substituted for an existing strata plan. In both cases contributions are payable only in respect of units that are included in the plan in addition to the units included in the existing scheme.

The Hon. H. ALLISON secured the adjournment of the debate.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 3)

Returned from the Legislative Council without amendment.

The Hon. J.D. WRIGHT (Deputy Premier): I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

STATE BANK OF SOUTH AUSTRALIA BILL

In Committee (debate resumed).

(Continued from page 2046.)

Clause 8—'Term of office'.

Mr OLSEN: Prior to the dinner adjournment the Committee was considering my amendment to insert new subclauses (1) and (1a). The amendment will stagger the retirement of Directors.

The Hon. B.C. Eastick: Very rightly so.

Mr OLSEN: Indeed. It is common commercial practice. In regard to the appointment of a Director of the new Bank, the Opposition seeks to remove the criterion involving the appointment upon such conditions as are specified in the instrument of his appointment. The Opposition is not satisfied with the explanation given for the Government's rejection of the amendment.

The Hon. B.C. EASTICK: I would have expected the Premier to respond to the Leader's request for consideration of the amendment. Earlier the Premier stated that he declined to accept the amendment on the basis that it was too restrictive, that it was not in the best interests of the legislation, and that the present Government and, hopefully, any other Government would not use the measure for the purposes outlined by the Leader. That is a distinct possibility in the breadth of the legislation currently before the Committee. It was indicated earlier that a bipartisan approach had been taken and that there has been a wealth of discussion on this issue. It would be most unfortunate if a variation to the Bill were declined at this juncture simply because the Opposition has proposed it.

Mr Olsen interjecting:

The Hon. B.C. EASTICK: Exactly: the objective agreed to, but a lack of preparedness to put it into legislation. I trust that the Premier will respond, and I hope that it is a positive response.

The Hon. J.C. BANNON: I responded before the dinner break. My understanding was that the Leader was simply repeating his broad argument: in effect, reminding the Committee of what we were discussing before he moved his amendment. That is why I did not respond. I have already informed the Committee of my views. In relation to the staggering of appointments, I have indicated that they will be staggered. We will do it on a one, two, three, and four yearly basis, which is a much better arrangement than the inflexible system as proposed in the amendment. That would not improve the situation: on the contrary, it would make it more difficult to ensure that staggering takes place. In regard to the conditional provision, I have explained why that provision is there and the use to which it can be put. In terms of the public interest, it should be there.

The Committee divided on the amendment:

Ayes (19)—Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, 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, 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 5 for the Noes.

Amendment thus negatived.

Mr OLSEN: I move:

After line 21—Insert subclause as follows:

(4) A person who is to fill a casual vacancy in the office of a Director shall be appointed only for the balance of the term of his predecessor.

The amendment is self explanatory.

The Hon. J.C. BANNON: I am certainly willing to not only look at amendments moved by the Opposition but to accept any that improve the Bill. I think that this amendment is quite appropriate, and I indicate my support for it.

Amendment carried; clause as amended passed.

Clause 9—'Casual vacancies.'

Mr OLSEN: I move:

Page 3, lines 35 and 36—Leave out all words in these lines.

This is a consequential amendment.

Amendment carried; clause as amended passed.

Clauses 10 to 14 passed.

Clause 15—'Policies of the board.'

Mr OLSEN: I move:

Page 5, line 20— Leave out 'should' and insert 'shall'.

The CHAIRMAN: I point out to the honourable Leader that the alteration has taken place and has been tabled. There is no amendment because the word 'shall' is printed in the Bill.

Mr OLSEN: The assurance from the Chair that the Bill includes the word 'shall' and not 'should' is in line with what the Opposition sought to correct in the legislation. Therefore, I withdraw my amendment.

Mr BECKER: This means that Treasury and the Government cannot force the board to comply with the wishes of the Government of the day. The Bill now reads:

(2) The board should administer the bank's affairs in accordance with accepted principles of financial management and with a view to achieving a profit.

(3) The board and the Treasurer shall, at the request of either, consult together, either personally or through appropriate representatives, in relation to any aspect of the policies or administration of the bank.

(4) The board shall consider any proposals made by the Treasurer in relation to the administration of the bank's affairs and shall, if so requested, report to the Treasurer on any such proposals.

Does this mean that, if a proposal is put to the bank by the Treasury or the Treasurer, the bank would report that fact in its annual report? A request could be made of the bank to increase the dividend or make some special payment or whatever, or undertake certain advances to support the wishes of the Government of the day. Does this now mean that the board will report to the Treasurer and also report in its annual report?

The Hon. J.C. BANNON: I imagine that the board would have the discretion, if it wished, to so report. It is not necessary to provide for that in the legislation. It is clearly a consultation clause. It highlights the fact that there is a co-operative and consultative relationship between the Government and the bank, but there is no provision for either party to coerce the other into taking a particular line. The bank is required to give serious consideration to any proposals that the Government puts to it, to report formally on those proposals, but the action that it takes is ultimately the prerogative of the bank and that is ensured by this clause.

Mr OLSEN: I have several questions in relation to the policies of the board and the operation of the new bank. Is it intended that the bank should introduce profit planning systems at departmental and branch level, thereby bringing all levels of management into a bottom line responsibility (which is a common practice in trading banks) and, if so, when is it envisaged that the system would be introduced?

The Hon. J.C. BANNON: It is intended to introduce those practices. Obviously they will be introduced with the inauguration of the new bank. The six-month period for the implementation of policies and administrative arrangements will provide the opportunity to do that. Of course these things will not be achieved overnight because there is going to have to be a settling-in. The merger of two fairly thriving institutions will require a settling-in period. It is intended that the restructuring will be achieved in line with the commercial principles that I have outlined.

Mr OLSEN: This clause gives the new bank quite wide powers, and it also includes management of the bank's liquid assets. All trading banks, other than Government-

owned banks, are required to comply with Reserve Bank guidelines under the Federal Banking Act. The Federal Banking Act refers to liquid assets, a Commonwealth Government security ratio of 18 per cent, and statutory reserve deposit ratios of 7 per cent. In the past, banks were required to voluntarily comply with those requirements, as do the trading banks. Can the Premier ensure the Committee that that has been the case in the past? Will that be the policy of the new bank?

The Hon. J.C. BANNON: That has been the practice in the past and it will be the practice in the future. There is a sort of reserve power, which is probably useful. That is one of the advantages of having a State Bank but, in terms of banking practice, those broad policies will be followed.

Mr OLSEN: Is it envisaged that the bank should voluntarily comply with the 15/85 asset regulation as it relates to saving bank deposits?

The Hon. J.C. BANNON: It is the intention to operate as a unit bank and not as a savings and trading component. Discussions will be held with the Reserve Bank to ascertain the nature of how that will work. In that instance there is not the ability to be tied to a particular ratio. It will be a unit operation, but it will broadly conform to those principles.

The Hon. B.C. EASTICK: In this clause specific mention is made of housing loans and paying due regard to the importance both of the State's economy and to the people of the State in regard to their availability. It has been clearly indicated in response to the second reading debate that the Government and the Opposition are as one in regard to housing and the approach to it. Is it envisaged that, by virtue of the changed arrangement with the merger of the banks, there will be any ability to increase the service available through the bank for housing? Does the Government envisage any variation in the criteria which will apply for housing? I mentioned briefly, in the second reading stage, that one of the criteria for State Bank housing which has caused some concern over a period of time is that the combined age of a couple is not to exceed 52 years.

All is well if it happens to be that the two members of the partnership are averaging 26 years. However, if one is 26 and the other is 28—a situation which is not unusual in today's changed society where women are working for a much longer period than they used to—people with a combined age in excess of 52 years are denied assistance. It is a matter that has been raised in the Chamber previously and for which, on an earlier occasion, the Premier indicated some sympathy, but he was unable to retract from the position that applied. There is no argument about that; there is tremendous demand for housing funds. It was deemed that that was the best way to do it. With the benefits that will accrue with the operation of one bank as opposed to two, does the Government hope to achieve an overall improvement in benefits to the public? The combined age of 52 years, although but one of those criteria, is an important one to many young people.

The Hon. J.C. BANNON: Housing obviously will be an important part of the business of the banks, as it has been traditionally. By inserting that reference in the objects, the intention was to make it quite clear that the traditional role that banks have played in the housing area will be maintained. Secondly, in the case of the State Bank, it has acted in an agency position administering Commonwealth housing moneys and dispursing them through bank channels under certain conditions which are very much dependent on the availability and rationing of funds. That, thirdly, flows into the general housing business. It is very much a question of the balance of business and the availability of funds. In some cases criteria have to be laid down. They are artificial criteria—that is readily conceded.

The member is right. Why should the total age of 52 years be preferred as opposed to 54 or 56 years? The simple answer is that, in juggling the funds against the demand, and in trying to give effect to the policy, there must be a cut-off point. There would always be someone on the wrong side of the line as well as those on the right side of the line. The extent to which those criteria can be made more liberal will depend on the general availability of funds in this area. No undertakings can be given about that, but certainly the undertaking can be given that the level of housing business and support that the two banks currently provide will certainly be maintained. One would hope that, as their business and operations expand, there will be greater scope.

The Hon. B.C. EASTICK: I appreciate the information given. I recognise that it will be the province of the new board to determine overall policy. Obviously the Government has had a degree of consideration of the role that the merged bank may have in respect of housing. Has consideration been given to the likelihood of the changed services available from the merged bank reducing the time span associated with the loan system from the State Bank, which is currently about 10 months from application? There have been endeavours over a period to shorten that time. It is more related to the number of applications and the amount of money available.

I would suspect that a number of people are applicants to both the Savings Bank and the State Bank at present. Certainly, building societies find that a number of people, when advised that moneys are available, have been allocated funds from some other source. It is a natural instinct for people who have an interest in procuring a home to seek around for funds. Does the Government believe that there will be any significant reduction in the length of time associated with the procurement of funds through the merged bank system?

The Hon. J.C. BANNON: I do not think it is likely, although it will depend on the policies of the board. What is being achieved here with a combined operation is a bank which will venture into other areas and provide a much wider range of services and facilities. The combined housing business will be maintained, but we must keep coming back to the question of supply and demand, the funds available for such lending, and the demands on those funds. That determines the length of the waiting time. One could reduce waiting times drastically if one reduced the criteria for people getting on to the list. Equally one could expand the criteria and the waiting time would be much greater. It is a question of balance, and that is something to which the board must address itself.

Mr BECKER: I refer to subclause (2), and to pages 456 and 457 of the Auditor-General's Report for the year ending 30 June 1983. Page 456 shows the balance sheet of the State Bank of South Australia. Under the heading 'Australian Public Securities' for the Commonwealth Government and States, an amount of $9.62 million is shown for 'Other securities'. The explanatory note states:

2. The Market Value of Listed Investments at 30 June 1983 was:

	Cost $'000	Market Value $'000
Shares	3 743	3 544
Commonwealth Government Securities	9 620	8 427

In other words, there is a difference of about $1.2 million in the cost and the market value of Commonwealth Government securities. Yet, the amount appearing on the balance sheet is the cost, and not the market value. A further explanation on page 457 states:

All investments other than shares are normally held to, or close to, maturity dates when they would be redeemable at face value. Accordingly, no specific provision is considered necessary for

differences between cost and market value at balance date. However, during 1980-81 Commonwealth Government Securites with a face value of $2 400 000 were sold at a loss of $8( ) 000. The proceeds were invested in semi-governmental securities and the increase in yield is such that the loss will be recouped by the initial maturity date. The loss is being amortised over five years and the annual amount is included under Management Expenses. The un-amortised balance is included under All Other Assets.

My question relates to subclause (2), which reads:

The board should administer the bank's affairs in accordance with accepted principles of financial management and with a view to achieving a profit.

Why was this loss incurred, and is it good business practice to carry out such transactions? Will this type of loss prevent the new bank from carrying out the wishes of this Parliament?

The Hon. J.C. BANNON: The two elements involved in the matters referred by the member in the first case related to the Beneficial Finance Holding of the State Bank. That has not been as profitable as it could be. The bank has continuing shares in that business. At the moment it is undergoing restructuring; in fact, the holdings of the Bank of Tokyo have been increased in recent years. There will be some rationalisation over time with that stock, and we hope that company will show a strengthening in future years.

Secondly, the Commonwealth loans were taken out a long time ago—historical loans at historical interest rates of about 5 per cent—which are recorded at face value and held until maturity. It is common banking practice for such stocks to be so held. If one is looking at the profitability of a banking operation, just as at the profitability of any business, it may be that at any point in time particular investments or activities are not showing a profit. The real question is the overall profitability of the business. That ebbs and flows, depending on the nature of the market and one's holdings.

That is as true of banks as it is of any other business. There is an overall profitability of the bank. Certainly, there are elements, either holdings in particular areas or loans going back many years which have still not matured, which, in current conditions and under current interest rates, are unprofitable but are nonetheless part of the overall portfolio held by the bank.

Mr LEWIS: This clause sets out the way in which the bank's board shall administer the affairs of the bank, as we all know. I am interested to determine whether or not it is envisaged that the board would be empowered to lend money to a business which may have operations outside South Australia at any time for the development of that business, whether before or after it establishes business operations in South Australia, and whether the bank would continue to advance loan funds to that business given that it would be prudent, in the normal course of events to do so, but in circumstances where there was not the normal asset backing for those advances (loan funds) in South Australia such that, whereas the bank could be particularly preoccupied with the development of the State's economy, it might otherwise find itself unable to do so by the measure of the amount of funds it extends to the firm or business for the development of its operations outside South Australia instead of within South Australia.

The Hon. J.C. BANNON: That would be a matter for the judgment of the board. There are no restrictions placed on the board, nor should there be. The purpose of this is to give the bank that commercial freedom or competitive to provide maximum benefits. But, the benefits are benefits in terms of those aims in clause 15. One would expect that the board of the day, in entering into obligations or lending, would have regard to the impact of its policies on the State's economy and not expose itself too greatly to interstate or other loan arrangements. But, really it has to be a matter for judgment of the board. That is why one has a board of the bank and why one has skilled staff administering its policies. That is done within the parameters of clause 15 but done on a commercial basis.

Clause passed.

Clause 16—'The Chief Executive Officer.'

Mr OLSEN: I understand that the position of Chief Executive Officer was not advertised. If so, could the Premier explain the reason for that? Who was invited to apply for the position, and when is an announcement to be made as to the new Chief Executive Officer? I understand that in recent days the appointment has, in fact, been made. If that were accurate it would be interesting to know when it is intended that the announcement as to the appointee will be made.

The Hon. J.C. BANNON: I have already covered this question. It is a pity we are getting involved in this constant repetition. I answered those questions from the member for Hanson earlier; I wish the Leader had listened. The work to get a Chief Executive Officer appointed has been under way for some time. It has been done on the basis of what one might call 'head hunting', that is, identifying appropriate persons who might be interested in this position, who certainly have the capability of doing the job, and who are identified, interviewed and considered. That process is going on at the moment. The idea is to make a contract appointment. That contract will be covered by a remuneration package which would be negotiated with the successful applicant. The board will make its recommendation. That process is quite well advanced, because we want the Chief Executive to be ready to get moving after the legislation has been passed early in the new year.

Clause passed.

Clauses 17 and 18 passed.

Clause 19—'General functions of the bank.'

Mr OLSEN: The A.L.P. State Convention in 1981 resolved that all public authorities shall conduct their banking business with State banks. Is it the intention of the Government to implement that policy of the A.L.P. Convention?

The Hon. J.C. BANNON: That policy is a broad aim which has not been enforced in the case of all authorities. I hope that once the new bank is established it certainly will be able to offer all the appropriate facilities and, indeed, welcome the business of the statutory authorities. Certainly, it is in the interests of efficiency in many cases for those authorities to so bank. But, there is no intention at present of enforcing particular banking practices on authorities.

Mr OLSEN: Is is it the intention of the merged bank to approach S.G.I.C. with a view to writing S.G.I.C. business at branches throughout the State? Has this provision or service been discussed with either of the banks' boards or has the State Government Insurance Commission approached either of the banks in that regard?

The Hon. J.C. BANNON: That is quite an interesting suggestion that certainly does bear some investigation, because it could well improve the effectiveness of the bank and the State Government Insurance Commission. We will look at that. No doubt it will be discussed.

Mr OLSEN: I have to correct the imputation the Premier wrongly attempts to apply to my remarks. It was a question as to whether an unfair trading advantage was to be offered to the State Government Insurance Commission over its private sector insurance company competitors in the State. If the Government or the board were to seek to go down that course we would have some questions in relation to that. It should be on a normal commercial base, other than what we have seen the Government being prepared to do, as it relates to post offices, for example where post offices throughout the State have been given the authority to write State Government Insurance business—something that the former Administration consistently refused to allow to be

undertaken. However, this Government decided to give an unfair trading advantage to the S.G.I.C. through post offices. I merely sought from the Premier an assurance that he was not going to build into the new banking structure that further advantage for the State Government Insurance Commission over its private sector competitors.

The Hon. J.C. BANNON: I was sure that the Leader was not talking about an unfair advantage. Such an arrangement as he was suggesting would have to be done on a sensible and properly commercial lines, but it would be something that would have to be negotiated between the respective organisations.

Clause passed.

Clause 20 passed.

Clause 21—'Guarantee.'

Mr OLSEN: I move:

Page 7—

Line 21—Leave out 'The' and insert 'Subject to subsection (4), the'.

After line 23—Insert new subsclause as follows:

(4) The Treasurer may not fix charges under subsection (3) in respect of the guarantee provided for him under this section in such a manner that they relate, in effect, to all the liabilities of the Bank.

The clause relates to fixing charges to be levied by the Treasurer in respect of guarantees provided by the Government in so far as they relate to specified liabilities of the bank. This is a fundamental point to which I referred in my second reading speech. The opportunity exists for any Government to extend the guarantee fee to cover all borrowings (and deposits also, because the Savings Bank of South Australia has to guarantee its depositors' funds to be returned at call), so in fact liabilities means savings accounts as well. That would lead obviously to increased operating costs and hence reduce the profitability of the bank, the resultant effect being a net revenue gain to the Government through a form of back-door taxation. The Opposition seeks to close that loophole, that avenue for the Government to apply the guarantee, other than to the specified liabilities. The amendment will serve to exclude the possibility of borrowings or deposits being classified at some future date as specified liabilities.

The Hon. J.C. BANNON: I understand the purpose of the first part of this amendment but at this stage I am reluctant to accept it, perhaps without some further explanation, because I am not quite sure that it adds very much to the existing clause, which makes it clear that there is first a total guarantee of the bank's liabilities. Then subclause (2) provides:

A liability of the Treasurer arising by virtue of a guarantee under subsection (1)—

that is the total guarantee, the overall guarantee that the Government provides to the bank—

shall be satisfied out of the general revenue of the State, which is appropriated to the necessary extent.

So, that is the underlying guarantee and the source of the satisfaction of that guarantee. Subclause (3) then states that, irrespective of that general guarantee, and of that guarantee being satisfied out of general revenue, as a sort of *quid pro quo*, in specific instances, in relation to specified liabilities of the bank, then after consultation (and remember that is embodied in it), some charges may be levied in respect of the guarantee provided by the Treasurer.

If one is to place the bank on a commercial footing that would be a standard commercial practice. The guarantee is worth something commercially, but the question is in what area would those charges be levied. Definitely what is intended is that, if the bank wants to go into some specific venture or specific area of business aside from the ordinary (nothing to do with its ordinary line of business, its depositors, and so on, that have been referred to; that is the traditional banking business which has always been covered by a general guarantee and no charges would be levied on that), and if it came to the Government and said, 'We want to launch into some specific venture', then the Government may, as a matter of commercial prudence and commercial practice say, 'Well, in that instance, because it is out of the ordinary, and because we are exposed to a much greater extent than we are in relation to your general business, it is fair that some form of charge be levied against that.' That is the sort of idea embodied there, and I do not really see any major problem in it.

Mr OLSEN: With respect, the Opposition believes that it is a very important point in the legislation. It is not what is in the Premier's mind as of this day when the legislation is being introduced: we are talking about legislation that will be on the Statute Book in this State for decades. Under the financing authorities legislation which the Premier introduced in this Parliament, he has the capacity to levy .5 per cent on any instrumentality that uses a guarantee by the Government of the State. The Savings Bank of South Australia's deposits are in fact liabilities of that bank to its customers at call. It uses the term 'guaranteed by the State Government of South Australia'. Under the financing authority legislation, which the Premier has had passed through the Parliament, he is entitled to levy .5 per cent on that guarantee. I accept that we are talking about specified liabilities, but the legislation is not clear on that point.

We are seeking, via the amendment, to ensure that any future Government, subsequent Government, if it is running short of a dollar or two, does not apply .5 per cent across the board, which it would be entitled to do under the financing authority legislation. Looking at this legislation, it would be entitled to apply the .5 per cent across the board on all deposits. We do not believe that it is appropriate for that opportunity to exist for any Government, let alone this Government. I really believe that it is very important legislation. The legislation certainly is not clear on that point. The Government of the day has the opportunity to levy this extra charge, and I suggest to the Premier that no-one envisages that it would be wanting to strike .5 per cent on savings bank deposits across the board but the legislation allows it to be done. The amendment seeks to stop that.

The Hon. J.C. BANNON: I do not have the Act to hand, but I think in fact it excludes the banks from the operation of that provision. We will have that checked, but in the meantime I revert to the purpose of this clause. I would have thought that it was quite clear that, if the Government sought to fix charges, which it must do in consultation in relation to specified liabilities, those liabilities have to be set out; they have to be special, they have to be unusual. I do not share the Opposition's concern, because I would have thought that it was quite clear from the way in which the clause is worded that we are talking about exceptional instances.

Mr OLSEN: This is an important aspect of the legislation, and I think it ought to be checked.

The Hon. J.C. Bannon: I direct the Leader's attention to the clause itself.

Mr OLSEN: I have read the clause, and the amendments have been drafted to allow for the possibility of that applying. We are making it quite clear the intent of the legislation, and not leaving it up to the interpretation of other individuals. The Premier may be clear in his mind about what he wants to do, but subsequent Premiers may take an alternative course. Because it is a fundamentally important point, I think that the Committee ought to report progress for the matter to be clarified, and let us come back to it later and proceed with it. It is extremely important. It is a basic point that the Opposition will continue to press.

The Hon. J.C. BANNON: I am not inclined to report progress, because we are not making it: I wish that we could get on with this. For an agreed measure, this is certainly taking a long time. Accepting that the intention of this amendment is to clarify the position, I still contend that there is no real need for clarification, but the Opposition has indicated that it feels very strongly there is; it must be spelt out precisely and in the spirit of reason and conciliation, I would be prepared to accept the amendment.

As I say, I am not sure that it adds anything substantial. It may indeed clarify the position. Certainly the position as I have explained it is how this clause was drawn. The understanding between the banks and the Government that participated in putting together this legislation was that that was how it would operate. However, if it is required to be spelt out in some detail, I will accept the amendment.

Amendment carried; clause as amended passed.

Clause 22—'Payment to be made to general revenue.'

Mr OLSEN: I move:

Page 7, after line 42—Insert new subclause as follows:

(2a) The sum determined by the Treasurer in accordance with subsection (1) *(b)* for a particular financial year shall not exceed—

(a) a sum that provides a return on capital (expressed as a percentage) equal to the prescribed rate for that financial year; or

(b) one-half of the net operating surplus for that financial year,

whichever is the less.

The purpose of this amendment is to confine the dividend amount by which any Government can apply that dividend to the banks. It should be noted that banks have notoriously low pay-out ratios, and a rough rule of thumb is that companies should pay out 50c for every dollar of net profit earned. However, banks often slip below this rule of thumb. Recent pay-out ratios of trading banks have been in the range of 30 to 44 per cent. We are looking at an average of that proportion within the private sector.

The amendment will serve to ensure that any dividend rate to be determined by the Treasurer will be limited to no greater than the Australian savings bond interest rate prevailing as at the end of the financial year covered by the trading results, or 50 per cent of the net operating surplus, whichever is the lesser amount. I can understand the position in relation to loan amounts being capitalised, and this was information that we were able to obtain from the briefing that was kindly offered to the Opposition. I say 'kindly offered' because it was valuable to have the briefing from both the Under Treasurer and the Chairman of the two banks.

Considering company tax, that was a criterion that the Opposition believed ought to be incorporated in the Bill. As it relates to dividends, it was explained that dividends were for the purpose of loan funds being capitalised and, therefore, the interest rate that would apply to those would no longer be applicable but that a dividend would be struck which would bring a return to the Government to equate to the interest forgone because of the capitalisation of the loan, and that would be in the order of perhaps 2 1/2 to 3 per cent.

That is fine, provided that it is 2 1/2 or 3 per cent. However, we also note that, if the Treasurer strikes that dividend rate and the board disagrees, the Treasurer's will shall prevail and in fact there is a notation in the annual report relating to the board disagreeing with the Treasurer. However, if the Treasurer has the money and has proceeded to spend it (and I talk of subsequent years, because the legislation will cover quite an extensive period) the intention should be to limit the dividend rate that can be struck by any Government. We are putting a maximum level on that dividend rate that can be struck.

The Opposition believes that that is an appropriate position to put. It does not prohibit a dividend rate being applied to the bank for the recoupment of lost interest on capitalised funds; in fact, it creates the position whereby a Government for short-term gain cannot syphon off large sums of money from the banking system should a Government find itself in a difficult set of circumstances at any given time. Therefore, we are seeking not to prohibit the opportunity to strike a dividend but, in fact, to put a maximum figure.

The Hon. J.C. BANNON: This is not acceptable. The Opposition is certainly approaching this with a great deal more suspicion, as it were, than are those operating in this area. I draw attention to the provisions of the clause. Let us begin from the viewpoint that the Government and the bank have mutual interests, and it is in the interests of the Government and the State that the bank operates effectively and profitably. Therefore, it will obviously not milk an asset of that kind if the opportunity arises: it would just be totally wrong. Secondly, we are talking about a position whereby the bank is in operating surplus, and the amount that the Treasurer (having regard to the profitability of the bank, and the adequacy of its capital and reserves) determines to be an appropriate return on the capital is a further sum on top of the taxes to which they would be subject under the normal provisions.

However, one will notice the words, 'having regard to the profitability of the bank, and the adequacy of its capital and reserves': quite clearly, the Act requires that the Treasurer has such regard and, if the Treasurer does not, it is testable. If the Treasurer does not have regard to that and it can be established that that is so, clearly there is a breach of the Act. In relation to clause 22 (2), it is not the Treasurer's whim that is involved in this case. It is an accepted standard financial procedure, namely, as follows:

The board shall, as soon as practicable after the audited accounts in respect of a financial year have been presented to the Governor, submit a recommendation to the Treasurer . . .

Therefore, the Treasurer is in receipt of a recommendation, no doubt, based on the accounts of that year and, no doubt, accompanied by the Board's assessment of the bank's profitability, the adequacy of its capital reserves and its corporate liabilities, and balances for ensuing years, and so on. They are all part of the decision-making of the board, and the board makes a recommendation to which the Treasurer must have regard. He must pay due regard: it is a requirement by law and, if he does not, that also means that he is in breach of the Act.

Therefore, the safeguards are written in there very clearly. The only difference is that, if there is a dispute between the board and the Treasurer over this, it is the Treasurer who has the final right to decide. We are talking about a Government bank with Government guarantees and all the other things that relate to that. Clause 20 provides:

The Treasurer may, out of moneys provided by Parliament for the purpose, advance moneys to the bank by way of grant or loan.

These moneys are to be treated as capital of the bank and shall not be repayable except upon resolution of both Houses. If one looks at all this, it is a pretty reasonable proposition. It is very much like a wholly owned subsidiary board, for instance, where that sort of relationship applies. Of course, the safeguard is that, if there is such a divergence and if the Treasurer has to insist on his rights under this clause, that must be duly recorded and, by reporting it in its annual report, the bank draws attention to it. It can comment on it adversely and explain that, in its view, these were the criteria that should have applied, and the Treasurer did not apply them. That is a matter of public record and Parliamentary scrutiny, and, therefore, the matter can be discussed; that is up to the Parliament.

It certainly would be a matter of public comment, and clearly we will have another safeguard. In regard to the way that the clause is drafted, the good faith of the parties involved in operating this should be borne in mind. If good faith is not prevalent one can forget about the provisions of any Act in regard to the safeguards and requirements embodied in it. I think the Committee would be bound to agree that this is a very sensible arrangement; it has been thoroughly discussed and canvassed. It is understood by all the parties concerned. I believe that it provides a correct balance between the Government's rights, as the owner and guarantor of the bank, and board's rights as the manager of the bank's business.

Mr OLSEN: The Opposition intends to push this amendment, because it is important. I do not have the faith that the Premier has in these matters. Provisions in legislation must be spelt out quite clearly, as the Premier well knows. The Premier wanted an instrument placed on the appointment of directors on certain conditions, etc. If the Premier was not prepared to accept operation in good faith in that regard so that directors could be appointed without such conditions (that is, that directors would not have any conflict of appointment), why is the situation now different in regard to this clause?

So, in this regard 'good faith' has started to take on a new meaning. The fact is that the provisions are not clearly spelt out, and that there is an opportunity for any Government of the day to siphon off funds for short-term gain. Clearly, under the legislation a Government has the capability of doing that. The Opposition seeks to ensure that a Government cannot undertake that course of action for short-term gain. The Opposition will press this amendment because the response of the Premier has not clarified the matter.

The Hon. J.C. BANNON: I would have thought that my response dealt directly with the matter. I indicated the safeguards contained in the provisions of the clause and the workability of it.

Mr Olsen: In 'good faith'.

The Hon. J.C. BANNON: That is a debating trick: I am trying to answer the substance of the Leader's argument, not the floss of it. The fact is that under the existing arrangement of a 50 per cent share, that is an inflexible measure and one that is very difficult to assess. I would have thought that if that was to be replaced with something it should be replaced with a provision that gives the board much greater responsibility and power over the dividends payable in what is essentially a commercial operation. I would have thought that the safeguards and requirements stipulated in the clause are quite sufficient. I think the Opposition's amendment is plainly inadequate. For instance, its definition of 'prescribed rate' refers to:

> The rate of interest (expressed as a percentage per annum) that is payable, as at the thirtieth day of June of that financial year, upon Treasury Bonds of the series known as 'Australian Savings Bonds' currently being issued at that date under the Commonwealth Inscribed Stock Act.

Will Australian savings bonds always be on the market? What happens if they are withdrawn and are no longer payable? How does one then calculate the prescribed rate? Does that mean either that the rate can be anything or that it can be nothing? I am not clear about it. I think that would indicate the problems that occur in trying to fix a pre-ordained formula. It is much better to have a procedure rather than a formula. The Bill provides a procedure that is workable with adequate safeguards. The Opposition's amendment provides for an inflexible formula, which in any case can be made nonsensical with the withdrawal of a security from the market.

The Hon. E.R. GOLDSWORTHY: The Premier's explanation is just not correct and will not stand up. The Opposition is attempting to put a ceiling on payments made to the Treasury as a result of the operations of the bank. In the legislation currently in operation I understand that there is a 50 per cent operating surplus ceiling applying to the operation of both banks. To suggest that the bank would be incapable of operating around those limits is nonsense. The Premier referred to the ultimate sanction being a report contained in an annual report of the board. Of course, equally, that is absurd.

For instance, on occasions the Ombudsman has recommended that Ministers of the Crown operate in a certain way: he has reported that to Parliament, but it has not made the slightest bit of difference to the way that the Government operates. For the Premier to suggest that a report from the board will in some way modify his behaviour is stupid. He knows perfectly well that there is no real sanction or limit in what is suggested in the clause as it stands.

A limit exists in the current legislation. No feasible or logical reason has been advanced to show why some limit should not be provided in the proposed legislation. The Opposition is pointing out that a limit is not prescribed, although the Premier is implying that the Opposition is referring to some fixed amount that the Government will receive. That is not what the Opposition is referring to: it is referring to a provision of the same nature as that which exists in the present legislation, except that we are talking not only about 50 per cent of the amount of surplus of the bank but about the fact that there is also another alternative which would tie it to a benchmark, which is accepted in commercial circles, in terms of the bond rate. To suggest that that is something that cannot be identified is silly, and the Premier knows it.

The Premier is saying that he is not prepared to accept any limit on what the Government's takings can be. I make no secret of the fact that I for one am more than suspicious of the way in which the Treasury can operate when it wants to get its hands on funds. I would suggest to the Premier that his own track record is not one of which he would want to be particularly proud. All we are seeking to do is secure an amendment which embodies a provision that is very similar to the existing provisions in the State Bank Act and the Savings Bank of South Australia Act. I would have thought that the Premier would understand that quite clearly and that he would be prepared to accept that limit on his ability to siphon off funds from the bank.

The Committee divided on the amendment:

Ayes (20)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, 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, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Majority of 4 for the Noes.

Amendment thus negatived; clause passed.

Clause 23—'Accounts and accounting records.'

Mr OLSEN: I want to clarify the position relating to the bank: will it pay to general revenue an amount equal to tax in respect of dividend payments received from the shareholding in C.C.F. Australia Limited and C.C.S.L., the operators of the Bankcard system? I wish to ensure that it is not paying company tax as Bankcard, company tax as C.C.F. and then being required in connection with this instrumentality to pay tax.

The Hon. J.C. BANNON: No, it would not be taxed: it would get the benefit of the Commonwealth provisions.

Clause passed.

Remaining clauses (24 to 31), schedule and title passed.

Bill reported with amendments.

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

That this Bill be now read a third time.

Mr OLSEN (Leader of the Opposition): As the Bill reaches the third reading stage, I think I ought to make one or two brief comments: first, to acknowledge on behalf of the Opposition the offer that was made for the Under Treasurer and the Chairmen of the two banks to have discussions with the Opposition relative to this proposal before the Parliament. That offer, which was taken up, was appreciated and was beneficial as far as the Opposition is concerned. Also, I think I ought to say that the Government's acceptance of the amendments is appreciated. However, I am disappointed that the amendment involving a dividend ceiling maximum was not accepted by the Government. The Opposition still believes that it was a very important amendment and that it ought to have been accepted to protect the position in subsequent years.

I refer to the members of the merger teams of the banks who have brought together this package for presentation in this legislation: I think it ought to be acknowledged, bearing in mind the composition of the merger team and the relatively short period involving such a complex matter, that the people concerned have done an exceptionally good job and should be commended. When this legislation passes this Parliament (as indeed it will, because it has bipartisan support) and the new State Bank becomes operative as from 1 July, I hope that progress will continue to be made and that every avenue will have been covered so that the bank can start on its new footing with maximum support from the community and with maximum capacity to make every inroad and profit, as indeed it should, as a banking instrumentality within South Australia.

In closing, I commend the Bill before the House and commend also the merger team for its work in bringing the proposal before the Parliament. I wish the new State Bank, when it becomes operative on 1 July, every success in its endeavours on behalf of South Australians.

Bill read a third time and passed.

ADELAIDE FESTIVAL CENTRE TRUST ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 November. Page 1937.)

The Hon. B.C. EASTICK (Light): The Opposition supports this measure. It is a matter which has been before the Parliament on earlier occasions; indeed, the moratorium which applies was in existence for 10 years from the commencement of the Centre and it has been extended by a one-year period. This measure seeks to give a further 10-year moratorium.

The place of the Centre in the fabric of South Australia is recognised and accepted. The Opposition believes that this proposition deserves support and, whilst there may be a disadvantage to one or two sectors, the disadvantage is minimal when compared with the overall benefit to the State. If we were to look at programme performance budgeting in its total sense, there are possibly some aspects of reporting relative to this measure that should show through.

That is mentioned only in passing and not as a criticism. However, there is an element of artificiality about what is being done in this case, what has been done previously, and what may well be done in the future in other cases. That apart, the artificiality having been recognised and brought out in the open should not detract from the action currently being taken. As the Opposition holds that view, it supports the Bill without further argument.

The Hon. J.C. BANNON: I appreciate the remarks made by the member for Light and the Opposition's support for this measure. The points made by the member are valid. It is true that a degree of artificiality exists with this arrangement but, on the other side of the coin, it is equally artificial to attempt to put a value on the site and the nature of the building that stands on it because, if it was not a festival theatre, what would it be? It would not be a commercial operation, a housing estate or anything with that type of value. In a sense, the values are notional.

The Hon. B.C. Eastick: I was not seeking to achieve it.

The Hon. J.C. BANNON: Exactly. It would be effectively transferring money from one pocket to another in a notional way. This seems to be a simple and accepted way of handling the issue. Of course, it conforms with similar practice interstate. I thank the Opposition for its support.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Assumed value of Trust property.'

The Hon. B.C. EASTICK: This clause, which the Opposition does not seek to alter, gives the assumed value of the Trust property. In response to the statement made by the Premier, the South Australian situation is a little unlike that applying interstate where there is no valuation and no charges. The Opposition would not necessarily support that. It has not sought to change the position that has applied since the commencement of the centre. I see no reason why it should happen in the future. A need exists, as we have been discussing in another Bill, to have an element of reality about the costings and the financial administration of facilities available to the State. Whilst we have a form of operation in South Australia, now to be extended from 1983 to 1993, we should not be unmindful of the fact that we are slightly different from other States and that it is a bipartisan decision.

Mr BLACKER: Will another precedent be used in South Australia, in view of the Government's announcement of the possible purchase of the D. and J. Fowler complex on North Terrace? Does the Government envisage any other project such as that? On tonight's *Nationwide* programme reference was made to the Government's pending announcement for an ancillary to the Art Gallery.

The Hon. J.C. BANNON: I am not sure whether precedents of this sort exist. In some cases, arrangements are made for a deferral of payment of rates and charges—it is an establishment concept. In other instances, they can be waived on various criteria. It is unusual that they have not been waived. A notional value is attached to the structure, with payments made accordingly. Because the value is notional, the payments are notional. It is an unusual way of doing it, but the advantage is that it directs the attention of a Board or Trust to the fact that a liability exists which could be incurred fully in some circumstances, but that is not done for particular reasons. Therefore, attention is drawn to the fact that this is another aspect of the subsidy or assistance provided. Provided that that is identified and we are selective about how it is applied, that is the way it will operate.

Mr BLACKER: I thank the Premier, and wholeheartedly concur with his explanation. In the case of the Festival Theatre, it is a good idea and brings back to the administrator's attention the fact that a liability exists and it is a part that the State is playing. I would not like to see a proliferation of this type of system in other facilities throughout the State.

Clause passed.

Title passed.
Bill read a third time and passed.

MARALINGA TJARUTJA LAND RIGHTS BILL

Adjourned debate on the question:
That the report of the Select Committee be noted.
(Continued from 17 November. Page 1963.)

Mr OLSEN (Leader of the Opposition): I begin by emphasising the complexity and sensitivity, even the enormity, of the changes, the choices, the compromises inherent in the matters now before us. Facts, feelings and forces which bear on the questions members of this House are being called to decide defy any form of standardisation, common expression or short answer.

I illustrate these important points by putting before the House the following apparent dilemmas that have arisen since this Bill was last debated here, only five months ago. On 21 July this year, in the Supreme Court, Mr Justice Millhouse, in a strongly worded judgment, ruled that the vital access provisions of the Pitjantjatjara Land Rights legislation were invalid. Yet, just over two years before, Mr Justice Millhouse, as the then member for Mitcham, described that legislation in this House as a very great achievement and gave his full support to the access provisions. The access provisions in this legislation are, in most respects, identical. During the Select Committee inquiry into this Bill, evidence was presented that the Aborigines wanted no white people on their land; other evidence advocated unlimited access for everybody.

One witness suggested to the committee that some of the advisers to Aboriginal communities are under Communist influence. The advisers themselves maintain that they act only under instructions in seeking to protect the interests, culture and traditions of the Aborigines. A churchman appearing before the committee was so implacably opposed to mining that he wanted legislative changes which would have the effect of bringing all exploration, anywhere in South Australia to an end. Yet other evidence given to the committee suggested that exploration and mining are seen by some Aboriginal communities as a benefit to their land in that they can help to open up roads and establish water supplies.

The residents of Cook presented a persuasive case to the committee to be allowed freer access to some of the lands in question, but an anthropologist told the committee that these people were being shortsighted in their desire not to be confined to the town. A man who helped to move members of the present Yalata Community from these lands during the 1950s to facilitate the atom bomb tests said that they should return only if all members of the community desire to, while the Minister indicated to the Select Committee that perhaps up to half of the community may remain at Yalata.

Len Beadell, the noted explorer and author, gave the committee vivid evidence of how he helped to blaze trails in this desolate part of our State almost 40 years ago and how, now, he has been refused a permit to go on some of the same roads he established.

The Hon. B.C. Eastick: Even some that bear the name of his family—the Connie Sue Highway.

Mr OLSEN: Indeed! These are dilemmas within a dilemma—the greatest dilemma legislation of this type seeks to resolve, and that is the extent to which our community, today, can attone for the wrongs and the deprivations visited on Aborigines in the past, and at the same time attend to the needs of the future. If we are to be successful, we have to find the means to allow people with markedly different values, traditions, beliefs and cultures to co-exist within our State in a way that prevents unnecessary discrimination and promotes widespread harmony. There must be no states within a state. Yet, I am concerned that we may be drifting in that direction.

I refer to two statements made during the presentation of evidence to the Select Committee. At page 311, the Minister of Aboriginal Affairs asked Mr Yami Lester, of the Pitjantjatjara Council, how important it was to keep a check on who comes onto the lands. Mr Lester replied:

> Very important. The Australian Government has a law about who comes into Australia and, to me, the position concerning our lands is similar.

An even more serious proposition was put by Mr Hiskey, as legal adviser for the Yalata Community, at page 557 of the Select Committee evidence. He said:

> The fixed position, the starting point so far as the community is concerned, and most particularly the starting point for the older members of the community and those with the greatest authority traditionally, is that there ought not to be white people on that land at all.

Legally, I do not believe that this House could enact legislation to bring that about. Morally, we should not contemplate it, nor, I believe, would the Aborigines want us to.

The Aborigines, their advisers, the miners, the anthropologists, the people of Cook, the rabbit trappers, the members of touring clubs and other individuals who gave evidence to the Select Committee, all have their own points of view. Some overlap. Some are poles apart. Many can be accommodated in some form. A few should not be tolerated. It is now up to this House to fully consider all those points of view and deal with this legislation in a manner which fulfils our responsibilities to all South Australians, and balances, as much as we can, all their interests. In saying that, I make it clear that the Liberal Party supports land rights for the Yalata Community. We support giving them rights to the Maralinga Lands. They were promised the opportunity to return to those lands more than 20 years ago.

The Liberal Party wants to ensure that this will occur in a manner which gives the community all the rights it was guaranteed in 1972—by the Dunstan Government when it made policy decisions on this matter—every protection possible for its traditional way of life and full recognition of its special relationship with the land. We believe that this still can be achieved through amendments to the legislation proposed by the Government. I will foreshadow those amendments in a moment but, first, I refer to some of the Minister's rather intemperate remarks at the time that this Bill was last before the House. He suggested that our attitude to this Bill demonstrated a dramatic change.

In the *Advertiser* of 2 June the Minister was reported as saying that the Liberal Party had returned to its traditional conservatism in its stand on this legislation and that our attitude to Pitjantjatjara Land Rights was therefore exposed as nothing more than a public relations exercise and a political flash in the pan. What absolute nonsense! I regret the Minister's cheap attempt to politicise this matter. That was no way to respond to views genuinely held and sincerely put, as indeed they were. For a number of reasons, his allegations are patently untrue and only demonstrate that the Minister either did not listen or was incapable of understanding the facts that I placed before the House in my second reading speech.

At that time it was obviously the Minister who was treating this matter as nothing more than symbolism. He wanted his own public relations success—his own place in the annals of land rights history. Certainly, the Liberal Party supports land rights legislation—but legislation that works in the way Parliament intended—in the way the people, all

South Australians, can support. Land rights legislation will be no good to anyone if all it produces is certain historic documents signed with due ceremony for those responsible to gaze upon and say, 'We did it—we have created history.'

Let us pioneer by all means, but let us not forget the need also to be practical as we seek to do so. In saying that, I point out to the House that it is not only within the Liberal Party that there is concern to avoid mere symbolism with land rights agreements. Within the Labor Party there has been similar debate, initiated in part by Mr Christopher Cocks, the Chairman of the Working Party which presented a report to Mr Dunstan in 1978 on land rights for the Pitjantjatjara. While that report was very instrumental in the land rights legislation which followed, Mr Cocks has now written that the Pitjantjatjara model is unsatisfactory.

In an article in the March 1983 issue of *Labor Forum* (co-authored with Mr Christopher Pearson), Mr Cocks wrote that the Pitjantjatjara model ought to be learnt from rather than repeated. One of the criticisms of the Pitjantjatjara model is as follows:

> Serious—potentially chronic—inequitable distributions of capital bases and windfall mineral wealth between Aboriginal groups. There is no good reason why we should replicate the worst and most divisive features of our economic system for Aboriginal people.

Their article advocates more consideration of the alternative of keeping Aboriginal lands in public ownership rather than transferring them to freehold title, warning that the confidence and morale of Aboriginal communities 'ought to be based on the actuality of achieved agreements instead of symbolism'.

I quote these comments to emphasise the need for all members to keep an open mind about legislation of this type, rather than to base opinions on inflexible dogma, and perceived dictates of conscience and compassion. An open mind is important because, as I emphasised throughout my second reading speech, this is pioneering legislation and, as such, we may find that mistakes are made as we progress from debating and passing the legislation to implementing it.

Some mistakes have become apparent with the Pitjantjatjara land rights legislation on which the Bill now before us is modelled. As the author of the Pitjantjatjara legislation, the Liberal Party will not turn its back on those mistakes simply to save its face. We are not embarrassed that there are some inadequacies in the pioneering legislation, but big enough to acknowledge it. We want to correct those mistakes in the Pitjantjatjara legislation. We want to ensure that they are not repeated in this Bill. Following his experience as Chairman of the Select Committee, the Minister should have a better understanding of all the issues that this House must now address.

I believe that in general, during the hearings of the committee, the Minister fulfilled his responsibilities with fairness and a desire to allow all points of view to be put forward. It is unfortunate, however, that the Minister and the other Government members did not give greater weight to the evidence presented when they prepared their report. The Opposition believes that, in some important respects, the report presented to this House does not reflect the evidence presented to the committee. The Opposition members of the committee were denied the opportunity—by weight of Government members—to present a minority report.

The Opposition believes that further amendments to the legislation are necessary and, in putting them forward, let me remind the House, first, that the Liberal Party speaks on this matter out of genuine concern for Aboriginal people, and on land rights issues in particular, with a track record that has shown us to have been right much more often than we have been wrong (and it is the track record that counts).

In 1962, a Liberal Government appointed South Australia's first Minister of Aboriginal Affairs. In 1966, it was the foresight of the Liberal Party that prevented the North-West Reserve being vested in the Aboriginal Lands Trust, even though, at that time, as the responsible Minister, Mr Dunstan was strongly critical of our stand. We took that stand in recognition of the special circumstances of the North-West Aborigines, and we have been proved right. In 1977, the Pitjantjatjara asked Mr Dunstan to recognise those circumstances by enacting special land rights legislation. During the ceremony we certainly gave Mr Dunstan credit for helping to raise public interest in these issues, as I recognised in my second reading speech.

Unfortunately, in some respects, he went too far. Accordingly, the former Liberal Government, from 1979, had to deal with a situation in which the expectations of Aboriginal communities had been raised to levels which, on some key issues, were unrealistic. This legislation, introduced by the present Labor Government, recognises that. There is no absolute veto over exploration and mining, as Mr Dunstan initially proposed for the Pitjantjatjara. A proportion of the royalties from any mining developments will be retained by the State for the benefit of all South Australians. Mr Dunstan wanted all royalties to go to the Aboriginal community concerned.

Labor has also retreated from a position, as advocated by Mr Dunstan, in which more than a quarter of the land area of the State could have been put under land rights claims, although how far the present Government intends to go in the future is not yet certain. On this Bill as well, the foresight of the Liberal Party has been vindicated already. In this respect, I commend in particular the member for Eyre for his work to protect the interests of all his constituents. During the second reading debate the member for Eyre raised problems about access to the lands for the residents of Cook, and an existing rabbit trapping industry. The Government has recognised those concerns, although not to the degree that the Opposition believes is necessary.

During the Select Committee hearings the member for Eyre proposed the setting up of a Parliamentary Committee to keep this legislation under review. That has been taken up by the Government in the amendments foreshadowed by the Minister. All of this highlights the unchartered waters we are moving in. What is not even apparent today can become very clear tomorrow. The Millhouse judgment is a perfect example of that. At the final passage of the Pitjantjatjara Land Rights Bill in this House on 3 March 1981, the member for Mitcham (as His Honour then was) described that legislation as a very great achievement which he wholeheartedly supported. During that debate he had not questioned the access provisions of the Bill—those vital provisions which require permits before people, other than the Pitjantjatjara, can enter the lands.

However, just over two years after his assessment of that legislation in this House, those provisions have now been declared invalid by His Honour, on the grounds that they amount to racial discrimination. His Honour's judgment, on 21 July, related to the Commonwealth Racial Discrimination Act, 1975 and the International Convention on the Elimination of All Forms of Racial Discrimination.

He ruled section 19 of the Pitjantjatjara Act invalid on the grounds that it was in conflict with the Commonwealth Racial Discrimination Act and that, Constitutionally, the Federal Act took precedence. In part, His Honour's judgment states:

> To me the conclusion is inescapable. Section 19 [here he is referring to the Pitjantjatjara Land Rights Act] is in conflict with article 5 *(D) (I)* of the Convention. Section 19 interferes with 'the right to freedom of movement' on the basis of race. It prohibits anyone who is not a Pitjantjatjara from entering freely a very large part of the State. Anyone who is not a Pitjantjatjara is kept

out (subject to exceptions) unless with permission. That is directly contrary to section 9 of the Commonwealth Act and article 5 of the Convention which requires the right 'to freedom and movement'.

The former Government had been aware of the possibility of a conflict between the Pitjantjatjara Act and the Commonwealth Act, and made representations to the Federal Government for legislation to validate the Pitjantjatjara Act. That action was not taken prior to the last Federal election, and it is my understanding that the present Federal Government prefers the matter to be tested first before the High Court, rather than seeking to validate the matter through legislation. However, the High Court will not be able to hear the matter until next year. The Select Committee has recommended that, in the meantime, the access provisions should stand in this Bill, but that they not be proclaimed to come into operation until such time as their legal position has been clarified. The Liberal Party has considered this question at length and believes that in all the circumstances the Government should not seek to have this Bill fully dealt with by this House until the High Court has ruled. This House has already had one recent experience of being asked to pass legislation which, on the Government's own admission, was imperfect. This legislation also could be imperfect in one of its most important provisions.

Evidence given to the Select Committee suggested that, without the access provisions, the Yalata Community would regard this legislation as meaningless. Its passage, even if some of it will not be immediately proclaimed, will raise the expectations of those Aborigines concerned, and it could do serious damage to their confidence in Parliament and the Judiciary for us to pass this legislation only to have it returned for amendment within a relatively short time. I recognise that the Yalata Community has already waited long enough for its own land rights legislation. After all, they have been waiting more than 20 years. But in the present circumstances, I believe that it would be better to wait a few more months to ensure that we have legislation that will stand up in court and will not have to be amended in a way that will disappoint the Yalata Community yet again.

The Hon. B.C. Eastick: Our aim is competent legislation.

Mr OLSEN: Indeed, competent legislation; legislation that will stand up is what we are talking about. Therefore, I formally ask the Government for an undertaking that it will not seek to take this debate into the Committee stage until the High Court has ruled on the decision of His Honour, Mr Justice Millhouse. There is another important reason why the Government should delay this legislation.

Last week, in discussions with members of the Yalata Community and their advisers, the President in another place, accompanied by the Hon. Mr Gilfillan I understand, was told by elders of the community that they were prepared to nominate all sacred sites on the lands and incorporate them in a register. I refer to the report of the President of the Legislative Council and the Hon. Mr Gilfillan. This is with a view to facilitating any further discussions with exploration and mining companies seeking access to the lands. Obviously, this work cannot be completed in a fortnight. If that position transpires, that is, those sacred sites are nominated on a register, it is indeed breaking new ground. The Government should not seek to pass the Bill until this matter, also, has been dealt with. In asking the Government to delay this measure, I point out that, if this request is not agreed to, the Liberal Party will use its numbers to defeat that Bill in another place next week.

I now turn to other issues on which the Opposition differs with the Government. First, the proposed extension of the lands. The Opposition, frankly, is puzzled by the timing of this move. The lands have been a matter of exhaustive debate and some dispute for more than 20 years, yet it is only now, after the Bill has been introduced into this House and sent to a Select Committee, that it is proposed to extend those lands by almost 50 per cent—by 25 000 square kilometres. The Opposition does not believe that sufficient justification relating to the previous attachment of the community to this area has been given for such a major departure from the original Bill.

The Government members of the Select Committee, in their report, have ruled out the possibility of pastoral activity on this land in the future. The Opposition does not necessarily accept that proposition. Evidence given to the Select Committee suggested some limited potential for pastoral use in conjunction with the existing Commonwealth Hill lease. There is also the possibility of mining development in the future. I understand that the land is at present the subject of some interest and, in its evidence to the committee, the Mines Department specifically recommended against this extension.

While the economic viability and the cultural significance of this land are both doubtful at present, we should not put further constraints in the way of its being put to some productive use in the future, especially in circumstances where the Yalata community already is being allocated an area of 52,000 square kilometres. During the second reading debate, I proposed that the Aboriginal Lands Trust should be the owner of this land, and I foreshadowed an amendment to allow the lands to be vested in the Trust for an estate in fee simple. Upon the vesting, the lands would be leased to Maralinga Tjarutja in perpetuity.

I emphasise that this is still a strong form of land ownership and control being given to the Aboriginal community. Maralinga Tjarutja still will be formed as a corporate body to control access to the lands and to have a very significant say in what occurs on their lands. The reasons I gave for this move in my second reading speech have been justified in some of the evidence given to the Select Committee. I remind the House that, during the second reading debate, I presented considerable evidence to justify a distinction being made between the North-West Reserve and the lands which are the subject of this Bill for the purposes of land owning arrangements.

I quoted statements by the Lands Trust expressing its desire to take over ownership of these lands. This was the basis of negotiations between the community and the former Government throughout 1981 and 1982—a basis accepted and agreed by the community before the last election. One witness before the committee was Mr Barry Lindner, who has had a 20-year direct involvement with the Yalata community. He was Superintendent of the Mission between 1960 and 1975 and Manager until 1980. At page 90 of the transcript, he was asked about evidence of permanent residence of the lands. He answered:

> There is only evidence so far as I could ascertain, and I believe this is supported by anthropological advice, where that could be said of two instances, an area commonly known as Ooldea and Aldna. Apart from that, the water supplies were either very insecure soak situations or rockal situations which were not permanent in the sense of that question.

Pastor R.J. Brown, of the Churches of Christ, also put a view to the Select Committee about the origins of the people on the Maralinga lands. At page 449 he said:

> Traditionally, there are no Pitjantjatjara people living in the area at all. They are Kokatha people and Margijungitjara people from Maralinga and Coober Pedy in that area .... Many times Pitjantjatjara people are referred to, whereas they are not Pitjantjatjara people; it is only a language. That is a very sore point with the elders at present.

Returning to Mr Lindner's evidence, he made the point more than once that it had always been the expectation of the Yalata community that these lands would be vested in

the Lands Trust. I refer, for example, to page 95 of the transcript, where he said:

> It was envisaged by those of us working there that the legislation under which they would operate would be the Lands Trust legislation. There was greater emphasis on the Lands Trust legislation than the Pitjantjatjara legislation.

However, Mr Lindner also suggested in his evidence that more recently the Lands Trust had been subverted. I quote from page 93:

> The Lands Trust has in recent times been presented to people as an organisation not worthy of consideration as a group holding title.

Evidence was given to the Select Committee by a number of witnesses expressing concern about the extent to which the role of advisers prevents direct contact with members of Aboriginal communities who are regarded as the traditional elders. The time constraints on this debate do not allow me to quote their evidence at length, but for the information of honourable members, I refer in particular to further evidence at pages 94 and 100 by Mr Lindner; to pages 445 and 451, evidence by Pastor Brown of the Churches of Christ; and the written submissions by Western Mining Corporation and verbal evidence by Mr A.N. Larking of Western Mining at pages 521 and 394.

In mentioning this evidence, I do not deny that there is a necessary and legitimate role for advisers. In essence, they are the link between two vastly different cultures. Without them, the interests of Aborigines could not be properly represented or protected in dealings with white society, and I do not suggest for one moment that they should be excluded from any or all such dealings. But what I do say is that better mechanisms need to be established and standardised to ensure that Aborigines who have the real status within their respective communities are fully and effectively consulted at all times, and that their wishes are properly put in negotiation between their advisers and Government. That will be no easy task, but it must be attempted to dispel some of the suspicions about advisers which were discussed before the Select Committee. Returning to the specific case of the Maralinga lands, the evidence given to the Select Committee and some of the experiences of the former Government suggest to me that the role and status of the Aboriginal Lands Trust has been misrepresented to the Yalata community.

There is one other important reason why I believe the House must seriously consider the need for the Lands Trust to be involved in this matter. It relates to the question of how many members of the Yalata community will move back onto the lands with the passage of this legislation. Conflicting evidence was given on this point. The community has about 450 members, of whom up to 30 apparently already have returned to the lands. The Minister was unable to indicate to the committee how many of the rest would go back. This important question is shrouded in considerable uncertainty and I suggest that, until the matters raised in this Select Committee evidence are resolved, the Aboriginal Lands Trust should have some involvement. As time will expire, in that I am allowed only 30 minutes in which to note the Select Committee's report, I wish to indicate—

The ACTING SPEAKER (Mr Ferguson): You do not speak very quickly.

Mr OLSEN: With respect, I am attempting to speak as quickly as possible to get through. In relation to some of the mining provisions and access to the lands, the Deputy Leader will take up further some of those points which I am unable to do because of the time constraints applying.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): As the Leader pointed out, exploration and mining provisions of this legislation were the subject of a great deal of debate before the Select Committee. Because of the range of evidence given to the committee, I express the Opposition's disappointment and dismay at the statements by the Minister when he tabled the Select Committee Report in the House. He said:

> We talked about it frankly with the mining companies and with spokesmen for the Aboriginal communities, and we do not have the answer; it is as simple as that.

This is an extraordinary admission to make about an issue which is of vital importance to South Australia. The Government members of the committee may not have an answer, but the Opposition has.

The Minister was referring in particular to the impasse which has developed over the application of the Pitjantjatjara Land Rights legislation to the question of compensation to the Pitjantjatjara for their agreement to petroleum exploration on their lands. That issue has equal bearing on this legislation, because it contains identical provisions to deal with this matter and it is appropriate, therefore, that this House should consider how that impasse has developed.

Indeed, much of the evidence given to the Select Committee on this Bill related to how the provisions of the Pitjantjatjara legislation are operating—particularly the mining provisions. The impasse developed following an application in 1981 by Hematite Petroleum Pty Ltd (The petroleum exploration arm of BHP, as it was then) to explore for oil and gas on the Pitjantjatjara lands. Hematite first expressed its interest in this exploration to the former Government shortly after the 1979 election, but did not finally obtain a go-ahead to negotiate with the Pitjantjatjara for access to the lands until the Pitjantjatjara Land Rights Bill was passed by this Parliament late in 1981. It is interesting to recall that, in his evidence to the Select Committee of this House which considered the Pitjantjatjara Bill, Mr Philip Toyne, as the legal adviser to the Pitjantjatjara Council had this to say:

> The Pitjantjatjara Council feels primarily that the arbitration provisions will rarely if ever be called into operation.

That was at page 21 of Mr Toyne's evidence on that occasion. What happened, of course, was that the Pitjantjatjara wanted to call the arbitration provisions into operation for the very first application for access to the lands for exploration. That is where the first problem arises. It remains the distinct recollection of all those members of the former Government and their advisers associated with the negotiation of the Pitjantjatjara Land Rights legislation that the contemplation of all parties to those negotiations was that the arbitration provisions were inserted only to determine the conditions for mining or petroleum production on the lands. It was not the contemplation of those negotiations that an aribtrator would have to be appointed to settle claims for huge front-end payments sought in return for access to the lands for exploration, because it was never suggested or anticipated that such claims would be made.

Unfortunately, the spirit and intent of those negotiations was not formally written into the legislation. As events have transpired, that was a mistake, and the Liberal Party proposes that it should be rectified, both in the Pitjantjatjara legislation and in this Bill. We will not resile or run away from the problem, as the Government seems wont to do.

The problem has been with us since the middle of 1982, when Hematite decided to break off negotiations with the Pitjantjatjara because of what the company considered to be unreasonable demands by the Pitjantjatjara for compensation to allow the exploration to proceed. In pursuing the problem in this debate, it needs to be recognised, because there has been some misunderstanding on this matter, that I am referring not to the payment of key money by mining companies to Aboriginal communities in return for explo-

ration approvals, but to claims for compensation for disturbance to the lands.

The misunderstanding was reflected, for example, in an editorial in the *Advertiser* on 21 November which stated in part that amendments suggested to the Bill by the Select Committee would prohibit key money payments by mining companies seeking exploration. That was also promoted by the *Advertiser* journalist who covered the Select Committee Report. In fact, section 23 of the original Bill already outlaws such payments and no such amendments were suggested by the committee because they are not needed. Adequate provision already is made in the Bill to deal with this matter—a provision modelled on the Pitjantjatjara legislation. The Bill is deficient on the question of compensation settlements, and evidence given to the Select Committee shed some important light on how the problem has developed with the Pitjantjatjara Bill.

Mr Bryan Griffith, Hematite General Manager, Exploration, told the committee that a draft agreement had been reached with the Pitjantjatjara which provided them, in the Company's opinion, with considerable protection, both in terms of their lifestyle and sites of significance. The Company also planned to absolutely minimise contact with the Aborigines so that there would have been little, if any, social disturbance. Mr Griffith estimated that protections the Company planned would have cost about $340 000 more during the first two years of the project than had the same exploration been undertaken outside Aboriginal lands. The Pitjantjatjara were not satisified.

For physical disturbance, in excess of $400 000 was claimed. A compensation claim was also made for social disturbance at the rate of $1 000 per head of population for about 1 500 Pitjantjatjara. Mr Griffith summed up the claim this way:

> Together with additional payments we were prepared to make to avoid sites of significance, to minimise disturbance, would involve us in our initial two-year program in something in excess of $2 million.

This would have been an increase in outlays by the Company of 25 per cent, because its planned expenditure on exploration for the first two years was $8 million. Mr Griffith's evidence on these points is to be found between pages 383 and 395 of the Select Committee evidence. In his evidence to the Committee, Mr Toyne said this:

> Everything except compensation has been agreed to the complete satisfaction of the Anangu Pitjantjatjaraku. We are satisfied that none of the operations on the Company's part would have caused sacred site damage. In addition, we are satisfied that as a result of provisions in the agreement, minimum environmental impact would have occurred.

Those statements are to found on pages 347 and 348 of the evidence. They raise questions about the justification of the claim by the Pitjantjatjara, given that, on all the facts and all the evidence put before the Select Committee, all forms of disturbance were to be minimised. The Opposition obtained legal advice on the validity of the compensation claim in this case. That advice is based on an examination of a report prepared for Anangu Pitjantjatjaraku on the compensation which it should claim. That report was the basis of the compensation claim.

Our legal advice is to the effect that the approach suggested in the report was quite wrong and clearly contrary to the objective of the legislation that compensation should be calculated only on a genuine assessment of actual disturbance caused by exploration. In other words, I am putting before this House advice that the compensation claim, which has resulted in this impasse, is contrary to the provisions of the Pitjantjatjara legislation anyway. Of course, that does not resolve the matter, for there are those who will ask, if that is the case, why does not the company take the matter to arbitration. The Government members of the Select Committee suggest that in their report wherein they refer to 'the opportunity which still exists for the whole procedure to be tested'.

Hematite told the Select Committee in clear terms that it would not follow that course. In explanation, it said that exploration expenditure was already very high risk and that the cost of arbitration would only increase that risk in a manner which the Company could not justify. Its money could be spent more profitably in lower risk areas elsewhere. As a result, the amount Hematite had budgeted for this exploration—$30 million over five years—has been re-allocated, and the Company is now preparing to engage in petroleum exploration off China.

The Hon. G.J. Crafter: It costs a lot more, too.

The Hon. E.R. GOLDSWORTHY: Well, maybe it is in an area it finds more highly prospective, because quite obviously it makes commercial decisions, and if one is to take notice of the television advertisements, one notes that B.H.P. has been advertising that it is drilling off-shore in China and doing something for Australia. I would suggest that it would be doing a damn sight more for Australia, and South Australia, if it was spending its money here, notwithstanding that Aboriginal lands are involved.

What is even more unfortunate is that this impasse has resulted in the mineral and petroleum exploration industry in Australia taking a stand in principle against the current arbitration provisions of South Australia's land rights legislation. This was a fact made clear to the Select Committee by a number of witnesses from the industry, particularly those representing the South Australian Chamber of Mines and the Australian Mining Industry Council, which, as the Minister knows, is the body which speaks for the industry over the whole nation. Dr Andrew White, for the South Australian Chamber of Mines, summarised the views of the industry most succinctly at page 69 of the evidence:

> The legal costs involved in arbitration at the exploration stage cannot be justified, because we do not know that there is anything there to justify those costs. We only know that after discovery. We may be chasing a will-o'-the-wisp in exploring Maralinga Lands. We may have spent all the money on arbitration at exploration stage for nothing at all. We recommend a more pragmatic approach. We are saying, 'Let us explore; regulate us if you wish, but let exploration take place.' It can be carefully controlled. When we find something we can expect the bargaining to start; the bargaining would be on the strength of what was known as the political decisions could be made on the strength of what was known.

Dr White and the other representatives of the industry were unaminous in their opinion that under the current provisions of the Pitjantjatjara legislation and those proposed by the Government for this Bill, further exploration will never proceed on these lands. Western Mining Corporation's submission stated both this general principle and the present position of that Company in relation to exploration on Aboriginal lands. The general principle was this:

> Any conditions such as contained in the Bill being considered by the committee which allows additional payments to be demanded by the landholders as a condition of entry for exploration purposes, will not be acceptable to the industry and will cause it to refrain from exploration initiatives in the areas affected. The Committee's attention is drawn to the situation of exploration activity in the Northern Territory, where exploration initiative has practically been eliminated due to the inordinate delays and uncertainties which have arisen from Federal Aboriginal legislation applicable in the area.

In relation to the company's own position:

> We are not taking any interest in Aboriginal lands under claim at present because we believe the uncertainties are so great that it is imprudent to commence exploration activities in such areas.

I ask the House to contemplate the full meaning of that last statement. A land rights claim has been mooted in recent months over the Roxby Downs area. Had that claim existed in 1975, in all likelihood the ground at Roxby Downs would still keep its mineral wealth today, undiscovered—

potentially the world's largest mine would remain undiscovered because of uncertainty over land rights claims.

The intention of this land rights legislation is not to prevent exploration and mining for ever, yet that is and will continue to be its effect unless there is compromise and clarification so that our land rights legislation does work in the manner intended by this Parliament when it was first passed for the Pitjantjatjara lands. The industry has taken a firm stand. It is turning its back on these lands. Mr Hiskey, for the Yalata community, suggested in evidence that his position was equally intractable. He said:

> These different points of view are unlikely to be reconciled as a consequence of discussion between the two parties There seems to be a clear conflict between the interests of the mining industry, on the one hand, and the interests of the Aboriginal community on the other—

That is at page 546. The Government also is not seeking a compromise, if the position of its members on the Select Committee fully reflects current Government policy.

This House should not be satisfied with such an impasse. South Australia cannot afford this. These lands are vast. They are prospective. The Pitjantjatjara and Maralinga lands are considered prospective for a whole range of commodities—oil, gas, coal, evaporites, phosphate, uranium, diamonds, chronium, nickel, cobalt, platinum, copper, lead, zinc, gold, and gemstones. A discovery of any of these commodities could bring new wealth to South Australia and new opportunities for the people on these lands who will share in the proceeds to a significant degree to allow self-development and self-management of necessary community facilities—to allow them to become less reliant on others, which is what they so clearly want. But there has to be exploration first. I understand that exploration in South Australia has fallen by 30 per cent during the last 12 months. That is because the Government is being negative and indecisive. This House must be positive and realistic. There is a means to resolve the impasse in a way which can give the Aborigines all the protection they seek for their culture, their traditions and their life-style. The Department of Mines and Energy has helped to point the way in evidence to the Select Committee. Dr Colin Branch, the Director, Resources, in the Department, made the following suggestion:

> We feel it may be beneficial to consider in both the Pitjantjatjara legislation and the Maralinga Tjarutja legislation a point of clarification to distinguish the exploration stage and the tenements acquired at that stage from the mining stage.

That is at page 13 of his evidence. Unfortunately, the Government members of the Select Committee do not seem to appreciate the distinction and some of the comments in their report are clearly erroneous. They suggest that exploration could cause more disturbance than production. That is nonsense and contrary to evidence given to the Select Committee.

They also suggest that the compensation provisions in this legislation are modelled on existing provisions in the Mining Act. That is simply not true. If they believe it, they will have no problem in accepting the amendments I intend to move, but it is not true. The arbitration provisions of this legislation are akin to powers of a Royal Commission. They are much more wide ranging. The Liberal Party believes that exploration must be distinguished from mining if this legislation is ever to work property. The necessary amendments have been prepared.

This legislation, including the arbitration provisions, should still apply at the mining stage, which, as I say, was in the clear contemplation of all parties, but in my view there was a clear breach of faith on the first occasion at which an exploration tenement was sought, as I mentioned that earlier in my remarks. The legislation should still apply at the mining stage so that the Aborigines retain much greater protection than any other group in our community when a permanent production operation is planned to be located on their lands. But for applications for exploration, the existing provisions of the mining and petroleum acts should apply.

Let me point out some of the protections that that will still give the Aborigines. First, the Government can prescribe any conditions it thinks fit. I well recall in my period as Minister pages of conditions being attached to mining tenements and to exploration licences to protect particularly the environment, because the Department of Environment is consulted and requests lead to conditions being put on mining tenements. I do not recall any going without conditions. In determining those conditions, special regard would be had to the following criteria: the natural beauty of any locality or place that may be affected by the conduct of exploration operations; features and objects of scientific or historical interest that may be affected; the Government can ensure full and effective consultation with Aboriginal communities affected, before any exploration takes place. In addition, a Warden's Court can hear disputes about access to land and compensation for disturbance under the existing provisions of the mining and petroleum Acts.

I believe these amendments offer a realistic compromise. they can ensure the protection of the interest of the Aborigines. Disturbance during the exploration stage can be minimised, but, where there is actual and demonstrable disturbance, compensation can be determined according to already established criteria. This is a mechanism with precedents and I believe, therefore, that the Liberal Party's amendments can resolve the present impasse. I put them before the House in a genuine, constructive and responsible way. They recognise that the Aborigines still require special protection for their lands. But they recognise, as well, that it is important for South Australia to continue to seek to discover mineral and petroleum resources, because this is a fundamental basis of all economic growth.

Unfortunately, unlike other forms of production, the location from which these resources can be economically recovered is not a matter of choice. They are already there to be found, and it is not easy to find them. Indeed, it is very expensive—and very risky in financial terms. The Select Committee heard that, out of every 1,000 exploration ventures, only one is every successful. I believe it is also the desire of the Aborigines on these lands to see such developments proceed, provided their interests are protected to the maximum extent possible and they can benefit in tangible ways from such developments. Current developments in the Northern Territory show only to clearly, that where Aboriginal communities now want compensation because uranium developments on their lands are being stopped. They are seeking compensation for mining activities that have been prohibited.

In the case of the the lands which are the subject of the legislation, Mr Barry Lindner, the man with 20 years of direct involvement with the Yalata community, had this to say:

> By and large, they realised that it was because of the white involvement in the land previously (for example, tracks) that they were now able to exercise the right and privilege to revisit it. Without that, they would never have been able to get back there. They realised that it was a co-operative thing. The old fellows would say, 'We understand that the white fellas cannot run their cars without petrol and that petrol comes from oil and the white fella finds that by exploring: so we want it too.

That comment is to be found on page 92 of the Select Committee minutes of evidence. I regret that the Government members did not give it more consideration when they prepared their report.

I regret too that the evidence on this score given by the South Australian Council of Churches on this matter was so out of touch with reality. The Council representative, Father R.J. Chance, had this to say on page 277:

> The argument that mining is of great advantage to the general community is open to question on several levels. Certainly, it is

of great economic advantage to a small sector of the population, but to the generality it has little or no effect.

I ask Father Chance to ponder this question when next he turns on the lights at his home or in his church: where is that electrical power coming from? Is it not from coal mining at Leigh Creek, or gas exploration in the Cooper Basin, mining and exploration which, considered in this way, benefits all South Australians? It is important that we do not lose such basic perspectives and, certainly, I completely reject the contention that the Government should extend the exploration and mining provisions of this land rights legislation to cover the whole State. The only result of that would be no further resource exploration or development in South Australia. It is as simple and as serious as that.

The Australian Mining Industry Council presented evidence to the committee to show that, in 1981-82, the value of mineral exports and primary mineral products from Australia amounted to $7.7 billion—40 per cent of our total merchandise exports. To suggest that that does not have benefits to every man, woman and child in this nation shows an abysmal ignorance. Without wanting to be rude to the reverend gentleman, I cannot resile from that view. To suggest that major resource development, such as the discovery and development of petroleum fields or large mining ventures, which contribute so significantly to our export income, is not reflected in the standard of living of every man, woman and child, is plainly the utterance of someone quite ignorant of the facts.

The Hon. G.J. Crafter: Did you read all of his evidence or only part?

The Hon. E.R. GOLDSWORTHY: I read that bit—that is what he said. It is important to realise that mining creates new jobs and new wealth for the whole community. It offers Governments the opportunity to raise funds to establish schools, hospitals, roads and other much needed community facilities. I hope the comments and the suggestions I have made will lead to a resolution of the current impasse, because South Australia has an opportunity, with this legislation, to give another national lead in land rights. The Federal Government is at present conducting an inquiry into the Northern Territory land rights legislation. Western Australia has an inquiry and there is land rights legislation before the Victorian Parliament. We should think very carefully before we take any further action which would have the effect of placing further undue restrictions on productive developments on our lands.

Some members of Parliament, as recently as last Friday, visited the lands with the Aboriginal advisers. I believe they included Mr Hiskey, the Hon. Arthur Whyte, the Hon. Mr Gilfillan, and one gentleman from the Labor Party. They spoke to some of the elders of the tribes concerned. I believe that at least some of those visitors were convinced that the legislation was defective and could be improved. My experience has been that, when one talks to the elders to ascertain their real aspirations and desires, one quite often gets a different perspective from that which one gains if one deals with the white advisers and lawyers who are in a client/adviser relationship, and where the legal representative is trying to screw as much as he can out of the other side on behalf of his client.

The provisions in this Bill are in relation to royalties are quite unsatisfactory. The Pitjantjatjara land rights legislation was a total package agreed after exhaustive negotiation over a long period of time. Part of that package included a provision allowing for a ceiling to be placed on royalty payments. To seek to change that arrangement I believe is a clear breach of faith on the part of those people negotiating the provisions of the Pitjantjatjara Land Rights Bill. There was give and take in those negotiations. Neither side gained all that it wanted. Some points were conceded whilst others were not. To say after the event to a weak, compliant Government, as we now have, that one does not like the arrangements and that they should be changed, is evidence of two things: first, a breach of faith on an agreed package; and, secondly, an indication of a complete weakness and abdication of responsibility by the present Administration.

I have a number of submissions from other people who are concerned about the operation of the legislation in relation to exploration. The Liberal Party will not resile from the position that the mineral and hydrocarbon wealth of this State resides in the Crown and that it is quite valueless if it cannot be discovered and developed. We are doing every man, woman and child in this State an enormous disservice if we place huge barriers in the path of the discovery and development of such resources. The Government is saying that it cannot solve the problem, that it is too hard, and that it will do nothing about it.

Despite attempts by the Minister and others to suggest that the Liberal Party has returned to some Victorian view, we absolutely reject that, as we believe that the Aboriginal community, including the 1 500 Pitjantjatjara, is a community towards which we have a responsibility. I agree with the Minister that it is an under-privileged group as are the people in the Maralinga lands. We also have a responsibility to the 1.25 million residents in this State, including a large number of unemployed people. If we are to do anything to develop the total pool of wealth in this State we must develop new areas of production, such as in the resource area. I believed firmly in Government that South Australia could become a major resource State similar to Western Australia and Queensland. This Labor Government has put us back five years, in my judgment, and this legislation will simply put us back further.

I shall be moving amendments to rectify some of these anomalies. I sincerely hope that, if the Government does not accept them, this legislation is defeated in another place so that it can be brought back in an acceptable form which strikes a fair balance for every man, woman and child in the State, including the Aboriginal community.

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

Mr GUNN (Eyre): I am pleased to take part in the debate tonight. As a member of the Select Committee I enjoyed the opportunity to take part in its lengthy deliberations. The 21 meetings were interesting, and it is unfortunate that the final report of the committee does not reflect the evidence given to it. Anyone who takes the trouble to read the extensive evidence could only come to the conclusion that the Government members of the committee had made up their mind before the hearing began that they were not going to accept the logical and reasonable amendments which the Parliamentary Liberal Party members moved on that occasion.

The Minister was fully aware of the attitude that members of the Liberal Party, particularly myself, expressed on a number of occasions in regard to this measure. We made very clear that we were not opposed to the principles contained in the legislation and that ours was the first Government in this country to take a positive decision to grant land rights to Aboriginal people. This Select Committee gave us the opportunity to sit down with a clear head and examine how that legislation was to be put into effect. We all know that there have been problems. It is the responsibility of this Parliament, when problems are identified, to rectify them; otherwise we are failing in our duty not only to the Aboriginal people but to the people of South Australia and of this nation. The legislation passed in this House and this Parliament probably will be used as the bench-mark

for the rest of Australia. We have to make sure that we are right. We were the pacesetter with the Pitjantjatjara legislation, and therefore we have had the opportunity to have a second look at that legislation.

The Liberal Party has clearly indicated both to the Aboriginal people and to the community at large that we are fair-minded and reasonable people. We do not want to see this legislation fail. There is no reason other than the shortsighted and quite foolish attitude of the Government if it does fail. But it will fail: there is no doubt about that, because we cannot be absolutely shortsighted, narrowminded and foolish.

I have been going to Yalata since 1969, and I am fully aware of the aspirations and needs of those people. I have known Mr Lindner and the elders for a long time. Mr Lindner has continually on their behalf as their representative wanted to see those people receive what is their just right. It is unfortunate that the very people today who are claiming to speak for the Yalata people set out to vilify that man in a most disgraceful fashion. The Minister and his colleagues were party to that sort of skulduggery.

Let us look at what has happened recently with the Pitjantjatjara legislation. Only last week when the member for Bragg and I were in the North-West of this State we had brought to our attention two particular problems—two on one day. An Italian film crew wanted to do some filming at dusk of Ayers Rock, which they were prevented from doing. That is the sort of nonsense that occurs with European advisers involved.

A request was made to the Highways Department to put a new straight road into the Mintabie opal fields. The European and Aboriginal community there would use that road. It would be a straight and far better road. What were the demands made by the anthropologists—$120 a day for a male anthropologist, plus $50 a day for each Aboriginal accompanying him, plus hire of the vehicle and purchase of fuel. That was day 1. Then they had to have a female anthropologist at $120 and $50 per day for each Aborigine, plus hire of the vehicle and cost of fuel. Of course, the Highways Department rightly said, 'We can't put up with this nonsense—no road.' That is the sort of stupid act which European advisers and hangers-on are inflicting upon the Aboriginal community. Yet, the Government members of the Select Committee expect the Parliamentary Liberal Party to continue to allow that sort of situation to exist. It is quite foolish and quite wrong.

Let us look at a few other problems that have arisen in the area in question. We had the situation, we were told, where people were not being refused entry to the lands, although when an examination was made of the register who were the people let in? There was a large number of people who were public servants who, under the laws of this land, were entitled to go there and who on my understanding, did not have to bother about a permit. It was purely a matter of courtesy. Then we had the situation involving a large number of contractors who were invited by the Pitjantjatjara people to go there and do contracting work. We then came to a small list of people who had been granted permission—ordinary law abiding citzens of South Australia—and in that category there were very few people.

The Hon. G. J. Crafter: How many?

Mr GUNN: Very few, but the Minister will have the opportunity to tell the House. I am not including the relatives of schoolteachers, other staff members or their friends who were invited: just ordinary people who want to come off the street and go there. They are the ones who have been denied access. No other country in the world would set aside 18 per cent of its land mass and say that the average law-abiding citizen of Glenelg, Norwood or anywhere else must have a special permit to drive on those existing roads. It is absolute nonsense. If one tried to tell that to anyone anywhere else in the world, one would be laughed at.

Currently any citizen of the State is entitled to go on those Crown lands, and they are doing so lawfully: they are entitled to drive on those roads which Len Beadell constructed. However, after this Bill is passed, as it stands, they will have to get a permit. Knowing what has happened in the Pitjantjatjara lands, I have grave doubts whether many of those people will be able to exercise what should be their automatic right to travel on normal roads constructed in South Australia.

The Hon. B.C. Eastick: With South Australians' money.

Mr GUNN: Yes. One of the amendments the Government is putting up is to give the Commissioner of Highways the opportunity to construct and upgrade those roads but, unlike every other road on which the Commissioner of Highways spends taxpayers' money, they will not become public roads. As far as we are concerned, that is quite unacceptable. I am not against the Commissioner's (nor are my colleagues) grading those roads and doing some work for the benefit of those people. Under this legislation and the amendments to the Pitjantjatjara legislation which is mooted, those people will be required by law to register their vehicles, to have drivers' licences and third party insurance. It is fair enough That the Commissioner of Highways should help them. But if he spends money on those roads normal road reserves should be created, and the public should be allowed to drive on them. We are not talking about driving over all the lands: we are talking about a normal road reserve. I believe that any normal citizen in the State would agree with that proposition.

I now deal with my next major point of concern. I was quite happy at the time of the Select Committee to agree to arrangements to be made regarding the people at Cook. However, I cannot agree now, after what has happened recently at Ayers Rock and after some of the other things that have been brought to my attention. I know what has happened at Mintabie and the undertakings that were given there. Mintabie should never have been included in the Pitjantjatjara lands, and action will have to be taken in the near future to have that land excised from the area, because of the foolishness of the Europeans involved. For many of those people living at Mintabie it is the only home they have, and no Parliament in the world would be so foolish as to do what was done on that occasion.

Mr Lewis: Which Europeans are being foolish?

Mr GUNN: The European advisers who are endeavouring to make life difficult for those people. Last week, when I was at Mintabie, many people were there noodling, making a living. But the attitude of some of the advisers in these areas has to be seen to be believed. They appear to be frightened that their own little empires may fall down around them. The best thing we can do to help the Aboriginal communities is to make sure that we get practical experienced people in to help these communities. This applies also to Maralinga. Unfortunately for the people at Maralinga, that land does not have the potential for pastoral development that the land in the North-West of the State has. The only opportunity for economic independence for those people is by mining or perhaps limited tourism—groups wanting to go out to that land.

The Hon. G.J. Crafter: Without any compensation.

Mr GUNN: No, we have not said that. If, as Mr Toyne told us at Alice Springs, he wants to see all those people have economic independence, one has to allow exploration to be carried out on a sound and sensible basis. If the conditions we are putting forward are not agreed to, I can tell the Minister (and I do not have to tell him, because I guarantee that he knows) that the Premier has been advised

of the attitude of the leading mining companies in this country. If any Government is so foolish as to turn its back on what those people have to say, it is unfit to be in charge of affairs of this State. No matter how idealistic one wants to be or how high in the clouds one may have his head, occasionally one must come back to reality. Unless we encourage those people to spend their money and use their skills, they will never get the benefits which are provided in this legislation and in the Pitjantjatjara legislation in relation to mining royalties.

The Hon. Ted Chapman: Who are the companies?

Mr GUNN: Let me read what Mr Strong had to say in the *Advertiser* a few weeks ago. Out of all the evidence that was given, I think that if anyone wanted to know who gave the most precise evidence at the Select Committee one would have to say it was the representative of the mining industry, Mr Strong, one of the best informed witnesses to come before the committee. A report referring to Mr Strong states:

> Australians must accept the world is not 'waiting around' to buy its mineral wealth, a mining industry chief said yesterday. The Australian Mining Industry Council's executive director, Mr J. A. Strong, was speaking during a three-day meeting of the mining industry executives in Adelaide. 'We are not the only ones with minerals, and other countries will be only too pleased to supply while ours are delayed,' Mr Strong said.
>
> Governments would have to pay more attention to large areas of land 'locked away' through land rights and ecological protection. 'If there is no exploration there is no industry,' Mr Strong said. 'If exploration is made more expensive and more risky than it already is, people will go elsewhere. Companies will either go out of the particular State or out of the country, with a loss to the whole community.'

That is what happened with the hematite arrangement. Then there is B.H.P., the largest company in Australia with all its expertise. Two or three people have stood in the way of that company spending $30 million which would benefit not only the Pitjantjatjara community but the nation as a whole and if we, as a Government and Parliament, allow that sort of thing to continue we are devoid of our responsibility.

The Hon. G. J. Crafter: That's not true.

Mr GUNN: It is true. I do not know whether the Minister is aware of what B.H.P. had to say, but I received a copy of a letter from that company in the mail late this afternoon. This is the only company that has had any experience in dealing with the Pitjantjatjara land rights legislation. The letter, dated 29 November and addressed to the Leader of the Opposition, states:

> The Report of the Select Committee of the House of Assembly on the Maralinga Tjarutja Land Rights Bill, 1983 (M.T.L.R.B.), was tabled in Parliament on 17 November. This report recommends passage of the M.T.L.R.B. with but minor variation. If passed by Parliament as so recommended, the Bill will extend and reinforce the terms and conditions of the Pitjantjatjara Land Rights Act, 1980, particularly as they relate to the provisions for compensation and arbitration which, in their only application to the petroleum exploration industry, have been found by B.H.P. Petroleum to be unworkable.

I challenge the Minister and his advisers to tell the people of this State how he will overcome the problems which the company has clearly identified. I am not talking about his left wing cronies and other unrealistic people. The Minister is normally a most reasonable and responsible person. His attitude on the committee was very reasonable, and it was a most enjoyable committee to be involved with; it was most educational. However, I was amazed when we came to the final stages of that committee that the Government would not budge on these fundamental issues. It must have been fully aware, because it was warned of what the end result would be. If it wants to see the Yalata people receive their just rights, it should have a very close look at the proposals that the Opposition has put forward, because I believe that the average person in the street today is sick and tired of the land rights issue.

The Hon. B.C. Eastick: And they're constantly saying so.

Mr GUNN: And they are constantly saying so. Do not think that you will frighten us by threatening us with political action. I am quite happy to fight an election campaign on this issue, but I do not want to see that. I want to see the Maralinga people receive their just rights.

The Hon. G.J. Crafter: You just have to face your own conscience.

Mr GUNN: I am quite happy to face my conscience. The letter from B.H.P. continues:

> As such, passage of the Bill will have an adverse impact on the petroleum exploration industry in the State, an outcome which is not in the best interests of the South Australian community as a whole. To better appreciate our position on this issue, I have enclosed for your interest our submission to the Select Committee which I believe is self-explanatory. In addition, I would like to comment on certain sections of the Select Committee's report as they apply to the mining industry:
>
> B.H.P. Petroleum, contrary to the report, is appreciative of the rights and affiliations of the Aboriginal people and in the draft agreement reached with the Anangu Pitjantjatjaraku (AP) every effort was made to protect and preserve Aboriginal culture, land and ways of life. In particular, specific provisions were made in the agreement to avoid sites of significance at considerable cost to the joint venture.

The letter then goes on to set out in great detail the arrangements made, but I just wish to refer to page 3 of that submission, which states:

> B.H.P. considers the arbitration process to be completely inappropriate and will not seek to resolve the issue by this means. Although the reasons are stipulated by our submission they deserve re-emphasis:
>
> (1) Arbitration is in effect a Royal Commission which is totally inappropriate to resolve issues at the exploration phase of a venture.
>
> (2) The costs of the arbitration which could be substantial ($4 000-$5 000 per day direct costs) are an additional 'front-end' cost. As well as these costs, the costs of the Aboriginal owners may also have to be borne by the joint venture.
>
> (3) If an application is referred to an arbitrator for determination, the factors which must be considered by the arbitrator under section 20 (19) are weighted in favour of the landholders.
>
> (4) The outcome of an arbitration is unpredictable and the joint venture is not prepared to take the risk of an unsatisfactory outcome. It should be recognised that even if AP's claims for compensation were reduced by half they would still be unacceptable to the joint venture.

I understand that the Premier has received a telegram today from all the major mining companies in Australia. He has been made fully aware of their attitude. One can pass whatever legislation one likes, but it has to be able to work in practice and in reality. We will be doing great harm to the Aboriginal communities if we think that by-passing this legislation we are acting in their best interests. We are happy to see the land vested in them, along with their normal rights, and in many cases they will have more rights than the average landholder.

Turning to what some of the other mining companies had to say, I received a letter from Comalco, which wrote a letter to every member of Parliament, as follows:

> I would be grateful if you would take the time to read the attached copy of Comalco's submission to the Select Parliamentary Committee on the Maralinga Tjarutja Land Rights Bill, 1983 . . . Comalco's view can be summarised as follows:
>
> Comalco is not opposed to Aborigines being granted title to land by legislation.
>
> However, it is opposed to legislation that allows a *de facto* veto to be imposed on exploration by land owners over vast areas.
>
> No exploration means no mining, and this must be against the economic interest of all South Australians.
>
> Comalco feels that the Pitjantjatjara Land Rights Act and the Maralinga Tjarutja Land Rights Bill should be amended to distinguish between exploration and mining.

That is the very point that the Liberal Party put forward on this occasion. The provisions of the Mining and Petroleum Acts must apply, and then those people will be protected. They are accepted, tried and proved methods of negotiation at the stage of exploration. It must also be understood that, at every stage of exploration, where a licence is granted the Minister of the day has an opportunity to insert in it whatever conditions he likes. Surely it is the Minister, speaking on behalf of the Government, who has that responsibility, and if he takes a course of action contrary to the wishes of the community the matter can be ventilated in Parliament and the Minister can be held to account, before the Parliament, for his action. That is how it should operate in a democratic society.

Yesterday I received a letter from the Australian Petroleum Exploration Development Industry, which represents 90 exploration companies, and it clearly makes its views well known. I also wish to refer to some of the points raised by the Director-General of Mines, Mr Johns, a well known and distinguished public servant and a most reasonable person, who had this to say when talking about access:

Our experience with the application of this section under the Pitjantjatjara Land Rights Act has not been satisfactory. On 2 March 1981—

that is, before the land rights legislation was proclaimed—

as a courtesy in anticipation of the Act being assented to on 19 March, the Department wrote as required by the Act to the Pitjantjatjara Council advising that Mr M. Benbow, a departmental geologist, wished to enter the area near Mt John on 30 April (attachment 1). Benbow had been mapping the rocks of the eastern Officer Basin in this area since May 1979 with the full co-operation of the local Pitjantjatjara people, and this visit was needed to complete his programme. We were disappointed, therefore, when a letter arrived on 12 March advising that permission to enter could only be given by the full Pitjantjatjara Council at a meeting on 15 April (although the power of the council under the Act would not legally commence until the Act was proclaimed on 2 October 1981).

The Council decided the mapping should be postponed until after proclamation of the Act, and appeared to use this event and subsequent related correspondence to place pressure on the Government to advance the proclamation date for the Act, and to provide additional finance for Anangu Pitjantjatjara. Ultimately Benbow approached the community at Indulkana to assist, as they had previously, but was refused. As a consequence, this programme had to be abandoned.

This same gentleman has been doing some work in the Maralinga lands, so I suppose that he will get the same treatment. The submission continues:

It is a coincidence that Benbow is now involved in a geological survey of the area towards Lake Maurice, an area scheduled as Maralinga Tjarutja land in the Bill, as part of a long-term Government programme to map the southern Officer Basin. He has maintained close contact and good co-operation with the Yalata community at all times. However, in the light of the experience in 1981 under similar legislation, an assurance is sought through the Select Committee that, should the Bill be progressed, Benbow and other departmental officers will not be hindered in continuing legitimate activities on the land to be vested.

That is what Mr Johns had to say. He was a Government official, and he obviously appeared before the Select Committee with the full concurrence of his Minister.

The Hon. B.C. Eastick: Are you suggesting that the report doesn't reflect the evidence?

Mr GUNN: I said at the beginning of my remarks that, unfortunately, the report does not reflect the evidence that was given to the Select Committee. If every member of this House had the opportunity to sit down and read that evidence, I am sure that they would come to the same conclusion that I and other members who have had that opportunity came to, that is, that the report is lacking in detail. I sincerely hope that action is taken to have all the evidence and the submissions printed for purchase by the South Australian public because, in my judgment, it is excellent material that ought to be available to the wider community, not just to a select few people. I have quoted from Mr Johns' submission. Unfortunately, my time is running out and I may not have an opportunity to refer to other evidence at length.

Mr Lewis interjecting:

Mr GUNN: Unfortunately, I do not think that that will be acceptable. I refer to what C.R.A.E. (another very large company) had to say in relation to this matter, as follows:

It is believed that the present provisions governing access to the land in the north-west of the State are not working because they exaggerate the impact of exploration upon both the people and the environment. The Maralinga Tjarutja Bill, as it now stands, perpetuates this problem by not distinguishing clearly between the exploration and extraction phases of the mining industry.

There is a misunderstanding that exploration can be a source of funding for Aboriginal communities. It needs to be stated plainly that companies do not receive any financial benefit by committing to high risk exploration without any guarantee of an economically viable discovery. The creation of wealth occurs much later—and only in the event of a discovery being made. Until that discovery and subsequent development occurs, exploration is a negative cash flow, and if that sum is further depleted by the need to make pre-payments for the right to explore on Aboriginal land, the result will be proportionally less exploration, fewer discoveries and less wealth for everyone.

The submissions further states:

C.R.A.E. believes that further restrictions on exploration will disadvantage all South Australians. A decade of exploration, with no major development to show for the money and effort expended, is not unusual in the exploration industry. C.R.A.E.'s experience in South Australia typifies the high risk, high cost nature of exploration. If exploration continues in the face of such odds it is because exploration is essential to the industry; if you do not explore you do not find new resources that will replace the mines that presently provide jobs and raw materials for the Australian manufacturing sector as well as export income.

Unless exploration takes place no discovery will be made, no royalties will be forthcoming and the landowers will find it difficult to break loose from reliance on forms of Government assistance that foster dependence.

I will raise a number of other matters in the Committee stages. I refer to problems in relation to access, the Highways Department, the people at Cook, the rabbit trappers and, in particular, the extension of the land from 132 degrees east to 133 degrees east. No sound or justifiable reason has been given for that extension. It is my view that the reasonable and responsible members of the Government have been completely dominated by the trendies and the left wingers of the Labor Party. I refer to an article that appeared on Saturday, 9 November in the Northern Territory *News* under the heading 'Labor's trendy lefties', as follows:

They tend to be formidable critics of the establishment but they are in the establishment; they constantly flay the middle class but they are middle class; they often despise their jobs but gladly accept their fat pay cheques. They worry about the starving kids in Bangla Desh but never have a spare dollar for a mate in need; they are vexed by poverty but keep what they have with the avarice of a medieval usurer.

I think that that typifies the people who claim to speak for the Aboriginal community of this State. My colleagues and I want to see the people at Maralinga receive what is their right, that is, the land that Sir Thomas Playford promised to them. I want to see the mining industry have reasonable access to that land. I want to see the existing roads on that land remain open so that people can drive, not all over the land but—

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

The Hon. H. ALLISON (Mount Gambier): As a member of two Select Committees, which must have sat on at least 40 to 50 different occasions and received, I would say, 2 000 or 3 000 pages of evidence, I have to admit that the entire experience in relation to both the Pitjantjatjara and Maralinga Select Committee investigations has been most enjoyable.

In total, I gained a tremendous insight into the affairs and problems of the Aboriginal people in the North West of South Australia and also in relation to a whole range of other people whose lives impinge upon the Aboriginal way of life. Unfortunately, for the last four or five weeks when the Maralinga Select Committee was finalising its deliberations, I was overseas on Commonwealth Parliamentary Association business at the Annual Conference held in Kenya (Nairobi) and I was not a signatory to the Select Committee's report. However, I was no orphan, because neither were the member for Eyre (who just spoke very forcefully and pertinently on this subject), nor the member for Chaffey (the Hon. Peter Arnold) who replaced me on that Select Committee.

Had I been present for the final preparation of the report, I would not have been a signatory to it. I would have declined to sign, as I had joined the member for Eyre in advising the Minister of Aboriginal Affairs that there were many areas of divergence in the evidence. Both of us advised the Minister of our intention to submit a minority report. The strange thing is that, despite decades of precedence whereby former Liberal and Labor members of Parliament have been permitted to put in Select Committee minority reports (at least five dissenting reports come readily to mind), the present Minister of Aboriginal Affairs invoked Parliamentary procedure, with the aid of the Clerk of the House, and imposed restrictions on the member for Eyre and me to prevent us from putting in a minority report. Nor would the Minister voluntarily refer to our objections in the main text of his report. Therefore, I suggest to the House that the report—

The Hon. G.J. Crafter: It is in the minutes.

The Hon. H. ALLISON: I said 'voluntarily'. I think the Minister would admit that he was put under some duress before finally acquiescing and submitting the minutes with the report. It was never his intention to do so. The report is rather misleading because although it purports to represent the committee's views, instead, it is rather selective and somewhat exclusive. I will enlarge on that shortly.

In hearing the evidence, I think the Minister was essentially objective and fair, with two or three exceptions. I recall that the Minister gave a press representative at Alice Springs a slightly rough time. I think that he could have been a little gentler with Pastor Brown, and also I felt he was a little bit aggressive towards one of the representatives who escorted Pastor Brown, a consultant who was appointed by the Aboriginal group concerned, a person by the name of John Bannon.

Mr Peterson: And the mining companies.

The Hon. H. ALLISON: I will refer to that matter at some length when considering the Select Committee minutes (which are public property). If the honourable member will be patient for a little while, he will have the evidence. That group put forward views counter to those generally expressed by other Aboriginal groups. In writing the report the Minister did not do either himself or the mass of evidence full justice. In fact, despite the large number of fair, factual, well researched and carefully presented submissions from the Australian mining industry generally, and the companies represented in submitting evidence (including B.H.P., Hematite, Conzinc Riotinto, Comalco, Western Mining Corporation and the Australian Mining Industries Council, which is an umbrella organisation representing the whole of the mining industry), the Minister clearly demonstrated in his report that the hours we spent listening to that evidence were wasted hours. It is little wonder that the industry has expressed some dismay and, in some cases, even disgust with the Bill as it finally emerges from the Select Committee's Report.

I also have to confess to an increasing degree of personal concern as I reflect on what has happened over the past two years. We had negotiated at great length with the same people month in month out to reach what we considered to be amicable and fair conclusions, only to find that the present Government has irresponsibly cast those decisions aside. The Minister and the Government demonstrated that they do not have any real concern for the future of this State. It has been shown that the Government is relatively easily manipulated by a small section of South Australia's community. The Government has acceded quite readily to requests which the previous Liberal Government did not accede to. The previous Liberal Government negotiated to what was believed to be a fair conclusion for the whole of South Australia.

Of course, the Liberal Government under Sir Thomas Playford promised to hand over the North-West Reserve area to the Pitjantjatjara people. There was never any doubt that that would be done. The surprising fact is that it took so long. The previous Liberal Government had decided, as stated quite clearly by Premier Tonkin when the Government handed over the Pitjantjatjara area to the Pitjantjatjara Aborigines, that that would be the first and the last transfer of that kind, that that estate in fee simple would not be repeated insofar as it was handed over to the Pitjantjatjara people, and that in future the Government would hand over to the Aboriginal Lands Trust any further land grants.

In that regard we were simply following not a precedent but a Statute established by a former Premier, Donald Dunstan, in 1965. In that year Premier Dunstan established the Aboriginal Lands Trust. He stated that the North-West Reserve was to be treated separately but that there were other lands to be considered for granting to Aboriginal people. He stated that he hoped that in years to come the granting of title to those lands would be given due consideration and would then be granted to Aborigines through the Aboriginal Lands Trust, which would then be in a position to sublet all or part of those areas. It was further stipulated that it would also be able to dispose of land if the Trust so wished, that it would be able to alienate land. Members of the House would realise that the Pitjanjatjara legislation provides inalienable title—it simply cannot be disposed of.

The former Government decided to adopt the proposal mooted by Don Dunstan in 1965, although it took some 14 years for this to occur. When the previous Government came into office we took action much more rapidly, as members would have to admit. However, while we acknowledge the importance of the very large Maralinga areas to its Aboriginal people, after having travelled by vehicle and aircraft across that vast area, I suggest to the House that the very nature of the harsh, arid and inhospitable area of that part of the State must have severely restricted for several milennia the ability of any humans either to traverse it frequently or far, or to remain on it for any length of time.

Access today is almost exclusively by motor vehicle, and that includes all Aboriginal people. Those motor vehicles can travel only along the very few and very difficult tracks. I would say that nomadic life, travelling on foot, is extremely rare and almost non-existent. Therefore the tracks and places visited, and possibly the tracks and places that have been visited over hundreds if not thousands of years, are more like gossamer trails over that vast area. They certainly do not represent the whole area.

To allocate such a large area, 8 per cent of the State, in addition to the 10 per cent that has already been granted to the Pitjantjatjara people, I suggest is not in the best interests of South Australia if it is granted with such prohibitive clauses which greatly restrict the activities of the South Australian Government in taking action for the good

of the whole State. I suggest that it is quite easy to protect the rights of the Maralinga people, as we have protected the rights of the Pitjantjatjara people in similar legislation, but not by giving excessively generous conditions. Apparently that is the intention of the present Government from the tenor of the Select Committee Report.

I refer to the evidence that was presented by a dissenting group of Aborigines, represented by Pastor Brown, whose case came before the South Australian courts. Pastor Brown was given a judgment in his favour granting him access to the Pitjantjatjara area. I do not propose to debate that any further, because there is still an appeal before the Supreme Court, and to discuss the matter would be against Parliamentary practice.

Pastor Brown represented a group of Aboriginal people who came from quite a diverse number of tribes. Oddly enough, in his report the Minister refers quite specifically, paragraph after paragraph, to 'evidence received by your committee from Aboriginal people'. He refers to the Aboriginal people. The report also refers to 'the residents of the township of Cook' and it mentions who they are. The report refers to the Aboriginal people at Yalata and it mentions who they are. It also refers to the 'Yalata people', and it names them. Again, in another clause, the report refers to 'the Aboriginal people', and another clause refers to 'these moves by the Aboriginal people'.

It seems that the Minister is quite ready to accept the fact that Aborigines have been giving evidence and that people from Cook have been giving evidence. However, in clause 9 the report states:

> Evidence was received also in connection with the rights of traditional owners to invite other Aboriginal people on the lands.

The report does not say that evidence was received from a dissenting group of Aborigines led by Pastor Brown.

I wondered why he had been relatively exclusive in not making clear that there was such a group of people. The best thing we can do is refer specifically to the evidence presented by that group to the Select Committee. Pastor Brown brought with him members of the tribes consisting of Yunkantjatjara, Adjamathana Kijani, Matyankundjara and Jungakatjara. He also brought along with him a consultant from the elders group—a Mr John Bannon. He asked a Mr Vawser, a butcher from Coromandel Valley, to be present to table some things. He said that he was a registered Minister of the Churches of Christ. I suggest that there is nothing disreputable about anything to do with that group. There were elders of tribes and others who were also invited along. In evidence he stated:

> Originally, the Jungakatjara were promised title to their own lands, but now they find they do not have that (that has been under the name of the Pitjantjatjaraku people). They also feel strongly about the fact that some of them who invite their friends into the lands can be prosecuted, or be part of a crime that may be committed. The tribal elders are seriously affronted, because they are not consulted on land rights and, in particular, sacred sites.
>
> The elders are disgusted that the Government seems to accept the views of people claiming to have authority to represent tribal groups, without making any attempts to consult the right authority figures, for example, the elders . . . elders do not necessarily mean anyone who is an initiated person, but a person who has been involved in law, and has travelled with the law, and not necessarily someone who has gone through the first and second stages of initiation.

On page 446 he stated:

> The elders want the Government to know that there is only one man with real authority—with law authority—in the Canegrass Swamp area.

There are literally hundreds who claim to have authority. On page 447 he states:

> There are many questions within the Pitjantjatjara lands being asked by the people in connection with aged pension cheques, unemployment cheques and other matters relating to finances and to management, and the elders strongly feel that until that has been clarified and cleared up the granting of further land rights should not be done until the matters that are causing trouble at this time are resolved. They have asked Mr John Vawser [the butcher from Coromandel Valley] if he could raise some of the matters with the Select Committee this morning and table some of the problems and documents that may be of use to the committee.

But, were they permitted to do that? No, Sir! The Chairman stated:

> This Committee is considering the Maralinga lands. It may be necessary to restrict any information you put that does not directly relate to those lands.

That is an odd sort of conclusion to be arrived at by the Chairman when we had received widespread evidence from Anangu Pitjantjatjaraku and from visiting the tribes within the area who were strongly in support of the Maralinga group. Yet, anyone who came along to question the motives of the Pitjantjatjara people was put down. How was he put down? The member for Eyre asked:

> What are these documents that you wish to make available to the committee?

The Chairman stated:

> You are subject to the law of this Parliament and I would be pleased if you would respect that law. We are doing what we are obliged to do by law and you will be subject to this committee.

The person who came along then said:

> I apologise. I did not mean to be rude. I just want to express what the elders have asked me to express.

Why did the Chairman stop evidence being presented to the committee when that evidence was extremely pertinent to the whole of land rights situation in South Australia? At page 448, when Mr Vawser had said that Pitjantjatjara people had accumulated over $900 000 in cattle money and other amounts, at paragraph 1256 the Chairman stated:

> There is a limit to the extent to which we can take peripheral evidence to the committee. Obviously there is a long story attached to some matters relating to that.

a very interesting story, too—

> I really think we should try and stay on matters relating to the legislation that we have before us.

Yet we received evidence from the length and breadth of South Australia on a whole range of opinions coming from the Pitjantjatjara people and others outside South Australia—a strange conclusion to be arrive at. The member for Eyre was not to be put off, and he said to Mr Vawser:

> Do you suggest that there has been mismanagement, misappropriation or both that you do not want to see continuing in the Maralinga lands?

Notice that he had linked up the argument. Mr Vawser said:

> This is correct, but my attachment to the North West reserve was with Fregon, and whether Fregon is above your level—

that is, above the Maralinga parallel—

I do not know.

The chairman, was unequivocal, and said:

> The area we are talking about is the Unnamed Conservation Park, which does not contain Fregon?

Mr Brown replied:

> One of the reasons for our being here this morning is that with the legislation granting land rights in South Australia already there are many problems and it is the consensus of the group—

who included the Pitjantjatjara, of course—

> that we would not like to see these problems continue in respect of further legislation. . . One of the strong points from the group is that, when land grants are given in future, title deeds should be given to the tribal groups that have authority over those lands and not put under an umbrella as has happened with the Pitjantjatjara group. Concern has been expressed that other lands applied for in the Maralinga lands belong to another group of people.

That is very relevant, but that comment was absolutely ignored in the final report of the Select Committee. This evidence is one of the reasons why at least two of us wished

to put in a dissenting report. The only alternative we now have is to read the evidence (and very telling evidence it is from responsible people) into *Hansard*. Mr Brown continued:

Traditionally, there are no Pitjantjatjara people living in that area at all.

That area is the contentious area between 132 degrees and 133 degrees longitude, which is the subject of an additional land grant, according to the conclusions reached by at least three-fifths of the Select Committee. Mr Brown continued:

Traditionally there are no Pitjantjatjara people living in that area at all. They are Kokatha people and Margijungitjara people from Maralinga to Coober Pedy and that area. Mr Darby Gilbert, who is with us today, is the last of the Margijungitjara elders. He should be consulted. There are three elders of the Margijungitjara people, possibly four. Darby Gilbert is also an elder for that area. Many times Pitjantjatjara people are referred to, whereas they are not Pitjantjatjara people: it is only a language. That is a very sore point with the elders at present.

The member for Eyre then asked the following probing question:

This is the third Select Committee on land rights in the North of this State. Why have not the representatives come forward to give evidence on this particular aspect to previous committees?

Mr Brown responded:

In times gone past they were sure that everything was going to be all right, that things would work out a different way to what they have in fact worked out. They have learned from their experience from the past. They do not want it to happen.

The member for Eyre asked:

Do you think there has been too much influence from Alice Springs?—

Mr Brown replied:

If you ask me personally, I would say definitely... The elders feel that there is pretty strong communist influence in the land rights movement. They are not too happy about that. They are not too happy about land councils that assume authority over areas where they do not have authority. They ask questions about the division of land councils, by what authority it has come into being—

and of course it came into being by statutory authority and not by the appointment of the elders—

and who gives it authority when, as far as they are concerned, the authority belongs to the elders and the elders alone.

At page 459, the Minister continued to probe into the credibility of this group which I had accepted as being perfectly sound. The Chairman referred to meetings held at Coober Pedy by this group and another one at Pt Augusta, a second meeting at Coober Pedy, a third at Pt Augusta and, that days appearance before the Select Committee, a fourth meeting held by them. The Chairman asked Mr Brown:

Do you organise those meetings?

Mr Brown responded:

I was invited to the second one but I did not know that the first one had taken place. I was invited to the second one because they asked for some assistance to register themselves as a corporation in some form or other. I went to the second and third meetings.

The Minister said:

Who pays for the travel arrangements for today's trip?

I thought that was fairly impertinent, because we did not ask a single group, out of dozens who came to see us, who had paid their expenses.

The Hon. G.J. Crafter: He was director of a mining company.

The Hon. H. ALLISON: Mr Brown? The Minister did not ask Hematite, Western Mining, Comalco, Conzinc Riotinto Australia or B.H.P. who paid their expenses. Why should he ask one Aboriginal who managed to get a decision in his favour? The Government was absolutely shot to pieces over that. That is why that question was asked. Mr Brown responded by saying:

It has been funded by ourselves. We all threw in and travelled in as few vehicles as we could. The men stayed at my home in my shed and my wife has undertaken to feed them.

The Minister asked:

You explained that you have a co-ordinator with you. who pays for Mr Bannon's fees?

Did we ask who paid anyone else's fees from all the other people who came before us? No, we did not It was the height of impertinence.

An honourable member: Roxby Management Services—

The Hon. H. ALLISON: I will get around to that. Mr Brown said:

They asked John Bannon last night whether he would consider being their consultant. We are hoping, when the corporation is formed, that they will be able to have funding from the Government to meet their legal and accounting expenses. A submission has gone to the Government on behalf of this group for funding.

The Chairman said:

And you did not want to work through the traditional organisations funded by the Government; you speak on behalf of the Aboriginal community?

Mr Brown said:

They do not want to work through them.

The Chairman said:

You said that you wanted to develop a new image for the Aborigines. You have come here today talking about your concern for land rights generally although you have said that you are not opposed to land rights.

Mr Brown said:

No. We are not.

The Minister referred to Mr Brown being a director of a company. He said:

You are a director of a company. One of its interests is in mining. I think you have told the committee that the company is structured in such a way that its main aim is to mine on Aboriginal lands?

Mr Brown said:

Not necessarily.

The Chairman said:

That is one of its objectives. It is a non-profit organisation and you talk about some instances of that. I think it is no secret that the consultant you have chosen [John Bannon] is employed or has as a major client, Roxby Management Services; are you aware of that?

Mr Brown replied:

Yes, we are, that he has worked for Roxby and may continue to do so. Maybe there are other companies that he works for as well but John was chosen because the people know him. He had been associated with the Brethren Church for quite a number of years and they feel they can trust him.

The Chairman asked:

What is wrong with somebody trusting another person?

Are you also aware that he has as his clients members of a political Party, or with a particular Government when in office?

We did not ask others whether they were associated with political Parties. I know darned well there were a lot of left-wing people who gave evidence in Alice Springs and elsewhere. They made that quite clear with their attitude towards the member for Eyre and me. I protested that all he had done was to work for three months as my Press Secretary, when my other Press Secretary gave up. Then we lost Government. The Chairman said:

I do not wish to discredit Mr Bannon, but I am saying that there is a history of matters that could be raised in public that could lead to conflict of interest situations in respect to your stated ideals.

If the Chairman did not want to discredit him he was doing a damned good job. What if those ideals conflict in public. Let us have them in public and let us read the transcript in *Hansard* where everyone can look at it because I am sure that many will not look at it here in a Select Committee report. If there is any conflict it is here. John Bannon is a member of the church and trusted by the people who came

along with him. John Bannon was rightly upset about that. He taxed the Minister on why he should be singled out. The Aborigines with Mr Brown stated:

> We certainly have nothing to hide. The people we bring alongside us to assist we bring because of their expertise in a specific area. If Mr Bannon does not look after the interests of the elders I am sure that these men have taken serious actions in times past and they will promptly get rid of him if he is not serving the interests of the community.

I felt that that was one of the more embarrassing sections of the whole Select Committee report. As I said, the Minister was scrupulously fair in the vast majority of his dealings. We could not tell whether we were dealing with extreme left-wing or extreme right-wing people. We just accepted evidence as it was given. To single out one group for impertinent rather than pertinent comment was wrong. The Minister defended himself on a number of occasions by saying that he did not want to discredit anyone, but he did a very good job of it. Mr Gunn asked:

> Why have you not used the legal services of Aboriginal Legal Aid?

The answer was:

> To be quite frank with you, quite a number of Aboriginal people do not have much faith in the Aboriginal Legal Services. They do not have much faith in the lawyers who work for them. I approached Legal Aid first. I was asked to plead guilty. I thought the law was for other things. Most Aboriginal people are asked to plead guilty, take a $20 fine or whatever. As far as Aboriginal Legal Aid is concerned there is no pressure for performance from those who work within it. The salaries are there all the time whether they are successful or not. These are some of the things Aboriginal people are beginning to look at. They would rather pay their own way and be represented by people who are going to fight for their innocence, rather than by people who most of the time ask the Aboriginal people to plead guilty. The service has been very unsatisfactory and I am speaking from my own point of view. However, I could line up a few hundred Aboriginal people who would say the same thing if that was required.

Mr Gregory said:

> I think that one could line up a few hundred white people, too.

The reply was:

> I did not know that they used the Aboriginal Legal Service.

There is far more that one could dwell on but, having read the evidence from the minority dissenting group of Aborigines, one would see that there are obviously major causes for complaint already in regard to the Pitjantjatjara legislation. These people came along not wishing to see those faults perpetuated in the Maralinga legislation that is currently before us. I suggest that the Minister would be well advised to consider carefully the amendments that will be moved in the course of this debate.

The Hon. P.B. ARNOLD (Chaffey): I appreciate the opportunity to contribute briefly to the debate on the noting of the Select Committee report. It is extremely important that we analyse that report as closely as we can, and there is probably no better opportunity to do that than now. Every member of this Parliament has a very keen duty to examine very closely the legislation before us and the contents of the report, because we have been elected to Parliament to represent minority interests, majority interests, in fact, all interests of all people in this State. It is often very difficult to be successful in that role, but at least we can try. To do that, we must be very open and conscious of our actions.

The Minister commented earlier about conscience in regard to this matter, and I could not agree more. It certainly is a matter for conscience and one that I am quite certain every member of this Chamber will dwell on very carefully in determining where he or she stands. Over the years most of us have been involved with the Aboriginal land rights measures that have been brought before Parliament. There has been a long debate over many years, certainly going back into Sir Thomas Playford's time, when he indicated clearly to the Aboriginal people that the lands would be returned.

However, there have been a number of views expressed over the years as to how this should be done, how it should be done in the interest of the traditional owners, the Aboriginal people, who have the right to this land and, at the same time, recognising the interests and the rights of all other people, not only in South Australia, but all other citizens of Australia as a whole.

I think that first, in looking at this matter in toto, one should go back to the opening remarks of the Leader of the Opposition in the second reading debate. He said:

> As a result of this legislation 16 per cent of the whole area of South Australia will be under the effective control of about 4 000 people, under a form of control which allows less than 1 per cent of our population to deny the other 99 per cent of South Australians access to an area of our State 2½ times the size of Tasmania, two-thirds the size of Victoria, and larger than England.

I think that spells out the responsibility that we have to all the people, particularly in South Australia. In recognising the rights of the traditional owners of that land, we should look not only the report tabled in the House by the Minister, but to get a true picture of that report, or the total view of the five members of that Committee, the report should be considered in conjunction with the minutes of the final meeting held on Wednesday 16 November at 12.15 p.m.

I do not believe that the report that we are noting this evening can be considered truly unless it is considered in the context of the minutes recorded on Wednesday 16 November, the final meeting of the Select Committee. Because of that, I believe that the minutes of the Select Committee's final meeting, while tabled in the Parliament with the evidence, should be incorporated in *Hansard* so that they can be read in conjunction with the report. I seek leave to have the minutes of the final meeting of the Select Committee on the Maralinga Tjarutja Land Rights Bill held on Wednesday 16 November 1983 at 12.15 p.m., inserted in *Hansard* without my reading them.

The SPEAKER: I am not permitted to give such leave, nor is the House.

The Hon. P.B. ARNOLD: Then the only alternative that I have is go through the minutes page by page, so that the South Australian public will have the opportunity of seeing the total view of the five committee members. At the moment the people of South Australia are being only given a majority view. It was not a unanimous report, and, as Standing Orders do not allow the two Opposition members of that committee to put in a minority report, the only way in which the Opposition can present the other side of the story or the point of view that it holds on many of the aspects of this legislation is for the minutes to be available to the public of South Australia.

The Hon. G.J. Crafter: They are.

The Hon. P.B. ARNOLD: They are; they have been tabled in this House. As the Minister knows, the minutes have not been inserted in *Hansard* and ready access to them is not available to the majority of South Australian people, unless they come to Parliament and specifically dig out the minutes. As a result of the volume of material and evidence submitted to the Select Committee, the Minister would know only too well that the attitudes expressed in the minutes in regard to the proposed amendments moved by the member for Eyre and seconded by me will never see the light of day. For that reason, I refer to the minutes of Wednesday 16 November. Present at that meeting were the Minister of Aboriginal Affairs (Hon. G.J. Crafter), and Messrs Gregory, Plunkett, Gunn and myself.

The Committee agreed to the first six paragraphs of the draft report. Paragraph 7 dealt with access to the land. This matter was raised on a number of occasions because of the

problems that had arisen in regard to access to the Pitjantjatjara lands. The minutes show the following:

Mr Gunn moved on line 11 to leave out all the words after the word 'capriciously' and inserted the following words:

However, the majority of approvals were to public servants who had a statutory right to enter and remain on the lands, or persons who were engaged to carry out contracting or other particular work by the community. There were very few other people who received permits to either drive through the lands to Western Australia or to enter as tourists.

The amendment was put but defeated by the Government members on the Select Committee. Paragraph 8 on the draft report related to residents of Cook, and the minutes showed the following:

Mr Gunn moved on line 13, after the word 'lands' to insert the following words:

We believe that the arrangements should be attached to the Bill as a schedule, so there cannot, in the future, be any disputes in relation to the rights of the people of Cook and existing rabbit trappers, or any other rabbit trappers. Further, we consider the most appropriate way to handle this problem whould be to grant the people living at Cook a total exemption of up to a 40 km radius of Cook.

Once again, the Chairman put the amendment but it was defeated by Government members on the Committee. Paragraph 9 of the draft report relates to the right of traditional owners to invite other Aboriginal people on to the land, and the minutes state:

Mr Gunn moved on line 4, after the word 'permit' to insert the following words:

Traditional owners should be permitted to invite any person to the lands.

Again, Government members on the committee defeated the amendment. Agreement was reached about paragraph 10, but paragraph 11 related to access to the land, and the minutes state:

Mr Gunn moved on line 4, to leave out all the words after the word 'behalf'.

Again, read in conjunction with draft paragraph 11, that amendment was also defeated by Government members. Paragraph 14, which concerns boundaries, was referred to in some detail by the member for Eyre. The question was raised as to whether or not the boundary should be 132 degrees East or 133 degrees East. Mr Gunn moved to delete the paragraph and insert a new paragraph, as follows:

The boundaries of the land was subject of submissions by and on behalf ot he Aboriginal people. The existence of the Conservation Park is accepted. The Aboriginal people and National Parks and Wildlife Service have indicated their willingness to establish a joint management arrangement for the control of the park. Southern and northern boundaries are not disputed. The eastern boundaries should remain at 132° and there should be no extension to the land.

The member for Eyre discussed this matter at length and pointed out that there was some potential in the future for that land to be developed for pastoral purposes. In fact, it is one of the few remaining significant pieces of unallotted Crown land in South Australia.

Being a significant piece of country, some 25 000 square kilometres, it gives the people of South Australia and Australia the opportunity to go into that country. Certainly, anyone entering that land would have to comply with the requirements of the Crown Lands Act. It means that, presently, there is one section of Crown land of this nature remaining in South Australia that is not dedicated to the pastoral industry and is not contained within any land in relation to Aboriginal land rights. As I have said, it is the one significant parcel of unallotted Crown land remaining that could be retained by the Crown for access by the people of this State.

Paragraph 16 of the report relates to mining. Mr Gunn moved to delete all words on the first four lines and insert new words as follows:

Your committee recommends that the provisions of mining and petroleum legislation should apply to any exploration on the lands.

The Deputy Leader of the Opposition has spoken at length in relation to the need for mining and petroleum legislation to apply. I recall the discussions that I had with the Aboriginal people at Ooldea, and many people witnessed those discussions. I can only say that I have the greatest admiration for the integrity of the people with whom I was discussing the issue of handing over the lands through the Aboriginal Lands Trust.

The matter of mining and petroleum legislation came up in relation to mining and exploration. The Aboriginal people made it quite clear to me that they were not concerned about mining and exploration. They were concerned about their sacred sites and any disturbance or interference to those sites, but they were not in a position where they were experiencing any difficulties in relation to the mining industry. I came away from that meeting with a clear understanding as to just what the Aboriginal people required and in relation to their attitude in regard to the mining industry. As a result, the previous Government proceeded with the preparation of legislation to vest land in the Aboriginal Lands Trust so that it would ultimately be leased in perpetuity to the traditional owners.

At the same time the mining and petroleum Acts would apply and appropriate proclamations would be drawn up to coincide with the introduction of that legislation. I believe that the Aboriginal people were in agreement with that proposal at that time. However, exactly what happened following my visit to Ooldea is not quite clear, but certainly something took place, and in fact that proposal never got off the ground. I believe that it was sabotaged somewhere along the line; I have my suspicions as to where and how it was done. However, I can only say that, as a result of my own involvement and my own discussions with the Aboriginal people at that time, I had the highest admiration for them and certainly their honesty and integrity and the manner in which they entered into discussions with me.

However, I must say that, as a result of other developments that took place after that time, I do not have the same high regard for some of the other people. I say 'some', because certainly a number of the people who were involved and who assisted in the preparation of the proposed proclamation did so in good faith. I think that it was a great pity that they were put in the embarrassing situation afterwards of having the whole proposal torpedoed and virtually sunk beneath them.

The next matter considered in the report on which the Opposition members of the Select Committee had a view different from the Government members was in relation to paragraph 17. The member for Eyre moved to delete the paragraph and insert a new paragraph as follows:

The freehold title of the land will be held by the Aboriginal Lands Trust which in turn will grant to Maralinga Tjarutja Aborigines a perpetual lease over the land.

That is what I have just referred to. Once again, that proposal was defeated by the majority of members of the Committee who belong to the Government. I refer now to paragraph 25, which relates to public roads and, once again, the member for Eyre spoke at some length in relation to the inconsistency of having roads maintained by the Highways Department at taxpayers' expense being restricted to a small section of the community. The member for Eyre moved to delete the paragraph and insert a new paragraph as follows:

All existing roads in the land shall be public roads and the Highways Commission shall create road reserves of up to 200 metres wide. And any member of the public may use the roads without the necessity of obtaining a permit, any person who strays from the road reserve will be guilty of an offence under the Bill.

In relation to paragraph 26, the member for Eyre moved:

That any person who is refused the right to travel through the land has a right to appeal to the local Magistrates Court and the decision of the Magistrate shall be final. That the offices could establish both at Yalata and on the land for the issue of permits.

Once again, these matters were placed before the committee, voted on, and defeated by the Government majority. Right through the report there were amendments on which members of the committee from this side of the House had views different from those held by the Government members, views which I believe had a great deal of merit because, as I said, we are trying to arrive at a situation which will make the land available to the traditional owners without at the same time creating a situation in the community in which the action of the Government generates animosity on the part of 99 per cent of the population towards the community in that part of the State. If we do that we have done little to help the people whom we are trying to return to their traditional lands. If we allow that to occur we have failed utterly, because we are talking about a very small number of people who will occupy this land.

But many other Aboriginal people are living in built-up areas in South Australia as part and parcel of the remainder of the community. That animosity will reflect on those people; if that occurs it will be extremely unfortunate. It will not have that effect on the people on the Maralinga lands because there will be very little contact between them and the other 99 per cent of the people of South Australia, but it certainly will have an adverse impact on the Aboriginal people who live in the community with the remainder of the population of South Australia. The animosity to which I referred to before and which unfortunately exists from time to time will be heightened, and will be to the detriment of a large number of Aboriginal people who reside in South Australia. If, as a result of our efforts in this Parliament to make the Maralinga lands on Eyre Peninsula available to the traditional owners, we create this problem for the remainder of the Aboriginal population in South Australia, we have failed in what we are trying to do.

Finally, in relation to the overall exploration and mining scene, there is no doubt in my mind that South Australia has the potential for vast mineral reserves. I believe that at this stage we have probably only scratched the surface of those mineral reserves. In adopting these recommendations, we would create a situation which I do not believe is supported by the vast majority of the Aboriginal people. The attitude that is being portrayed through the Aborigines is being put forward by others in the community than the Aborigines and would restrict the development of the mining industry in South Australia and the potential royalties which would flow to the State (in other words, to all people in South Australia).

It was highlighted in the evidence given that some people believe that there is no value to the average person in the State from the mining industry. That in itself is absolute rubbish because royalties, whether from Roxby Downs or any other mining venture in South Australia, whether they be $50 million or $100 000 million, are moneys with no strings attached.

There is no interest to pay on that money. It is money available to the Government that can be effectively used in capital works programmes, particularly for providing facilities in the remote areas of the State. Provision of water supplies to those areas is often considered to be uneconomic and unfeasible (and under the loan works programme, having regard to the interest payable on such capital works programmes, that is a reasonable argument), but that situation could be overcome by the use of royalties from mining ventures to provide some of the necessary capital works to develop remote areas of South Australia. It is a pity to deny the people of South Australia generally access to those royalties. This does not simply relate to people living in the metropolitan and developed areas but also to those involved with other potential developments and to the Aboriginal people themselves. It is unfortunate that delays have occurred in the development of mining operations and undertakings on the Pitjantjatjara lands which were not envisaged when the legislation was introduced into this Parliament. However, in reality that has turned out to be the case. I think it is necessary to avoid that sort of situation at all costs, because every million dollars that can be generated in this State through the mining industry by way of royalties is a million dollars less that the taxpayers of South Australia have to find. Thus, the more attractive it becomes for people to live in this State. This creates a snowballing effect: people will move to South Australia and an increased population in itself creates more activity and jobs. Therefore, the whole population will benefit from royalties flowing from both the area of the Aboriginal community and that of the other 99 per cent of the people of South Australia to whom I referred earlier.

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

Mr INGERSON (Bragg): First, I want to make some preliminary comments and I shall then read into *Hansard* comments made by some major mining companies—Comalco and Western Mining. I shall also read into *Hansard* a telex from the Chamber of Mines. I support the Opposition's amendments to the Bill. I understand and I accept the wish of the Government to return these lands to the Aboriginal people. However, I have some reservations about the freehold granting of such a large tract of land to a relatively few South Australians.

My concern is not about land rights as such but about access to those lands for exploration of SA's mineral and energy resources. Many mineral deposits discovered within these lands remain the property of the Crown; that is to say, they belong to all citizens of the State and not just to the traditional owners of the land. As such, it is the responsibility of the Government to ensure that the potential mineral resources of an area are properly investigated and assessed and, as appropriate, recovered in the interests of all citizens of the State. In view of the vast areas involved and the relatively high cost and risk of exploration, it is impractical for the State to undertake this work. The accepted practice in the past has been for exploration to be carried out by private companies using basic geoscientific information provided on maps published by the Department of Mines and Energy and working under special conditions spelt out on attachments to exploration licences granted under the Mining Act and the Petroleum Act.

Unfortunately, practical experience over recent years in the operation of the Pitjantjatjara Land Rights Act, which contains mining provisions identical to those in the Maralinga legislation, has shown that negotiations for access for exploration have failed to reach agreement even though the company concerned is a major Australian corporation with considerable experience in working successfully with Aboriginal people on major mining developments elsewhere in Australia. I believe that many submissions have suggested to the Select Committee certain amendments to the Maralinga Tjarutja Land Rights Bill which, I believe, will overcome those problems whilst, at the same time, recognising the significance that the lands have to the Aboriginal people.

Because of the very large areas involved, and based on what little is already known about the geology, the undiscovered mineral potential could be very significant and very important indeed to the future security and welfare of all people in the State. However, the Select Committee, in conjunction with the general public, have so far failed to

properly understand the very high risk and uncertainty in realising such mineral potential which may, indeed, never be realised unless exploration is permitted and encouraged.

I am concerned that, when the average citizen comes to understand the failure of the Government to ensure that the mineral potential of those vast areas has been properly assessed and realised and contrasts it with the way exploration is permitted and encouraged in other parts of the State under standard provisions of the Mining Act and the Petroleum Act, there is likely to be reaction and criticism which will reflect unfavourably on both the Government and the Aboriginal people.

I accept the right of Aboriginal people to own their traditional lands, operate them as they wish, and to have control over who has the right of access to such lands. I also recognise that exploration on such lands should be conducted with proper regard for the protection of sacred sites and areas of special significance; that an operation that may arise from any discovery should be conducted in a way that recognises the concerns and interests of the traditional owners who should be fully compensated for any disturbance and disruption to their way of life; and that any arrangements involved could be more stringent and wider than those that would normally apply to Crown lands.

However, I believe that the arrangement proposed to the Select Committee would allow the Minister to set the appropriate conditions for exploration and production tenements and provide sensible mechanisms for the resolution of differing viewpoints. In this regard exploration has been successfully carried out over a number of years in the general area of the Maralinga lands by agreement with the traditional owners under the provisions of the existing Mining Act without resort to arbitration and without the need for claims for compensation. The committee has chosen to leave to arbitration the question of resolution of claims for compensation. This begs the point made in the strongest terms by several submissions to the committee, namely, that 'front-end' payments, including the potentially high cost of arbitration, are totally unjustified in order to gain the right to explore as distinct from gaining the right to mine.

I wish to quote a telex sent on behalf of the Chamber of Mines. It is headed 'Maralinga Land Rights proposal unworkable', and states:

The South Australian Chamber of Mines believes the report of the Select Committee on the Maralinga Tjarutja Land Rights Bill will ensure that no exploration work for minerals, oil and gas will take place by exploration companies on the Maralinga and Pitjantjatjara lands other than perhaps at the taxpayers' expense by Government. The President of the South Australian Chamber of Mines, Mr J.B. Leverington, commented today 'these lands which comprise about 18 per cent of the State are quite prospective for minerals, and without explortion work to find them, no mining will take place, with all the benefits in jobs rising living standards for every South Australian.

The impasse holding up important exploration work on the Pitjantjatjara lands by Hematite Petroleum, a subsidiary of B.H.P., a company with a proven track record of successfully working with Aboriginals, is proof enough of the failure of existing and proposed legislation.

The Chamber goes on to say that it is not opposed in principle to land rights, which it has made very clear in its submission to the Select Committee.

I turn now to a submission made to the Select Committee which unfortunately was not made public but which ought to have been made public along with the committee's report. These comments, in the submission made by Western Mining Company, are entitled 'Effective land rights on mining and petroleum' and cover several points. One that I think is well worth reading into the record is as follows:

Aboriginal lands legislation is overturning the provision for access to minerals under existing mining and petroleum laws and confer extraordinary rights on a minority of owners to impose conditions which may either prohibit or delay exploration by others, or render such lands too expensive to explore. This trend of conferring *de facto* control over mineral rights is in direct conflict with the principle of Crown ownership of minerals which is recognised in the mining and petroleum Acts.—

virtually backing up a comment I made earlier in my speech—

The principle of Crown ownership coupled with the Government being the only entity that can regulate exploration in any area are some of the essential reasons for the importance of the industry in Australia compared to other countries where private control inhibits exploration.

Western Mining Company submits that the widespread application of divestment by Governments of effective control over access to minerals would be ruinous to the Australian mining inudstry, politically divisive and economically counter-productive.

Such legislation is discriminatory in that it purports to grant special rights and privileges to individual groups of citizens and is likely to be in conflict with article 5 of the International Convention on the Elimination of All Forms of Racial Discrimination.

That comment, which was made, as I said earlier, by Western Mining Company, is to be questioned under the Millhouse appeal to the High Court. The report continues:

While the specific intent of the legislation may have been to allow the exercise of such discrimination favouring Aboriginals, the basis of this submission rests largely on the contention that the practical outcome is other than benign in its effect.

Because exploration expenditure is by its nature, high risk, and particularly so at the earliest stages, the imposition of financial costs by landholders as a condition of access will, as already has been demonstrated in the Pitjantjatjara lands in this State and in the Northern Territory, have the effect of inhibiting such activity. These effects are being felt in the Northern Territory, where exploration initiatives on Aboriginal land or lands under claim, have been almost eliminated by the impact of Commonwealth Aboriginal legislation... The provisions relating to entry on to the lands under the Pitjantjatjara Land Rights Act 1981 are not working in the manner envisaged by the Government which enacted the legislation.

As the Leader stated earlier tonight, we are quite aware of the fact that the legislation was pioneering legislation and that it does need correction. We are quite prepared to recognise that and hope it is recognised by this Government. The report continues:

Any similar Aboriginal land legislation containing the same defects would condone predatory behaviour now evident elsewhere, whereby claims are specifically made for areas where exploration or development is already in progress.

Such a risk, superimposed on other risks, is causing investors to withdraw or divert their investment to more favourable regimes or avoid risk expenditure entirely.

The extent to which land is effectively sterilised by provisions of Aboriginal lands legislation from exploration reduces opportunities for national economic development. W.M.C. is not opposed to the principle whereby Aboriginal communities are able to acquire title to appropriate areas of land as a means of preserving aspects of their cultural heritage and lifestyle and providing an economic basis for a greater degree of self sufficiency.

Since it is unrealistic to expect that Aboriginal people will seek to return to their traditional lifestyle totally independent of European values, technology and amenities, legislation and regulation should encourage use of Aboriginal land in economic ways.

Those comments were put forward in the submission by the Western Mining Company, which I believe has proven over many years to be a company that can negotiate favourably with the Aboriginal people, yet it has obviously expressed its concern in a document to the committee. As I said, I have read this, because those documents do not appear to be made available to the public, and I believe that the public should know. The submission continues:

On the contrary, W.M.C.'s experience has been that where direct contact is established between its representatives and an Aboriginal community, over time a mutually satisfactory relationship develops.

That supports the comment that I made earlier that they have been able to negotiate their interests with the Aboriginal people over a period of time. In the final summary of its report the company missed out few areas of its concern. The submission continues:

Legislation related to Aboriginal lands should therefore provide access for reconnaissance and exploration to all lands—

which supports our amendments—

not override the provisions of the Mining or Petroleum Acts; not impose abnormal costs on exploration—

in other words, up-front payments—

particularly in the highest risks stages when the programme is immature; not provide for royalties or other imposts on production which are more burdensome than on other lands;

And so it goes on. It is interesting to note that another company which has wide exploration rights in this State, namely the Comalco company, has also put forward quite an extensive submission to the Select Committee. I would like to quote a couple of areas from the report. Because Comalco has been identified principally with the aluminium industry and not necessarily with South Australia, it is important to comment on what exploration it is doing in South Australia.

Comalco is an active explorer in South Australia. The company is exploring for sodium carbonate, coal and petroleum. Sodium carbonate is an important raw material for the manufacture of glass, and of caustic soda.

An honourable member interjecting:

Mr INGERSON: Perhaps if you listen you might find out. The company commenced exploration in South Australia in 1977. Between 1977 and 1982, the company spent $4.5 million on exploration in the State. This year the company will spend $2.2 million in South Australia on exploration. The company's mining tenements and petroleum licence are at the top end of Maralinga and just across the border into the Pitjantjatjara lands as well.

The company employs a small staff of seven earth scientists in South Australia plus six clerical support staff to back it up. The company has completed airborne surveys in order to measure the strength and variations in the earth's magnetic field due to near-surface geological conditions, and gravity surveys, which measure variations in the earth's gravity field due to subsurface geological conditions.

This work involves sophisticated technology and is very costly. Reflection seismic is now regarded by the company as the most effective geophysical technique in this area, a very dry and arid area of this State. Comalco has been exploring in lands which adjoin both the Pitjantjatjara and the Maralinga lands, and prior to commencing exploration activity, the licensee, Comalco, as part of the granting of the licence, was ordered to consult with the Pitjantjatjara Council to determine the location of identified Aboriginal sites of significance and to discuss the proposed exploration programme. Any variation to the programme would require further private consultation with the council.

All exploration activity is prohibited within 500 metres of any known Aboriginal site or of any additional Aboriginal site which may be identified during the term of the licence, without prior approval of the Director-General, the Department of Mines and Energy, in consultation with the responsible Aboriginal representative. Comalco has built up long and comprehensive experience with Aborigines at Weipa, in the Far North of Queensland, where there is an Aboriginal community adjacent to the company's bauxite mine, township and production facilities. This recounts the history and present status of Aboriginal company relationships at Weipa.

The company's submission was concerned primarily with defining the difference between mineral development, the exploration stage, the economic assessment, and actual construction and production stages. It is important now to note the comments that were made, as follows:

(1) Exploration:

For those not involved in the mining industry, the difference between exploration and the other phases of mining seems to be the most difficult concept to grasp. Mineral deposits are found only by exploration. Without exploration, mineral deposits will remain undiscovered. In other words, mining can only be contemplated after successful exploration.

All mineral deposits are finite. There is a limit to the amount of ore or oil which occurs in any mineral deposit. Sooner or later, a mineral deposit is exhausted or becomes uneconomic due to declining ore grade or other factors. Any mining company which wishes to stay in business must find new deposits to replace the old by exploring for them. If it does not explore, or fails to find new deposits, it will go out of business. There are hundreds, maybe thousands, of mining companies which failed to make a discovery, and went out of business when their mines ran out. There are comparatively few mining companies which risked enough money in a gamble on exploration and found new mineral deposits to stay in business. There are still fewer companies which started off as explorers and found mineral deposits which were the basis for successful mine production. For every 1 000 exploration prospects examined in detail in Australia, there is only one discovery which leads to a mine being developed.

You might ask, why explore? Why not put the money into something else? The answer is that, simply to stay in the business on which their experience is based, mining companies have no other alternative. This fortunately coincides with the Australian national interest because mineral and metal earnings account for nearly 40 per cent of Australian exports. Exploration is the only insurance policy the industry has for its future, and it is the impact of land rights on exploration which has the mining industry deeply worried.

In summary, exploration is:

(a) expensive, because it involves very sophisticated technology;

(b) inseparable from huge financial risks, because the odds against finding economic ore bodies are very great;

(c) easily controlled so far as its environmental and social impact;

(2) Resource Assessment:

This involves measurements of the quality and size of a mineral deposit which has been found by exploration, and the assessment of its ability to provide an economic return on large-scale capital investment needed for the design, construction and operating facilities to get the mineral out of the ground. Only after a mineral discovery has been found and assessed can its capacity to justify construction and production costs, royalty, taxes and compensation payments be determined.

(3) Production is well understood . . . At common law, minerals belong to the Crown or State. Some exceptions to this principle existed in New South Wales and Queensland, where some land granted to settlers before 1900 carried with the freehold the rights to minerals beneath the land. Recent New South Wales legislation gave land rights and rights over many minerals to Aborigines not long after having removed rights over coal from other people. In the greater part of Australia, however, Crown ownership of mineral rights has meant that the community at large has benefited from royalties and taxes on mineral production paid by the mining industry direct into State or Federal Government revenues.

In the Northern Territory and South Australia, land rights Acts give Aboriginal landowners a right of veto, or a right to demand conditions which effectively veto mining. No distinction is made in the legislation between the exploration, assessment and production stages—

a comment which we have clearly set out in our amendments and a condition which we would hope that the Government would recognise and do something about—

Aboriginal landowners have effectively prevented exploration by lumping it with assessment and production for the purpose of compensation, thus imposing extra costs at the exploration stage which make the cost of exploration so high as to be unacceptable in the face of the risks involved. In the Northern Territory, not one exploration licence has been granted in Aboriginal lands for the past 13 years.

Comalco believes that a main consequence of the granting of land rights has been to lock away large parts of Australia which are unexplored as yet and whose mineral potential is virtually unknown. The mining industry holds that it is not in anyone's interest—the nation, the Aborigines or the mining industry—to so prevent exploration which adds to knowledge of the nations resources. The company submits that there are powerful economic reasons for resolving this impasse.

1. If the nation intends to provide Aborigines with the cultural, economic and social support they rightly claim, the amount of support forthcoming will depend on the nation's ability to pay. The mining industry is and will continue to be for many, many decades, a mainstay of the nation's economy. Reduced to the simplest terms, Australia's ability to assist Aboriginal aspirations is and will continue to be directly linked to the prosperity of the mining industry.

2. The developmental gains from mining are most spectacular in the sparsely settled areas of Australia where, coincidentally, Aborigines are being most successful in claiming land ownership. With few exceptions, only mining has brought schools, health care, roads, water supply, training, business and employment opportunities to remote areas of Australia. These aspects of modern civilisation are certain to be demanded by new generations of young Aborigines and their families.

If too much of Australia is cut off from exploration, the mining industry will inevitably wither. Comalco believes that too much of the nation is already in jeopardy from being closed to exploration. If the industry declines because of dwindling exploration effort, it is certain that Aboriginal needs will not be met by a nation struggling to keep its economy afloat.

The company is convinced that the following points are essential for resolution of the problem:

1. The mining industry must continue to recognise in practical terms the Aborigines concern for sites, culture and tradition and socio-economic ambitions—

attitudes which I and the Liberal Party support—

2. The industry must consult with Aboriginal landowners at every stage of exploration, assessment and production to prevent unacceptable impact or interference with traditional Aboriginal culture or society.
3. Aboriginal communities must recognise their ultimate dependence on the prosperity of the mining industry.
4. Aborigines and their supporters must recognise that for the mining industry to remain healthy it has a vital need to explore, unhampered by unrealistic financial penalties. Land rights legislation has failed in this respect. Unworkable requirements and unrealistic expectations by Aboriginal support groups have been the main stumbling block to exploration in Aboriginal lands in the Northern Territory and South Australia. It is absurd in the light of what has been said before to demand agreements which specify compensation, rentals and royalties before exploration starts. Yet this is what is happening.

Comalco is aware that the South Australian Chamber of Mines has submitted to this committee amendments to the proposed Maralinga Tjarutja Land Rights Act which the Chamber believes are necessary to provide a legal basis for resolution on the problem.

Comalco supports the Chamber's submission and recommends to the committee that it should alter their proposed act so that exploration is possible without financial penalty. The company would be happy to see stringent social and environmental conditions attached to any licence to explore in the proposed lands, provided that these did not impose a financial penalty which made exploration, already a very high-risk enterprise, financially out of the question. The company anticipates that the committee would be conscious of the Aborigines' very deep concern that they have absolute control over who enters their land. The company submits that notwithstanding the Aborigines' concern, such a right may have to be tempered with concern for what is in the national interest.

Finally, the committee should be reminded that no explorer in this State or any other State has an automatic right to develop any mineral deposit found during exploration. The discoverer has to apply for a licence to develop, and the decision to grant that licence under the present Mining Act is a political decision.

The company believes that this procedure is more than adequate protection for Aborigines concerned about unacceptable impact upon their society, culture, traditions or land ownership. If there is a conflict, the only overriding consideration in law might be the national interest. Without exploration, the national interest cannot be protected.

The company again wishes to thank the committee for allowing it the opportunity to make the submission.

I have referred to the submissions by the three companies as examples of the submissions made to the Select Committee. I support fully the amendments that have been foreshadowed by the Opposition.

Mr BAKER secured the adjournment of the debate.

ADJOURNMENT

At 12.58 a.m. the House adjourned until Wednesday 30 November at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 29 November 1983

QUESTIONS ON NOTICE

OPIT REPORT

125. **Mr BAKER** (on notice) asked the Chief Secretary representing the Minister of Health: Has the Minister read in full the Opit Report on South Australian ambulance services and, if so, what parts of that report does he accept as being accurate and reflecting investigative excellence and which areas of the report require further research?

The Hon. G.F. KENEALLY: Yes, the Minister has read the interim report submitted by Professor Opit, which was tabled on 11 May 1983. He considers it to be a basis for the resolution of the industrial disputes for the ambulance service in the metropolitan area.

GOVERNMENT VEHICLES

186. **Mr OLSEN** (on notice) asked the Minister of Transport: In regard to the purchase of vehicles for the Government's fleet—

(a) is it firm policy to purchase only Australian manufactured vehicles;

(b) how many vehicles in the fleet are manufactured overseas and for what specific purpose were they purchased; and

(c) are vehicles manufactured overseas but assembled in Australia included in the fleet and, if so, how many?

The Hon. R.K. ABBOTT:

(a) It is the policy of the Supply and Tender Board, which is the statutory authority responsible for procurement and supply for the Government in South Australia, to purchase Australian manufactured vehicles where possible, and in particular South Australian manufactured vehicles. However, there are certain types of vehicles which are required by Government departments that are not manufactured in Australia. These are specialist-type vehicles and the Supply and Tender Board gives special approval for purchase in these instances, for example, some four-wheel drive vehicles required for special applications such as off-road use in rough and hilly terrain.

The Board has assessed that no one 'Australian' vehicle is manufactured completely in any one State in Australia. The majority of light motor vehicles (sedans and station wagons) purchased for South Australian Government use are regarded by the Board as being 'manufactured' in South Australia.

It has been the practice of the Supply and Tender Board for many years to take into account the capital investment and employment levels of the various motor manufacturers in this State when awarding motor vehicle contracts. This practice primarily concerns products from General Motors-Holden's for the 'Commodore' and 'Gemini', and products manufactured by Mitsubishi, namely the 'Sigma' and 'Colt'.

(b) The Supply and Tender Board does not maintain details of the vehicles in the Government fleet and it is suggested it would require considerable time and effort to obtain details on the number of vehicles in the fleet which are manufactured overseas and the purpose for which they were purchased. However, the Supply and Tender Board has advised that the following types and makes of vehicles, manufactured overseas were purchased in the past 12 months:

FULLY IMPORTED	
Passenger	Rolls Royce
Trucks	Isuzu
	Datsun
	Mitsubishi
	Mazda
	Ford
	Volvo
	Scania
Four Wheel Drive	Subaru
	Toyota
	Datsun
	Mitsubishi
	Daihatsu
	Holden Rodeo
	Holden Jackeroo
	Land Rover
Buses	Toyota
Motor Cycles	Honda
	Suzuki

(c) Similar circumstances apply to the answer to the second question in that the Supply and Tender Board does not maintain details of the vehicles in the Government fleet and it would require considerable time and effort to obtain details on the number of vehicles in the fleet that are manufactured overseas but assembled in Australia. The Board advises that there is likely to be a greater number of vehicles in this category in the Government fleet than the previous category (fully manufactured overseas) and the following types and makes were purchased in the past 12 months:

AUSTRALIAN ASSEMBLED	
Passenger	Holden Gemini
	Ford Laser
	Mitsubishi Colt
Trucks	Ford
	Mitsubishi
Buses	Hino
	Leyland

BOATING ADVISORY PANEL

189. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Marine:

1. Will the Minister increase the size of the Boating Advisory Panel to allow for representation from the—

(a) South Australian Sea Rescue Squadron;

(b) Australian Volunteer Coastguard;

(c) South Australian Yacht Racing Association;

(d) South Australian Water Ski Association;

(e) Australian Power Boating Association; and

(f) Boating Industry Association of South Australia?

2. Will the Minister extend the terms of reference of the Boating Advisory Panel to enable it to recommend to the Minister either alterations to or additions to the Boating Act and other legislative amendments?

The Hon. R. K. ABBOTT: It is not proposed to increase the size of the Boating Advisory Panel at this time. However the function and membership of the Panel will be further examined in the course of a general review of policy in regard to the provision of facilities for recreational boating. This review will be undertaken later this financial year.

WOODS AND FORESTS EQUIPMENT

191. **The Hon. D.C. BROWN** (on notice) asked the Minister of Education representing the Minister of Forests:

1. What financial allocation has been made in 1983-84 for the purchase of capital equipment in the Woods and Forests Department?

2. What individual items of capital equipment will be purchased during 1983-84?

The Hon. LYNN ARNOLD: The replies are as follows:

1. The financial allocation for the purchase of capital equipment by the Woods and Forests Department during 1983-84 is $4.074 million.

2. This expenditure will provide equipment in the following categories:

	$
Log salvage operations	1 000 000
Sawmilling, including new moulder for Mount Gambier, kiln instruments, etc.	1 466 000
Motor vehicles and mobile plant for milling and forestry operations	1 488 000
Other miscellaneous items of plant for use in operations and Support Service Divisions	120 000

TRANSPORT AND HIGHWAYS EQUIPMENT

192. **The Hon. D.C. BROWN** (on notice) asked the Minister of Transport:

1. What financial allocation has been made in 1983-84 for the purchase of capital equipment in the State Transport Authority and the Highways Department?

2. What individual items of capital equipment will be purchased during 1983-84?

The Hon. R.K. ABBOTT: The replies are as follows:

State Transport Authority:

1. The financial allocation to the State Transport Authority in 1983-84 has been made on the basis of total capital expenditure requirements and consequently no specific allocation has been made for the purchase of capital equipment. However, the estimated cost of capital equipment included in the Authority's Loan Programme submission is $1.220 million.

2. Items of capital equipment to be purchased during the year comprise:

Base radios
27 sedans
5 station sedans
4 panel vans
7 trucks
4 utilities
1 tractor
Telephone queue system
Voice logging equipment
Line and cable testing meter
Radio service monitor
Sundry testing equipment
Traction engine for railcar testing
Re-railing equipment
1 track geometry car
Herbicide spray equipment
1 vibrating roller
2 overhead cranes
1 pressure tester
1 guillotine
1 forklift
1 kerosine spray booth
1 welder
1 tool and cutter grinder
Miscellaneous office machines and equipment including word processor, furniture, training aids, printing copying equipment and computer software.

Highways Department

1. $5 423 000

2. 1 front end loader
4 graders
7 vibration rollers with trailers
1 compressor
1 tractor mounted post hole borer
1 deflectograph (pavement evaluation plant)
3 alternators
102 sedans
56 stations sedans
37 panel vans
73 utilities
12 four-wheel drive vehicles (hard top and tray top utilities)
30 trucks
Portable buildings
Laboratory equipment (various)
Survey equipment (various)
Workshop equipment (various)
Air-conditioners, various sizes
3 concrete mixers
9 rotary brooms
4 vibrating plates
6 power rammers
13 pumps
6 traffic counters and associated equipment
1 intersection simulator and equipment
8 data lines and equipment
30 wheel weighers
3 weighbridge loadcells etc.
1 portable traffic light
Mowers, slashers and wood chippers (various)
1 thermoplastic marking equipment
Miscellaneous minor plant
Radio equipment—U.H.F. base station, radio links and transceivers
14 H.F. radio transceivers
1 field unit communications system
Miscellaneous radio equipment
Minor plant technical systems
(Communications equipment and computing equipment with a technical application)
Office machines and equipment (word processing equipment, facsimile equipment, computing equipment with an administrative application).

PUBLIC BUILDINGS DEPARTMENT

194. **The Hon. D.C. BROWN** (on notice) asked the Minister of Public Works:

1. What financial allocation has been made in 1983-84 for the purchase of capital equipment in the Public Buildings Department?

2. What individual items of capital equipment will be purchased during 1983-84?

The Hon. J.D. WRIGHT: The replies are as follows:

	$
1.	
Plant items	150 000
Motor vehicles (replacement motor vehicles in terms of the agreed Government replacement criteria)	1 416 000
Computer equipment	150 000
2.	
Plant—larger items include—	
3 Drain cleaning machines	25 400
2 Site storage sheds	12 400
1 Airless paint spray	3 400
1 Universal distance analyser	10 000
1 Electric distance measurer	5 600
1 Elevation basket—safety	18 000
1 Communications analyser	26 200
3 Fume extractors—safety	10 000
1 Air-conditioning duct lifter—safety	5 500
1 Generator load bank—safety	5 000
1 Mobile welder	2 700
Electronic radio equipment	10 000
1 Welding machine—transport	2 100
Various minor plant	13 700
	$150 000

Motor vehicles—151 light vehicles, 9 heavy vehicles and air-conditioning in 5 heavy vehicles.

Computer equipment—Certain computer hardware options are being evaluated for purchase, including protocol and terminal controllers, visual display stations and printers and micro-computers.

RENTAL HOUSING

213. **Mr BAKER** (on notice) asked the Minister of Education: Further to Question on Notice No. 217 of last session, what are the final details for 1982-83 and estimates for 1983-84 for each of the items contained in the reply of 10 May 1983?

The Hon. LYNN ARNOLD: The replies are as follows:

1. Rental Income (Cash Basis)	Actual 1982-83	Estimate 1983-84
Gross rental income ex tenants and education bodies	4 258	4 486
Less: Payments to South Australian Housing Trust and private persons for housing rented by T.H.A.	1 395	1 504
	2 863 ($'000)	2 982 ($'000)

2. Repairs and maintenance	Actual 1982-83	Proposed 1983-84
Cash expended	1 115 ($'000)	1 315 ($'000)

3. Average rentals—Following on and from rental increases applying from 7 October 1983.

Rentals per week over 42 week period	Paid by Teacher $	Employer subsidy $	Received by T.H.A. $
Unfurnished family accommodation owned by T.H.A.	41	10	51
Furnished accommodation rented from South Australian Housing Trust. Rent is divided amongst number of tenants in occupation	45	11	56

4. Aboriginal Teacher Housing (Cash Basis)	Actual 1982-83 $'000	Proposed 1983-84 $'000
Capital works		
Provision of housing	83	2 048
Recurrent works		
Repairs and maintenance	*207	80
	290 ($'000)	2 128 ($'000)

* Included a special programme on preventative maintenance of $137 000 to eliminate backlog at Amata, Ernabella, Fregon and Indulkana.

5. Housing on other than Aboriginal lands.

	Actual 1982-83	Proposed 1983-84
Capital works		
Provision of Housing	1 092 ($'000)	1 424 ($'000)

ROAD REPAIRS

221. **Mr BAKER** (on notice) asked the Minister of Transport: Further to the statement in the 66th annual report of the Highways Department concerning the state of South Australian roads, which particular roads is it envisaged will receive inadequate repairs over the next five years?

The Hon. R. K. ABBOTT: The honourable member may be assured that the Highways Department will make every effort to ensure that none of the roads for which it is responsible will receive inadequate repairs over the subject period.

PERMANENT TEACHING VACANCIES

235. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education: Is the Minister aware that officers of his Department are stating that the numbers of new permanent teaching vacancies for 1984 and 1985 are expected to fall and, if so:

(a) what are the projected figures for permanent teaching vacancies in 1984 and 1985;

(b) was the Minister aware of these projections in his answers given to Estimates Committee A on 4 October 1983;

(c) in what regions will these permanent vacancies occur; and

(d) what will the number of vacancies be in the junior primary, primary and secondary areas, respectively?

The Hon. LYNN ARNOLD: Senior officers of the Personnel Directorate have indicated that they have not made such statements. An official statement of projections is contained in the joint TEASA/ED planning document 'Teacher Supply and Demand in South Australia, 1982-1992' prepared in November 1982.

The projections in tables 30 and 31 indicate a modest increase in the numbers of permanent primary and secondary teachers in 1984-85. An updated report prepared in July 1983 indicates the increase in demand for secondary teachers to be even greater than predicted in the November 1982 document.

(a) Projections for all schools (Government and non-government) are that permanent vacancies will be in the range:

	1984		1985	
	Low	High	Low	High
Primary	170	347	215	383
Secondary	478	647	406	500

Numbers for Government schools are not yet known as not all resignations and other changes to staff for 1984 are yet available.

(b) Yes, long term projections were available to me at that time.

(c) This will not be known until transfers of permanent teachers are completed in December.

(d) See *(a)*.

CONTRACT TEACHERS

236. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education:

1. How many contract positions will be available for teachers during the 1984 school year?

2. How many current contract teachers will be offered permanent positions commencing in 1984?

3. What is the selection process for employment of contract teachers?

The Hon. LYNN ARNOLD: The replies are as follows:

1. Temporary vacancy descriptions are still being received from schools and have not yet been collated. The number is likely to be in excess of 2 000 varying in length from four weeks to one year.

2. There is no planned number. Applicants for permanent positions are selected on merit and not only on the basis of current status.

3. Applications for 1984 have been reviewed by panels of practising teachers and rated as either Highly Recommended, Recommended or For Further Consideration.

Whole year vacancies are offered to applicants who are rated as Highly Recommended and who have had previous extensive contract service.

Vacancies which occur once the school year has commenced are offered first to an applicant requested by the school's Principal as long as that person is rated Recommended or Highly Recommended. If no nomination is made by the Principal or the nomination does not meet the above criterion, an applicant from the Highly Recommended group is offered the position.

SCHOOL BASED FUNDING

237. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education:

1. What schools have been selected for the Education Department's trial on 'school based funding'?

2. Will extra funds be made available for those schools without a bursar to enable them to employ one?

3. For what financial areas will these schools be now held responsible?

4. From which financial areas will they be exempt and the Department continue to assume responsibility?

The Hon. LYNN ARNOLD: The replies are as follows:

1. All schools receive a school support grant which is combined with parent funds. From this total resource they are responsible for the following areas:

- School curriculum and administrative materials and equipment
- Cleaning materials
- Equipment maintenance and repair
- Postage, freight, bottled gas
- Grounds upkeep.

Twenty-eight schools have been invited to accept further areas of responsibility. These schools have not yet been required to indicate acceptance or otherwise and so the actual schools will not be known until Departmental officers have discussed all details of the extension with the council and staff of each school.

The schools invited cover a range of high, area and primary schools, large, small metropolitan, country etc.

The schools invited are:

Central Eastern Region
Cambelltown HS
Oakbank AS
East Adelaide P/JPS
Marryatville
Central Western Region
Seaton HS
Cowandilla P/JPS
Plympton PS
Riverland Region
Renmark HS
Renmark North PS
Eyre Region
Ceduna AS
Coorabie RS
Yorke and Lower North Region
Clare HS
Minlaton HS
Burra Community School
Yorketown AS
Central Southern Region
Morphett Vale HS
Victor Harbor HS
Clapham PS
Colonel Light Gardens PS
Central Northern Region
Para Vista HS
Fremont HS
Elizabeth HS
Elizabeth Field P/JPS
Strathmont P/JPS
Nuriootpa PS
Ardtornish PS
Northern Region
Gladstone HS
Gulnare PS

2. No additional funds will be provided to employ additional staff to assist in the extension. Many of the decisions related to these tasks are presently being made at school level and the proposed change should not have a significant impact on workloads in schools. School based funding is an extension of existing school resource management and is not new.

3. The additional areas of responsibility have not as yet been finalised but they are likely to include:

Energy (electricity, gas, oil)
Telephone
Water
Waste disposal, rental and hire, swimming pool chemicals, furniture
Hourly paid instructors
Building maintenance.

The question of the items to be included is related to the timing of commencment of the trial, which is also not finalised.

4. The Education Department will still assume responsibility for—

Salaries (teaching and non-teaching)

and the Public Buildings Department will still assume responsibility for—

Capital works and major maintenance functions.

EDUCATION DEPARTMENT

238. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education: Has a decision been reached as to the five new regional directors under the Education Department's reorganisation and, if so, who are they and what is to happen to existing regional directors who have been unsuccessful and, if not, when will an announcement be made?

The Hon. LYNN ARNOLD: No. Applications for six new Directors of Education closed on 11 November 1983. Interviews are being held and announcements will be made as soon as possible.

239. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education: Have transfer and promotion applications for 1984 staffing yet been processed and, if so, when will principals, deputy principals and teaching staff, respectively, be informed of the success, or otherwise, of their applications?

The Hon. LYNN ARNOLD: The reply is as follows:

Secondary—

Details of many of the principal transfers and promotions have already been released to the teachers and school communities. Deputy principal tranfers and promotions will in part be notified in the next few days, but schools seeking a female deputy will have to await the outcome of an application for further exemption before the Sex Discrimination Board. All other levels of permanent teaching staff will have their appointments notified progressively from mid November through to the first week in December. Most offers of new permanent teacher appointments will be made from late November through to Christmas time. It is also expected that many year long contract positions will be filled prior to Christmas.

Primary, Junior Primary and Area positions—

Transfers and promotions at Class 1 level have been advised, and Class 2 and 3 level moves will be announced shortly. It is anticipated that deputy positions will have been finalised by 18 November. The teacher transfer timetable is as described for secondary schools.

SCHOOL TEACHERS

240. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education:

1. How many teaching days have been lost during 1983 due to teacher illness and how many of these days can be related to 'stress'?

2. Does the Education Department have any programmes to assist teachers in dealing with stress?

The Hon. LYNN ARNOLD: The replies are as follows:

1. 193 000 days have been lost due to illness in 1983 to the end of October. It is not possible to say how many of these days are related to 'stress'. Teachers are not required to state reasons for their illness on their application for leave.

2. Teachers who believe that they are affected by stress are counselled by officers of the Education Department, including the Equal Opportunities Officer and superintendents of Personnel Directorate, and may be referred to the Teachers Medical Officer for examination. They may be referred in turn to a psychiatrist for assessment. Regulation 245 provides for medical examinations.

Teachers may seek voluntarily advice from the Teachers Medical Service. (See Administration Instructions and Guidelines Section 2 Part 144.7.) Teachers are eligible for workers compensation, as are other employees of the Government. (See Administration Instructions and Guidelines Section 2 Part 150.) A position paper on Stress is being prepared by the Education Department for circulation to schools.

EDUCATION COMPENSATION PAYMENTS

241. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education:

1. How much has been paid out by the Education Department in the 1982-83 year in compensation?

2. What are the numbers and categories for these compensation payments?

The Hon. LYNN ARNOLD: The replies are as follows:

1.	$
(a) Workers Compensation	1 299 738
(b) Damage to neighbouring properties	283 (3 incidents)

2. Workers compensation payments resulted from the following:

Injuries to—Neck/Back	299
Leg	239
Arm	224
Head	53
Trunk	39
Eye	41
Multiple	35
Muscular Strain	126
Stress	32
Contagious disease infection	10
Toxic fumes inhalation	9
Other	11
Total	1 118

ELDERLY ON BUSES

243. **Mr OSWALD** (on notice) asked the Minister of Transport:

1. What research work has been done both within Australia and overseas into the problems associated with the elderly and incapacitated in boarding buses at difficult curbsides, and what reports are available to highlight this research?

2. Has the Department of Transport considered incorporating an additional step which can be hydraulically lowered by the driver to assist the elderly and incapacitated to board the buses and, if not, will the Department design such a step and adapt it to a sampling of buses as a trial measure?

The Hon. R. K. ABBOTT: The replies are as follows:

1. The majority of research work on overcoming the problems associated with the elderly and incapacitated passengers boarding buses has been carried out overseas. To date, there has not been a suitable proven system developed for public transport buses. Investigations on this subject within Australia have been based on the overseas research. The State Transport Authority is monitoring the results of the research in discussion with bus manufacturers and from articles published from time to time in technical journals.

2. The State Transport Authority, in conjunction with local bus body builder P.M.C. has been developing an auxiliary lower first step based on the overseas research. As yet the practical problems of attaching such a step to a bus have not been resolved. It is essential that basic design issues such as safety, compatibility with bus chassis, strength, etc., are satisfactorily resolved before proceeding with the installation of a prototype step on a bus.

HIGHWAYS DEPARTMENT INSPECTORS

244. **Mr GUNN** (on notice) asked the Minister of Transport:

1. How many Highways Department inspectors are employed at Port Augusta?

2. Why is it necessary on some occasions to have three vehicles at the Port Augusta weighbridge.

The Hon. R. K. ABBOTT: The replies are as follows:

1. Four.

2. The occasional presence of three vehicles at the Port Augusta weighbridge could be due to any of the following circumstances:

Tactical planning by the Port Augusta patrols and support patrols brought in from other areas during periods of concentrated surveillance of truck movements in the Port Augusta area.

Inspection and briefing of patrols by supervisory staff.

Highways Department workmen carrying out repairs or improvements to the weighbridge equipment and facilities.

TARCOOLA ROADS

247. **Mr GUNN** (on notice) asked the Minister of Transport:

1. Is the Minister aware of the poor condition of the Tarcoola to Glendambo Road?

2. Will the Minister investigate the possibility of sealing the main street of Tarcoola?

The Hon. R. K. ABBOTT: The replies are as follows:

1. Yes.

2. Yes.

FREE SCHOLARS

250. **Mr LEWIS** (on notice) asked the Minister of Education:

1. To what extent does the Education Department meet the costs of 'free scholars' in the education system?

2. Does the individual school council ever have to obtain additional funds from the subscriptions and contributions of the parents of children who are not 'free scholars' to finance any deficit which may arise within any individual school where expenditure for the 'free scholars' at the school exceeded the Government's contribution and, if so, why?

The Hon. LYNN ARNOLD: The replies are as follows:

1. The term 'free scholar' was changed to 'Government assisted student' during the term of office of the previous Government. This recognised that the grant was to assist with the costs of books, materials and equipment necessary for classroom activity, school fees and amenities. It is not necessarily meant to cover all costs incurred for approved students. For example, for excursions or camps it is not expected that the approved student must attend, or that such attendance is to be at no cost to the student. For 1983 the allowance is $33 per student and for 1984 it will increase to $35 per student.

2. The way each school treats the Government assisted students grant varies from school to school. In general, schools construct budgets which indicate anticipated receipts from all sources, of which the Government assisted students grant is one source. The expenditure proposed is then determined, based on anticipated receipts. The rate determined for payment by parents of children who are not Government

assisted students depends on for example the level of expenditure expected to be incurred by the school in that year, what fund raising initiatives are proposed and what basic stationery is intended to be provided without further parental contribution. It will be seen, therefore, that decisions of this kind are very much school-based, and there is no direct correlation between costs of Government assisted students and costs incurred by other students. Indeed, schools may also have to account for bad debts incurred as a result of parents neither paying fees on behalf of their children, nor applying for a Government assisted students grant.

INDUSTRIAL COURT DEPUTY PRESIDENT

251. **Mr BAKER** (on notice) asked the Premier: Was Mr F.K. Cawthorne the most senior available qualified person for appointment on 3 November to act in the position of Deputy President of the Industrial Court?

The Hon. J.C. BANNON: Mr F.K. Cawthorne was considered appropriate for appointment as Acting Deputy President. Mr Cawthorne previously served as an Acting Deputy President of the same court to replace Judge P.T. Allan during his extended leave from 1 September 1982.

PANORAMA COMMUNITY COLLEGE

256. **The Hon. MICHAEL WILSON** (on notice) asked the Minister of Education: Were students of the Panorama Community College notified that lectures in the week beginning 7 November would be cancelled owing to lack of funds and, if so:

(a) did this represent a loss of instruction for some students within two weeks of examination;

(b) has the Minister investigated the reasons for the shortfall of funds and, if so, what are they;

and

(c) how many students were affected and what subjects were involved?

The Hon. LYNN ARNOLD: The replies are as follows: No lectures were cancelled due to lack of funds.

(a) No. There was no loss of instruction.

(b) There is no shortfall of funds for the 1983-84 financial year.

(c) No students were affected. The only matriculation class which had a change of lecturer on 7 November 1983 was the English class of 12 students. The regular lecturer had an accident on his bicycle and was replaced by a part-time lecturer, who conducted the English class, but no students were disadvantaged.