HOUSE OF ASSEMBLY

Wednesday 23 October 1985

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

PETITION: CRIME

A petition signed by 467 residents of South Australia praying that the House legislate to increase the penalties for crime, provide greater resources to the police, and reject the automatic release of prisoners was presented by Mr Olsen.

Petition received.

PETITION: RANGES CHILD CARE CENTRE

A petition signed by 19 residents of South Australia praying that the House urge the Government to purchase and operate the Ranges Child Care Centre as a community based child care centre was presented by Mr S.G. Evans.

Petition received.

PETITION: HALLETT COVE BEACH

A petition signed by 97 residents of South Australia praying that the House urge the Coast Protection Board to include Hallett Cove beach in the sand replenishment program was presented by Mr Mathwin.

Petition received.

PETITION: HOMOSEXUAL INFLUENCES

A petition signed by 19 residents of South Australia praying that the House amend the Equal Opportunity Act to protect children from homosexual influences at school was presented by Mr Meier.

Petition received.

QUESTION TIME

The SPEAKER: Before calling on questions, I indicate that the Deputy Premier will take questions that would have been directed to the Minister of Public Works.

OMBUDSMAN

Mr OLSEN: My question is to the Premier. Has the Ombudsman agreed to stand aside? Yesterday the Opposition again asked the Government to take action to secure this position as it relates to the Ombudsman. In asking this question I think it is important to note the fact—and it ought to be put on the record—that until 11 o'clock this morning the Opposition had not been informed of any approach to the Ombudsman by the Government.

The Hon. J.C. BANNON: I find it very hard to treat with seriousness questions on this matter coming from the honourable the Leader of the Opposition, and were it not for the forms of the House I would have no compunction in dropping that title in front of the Leader of the Opposition's title. What we have seen over the last 24 hours I think is an unparalleled example of the way in which cheap and venal politics has overriden any sense of public duty on the part of the Leader of the Opposition. I do not say those things lightly. There have been one or two other incidents before, but one could put those down possibly to a misunderstanding or a lack of serious approach.

I remind the House that the position of Leader of Her Majesty's loyal Opposition is, under our Westminster system, a constitutionally recognised position. While it certainly carries with it the obligation to oppose and criticise and provide alternatives to the policies of the Government of the day, and while it also involves, traditionally, the leadership of one of our two major Parties, I suggest that it also carries with it certain responsibilities.

Yesterday, at my invitation and in line with an undertaking I gave right at the beginning of this dispute over the Ombudsman, I invited the Leader of the Opposition and his colleague the shadow Attorney-General to my office to discuss with me and my Attorney-General how Parliament should approach this problem involving an independent officer of the Parliament. This was following a full briefing and a disclosure of all documents in the possession of the Government by the Attorney-General to his opposite number. It followed the opportunity for the Opposition to consider overnight the situation, to assess the documents, and to place before the Government whatever members of the Opposition felt was necessary in the way of action on this matter.

Incidentally, the time of the meeting was at the Leader of the Opposition's request: we were prepared to hold it much earlier than when it was held in order to ensure that anything arising from it could be promptly dealt with and that there was some timespan allowed before Parliament assembled at 2 o'clock, so we could have a firm plan of action laid down. However, the fact is that the meeting was not held until just after 12 noon and, as a result, there was very little time between the assembling of this Parliament and the meeting with the representatives of the Opposition, and there was insufficient time to do little more than prepare a factual statement, a statement containing no political posturing—as in fact, to some extent, the letter of the honourable Leader of the Opposition disclosed. None of that was involved.

It was a straight factual statement on the sequence of events, a plan of action which had been agreed between the Government and the Opposition in the interests of the Parliament and constitutional government, and there was a full set of documents that were to be put within the public purview. It was agreed further at that meeting—willingly, and under no coercion, with no deals done by the Leader of the Opposition—that certain steps would follow, steps which would be worked out between the shadow Attorney-General and the Attorney-General. They would take whatever action was necessary within the broad parameters of those agreements in the intervening period. That process has been going on—as late as yesterday evening those discussions were taking place—and the Attorney-General was acting in putting certain things to the Ombudsman's solicitor in consequence of those discussions.

At about 11 o'clock the first edition of the Adelaide *News* hits the street. That edition, of course, goes to press considerably before then, so let us not hear that by 11 o'clock we had not heard this, that or the other. I personally had a number of contacts on a couple of matters with the Attorney-General. During the morning he was available both at home and at work. If the Hon. Mr Griffin had some questions or problems they could have been referred to the Attorney at any time—presumably they were not. I suggest, in parenthesis, that at all times the Hon. Mr Griffin has acted with probity and in terms of the brief he was given by the joint meeting.

This edition of the *News* appeared on the streets at 11 o'clock with a great headline alleging some kind of cover-

up and some lack of action. I would suggest that, first, if there is any cover-up it is on the part of the Opposition—a cover-up of its intentions to try to exploit the position in the most venal and cynical way, to trample over any kind of responsibility to the office of Ombudsman and its viability, to trample over the rights of any individual, the subject of rumour, innuendo, or whatever, and to do everything to exploit the situation. I must admit that I was staggered when I saw that headline and the statements ascribed to the Leader of the Opposition—staggered by the outrageous breach of faith and confidence that that displayed in someone who holds a responsible position. That is why I suggest that it is going to be very difficult, indeed, in any way—in any proper and constitutional way—to deal with the Leader of the Opposition and accept his word on anything. That is a terrible situation for us to be in.

I am not aware of any of my predecessors, either in this office from Tom Playford onwards, or in that office from Mick O'Halloran onwards, who have not been able on some matters at some time to discuss in a proper spirit with the Government of the day what action should be taken in the interests of Parliament. If they wished to exploit the situation politically, at least they had the courtesy and decency to say, 'We have been thinking about it overnight, we have read suggestions that we might be being locked in or in some way exploited, we want to distance ourselves and so we are going to do it.' I had a faint inkling of this when I was rung early in the morning by a reporter from the national radio station who requested me to comment on a statement he had just received from the Leader of the Opposition, that morning, that he had broken off discussions with the Government, that there was no point in any further discussions: action was needed. The Opposition had stated what action was needed. I was staggered.

I thought that perhaps I was being unfair to the reporter—I now realise that I definitely was unfair. It is often the way with the media and I thought that perhaps the reporter had asked his questions in a particular way and had rather cleverly got the Leader to say things that he did not mean, or that at that hour of the morning he had not fully understood. He understood, all right, because I saw it on the front page of the Adelaide *News* a bit later. The facts were that the breaking off of discussions had been communicated to no-one—not to the Hon. Mr Sumner, not to the Hon. Mr Griffin, not to me as Premier, or to anyone. It had been told to the media.

The Leader stated, 'I have broken off discussions, what we need is action', despite the fact that at a meeting yesterday a firm, solid and responsible plan of action had been established. At that meeting did the Opposition Leader say, 'We must go into the House and seek to remove the Ombudsman'? Did the Opposition Leader say, 'The Ombudsman has to be suspended under any circumstances'? Of course not, because he knows very well that that was not the proper or responsible way to approach this matter. Overnight he realised that in some way the situation was not working to his political advantage.

So, he chose to break all agreements, all considerations, to throw his integrity out the window and, as a result, make these outrageous statements. The Leader has let down each and every one of his colleagues—he has certainly exposed the shadow Attorney in the most dire way, because I cannot believe the Attorney understood that and, as far—

The Hon. E.R. Goldsworthy interjecting:

The Hon. J.C. BANNON: Let me talk about action. The Leader of the Opposition knows that in consequence of what was discussed between the shadow Attorney and the Attorney-General a proposition was in fact put firmly last night around 7.30 p.m. to the Ombudsman's solicitors about a course of action that could well be taken and could be desired by all parties in the light of the attitude that both Parties could discern was coming out of the parliamentary and public debate. That was action, that was being done in the proper way, in the honourable way, and the sensible way. But no, the Leader of the Opposition could not resist. He wanted to work the politics out of this situation—he wanted to exploit it. He will trample on anything—on principle, on undertakings, on straight human relations and trust. I have had enough of him, and I have had enough of that question.

TEACHER NUMBERS

Mr FERGUSON: Can the Minister of Education restate the Government's policy that teacher numbers will be retained in the face of falling enrolments? I was contacted by telephone this morning by a teacher and informed that rumours are circulating in her high school that some teachers will be dismissed because of falling enrolments. I undertook to draw that matter to the attention of the Minister so that rumours could be dispensed with as soon as possible.

The Hon. LYNN ARNOLD: I can certainly give a number of undertakings in this matter. First, with respect to the telephone call from the teacher who apparently is in fear of dismissal, there is no intention to dismiss any teachers in South Australia, and there has never been any intention in respect of declining enrolments. That is just not on. This Government has maintained a policy in the past three years—we have been in the lead in Australia with that policy—whereby despite significant enrolment declines, we have maintained teacher numbers. No-one can say that that has not been the case.

The other point is that our policy has been an ongoing one of doing that: in planning for 1968 we will again maintain teacher numbers, despite a further decline in enrolments in South Australia. The summary is that, from the start of 1983 into the 1986 calendar year, which is in the budget of this year, we have maintained by financial decisions of this Government 1 000 teaching positions in South Australia, despite an enrolment decline of some 16 000 pupils over that period. Members will recall that part of those 1 000 teachers is the retention of 231 positions that the former Liberal Government wanted to get rid of—wanted to dispose of. We reinstated those positions when we came to office.

By retaining those 1 000 positions, a number of things have been able to happen in schools in South Australia. We have improved the general level of resourcing in schools. For example, there was a change to the formula, an improvement to the formulae for various schools in this State whereby all schools benefited. There have been improvements in special programs, for example, Aboriginal education, special education, multicultural education and other special programs targeting on certain specific areas of need. But even in the general resource area there have been improvements: class sizes in secondary and primary are smaller than they were in 1982, and the figures taken by surveying all schools in this State clearly prove that.

For example, resource centre staffing is much better in primary schools. Other forms of staffing are better both in secondary and primary schools. That is what has happened with the positions that have been liberated through declining enrolments: those positions have been retained, retargeted in terms of meeting new needs, but retained within the system. It is within that context that I want to reassure the honourable member who I know has been very concerned about education issues and who has fought very hard for them in his area. I assure him that he can take back that

assurance: there is no intention to dismiss teachers as a result of declining enrolments.

With respect to displacements, I have had representations from the member for Henley Beach, who has been very concerned about this matter. I indicated yesterday that we are committed to re-examining every case where there is any suggestion that there might be a severe curriculum impact as a result of proposed displacements.

We will be re-examining whether or not some extra cushioning effect is needed in those instances. I restate that and hope that the honourable member is able to convey that to those within his electorate who are concerned about that matter. I restate it today because I was concerned to hear this morning of statements from the Institute of Teachers that they believed that another course of action should take place. As reported, they stated that teachers should not take part in the displacement process and should not accept being involved in that process. The person reported by the media said that theirs was a professional approach. I cannot accept that that is a professional approach.

The position is this: the displacement procedures in our schools have been arrived at by discussion between the Education Department and the Institute of Teachers over a number of years. That policy has been agreed to—not necessarily with the full happiness of both parties, but nevertheless agreed to. That policy requires that, if there is an unwillingness on the part of a school to take part in a displacement process, the parties agree that the superintendent of staffing in the area is responsible for determining what positions are displaced from the school.

Yet, today we have the announcement that people should reject any such decision, presumably, from the superintendent of staffing. That would result in inequitable staffing in South Australian schools. For instance, for a school whose enrolment falls from 900 to 800 students the suggestion would be that it should keep full staffing for 900 students, whereas another school whose enrolments had not fallen but whose level was 800 students would only be staffed for 800 students. It would have fewer on the staff than the other school.

Surely, there is an inequity there if the suggestion is that that inequity can be made up by increasing staffing in those other schools and by employing yet more teachers over and above maintaining the head count that we have made. I identified to the House yesterday that the Bill for that in 1986 would be of the order of $18 million. I point out that the displacement process is never a happy one. It causes anxieties in school communities. I understand that. It needs to be handled delicately and tactfully. It is not assisted by gung ho statements: it is assisted by a willingness to work the issue through.

As Minister responsible for education in this State, I have indicated my willingness to work this issue through and, as I mentioned yesterday, I have asked the department to provide me with an analysis of curriculum impact on schools where major displacements are proposed. In consultation with the department, I will determine whether or not there needs to be a further cushioning effect. I have given that undertaking: I stand by it, and I expect to advise schools within the next day or two about the result of that impact.

STANDING ORDERS SUSPENSION

Mr OLSEN (Leader of the Opposition): I move:

That so much of Standing Orders be suspended as to enable me to move a motion forthwith, that motion being:

That in the opinion of this House the Ombudsman should step aside pending a full independent inquiry into the allegations relating to discounted international air travel that she obtained for Ms Susie Mitchell.

In doing so, I recognise that this will give me an opportunity to respond to the misleading statements that have just been made in the House by the Premier. This matter is of grave and real concern: we have a continuing cloud over the position of Ombudsman in South Australia. That situation has existed now for some days and, for a number of reasons, will continue for some days.

First, the Government has been tardy, as I indicated in my letter to it yesterday, in seeking the information that could resolve once and for all the allegations and rumours as they relate to Ms Beasley and the position of Ombudsman in South Australia. That position needs to be above and beyond reproach at all times. It is a position in which the people of South Australia want and need to have absolute confidence in regard to the integrity of the position and its incumbent. The fact is that whilst Ms Beasley is allowed to occupy and continue to occupy that position without the matter being resolved, there is a cloud hanging over not only Ms Beasley but also the position of Ombudsman in South Australia.

I indicated in my correspondence to the Premier yesterday that it was vital that the integrity of that position be maintained at all times. That was the critical and principal reason for our asking some week ago for Ms Beasley to stand aside, an action that I believe was appropriate and proper whilst any inquiries were undertaken to seek the information upon which an appropriate assessment and judgment could be made. It would also give Ms Beasley the opportunity to respond to those allegations that have been made thus far in public and the rumours that are still circulating in the public arena, so that she would have an opportunity to put her side of the story and to put the record straight as far as she is concerned in the performance of her duties.

It is incumbent upon this House to ensure that the position of Ombudsman in South Australia is not compromised at any time. That is and always has been the principal key issue in this matter—nothing more and nothing less than the performance of the person in the position of Ombudsman in which South Australians must have absolute trust and faith.

Yesterday, at the request of the Premier, I met the Premier and in doing so I detailed and released in this House a four page letter of the course of action that the Opposition believes is appropriate, a course of action which would ensure that the integrity of the position of Ombudsman in South Australia was maintained whilst information was sought to clarify the matter beyond doubt, not only from Ms Beasley's point of view, but also beyond doubt as far as the people are concerned in relation to the position of Ombudsman in South Australia.

I believe that this House has a responsibility to express an opinion as to whether Ms Beasley should stand aside. The Liberal Party has consistently held that point of view, not in judging Ms Beasley either as guilty or innocent in this matter. As a matter of propriety and responsibility, she should step aside for the purpose of ensuring that the position of Ombudsman is not compromised in any way in South Australia. Failure to investigate the matter and have it clarified will mean that this matter will roll on day after day, and that is not in the interests of Ms Beasley and certainly it is not in the interests of the position of Ombudsman in South Australia.

That is the issue that needs to be resolved, and I ask that this House have the opportunity to express a point of view as to whether Ms Beasley should stand aside. The Opposition has consistently put that point of view. We stand by it as being a firm, responsible and appropriate view in the light of all the circumstances. I trust that the House will give us the opportunity to debate that, and during the course of the debate I will have an opportunity to respond to some

of the inaccurate statements that were made by the Premier today, statements that will be corrected by the shadow Attorney-General in a statement in another place right now. I will also demonstrate how the Premier has misled this House in his reply to the first question that I asked.

I seek the support of this House in suspending Standing Orders to debate the motion. We believe Ms Beasley should stand aside until the information is to hand. One cannot make an appropriate assessment or judgment on the position relating to Ms Beasley until that information is to hand. We believe that it is appropriate that she step aside whilst those inquiries continue so that the position of Ombudsman can continue in South Australia without a cloud hanging over it in the interim.

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

Opposition members: Yes, Sir.

The Hon. J.C. BANNON (Premier and Treasurer): If ever we wanted a demonstration of the cynicism of those opposite, it is in this motion. Members opposite well know the procedures of this place whereby, at the very least, if the Opposition seeks to move a motion and to suspend Standing Orders in order to do so, notice of that intention is given to the Government, and almost invariably the Government in those instances will accept the motion being moved by the Opposition, and it will be dealt with.

I assure the House that we have no problems in dealing with this matter, but was that procedure observed in this case? No. It is part of the overnight rethink which has probably given the hapless shadow Attorney-General the shock of his life. Now, we understand, he is to be leant on to try to prop up his Leader's position and to somehow cover up the fact that a gross breach of confidence and trust has occurred in the interests of political expediency.

As part of the procedure, this morning the Leader of the Opposition obviously decided that he would call off discussions, break agreements and make public statements to the press, all because he had read remarks about himself which suggested that he might not be winning the political game. This is not a political game: it is a matter that concerns the office of Ombudsman, its integrity and compromise. If any position has been compromised over the past few hours it is that of the Leader of the Opposition, who obviously believes that in that position anything goes: one can do anything and it does not matter; one can brazen it out.

I am not sure who is pulling the strings there, but I am aghast that, after an answer has been given on this matter without notice, this course of action is suddenly produced before the House. No doubt, the Leader of the Opposition intends to get himself a nice headline to the effect that the Opposition had moved that the House would debate that the Ombudsman should be asked to stand aside, that this move was resisted by the Government, and that this proves that the Government is involved in some cover-up. Fortunately, I think that members of the press gallery are a little better schooled in the practices and procedures of this place than to fall for that nonsense. I ask the Leader of the Opposition again about the agreement entered into on the terms of procedure—that these requests would be made to the Ombudsman following the discussions between the two representatives and that if the Ombudsman was not prepared to accede to them it might well be appropriate to move a motion in this place.

The Leader knows that; he knows that that action could well have been taken at the appropriate time, but now he jumps in to try to cover up yet again the disgraceful way in which he has behaved as Leader of the Opposition. I have no hesitation in rejecting totally (and I call on all members to reject totally) this piece of political expediency. If appropriate action must be taken, it will be taken. Indeed, it was under way as a result of specific agreements between the Government and the Opposition, and it is outrageous for us to be confronted with this grandstanding nonsense today. This House has no cause to respect the way in which the Leader of the Opposition is handling this issue, and I suggest that members opposite should think about it.

The Hon. E.R. Goldsworthy: We've seen you in action before.

The Hon. J.C. BANNON: That does not surprise me: this is the Deputy Leader's type of politics. However, there are one or two other members with a little more integrity and a little better understanding of the political process.

The Hon. E.R. Goldsworthy: Trevor Griffin went to the meeting. You get up and tell them about that.

The SPEAKER: Order! I ask the Premier to resume his seat. I call the Deputy Leader of the Opposition to order. I remind the House of previous rulings and their consequences. The honourable Premier.

The Hon. J.C. BANNON: I am not surprised at the chiacking by the Deputy Leader. He is doing another job, trying to bolster up his Leader. I shall finish on this point: there is a limit to which the conventions and the parliamentary system can be tampered with. That limit has been demonstrated clearly, and this economy and this country suffered from it very severely in the period through 1975 and beyond. We have never had that problem in this State, and I find it appalling that the Leader of the Opposition, in his desperation to try to politically exploit a situation and bolster his electoral fortunes chooses to throw over convention in the same way.

If we cannot have some kind of trust on some matters, quite simply the State will not operate. The Deputy Leader will not be around for that long—I will be around for longer than he will be, but I will not be around for ever, either, and I suggest that not only present members of Parliament but those who will follow will find it impossible to maintain the stable and orderly process of government in this State if an Opposition behaves in this totally cynical and unprincipled way.

Members interjecting:

The SPEAKER: Order!

The Hon. D.C. Brown interjecting:

The SPEAKER: Order! The member for Davenport will come to order.

The House divided on the motion:

Ayes (21)—Mrs Adamson, Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown, Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen (teller), Oswald, Wilson, and Wotton.

Noes (23)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), M.J. Brown, Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne, Peterson, Plunkett, Slater, Trainer, Whitten, and Wright.

Pair—Aye—Mr Rodda. No—Mr Hemmings.

Majority of 2 for the Noes.

Motion thus negatived.

QUESTION TIME RESUMED

STATE TAXES AND CHARGES

Mrs APPLEBY: Will the Premier reassure the House that he does intend to keep his promise to freeze the range of State—

Members interjecting:

The SPEAKER: Order!

Mrs APPLEBY: —charges and taxes for the 1985-86 financial year?

Members interjecting:

The SPEAKER: Order! The honourable member for Brighton will continue with her question.

Mrs APPLEBY: I am sure that all members of the public would welcome reassurance on this point. It is essential that South Australia maintain a competitive position to attract industry, and it is equally essential that all South Australians receive some benefit, in the form of freezing of State charges, from the upturn in the economy. One would think that members in the House would dispute these points. However, on several radio stations this morning claims were made by the Deputy Leader of the Opposition that State charges would have to rise. As this claim is in complete contradiction to the Premier's statements in the past, could he please clarify the situation for the House?

The Hon. J.C. BANNON: No doubt exists that State charges for services provided by the State must be periodically and regularly adjusted. After all, the level of State charges determines the extent to which the public or community must subsidise those things. We have laid down a clear policy in this current financial year that I believe ought to be well understood in the community. A lot of untrue statements have been made by the Opposition in this area—a lot of misrepresentations. I would suggest that, in looking at the claims they make, the record should be set against those claims and they will be exposed for the untruths that they are.

For example, we may recall the statements made about State taxes. For the benefit of all members I will point out that we have ensured that, once prosperity was returned, once our State budget was returned to balance and our finances put into a healthy position, at least some of the benefits of that should be returned to the public in reduced taxes. That, indeed, has been brought down. In addition, as far as charges are concerned, we have ensured that this year water and sewerage charges have increased well below expected cost increases for 1985-86. We have ensured the same with electricity charges, to name two key areas.

As far as State taxes are concerned, apart from our tax package of 1983, we have kept a tight rein on those rates of taxes. It is time that the myth of South Australia as a high taxing State, which the Opposition has been attempting to run with, is laid to rest. It does this State a grave disservice by making these claims. I urge all members to read the report by the centre for South Australian Economic Studies on the South Australian economy. The centre is a joint venture of Flinders University and Adelaide University and the report shows clearly that South Australia is still below the national average in terms of the tax take and that State revenue raising from other sources is at the low end of the national scale.

The report looks at *per capita* State taxes and revenues for the 1984-85 financial year. South Australia is the third lowest State for tax fees and finance, collecting $589 *per capita* whilst New South Wales—the highest—collects $781 *per capita.*

Mr Ashenden interjecting:

The Hon. J.C. BANNON: The member who interjects is the one who wants our services to be the lowest in the country, too. He runs around trying to get us to increase expenditure on schools and roads, a stack of promises and letters from him. Where is he funding that from? He does not answer that question—he conjures that up out of thin air. I suggest that he decides which side of the argument he is on and stops trying to have it both ways.

Secondly, as far as *per capita* collections for other State revenues is concerned—non-tax revenues— we are the second lowest State, and that is a point that ought to be set up against the other one I made. They are simple facts and they are not produced by the Government: they are recorded by an independent centre for economic studies, and I quote from its report:

> The growth in tax revenue, both anticipated and unanticipated, can be largely attributed to economic conditions in the State. Over half of the increase in revenue in 1984-85 can be regarded as 'induced' by higher priority values and turnovers (increasing stamp duty receipts), and an increase in employment . . .

That point is worth noting most of all. Of course, if our economic prosperity and development improve, so indeed will the health of our Government finances and so indeed will our capacity to deliver those services that members opposite constantly demand for the electors of this State.

OMBUDSMAN

The Hon. E.R. GOLDSWORTHY: Is the Premier aware that the Attorney-General has asked Ms Beasley to stand aside as Ombudsman pending investigations? The Opposition was not aware at 7.30 p.m. last evening—as the Premier claimed—that she was to be asked to stand aside. That was a completely false statement by the Premier. I understand that the Attorney-General in another place has announced that Ms Beasley has been asked to stand aside. Earlier today the Premier refused to answer the question from the Leader whether she had agreed to stand aside. The Premier has persistently and continuously sought, since this matter became public, to proclaim loudly that it was a matter for Parliament and not for the Government. In fact, he has been seeking to get Parliament to take every move. Today the Premier had the opportunity of strengthening that call.

The SPEAKER: Order! The honourable member is debating the matter.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I ask whether the Premier is aware of that fact because, as I say, he has been saying that it is a matter for Parliament. If that request has been made, and if Parliament today had passed the motion that the Ombudsman stand aside, then obviously the Government's hand would have been greatly strengthened in this matter. Therefore, I ask the Premier whether, in view of what has transpired earlier today—the refusal to allow the House to express an opinion—he is aware that the Attorney-General has made that approach.

The Hon. J.C. BANNON: The Deputy Leader has quoted the Attorney's statement. I can understand why he reports about the knowledge of the Opposition. I can understand why perhaps he was kept in the dark. The way in which the Leader of the Opposition has behaved in this instance showed that he had good reason to keep his colleagues in the dark about this matter. The action taken—

The Hon. B.C. Eastick: That is false, and you know it.

The Hon. J.C. BANNON: If the honourable member has full knowledge, it is a very strange arrangement that has the four leaders agreeing that a certain course of action should be followed. The Attorney and the shadow Attorney, both people with legal training and understanding of the legalities and responsibilities in this matter, set about that task, and then the Leader of the Opposition just throws all that out the window and we get confronted with this nonsense. I can understand why the Deputy Leader of the Opposition has no knowledge of what has transpired. I find this whole thing quite outrageous. The action that has been taken is the proper and appropriate one, and Parliament will be the ultimate judge, as it should be.

CYSS

Mr MAYES: Will the Deputy Premier, representing the Minister of Labour in another place, make representations to his federal counterpart, the Minister for Employment and Industrial Relations, for clarification of whether there will be additional funding for State CYSS schemes to match the cost of the new CYSS award? On 1 November the new funding arrangements will be introduced for the CYSS schemes and the new award will be brought in in time for funding for the 1985-86 period.

As a member of two local committees—Action and Oasis—I have been advised by a departmental officer that funding will be available for certain new projects and for expansion of certain projects in the CYSS (Community Youth Support Scheme) area. However, I am also advised that some funding may not be provided for the expansion of those existing schemes which will not be reclassified. In effect, this may mean that funds will not be provided to cover additional award costs. I and many members of the community are concerned that such action will not be taken. Will the Minister take up this matter with his federal counterpart?

The Hon. D.J. HOPGOOD: I am happy to give that undertaking on behalf of my colleague in another place who has provided me with some information in relation to this matter which may be of interest to the House. As I understand it, agreement has been reached on new salary rates for CYSS project officers, but the award has yet to be handed down by the federal commission, so the rates are not yet operational.

I have no specific information as to when they are likely to come into effect. The South Australian CYSS committee on which the State Government is represented has met to discuss any difficulties which may arise for CYSS projects as a result of those new salaries. The committee will meet again on Monday 4 November. Prior to that, the CYSS secretariat in the Department of Employment and Industrial Relations will calculate the additional cost for all CYSS projects in this State so that those projects which could experience difficulties can be identified. Once these potential problems have been identified, the State CYSS committee intends to approach the Minister for Employment and Industrial Relations seeking additional funds for projects where this is necessary.

As I understand it, no CYSS project in this State has any immediate problems with funding, because it has just received its funds for 1985-86. However, if there is no additional Commonwealth Government funding a few projects may experience difficulty late in the financial year. So, my colleague will be only too happy to act along the lines indicated by the honourable member once advice is available from the 4 November meeting and once the results of that approach to the Commonwealth department are also made known to us.

OMBUDSMAN

The Hon. MICHAEL WILSON: My question to the Premier follows answers to questions that he gave yesterday in this House. Has the Premier made contact with the Prime Minister or Acting Prime Minister and asked that the Federal Minister for Aviation be instructed to provide the South Australian Government with all documents under his control that relate to the Ombudsman's international travel arrangements?

The Hon. J.C. BANNON: No, not at this stage. That is in accordance with the agreement that was reached between the Leader of the Opposition, myself, the Attorney-General and the shadow Attorney-General. The plan of action and the steps to be taken were to be devised by those two gentlemen and they would report back to me on the nature of an approach and when it should take place.

The Hon. D.C. BROWN: Has the Premier made contact today with the Chairman of Qantas asking for copies of documents and correspondence that will demonstrate whether the Ombudsman acted with or without the approval of the Chairman in seeking discounted international air travel for Ms Susie Mitchell and, if not, will he do so?

The Hon. J.C. BANNON: These matters are being handled by the Attorney-General and the Crown Law Office.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: Such requests have been made. Whether any further action is required of me will depend on the advice, on the basis of the agreement that we reached, from the Attorney-General and the shadow Attorney-General.

Members interjecting:

The SPEAKER: Order! In relation to all these matters concerning the Ombudsman, I take the view that the House is acting in a judicial, or at least a quasi-judicial, fashion, and I would ask honourable members to at least behave in that fashion, if at all possible.

RADON

Mr GREGORY: Is the Minister of Mines and Energy aware of a report in the *New Scientist* published on 26 September 1985 which referred to one house in every 20 in Cornwall being afflicted by radon gas and whether there have been investigations in South Australia to establish if houses are subjected to radon gas. The report goes on at some length to describe what is happening in Cornwall. It is believed that a number of houses in Cornwall contain 10 times more than the officially accepted level of radon gas and that the occupants of these homes have faced a considerable risk of death from radon induced lung cancer.

The report also suggested that the most dangerous source of lung cancer is from radon gas and that it is the largest source of radiation exposure. An analysis showed that the average dose for Britons in their homes was .39 millisieverts for the year, and that in Cornwall the average dose was 7.41 mSv per year. In Cornwall one in 20 homes was shown to exceed 23.9 mSv, and one in 100 exceeded 55.8 mSv. The highest dose was 320 mSv.

It appears that the worst example were houses built on granite and from granite. Some houses have been built over tailings dumps for mines but it is difficult to show the location of these tailings dumps and which are radioactive. The article goes on to state:

> Radon forms during the radioactive decay of uranium, which is present in the earth's crust in concentrations of a few parts per million. The gas seeps out of the ground continuously.

The last paragraph of the article states:

> There is no direct evidence from epidemiological studies in Britain that exposure to radon or other natural radiation such as thorium in buildings is associated with higher death rates from lung cancer. The research has not been done. But studies in Sweden, where houses have been condemned because of the risks from radon, have indicated such a link. And data from Czechoslovakian uranium miners has shown statistically significant excesses of lung cancer.

The Hon. R.G. PAYNE: On reflection, having heard the full explanation of the question, I think it probably would have been more accurately directed to the Minister of Health in view of the legislation that applies in South Australia with respect to radiological protection. However, I certainly undertake on behalf of the honourable member to ensure

that the question he raises is considered by the Minister of Health in another place.

The possibility of radiation hazards from tailings dumps is not unknown in South Australia, as is the case also with the possibility of radiation damage from radon. I believe that some work is being carried out in the Moonta area in relation to tailings dumps that relate to the copper workings over a long period of time. I understand that some measurements were made in that area. From memory, they related to radiation levels, but I am not so sure about radon.

However, I thank the honourable member for the question, because it is important. South Australia has a long history of mining, and there are no doubt areas of tailings that might well have been used for stabilisation and housing construction over it, perhaps constituting an unknown hazard to the occupants of those houses. I will ensure that the question is taken up and a reply provided by the Minister of Health.

COOBER PEDY SCHOOL

Mr GUNN: Can the Minister of Education say when sufficient funds will be provided by the Education Department to upgrade immediately the technical studies building at Coober Pedy, in view of the poor condition of that building? The Minister will be aware, following considerable correspondence between his department and the Coober Pedy school council, as well as from discussions that I have had with him and his departmental officers, that the building is in a deplorable condition and urgently needs upgrading. I understand that any future building could be a dual purpose building to be used by the school and TAFE. In view of the mining activity in that part of the State, it is imperative that adequate facilities be made available so that the students attending the school have reasonable facilities. At this stage, no indication has been given and the school council is extremely concerned. Can the Minister say when funds will be available and whether special arrangements can be made to alleviate this difficult situation?

The Hon. LYNN ARNOLD: I will get a detailed report for the honourable member and have it incorporated in *Hansard*, possibly by next week. I am aware of the needs of the school at Coober Pedy. I have visited the school, and I am aware that those needs encompass the need for a significant redevelopment at some stage, hopefully not too far away. I cannot give an undertaking regarding the redevelopment of the school. The honourable member's question related specifically to the technical studies area, so I will get a detailed report on that.

We have problems when we face issues such as that at Coober Pedy in terms of the cost of the work. Initially, when the toilet block issue arose at Coober Pedy, the parents and the student body complained about the condition of the toilet block there. I said then that we could not provide a new toilet block immediately because it would be far too expensive. Indeed, we would simply be spending $40 000 to upgrade the then existing transportable block as opposed to spending $200 000 for a new block. That matter has been resolved, but at great expense, as the final figure was about $120 000. Although there are major cost difficulties, I will bring down a detailed report for the honourable member.

ELECTRICITY TARIFFS

Ms LENEHAN: Will the Minister of Community Welfare investigate the situation whereby pensioners who live in granny flats or other accommodation separate from their families are presently ineligible for electricity concessions? When I visited the Reynella Senior Citizens Club in my district recently, several members raised this problem: some of them had put their money into building a granny flat or other accommodation separate from their families, but they were ineligible as pensioners to receive concessions on any payments, especially electricity bills. It was also put to me that perhaps they needed to have a separate meter or some device attached to the electricity meter box whereby they could be metered separately. However, investigations by my office have failed to find an answer for these people. Will the Minister therefore investigate this anomalous situation?

The Hon. G.J. CRAFTER: I thank the honourable member for her question, and I shall be pleased to investigate it if she gives me the relevant details. It may be a matter that should be referred to my colleague the Minister of Mines and Energy and possibly to the energy tariff review committee which he has established and which is looking into some of the physical problems that are associated with the metering of electricity usage. The interdepartmental committee that is advising me on concessions has developed criteria for special hardship situations in respect of electricity concessions, and I will also refer the honourable member's question to that committee. I remind members that that concession is the most generous of its type in Australia and that 110 000 South Australian households enjoy it at a cost of almost $6 million.

PERSONAL EXPLANATION: OMBUDSMAN

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

Leave granted.

Mr OLSEN: It disappoints me that the Premier, having dished it out, is not prepared to sit in the Chamber and listen to the truth in relation to his amazing response to the first question that I asked this afternoon. I shall deal with a number of allegations made by the Premier today. First, he said that at 7.30 p.m. yesterday the Opposition was apprised of the fact that the Attorney-General was making an approach to the Ombudsman. No-one on this side, neither the shadow Attorney-General nor I, has been informed at any stage or has received any indication from the Attorney-General or from any member of the staff of the Government that such an approach was to be made. So, in that respect the Premier has misled this Parliament.

It is factually inaccurate to say that we were informed that there was to be an approach at 7.30 p.m. yesterday to the Ombudsman, and that can be confirmed by the shadow Attorney-General (Hon. Mr Griffin). Mr Griffin had a meeting on this matter at 4.30 p.m. yesterday with the Attorney-General. The question was asked, 'Are you going to ask Ms Beasley to stand aside?' The Attorney-General said, 'The Government has not determined its view on this matter yet.' There has been no contact between the Attorney-General and the shadow Attorney-General or me since then (4.30 or 5 p.m. yesterday) until 11 a.m. today. There was no contact and no indication of what the Government's course of action would be. That indicates that the statement made by the Premier today was factually inaccurate, and I ask him to take the step of common decency at least to ask the Attorney-General about the veracity of the statement that I have just made, because the veracity of my statement is unquestionable.

In relation to other matters, the Premier referred to yesterday afternoon's meeting, which we agreed to attend at the invitation of the Government. I concurred in attending a meeting with the Premier on this matter because I considered that it was important and that there needed to be discussion. I further believe that the Opposition has a

responsibility in such matters to discuss the issues with the Government of the day. As the Deputy Leader pointed out, I made sure on this occasion that I took someone with me (the shadow Attorney-General), so that we could be sure of the discussion that took place. The following is a paragraph from the letter written by the Attorney-General to the shadow Attorney-General just prior to the meeting:

> I indicated to Mr Olsen that the Premier had asked me to provide you with a briefing, including documents and opinions to hand at present; secondly, to ascertain from you whether you have any suggestions on further action that could be taken; and thirdly, to discuss with you how the matter should be dealt with by the Parliament.

To that we responded in detail. The Premier well knows that when I visited his office yesterday, I said, 'The position of the Opposition is this.' I gave him the letter and said, 'That is the position from which the discussion should start. At least you know where we stand on this issue. We have held that position for a week.' We reiterated that the documentation made available to us affirmed, in our view, that the course of action that we laid down last week in the Upper House, again on Friday, again on Monday, and in correspondence to the Premier on Tuesday was our position.

We have not changed our position. We believe that the Ombudsman should stand aside and that there should be an inquiry so that we can get the facts of the matter, make an appropriate assessment and judgment, and give the Ombudsman an opportunity to respond and to put her point of view on the whole matter.

It is interesting that the only documentation that has been supplied thus far has been from the Ombudsman and her lawyers. The people who are declining to give any correspondence or information are the Premier's colleagues in Canberra. That brings me to the point of the Premier saying that we had agreed yesterday to this plan of action. What absolute nonsense. The Premier well knows that no plan of action was determined yesterday. We put our point of view, and it was clear; it is in the letter, and it was on the record first up yesterday.

In addition, I raised with the Premier the matter that a number of allegations had not come into the public arena. They were referred to the Attorney-General by the Hon. Trevor Griffin on Monday evening. I reminded the Premier that the allegations relating to the Ombudsman had not yet come into the public arena. I gave a commitment to the Premier that it was not my intention to throw those allegations—

The SPEAKER: Order! The honourable Leader's time has expired and he will have to seek leave to continue.

Mr OLSEN: I seek further leave.

Leave granted.

Mr OLSEN: I gave a commitment during Question Time yesterday that I did not intend to throw those allegations into the parliamentary arena. I have not done so and I do not intend doing so, until they stack up.

Members interjecting:

Mr OLSEN: It is all very well for the member for Brighton to choke. It was the Premier who asked on the radio a few days ago why I had not raised the matter, why I did not throw the whole question into the public arena 10 days ago because I knew about it. The member for Brighton should listen to the facts in order to understand clearly the position as it relates to the position of Ombudsman in South Australia.

The SPEAKER: Order! The honourable Leader is straying from the motion.

Mr OLSEN: There was no commitment or discussion involving a proposal that we ought not to contact the Prime Minister or the Chairman of Qantas in relation to seeking information. That simply was not determined yesterday. We said that it was important that the Chairman of Qantas make available information. We said also that it was a responsibility of the Premier and of the Government to seek that information from the Commonwealth Government because it might well hold the key as to whether Mary Beasley 'stays on the hook' or gets right off and is cleared entirely of this whole matter.

That matter was raised with the Premier yesterday; so no plan of action was determined, as the Premier would have us believe. Further, at that meeting yesterday we jointly agreed that we would not comment to the media after the meeting and that Question Time was the appropriate time for any discussion on the matter to take place. We agreed that the Premier would make a statement, and the Government agreed that I would have an opportunity to make a statement in response to the Premier's ministerial statement. However, what occurred? We saw a background briefing given to one journalist in town who reported on the front page of last night's later edition of the *News* a set of circumstances which were not accurate. Clearly, a background briefing was given to a journalist prior to Parliament convening at 2 o'clock which had a slanted version on the discussions that had taken place in the Premier's office—and well the Premier knows that. The Premier is now shaking his head—he does not know anything about that—but that happens to be the position.

Members interjecting:

The SPEAKER: Order!

Mr OLSEN: Over the past week we have consistently and unequivocally expressed a point of view on this matter. That has been firm and it has been documented in a motion moved in the Upper House and in correspondence to the Premier. The press release that I issued this morning was a reaffirmation of the position that we have held for a week, and a reaffirmation of the letter that the Premier had yesterday. There was no breach of any agreement or plan of action, because there was no plan of action, as well the Premier knows.

The statement I made this morning reaffirmed the position that we have had for in excess of a week. That is the position of the Opposition, and it is my position. It is consistent; it remains firm. I am disappointed that the Government did not see fit today to support a motion in this House to give the opportunity for members of this place to cast an opinion on whether Ms Beasley should stand aside in this matter.

Members interjecting:

The SPEAKER: Order! For the Leader to continue along that line clearly would be out of order. The honourable Leader.

Mr OLSEN: I conclude by reaffirming one or two points. First, the Opposition has never received any advice from any Minister or Government officer to apprise us of an approach to the Ombudsman at 7.30 last night. That is a statement of fact, the veracity of which can be checked by the Premier's asking the Attorney-General. Secondly, in relation to information from the Prime Minister and the Chairman of Qantas, the Opposition indicated that the Government was responsible for seeking that information. It is a continuing responsibility.

The SPEAKER: Order! The honourable Leader will need further leave of the House.

Mr OLSEN: I seek leave in order to conclude my remarks. I will be very brief.

Leave granted.

Mr OLSEN: I thank the House for its indulgence in this matter. Had the Government (and we reaffirmed this yesterday in correspondence that I tabled in the House) initially sought the information from the Commonwealth and Qantas before the matter became public, this matter would not be in the public arena, as it is now.

The SPEAKER: Order! With those remarks the honourable Leader is entering into the arena of being out of order for the second time.

PERSONAL EXPLANATION: LEADER'S REMARKS

The Hon. J.C. BANNON (Premier and Treasurer): I seek leave to make a personal explanation.

Leave granted.

The Hon. J.C. BANNON: I do not want to detain the House at any length on this matter, but a couple of points have been made by the Leader of the Opposition that do affect me in a personal capacity. I find it quite staggering that the Leader of the Opposition can continue his misrepresentation of the situation. It is certainly true that he presented a letter to the meeting that we had, and indeed he made the comment that as of that time, before getting involved in any discussion which may involve modifications of approach, this was the position that the Opposition wanted to put and it would be best put in the form of a letter. I remember at some stage later in the proceedings I requested whether the Leader intended to publish the letter. He did not think so at the time, but of course he put it in the record. I am not arguing with that, as that is fair enough.

Members interjecting:

The SPEAKER: Order! I ask the Premier to resume his seat. I ask that the Leader and all members of the House come to order. As I pointed out before, this is a very serious matter which affects the whole Parliament. The honourable Premier.

The Hon. J.C. BANNON: It was also made quite clear during the course of our discussions what the procedure would be, and we left the meeting with an agreed and understood procedure. I call it a plan of action. The plan of action was to take what the Leader of the Opposition had put in his letter and to follow it point by point. Yes, it is certainly true that the Opposition representatives were asked whether there was specific and further information that they felt should be obtained, what was their attitude to that matter and how should it be obtained. All those matters were discussed, and we left that meeting on the basis that the Attorney-General and shadow Attorney-General would meet and determine those questions and then advise me what action, if any, I was required to take in pursuance of this. The question of Ms Beasley standing aside and other matters were to be specifically raised.

The fact is that the Leader of the Opposition was on air at 7 o'clock this morning saying that discussions had finished and that nothing further was going to happen. If that constitutes some kind of faith in this matter, if that covers the points that I made, and if the things that the Leader has said answer the points that I have made, let the whole House judge that. The fact is that, by staggering misrepresentation, the Leader of the Opposition has picked up the opening of a discussion that took place, claimed that that was all that transpired, claimed that nothing happened and nothing was modified as a result of those talks and that therefore everything else he has said has been correct.

Clearly, that meeting determined that there would be a parliamentary approach to the matter and that the appropriate law officer and shadow law officer would deal with it. That was the plan of action, that was what was done and that has been made quite clear. Mr Griffin in another place has said so. It was agreed, he said, that the Government was prepared to put to Ms Beasley that she should stand aside voluntarily, that it would be put by the Attorney-General to her solicitors on the basis that both the Government and the Opposition agreed that that was an appropriate course of action to follow. Those are the words of the shadow Attorney-General in another place. They are totally consistent with what I have said.

Members interjecting:

The SPEAKER: Order! I ask the House to come to order.

PERSONAL EXPLANATIONS: OMBUDSMAN

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

Leave granted.

Mr OLSEN: The shadow Attorney-General has issued a statement today that clearly indicates that a discussion took place at 4.30 yesterday afternoon between the Attorney-General and the shadow Attorney-General, at which the specific question was asked: 'What is the Government's position in relation to seeking for Ms Beasley to stand aside?' The Attorney-General advised that the Government had not yet determined its position on that matter. That was at 4.30 yesterday afternoon when in fact, at the lunchtime meeting, we had sought, and we thought we had obtained, from the Government an agreement that it would follow that course of action. At the lunchtime meeting we said that the Ombudsman ought to stand aside, and there was agreement that the Ombudsman should stand aside.

At 4.30 yesterday afternoon the Attorney-General advised the shadow Attorney-General that the Government would have to consider its position on the matter. I do not know what happened between lunchtime and 4.30 yesterday afternoon, but there was in fact a variation of the position agreed to at lunchtime. In addition, I draw to the attention of the House the fact that the Premier was making some play that I had read a letter into the record yesterday.

The Hon. J.C. Bannon interjecting:

Mr OLSEN: The Premier did until I reminded him—

Members interjecting:

Mr OLSEN: The Premier did object until I reminded him that it was my intention so to do, and I advised him that that would form the basis of the statement I would be making to the House at 2 o'clock yesterday.

Members interjecting:

The SPEAKER: Order! The honourable member for Fisher.

Mr S.G. EVANS (Fisher): I seek leave to make a personal explanation.

Leave granted.

Mr S.G. EVANS: I thank the House and assure members that my personal explanation will pale to insignificance after those that have taken place in the last few moments. Members will have noticed that, just before the vote on the motion moved earlier in relation to asking the Ombudsman to stand aside, I had a discussion with some members. I did so because I was concerned, although I accept that I have agreed not to attend Party meetings. However, I believed that there would have been a discussion by the Liberal Party today about the subject. I have been assured that that was not the case and that the resolution was moved from the information that had been passed across the House or heard since last evening by the Leader or others, whether it be through the news media or from the Premier today.

My concern in approaching another member was because it is very difficult for those who do not belong to a Party (and I do) to gain information to be able to vote on such a motion if not fully informed. My approach was to ask other members whether they had been informed. I let them speak for themselves later. I wanted to see the motion passed (and that is why I voted for it), because I believe it is important for the Parliament to debate the issue, regardless of what the end vote may be on whether or not the

person should step aside. I say that because of a personal interest. It was through my persistence and determination during two Parliaments that the opportunity arose for the Ombudsman's office to be created. No political Party would accept it, but I have a personal interest because, now that it has been created, people see the office as important. I have a personal interest as I have always believed that the Ombudsman should serve only for a parliamentary term.

The SPEAKER: Order! The honourable member is entering into a debate and straying from the mark.

Mr S.G. EVANS: I am saying that, if the opportunity were given to debate the motion, that would be my personal view. I will stop there, as I have explained why I approached people. Other members may have noticed it and may have reported on it. I wanted to clear the air so that there would be no doubt as to my intention at the time.

NATURAL GAS (INTERIM SUPPLY) BILL

The Hon. R.G. PAYNE (Minister of Mines and Energy) obtained leave and introduced a Bill for an Act to secure from South Australia's natural gas reserves supplies of gas to meet the future needs of the State. Read a first time.

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

That this Bill be now read a second time.

I indicate to private members who may be concerned that, if necessary, the time taken up in the introduction of the Bill will be made available after 7.30 p.m.

It is with considerable disappointment that I bring this Bill before the House today. When this Government took office it took over the responsibility to do something about the very difficult situation in relation to the supply and pricing of natural gas to this State. The first step was the establishment of the Advisory Committee on Future Electiricty Generation Options, the Stewart Committee, which reported in May 1984, defining the supply, price and contractual problems and recommending a strategy for their resolution. The Government accepted that strategy and established the Future Energy Action Committee and under it a Gas Committee to pursue its implementation.

For more than 12 months the Government has been engaged in negotiations with the Cooper Basin producers in an attempt to reach agreement on new arrangements which will extricate the State and the producers from those difficulties. At times agreement has seemed close, but on each occasion fundamental differences have frustated the completion of satisfactory arrangements.

The primary problem is being able to guarantee supply. The reason that that is a problem is not the quantity of gas reserves which are physically available to meet the needs of the Adelaide and Sydney markets for the next few years. The real problem is the contractual arrangements which require that sufficient reserves of gas are established to supply the Sydney market until the year 2006 before further supply is available to Adelaide after the present gas sales contract with the Pipelines Authority of South Australia expires at the end of 1987.

Those supplies are not at present guaranteed and the Government is now in the situation, with the major gas users such as ETSA, Adelaide Brighton Cement, and a number of other industrial users, of requiring about two years to convert plant to alternative fuels, where the matter cannot be left unresolved and a solution must be achieved unilaterally. The Government would certainly prefer a negotiated solution and I would still not rule that out either before or after the Bill has been passed by this Parliament. Before explaining why agreement has not been achieved, I would like to remind the House of some of the history of this matter. In December 1963 the first Cooper Basin gas discovery was made at Gidgealpa.

In 1966 the Moomba field was discovered and proved by 1967 to contain sufficient reserves to develop for supply to Adelaide. Construction of a pipeline, however, could only be justified if a large consumer could be obtained. The Government convinced ETSA that it should be that customer and, with the development of Torrens Island as a gas rather than an oil fired power station, South Australia's electricity tariffs escaped the OPEC price shocks of the 1970s.

Contracts were drawn up between the producers and each of the South Australians users, including SAGASCO, Adelaide Brighton Cement, some relatively small industrial users, and ETSA. The State Government legislated to establish the Pipelines Authority of South Australia, and gas deliveries to these users began in 1969.

During 1971 the producers entered into a letter of agreement with AGL to supply the Sydney region to the year 2006, subject to the proving of adequate gas reserves. By September 1972 sufficient reserves were established to satisfy the lower schedule B requirements and the letter became binding.

The South Australian Government supported this expansion because it would mean throughput of sufficient gas to produce the required quantities of ethane and gas liquids for a petrochemical scheme and liquids project in South Australia. The Adelaide market was, at that time, catered for until 1991. That is, 20 years, and there seemed every prospect of significant future discoveries. But, by 1973, Santos was in financial difficulty. The impact of inflation had been serious and the Australian Resources Development Bank, which was financing Santos, would not extend any further credit unless more realistic price review arrangements were attached to the AGL letter of agreement.

There were inefficiencies with production stemming from the 16 fields capable of producing gas being separately owned in different proportions by nine parties. With two market areas to be satisfied from separately dedicated fields, it had become clear that setting up a single production unit would avoid fragmented and expensive separate developments and thus achieve considerable cost savings. The producers approached the South Australian Government seeking a price increase.

There followed from that a comprehensive review of arrangements which implemented the present contractual structure and the producers received a price increase from both PASA and AGL. The arrangement that the higher schedule A volumes of the AGL letter of agreement must be established before gas can be supplied to PASA under the future requirements agreement is modified only by the requirement that 213.5 BCF of fuel gas and ethane feedstock are reserved for use by a petrochemical project ahead of fulfilling all other contracts. Subsequently, there was a significant downgrading of reserves with reserves estimates at the end of the 1970s indicating a substantial shortfall on schedule A.

Since that time there have been several developments which have had a significant bearing on the Government's approach to this matter. The first was the price arbitration handed down in September 1982 which gave the producers an 80 per cent increase in the price of gas. The Liberal Government of the day was facing an election and negotiated the Goldsworthy agreement to phase in the increase over the course of 1982, but granted the producers increases totalling 165 per cent of the pre-arbitration figure over the period to the end of 1985.

That the prices set out in the Goldsworthy agreement were excessive was clearly demonstrated in 1983 when a three year price of $1.01 per gigajoule was handed down in the next AGL arbitration. This Government has been bound by the Goldsworthy agreement since it took office, but has sought in its negotiations with the producers some amelioration of the 1985 price of $1.62.

In April 1984 the Stewart Committee identified a number of difficulties with the PASA future requirements agreement and recommended that steps should be taken to resolve the future gas supply uncertainties. Specifically, this includes the implementation of gas sharing with AGL (supported by legislation) to permit continued gas supplies to PASA beyond 1987 from present reserves; revision of the future requirements agreement to remove features which may require PASA to purchase more gas than it is able to sell, and incorporate satisfactory arrangements for long term supply, pricing and exploration requirements; further discussions and investigations to define supply possibilities from Queensland and Bass Strait with respect to quantities and costs; and continued planning for possible conversion of some Torrens Island gas fired plant to burn imported black coal if satisfactory price and supply arrangements for natural gas cannot be achieved.

Legal advice obtained by the Government's Future Energy Action Committee subsequently indicated that legislation to implement gas sharing arrangements with AGL would be unlikely to withstand a challenge under section 92 of the Commonwealth Constitution. Negotiations with the producers to revise the future requirements agreement have been protracted but have not achieved a solution. This has impacted on the Government's ability to make alternative arrangements for supply from Queensland or Bass Strait because, if substantial contracts were signed for supply from either of those sources and gas subsequently became available from the Cooper Basin region of South Australia, PASA would have a contractual obligation to take up to 80 per cent of 100 petajoules per annum, if that quantity were available, at a price up to 110 per cent of the price of fuel oil subject to arbitration. That attaches a considerable commercial risk to entering into alternative supply arrangements if the Cooper Basin producers cannot guarantee supply.

In April 1984 the Stewart Committee cited a producers' forecast for September 1984 of Cooper Basin reserves which indicated that about five years supply would be available to PASA for supply under the future requirements agreement. The producers subsequently advised AGL that schedule A volumes were available but AGL has not accepted that declaration and an independent expert has been appointed under the terms of the AGL letter of agreement to determine the matter.

The independent expert's report will be binding on both the producers and AGL, and the Government has arranged with AGL and the producers for the independent expert to also report on the quantity of gas which could be available to PASA from petroleum exploration licences 5 and 6 when the matter is determined. The independent expert is not expected to report until mid-December 1985.

The Government and ETSA have proceeded with planning for a possible conversion of 400 megawatts of Torrens Island generating plant to black coal, and will further consider that matter when the independent expert reports in the light of expected future gas availability at that time. In deciding to legislate at this time, the Government obviously has serious concerns about the reserves situation and is not prepared to allow a situation to develop where the independent expert reports, determining that no gas is available to the Adelaide market after 1987 from the Cooper Basin region, and no alternative arrangements for ongoing supply after that time are in place.

The Government and the producers were originally discussing long term supply arrangements but the Government has been obliged to consider only a five-year contract because of uncertainties about reserves. Various figures and estimates have been given to the Government, the Stewart Committee and the Future Energy Action Committee since 1983. The producers have also changed the assumptions on which they calculate reserves.

In the derivation of figures from mid-1984, the producers have reduced the porosity assumption for the structures from 9 per cent to 8 per cent. However, the Department of Mines and Energy believes that the correct figure is over 10 per cent for many of the fields. The effect of reducing the 9 per cent porosity figure to 8 per cent, rather than perhaps raising it, is a significant apparent improvement in reserves. But these additions are gas reserves on paper; they are not new discoveries.

The department has identified a range of differences between their estimates and the producers' estimates, some of which are quite large, resulting from differences of opinions on the porosity cut-offs for the gas reservoirs and other technical aspects such as mapping interpretation of the structures and disagreement on the materials balance estimates on the reservoirs. The producers have also adjusted the so-called abandonment pressure of their fields in estimating reserves. Again, the result is an increase on paper.

However, the abandonment gas, even though it is included, would probably not be considered producible at today's prices. Furthermore, by adjusting the drill stem cut-off test parameters, the producers have also included reservoirs for which the gas flow rate was previously considered uneconomic. For these reasons, and a number of other technical concerns, I am advised that we cannot yet be confident about the reserves.

These concerns cannot be satisfactorily resolved by discussion and agreement between the Department of Mines and Energy and the producers because the problem is contractual, and the only assessment of reserves which will affect the contractual situation is the report of the independent expert appointed under the AGL letter of agreement. The producers, although asserting that there is no reserves problem, are not prepared to guarantee supply. The negotiating team concentrated on that aspect but could not achieve a satisfactory result. The State must have a demonstrated and secure supply to enable it to enter into a contract. Therefore, the State has had no option but to use the petrochemical fuel gas and ethane feedstock as the backup for a supply arrangement.

If a satisfactory determination of schedule A is obtained and there are additional reserves or new discoveries, the State will not need to draw on the petrochemical fuel gas and feedstock. The result could be a significant delay in the target date for a petrochemical project. However, if the reserves are insufficient, the State will have to draw on the fuel gas and feedstock. If it is necessary to draw on the ethane feedstock, the possibility of a petrochemical project will be very much at risk.

Establishment of this supply arrangement, providing Adelaide's present projected requirements for five years, will provide the necessary breathing space to enable the Pipelines Authority to enter into investigations and negotiations for further supplies from the Cooper Basin and elsewhere. The Government attempted to negotiate an agreed arrangement for a five year supply, based on the backup of the petrochemical fuel gas and ethane, but the producers raised certain legalities which they asserted prevented them from entering into such a contract. The Government has been left with no other option than to proceed with this legislation.

The detail of the legislation is necessarily quite complex, but what it will achieve is quite simple. The Bill reserves a quantity of gas, which is the difference between the maximum contract quantities set out in the first schedule to the present gas sales contract for the years 1985, 1986 and 1987, and the actual amount taken by PASA from 1 January 1985, and the gas reserved by the deed of covenant and release for a petrochemical industry in this State. In addition, it makes provision for ethane to be supplied, if necessary, as if such quantities formed a part of the quantity of reserved gas. That gas will be supplied in annual contract quantities of up to 100 petajoules in 1985, 95 petajoules in 1986 and 1987, and 100 petajoules thereafter, as agreed between PASA and the producers but, failing agreement, as determined by the Minister.

The price of gas will remain at $1.62 per gigajoule for the currency of the Goldsworthy agreement, that is, until the end of 1985. From then and until the next AGL arbitration is handed down, the price will be set according to a formula based on the last arbitrated price of $1.10 in 1982 and escalated to take account of inflation. That will give effect to a reduction in price of about 10 cents in 1986. When the AGL arbitration is handed down, the price will be set at the AGL arbitrated price. That will remove any disparity between the field gate prices applying to the Sydney and Adelaide markets.

The Bill voids the PASA future requirements agreement, allowing the Pipelines Authority of South Australia to enter into new contracts with the Cooper Basin producers, or gas producers elsewhere, such as South-West Queensland or Bass Strait, for further supplies to the Adelaide market, without the commercial risks that would apply if that document remained. In so saying, I would like to make it clear that this Government will only enter into new contracts for gas which is proven to be available and not for gas which has yet to be found. The Bill provides for a restriction on the production of gas in South Australia for supply to contracts other than those existing at the time of the commencement of this Act, without the approval of the Minister.

This provision will ensure that South Australia maintains a right to ensure that all gas discovered in this State, with the exception of that which is already committed, can be applied to South Australia's energy needs. This Bill must be enforceable and ensure that the Minister will be able to deal with a contravention or failure to supply by varying, suspending or cancelling a petroleum production licence. A person who contravenes or fails to comply with a provision of the Act will be guilty of a summary offence with a penalty of $1 million and $100 000 per day in respect of a continuing offence. These provisions may seem unnecessarily punitive but, given the possible profitability of an offence, they are necessary to ensure compliance. It will be a defence to a charge of an offence against this Act for the defendant to prove that the circumstances alleged to constitute the offence arose from circumstances beyond its control.

The Bill contains provision to ensure that no action can be taken or civil liability incurred by the Crown, the Minister, the Pipelines Authority, a member of the Pipelines Authority or an employee, or a person acting on behalf of the Crown or the Pipelines Authority in relation to the operation of the Act. The producers are protected from civil liability in complying with the Act, and there is no right to enforce a mortgage or other security arising by reason of compliance with the Act or an obligation imposed under it. Attached to the Bill is a schedule setting out the necessary technical and administrative arrangements for supply of gas under the Act.

As I stated at the outset, I am disappointed, indeed distressed, that a satisfactory agreement with the Cooper Basin producers has not been achieved. I certainly do not close off the possibility of such an agreement yet being achieved. However, the Government has a responsibility, indeed an obligation, to ensure that South Australia's necessary gas supplies are guaranteed at a price which is reasonable. The Government must ensure that the matter is resolved. I seek leave to have the explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides for the commencement of the Act. Clause 3 sets out definitions. Clause 4 reserves certain quantities of gas from the Cooper Basin region. Clause 5 obliges the Cooper Basin producers to supply the reserved gas to the Pipelines Authority of South Australia. Detailed terms and conditions as to the supply of the gas are set out in the first schedule.

Clause 6 sets out the price to be paid for the gas. Subclause (4) requires the authority to pay for 80 per cent of the gas required to be supplied in a year whether it takes the gas or not. Clause 7 reserves ethane but allows the producers to include ethane with gas supplied to AGL and to the authority to bring that gas to the required quality. Clause 8 ensures that the gas supplied to the authority is used for the benefit of the State.

Clause 9 makes the PASA future requirements agreement void. Clause 10 requires that future production of natural gas must be approved by the Minister. The provision is subject to qualification set out in subclause (1). Clause 11 gives the Minister power to alter, suspend or cancel the petroleum production licence of a producer who fails to comply with the Act. Clause 12 is an offence provision. Clause 13 provides a defence in the case of circumstances beyond the control of the defendant. Clause 14 limits the liability of the Crown, the Authority and the producers. The first schedule sets out the terms and conditions on which gas is to be supplied under the Act. The second schedule delineates the Cooper Basin region.

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

MINISTERIAL STATEMENT: OMBUDSMAN

The Hon. G.J. CRAFTER (Minister of Community Welfare): I seek leave to make a statement.

Leave granted.

The Hon. G.J. CRAFTER: There are certain matters that the Attorney-General wishes to draw to the attention of the Parliament and the public of South Australia in his capacity as Attorney-General and chief law officer of the Crown. I propose to read a statement that he made to the Legislative Council earlier this afternoon, as follows:

I first address the question of why it would have been improper for the Parliament to have acted to dismiss the Ombudsman yesterday. Many in the community might ask why the Parliament did not act to dismiss the Ombudsman yesterday. This was reflected in the media, including the *Advertiser* today both in a column by journalist Des Colqhoun and in the *Advertiser* editorial. Both argued that the Ombudsman should have been removed yesterday. They then suggested that the reasons that this did not happen were political. While I do not deny that there are political implications in a parliamentary decision to dismiss an Ombudsman, I am disappointed that some base political motive has been attributed to the decision not to move yesterday for the removal of the Ombudsman. As an aside, I should say that it could equally be argued that the most convenient political decision was to dismiss her yesterday and remove the issue from the political

agenda. As Attorney-General, I can only say that the course of instant dismissal is simply not open to the Parliament.

I have been responsible for advising the Government on this issue and have insisted from the outset that the Government and the Parliament had no alternative but to deal with this matter calmly, dispassionately and in accordance with the law and principles of natural justice.

Parliament cannot constitute itself as a kangaroo court to charge, try and convict a public official such as the Ombudsman without following proper procedures, without ascertaining all the facts, or without providing the Ombudsman with a chance to comment on the issues of fact or address the complex legal questions involved. Parliament has very heavy responsibilities with respect to the dismissal of high public officials such as judges, the Ombudsman, and the Auditor-General.

Parliament would be doing itself and the community a grave disservice if it responded to the political whim of the moment and moved for instant dismissal. This is particularly true in the light of the fact that the Parliament has before it the advice of the Solicitor-General, Mr. M.F. Gray, Q.C., which indicates that on the information available to him that course was not open to the Parliament.

One only has to consider the procedures that are required to dismiss a public servant or other employees of public authorities. The law is clear that the courts require the procedures of natural justice to be followed. Allegations must be properly investigated, charges must be laid, and the employee given notice of them at an early stage of the proceedings and the opportunity to comment. Ultimately the matter is determined, usually by a tribunal before which the charged person has the opportunity to argue and to defend their position.

Here I refer to the words of Bowen L.J. in *Leeson v. General Council of Medical Education.* He said:

(The statute imports) that the substantial elements of natural justice must be found to have been present at the inquiry. The accused person must have notice of what he is accused. He must have an opportunity of being heard and the decision must be honestly arrived at after he has had a full opportunity of being heard.

I continue with the statement, as follows:

It is worth recalling also that even in the private sector rights exist to seek reinstatement on the grounds that a dismissal was harsh, unjust, or unconscionable. Furthermore, any other employee has redress to the courts if the employer has acted improperly and may seek damages if an employer has wrongfully dismissed the employee.

It would be reprehensible for the Parliament to act with no regard for the principles of natural justice that are so firmly entrenched in our society. In this particular case the Solicitor-General, Mr Gray, had indicated that there was no basis for action on the facts known to him. If this were a case divorced from the media attention which it has received, then any investigation would have taken longer and involved more detailed enquiries. Following that, the allegations would have been put to the person concerned for an opportunity to comment.

However, in this case, because of the media attention and because of the requirements of Parliament, some report was needed by Tuesday. Upon consideration of that report it became clear that further investigation was required and that a mechanism should be established to enable that to happen. This was agreed to by both parties.

The Parliament is the supreme legislative body invested with certain privileges and in general its procedures are not justiciable in the courts. Nevertheless, there is a heavy responsibility on Parliament to ensure that the correct procedures are followed and that Parliament takes action based on all the facts. This issue has the potential to rouse constitutional issues of the highest importance, including the extent to which courts would find a decision in this matter justiciable. The Solicitor General's view is that the matter could be determined by the courts. I will take a more restrictive view of justiciability, as I will indicate shortly. Nevertheless, however that is ultimately resolved, if the matter does go before the court, Parliament must be seen to have behaved impeccably in terms of its procedures.

Commentators have suggested that the following course should be adopted in determining whether the Parliament should make an address under the similar provisions of section 75 of the Constitution Act concerning the removal of Supreme Court judges:

(1) The joint address should originate in the Lower House.

(2) The charges should be definite and clear and should be such as would be sufficient, if proved, to justify removal.

(3) No address should be made without the fullest and fairest inquiry including a right to be heard.

(4) The address itself should clearly state the circumstances upon which the address is based and the findings of the Houses.

These procedures would seem to be appropriate in the case of the Ombudsman no less than the case of a Supreme Court judge. The Ombudsman is also entitled to a fair hearing. The Ombudsman is entitled to know the allegations against her and is entitled to attempt to meet them.

The Parliament must collect such information as will enable the Parliament to properly consider the allegations that have been made, that is to enable the Parliament to determine whether charges should be laid and whether the Parliament should proceed to consider those charges.

The second issue which I feel compelled to draw to the attention of the House is that there is room for argument in relation to some aspects of the Solicitor-General's opinion tabled yesterday. In particular I take the view that:

(i) with respect to the powers of the Parliament under section 10(2) of the Ombudsman Act that these powers are not restricted to cases of misbehaviour or incompetence but that the Parliament is unfettered in its power to make an address to remove the Ombudsman. Section 10(2) provides for a separate means of dismissal than section 10(3);

(ii) even if the Solicitor-General's view is accepted that misbehaviour must also be shown in order for the Parliament to act under section 10(2) of the Ombudsman Act, questions arise as to whether a court would impugn Parliament's decision on the facts as known at present. There must be some doubt that a court would interfere with the decision of Parliament in this regard, especially if there was some reasonable factual basis for Parliament's decision.

Before Parliament starts to consider any allegations, I will table a formal opinion on these topics. However, as Attorney-General I felt obliged to draw my views on these issues to Parliament's attention. I can assure the House that I intend to continue to deal with this matter in a proper manner, in accordance with the law.

SITTINGS AND BUSINESS

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

That the time for considering 'Notices of Motion: Other Business' be extended until 8 p.m.

Motion carried.

NORTH-SOUTH TRANSPORT CORRIDOR

The Hon. D.C. BROWN (Davenport): I move:

That this House:

(a) takes note of the public concern that the three options proposed in the Coromandel Valley roads study conducted by the Highways Department will all redirect a significant portion of traffic from Flagstaff Hill and further south through Coromandel Valley, Blackwood and Belair; and

(b) calls on the Government to give a high priority to the construction of a north-south transport corridor to ease the traffic congestion at Darlington and to improve access from the southern region to the central and northern regions of Adelaide.

In moving my motion, I would like to bring to the attention of the House first the details of the Coromandel Valley roads study report and, secondly, the devastating effects that the decision by this present Government to scrap the north-south transport corridor is already having on people who live in the southern metropolitan region and, in particular, the people who live in Coromandel Valley, Blackwood and Belair.

In the days of the Tonkin Government, when the member for Torrens was Minister of Transport, it was decided to commission a study to look at new road options through Coromandel Valley. That was done in 1980 and eventually, five years later, that report was produced. In itself the report is an extremely good one and I would like to take this opportunity to commend the officer from the Highways Department who wrote it. As someone said to me, not only

is it a report that seems to have examined the possibilities very thoroughly, and to have laid down a great deal of useful information, but also for once it is a Government report that is readable and literate. It is an extremely good report, and I suggest that honourable members should pick up a copy of it and read it.

That report put forward three options relating to traffic travelling through Coromandel Valley. The first is from Coromandel Parade, using Winns Road and then the main road through Coromandel Valley. The second option is to upgrade the existing main Coromandel Valley road, which is the present arterial road and the main access through the valley. For those people who know that road, it is very winding and narrow, and there have been a number of deaths on it in recent years. Indeed, in the last five years I think there have been four deaths. One can actually see the scars on a number of the trees, and one could almost write the names of the persons killed alongside each of those scars.

The road passes through an area that has expanded very rapidly in terms of residential development. On that road is located a rather significant primary school where recently, in the past 12 months or so, two children were knocked over trying to cross the main Coromandel Valley road when trying to get to school. It is interesting to note that in the past few weeks the present Government has turned down a request from the school and from me, as shadow Minister of Transport and member for Davenport, for a school crossing to be constructed adjacent to that school.

At this point I stress that I find it astounding that the Highways Department has laid down a set of rigid criteria that must be adhered to before a school crossing can be accepted and, if those conditions are not adhered to, there is no school crossing. It would appear that statistics relating to deaths or people being knocked off bikes while trying to cross the road to get to school are irrelevant. I point out that there is a vast difference between a straight road, where you can see what is coming, and a very winding and narrow road, as is the case through Coromandel Valley, where it is very difficult for children to see what traffic is coming. A car may be travelling at 60 km/h and it could reach a child who was walking across that road before the child had a chance even to cross the road.

The third option is a new bypass, known as the Western Valley bypass, including Murrays Hill Road, Craigburn Farm, and back on to Coromandel Parade. It is obvious, from my considerable contact with local residents, that there are differing opinions on which option should be accepted. They realise that the Highways Department and the Minister of Transport have put a low priority on the construction of this road. The report indicates a diversity of opinion, particularly in Coromandel Valley, but residents realise, as the Minister of Transport has stated, that the three options, if adopted, would be long-term options.

I asked the Minister during the Estimates Committee what was his earliest estimate of the time for doing the work, and he said that it would be between five and 10 years before work even started. Considering the magnitude of the work required (involving about $5 million or $6 million) and the length of road involved, one can estimate that it would take at least 10 years, probably 15 years, before construction started on any of these proposals. The majority point of view is that work should start immediately on minor upgrading of Coromandel Valley Road.

The problems in Coromandel Valley are arising now largely because of problems elsewhere, especially traffic congestion along the bottom of Flagstaff Hill Road where vehicles are banked up trying to get across the intersection of Flagstaff Hill Road and South Road, and also because of the considerable traffic congestion along Main South Road from Darlington southward where invariably the traffic is banked up in the morning from Darlington to the Victoria Hotel at the top of O'Hallaron Hill.

So that members may appreciate the magnitude of the problem, I will relate the length of the bank-up of traffic that occurs on average every morning. About 1.7 kilometres of traffic is banked up to get through one intersection alone at the bottom of Flagstaff Hill. Last Monday morning, it was reported to me by the local councils involved that further considerable delays had occurred and that traffic was banked up for well over two kilometres. Indeed, one morning recently it was banked up for 3.5 kilometres trying to get through that one intersection with a single lane bridge at the bottom of the hill, a single lane feeding into that bridge and only a dual lane feeding out of it through the intersection. Delays of up to 30 minutes are not uncommon at that intersection.

The problem is that every time a delay occurs, especially a bad delay, the drivers next morning decide to take a different route to Adelaide and travels along Blacks Road, from the Aberfoyle Park, Flagstaff Hill and Happy Valley areas, through Coromandel Valley, Blackwood and Belair to Adelaide. I have personally seen traffic banked up from the bottom of Old Belair Road to the top of that road trying to get through the roundabout or through the intersections at the bottom of Old Belair Road. Imagine the fuel consumption, the pollution, annoyance, frustration and the waste of productivity from this congestion, occurring in a city which the Premier boasts has the best roads of any Australian capital city. I cannot accept that statement: it has no credibility, and one only has to go south to see the magnitude of the problem.

An honourable member: Which city does have the best roads?

The Hon. D.C. BROWN: It is certainly not Adelaide when one sees the traffic problems and congestion south of the city. I invite members to come down south to any of the public meetings of the kind to which I have been invited, or to speak to the residents, and experience the anger, annoyance and frustration of those people. It is not for political reasons that every single council in the southern metropolitan region of Adelaide has come out wholeheartedly supporting the construction of the north-south transport corridor. The Willunga, Noarlunga, Happy Valley, Marion, Brighton and Glenelg councils, as well as councils closer to the city, have expressed their strong support for the north-south transport corridor as we have modified its proposed route.

The evidence is that there has been little or no planning and that the little planning that was done was scrapped by the Bannon Government in March 1983 when it decided to scrap the north-south transport corridor. In scrapping that corridor, it condemned the people of the southern metropolitan area to a number of things: first, to long, tiring journeys to and from work, if they could find work; secondly, to the inability or unwillingness of companies to establish plants in the southern metropolitan area because they would suffer from traffic difficulties; and thirdly, to impose on residents of Coromandel Valley, Blackwood, Belair and other areas a heavy traffic volume as a result of motorists trying to escape the traffic congestion and delays in the south.

There is evidence that a north-south transport corridor is needed—evidence that the Government has not refuted, yet it still has not provided an alternative to the corridor. The Bannon Government decided to scrap the corridor when it claimed that traffic in Adelaide was growing at a rate of only 1 per cent a year, but the latest evidence is that traffic is growing at a rate of between 3 and 3.5 per cent a year—at about three times the level predicted by the Bannon

Government when it decided to scrap the north-south transport corridor. That figure is based on evidence produced by the Highways Department. It is ironic that there is now a notice in the Highways Department stating that all traffic growth figures can be supplied to members of the public (as they always have been) but not to Opposition members.

Mr Oswald: It's outrageous!

The Hon. D.C. BROWN: Yes. That is the basis on which this Government is prepared to administer this State: it is deliberately withholding factual information from the Opposition.

Mr Hamilton: When you were in office, you told us that we should go through the Minister.

The Hon. D.C. BROWN: If any member of the public can ring up and get such information, why should an Opposition member not be able to do so? That indicates how political this Government has become. The second piece of evidence not refuted by the Government is that the population of the southern metropolitan region is expected to increase by 46 per cent within the decade between 1981 and 1991. More recent population projections seem to indicate that this figure will be met or even exceeded, yet there has been no answer to that from the Government. Within a 12 month period, more than 4 000 new homes have been approved in the southern region. A survey has shown that 60 per cent of the people living in those homes must travel north of Darlington to find employment (if they can find it in this State at present). An average of about 1.5 wage earners per household means that there are about 4 000 new journeys a year involving people trying to get over the southern escarpment in the Darlington area, and the traffic congestion is increasing at an alarming rate.

The Deputy Premier announced that the major expansion area for Adelaide in the foreseeable future should first be Morphett Vale East, involving 7 500 new homes, and Seaford, with 5 000 new homes. This Government set up the development in that area, yet it has condemned those people by cutting off their arterial road transport network and thereby stifling any reasonable chance they may have of getting into Adelaide. I find incredible the emotional basis on which the Labor Party in this State is trying to counteract the sorts of facts that I have put forward.

Mr Trainer interjecting:

The Hon. D.C. BROWN: I realise that what the honourable member has said in his pamphlet is fanciful, and I am about to refer to it. I have a copy of the pamphlet, which indicates that it was put out by John Trainer, MP, ALP candidate for Walsh, and which one could describe as being full of lies or fictitious thoughts that must be wandering around in the honourable member's mind.

The Hon. D.J. HOPGOOD: On a point of order, Mr Speaker, I note that the honourable member has used an unparliamentary term, namely, 'lies', and I ask that it be withdrawn.

The SPEAKER: Order! I ask the member for Davenport to resume his seat. I did note that the member made an attempt to qualify the word 'lie', but he must withdraw completely.

The Hon. D.C. BROWN: I certainly withdraw the word 'lie'. I point out to members that they can make a judgment for themselves as to the false facts contained in that pamphlet.

Mr Whitten: What are false facts?

The Hon. D.C. BROWN: False information, provided in the pamphlet. The honourable member has drawn a map of his electorate, with the proposed north-south transport corridor running through it. It is interesting that the line that he has drawn to indicate the proposed north-south corridor is not drawn to scale. While all the other roads shown are drawn to scale, the line indicating the proposed north-south corridor is about 300 metres wide.

Mr Trainer: What does it say in the bottom right-hand corner of that page?

The Hon. D.C. BROWN: It is about 10 times the width of Anzac Highway.

Mr Trainer: The words 'not to scale' appear in the bottom right-hand corner of the page.

The Hon. D.C. BROWN: Listen to the honourable member react: he himself is acknowledging now that the pamphlet is not right. He has drawn this great big thick red line through his electorate—10 times the width of Anzac Highway.

Members interjecting:

The SPEAKER: Order! I ask the honourable member to resume his seat. Even though it is private members' afternoon, the line must be drawn somewhere. I ask the member for Davenport to refer to members by their correct designation, and I ask the member for Ascot Park to desist from shouting into the microphone.

Mr Oswald interjecting:

The SPEAKER: Order! The member for Morphett will not interject when the Speaker is on his feet.

The Hon. D.C. BROWN: In the pamphlet that the honourable member has sent out to his electorate he has shown the north-south corridor as being 10 times wider than Anzac Highway: Anzac Highway has four lanes in both directions, with a huge median strip, as well as parking bays, footpaths and vegetation on each side of the road, whereas the north-south corridor is due to have only three lanes in each direction. So, that indicates the sort of credibility of the member for Ascot Park. I refer to another piece of information that the honourable member has handed out to people in his electorate.

The Hon. G.F. Keneally interjecting:

The Hon. D.C. BROWN: If the Minister looks at the map that I have drawn, he will find that it is about the same width as South Road. I point out, too, that the member for Ascot Park has claimed that 800 homes could be destroyed. During the Estimates Committee proceedings the member for Ascot Park asked the Minister of Transport how many homes would be affected by the north-south transport corridor, to which the Minister replied that 500 homes would be affected. However, that is not the information that the honourable member put in his pamphlet, according to which it is 800 homes. I even dispute the figure given by the Minister of Transport—I think that that figure is grossly wrong, to say the least.

However, it just shows that, even though the official *Hansard* record shows that the Minister of Transport indicated that 500 homes would be affected, the member for Ascot Park decided to pick the figure of 800 homes. The member for Ascot Park ridiculed our finding $250 million to build the corridor. However, the Opposition has indicated from where the money would come: it would come from fuel tax money, which previously the Government has stolen from the Highways Fund. That money would be put back into revenue.

Mrs Appleby interjecting:

The Hon. D.C. BROWN: It was a theft, Madam, and the honourable member's constituents know that, and they are very upset with the way the Government did that. I have indicated to the Government that we would get the required funds from fuel tax money, by returning that money, quite rightly, to the Highways Fund. Two or three weeks ago, out of the blue, and in desperation, knowing that the policies on southern transport had completely fallen apart, the Government announced a $100 million railway line, which would be a very small spurline servicing only one part of the area involved.

Mr Groom interjecting:

The Hon. D.C. BROWN: At least I am able to indicate that the $250 million would come from the Highways Fund. Where would the Government get $100 million for the railway line? Further, as recently as in the past 12 months the Government has put up for sale, and allowed people to build on, properties on part of that railway corridor. The Government cannot deny that.

It has been pointed out to me that we are in private members' time and that that time is limited. I have agreed to stick rigidly to a time limit, and as I have further facts that I want to put to the House I shall seek leave to continue my remarks later, as it is absolutely crucial that I give further evidence to the House, first, which shows that the transport corridor proposal that we have put forward is necessary and, secondly, to highlight further the damaging effects that the decision to scrap the corridor is having on other areas such as Coromandel Valley. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

PERSONAL EXPLANATION: MEMBER'S REMARKS

Mr TRAINER (Ascot Park): I seek leave to make a personal explanation.

Leave granted.

Mr TRAINER: I shall not have an opportunity for at least a week to respond in full to comments made by the honourable member who has just resumed his seat, and therefore I take this opportunity only to respond to comments that the honourable member made regarding some literature that I have circulated to people in my electorate. I take this opportunity to correct one or two points that he made.

First, I was accused of having deliberately misled people in my electorate by claiming that in excess of 800 houses would be destroyed—a number far greater than the honourable member opposite believes to be the case. In response to this I draw attention to a comment made in *Hansard* of 10 October 1985 (page 1278), which indicates quite clearly from official material that the number of properties that would be required would be 889. Secondly, the member opposite claimed that I had misled people by attempting to portray in the leaflet the proposed freeway as being wider than will actually be the case.

However, I point out that the diagram that appears in the pamphlet is purely a schematic one to show the route that would be followed, and it indicates quite clearly in the bottom right-hand corner the words 'not to scale'. Nothing like that warning was attempted in the map which was released by the member opposite, which infringed copyright, because quite clearly it comes from a street directory, and which portrays a corridor which clearly appears to be half a mile wide.

ENTERTAINMENT EXPENSES

The SPEAKER: Before calling on the honourable member for Coles, I point out that I notice her return to the House and welcome her back.

Honourable members: Hear, hear!

The Hon. JENNIFER ADAMSON (Coles): Thank you, Mr Speaker. I appreciate that welcome very much indeed, and I would like to say how much I missed the House during my absence. I move:

That this House condemns the proposal by the Hawke Labor Government to remove tax deductibility for hospitality and entertainment expenses legitimately incurred in business dealings and recognises that—

(a) the major proportion of revenue earned by many restaurants is through business expenditure;

(b) business expenditure is likely to be significantly reduced as a result of this measure, thereby placing in danger a significant number of the 27 000 jobs in South Australia's restaurant industry; and

(c) the closure of restaurants through falling patronage will not only reduce revenue to the State through a wide range of charges, but will also reduce the $1 million annual revenue from licence fees.

When my motion was put on to the Notice Paper when Parliament opened earlier this year, the necessary legislation and its enactment had not occurred. I was at that stage prophesying what I believed and what the restaurant industry believed would occur. In the period that has elapsed since then—some two months or more—it is quite clear that the worst fears of the hospitality industry are being realised. The result of that is an adverse effect on employment in this State. The adverse effect is particularly apparent in the areas most acutely affected by unemployment, that is, young people and women.

South Australia's licensed restaurants are as varied in type, style, decor, ethnic theme, standard and method of service as can be achieved by the entrepreneurs who have established and conducted them. This is a social benefit to South Australians who are given a wide variety of choices as to the style and type of restaurants and the cost of meals and beverages provided for them. The majority of restaurants have high seating capacity: 28 per cent seat between 60 and 100 people and 40 per cent seat in excess of 100 people.

That statement is taken from a submission from the South Australian Restaurant Association relating to certain proposals contained in the draft white paper, 'Reform of the Australian Tax System'. It is worthy of comment that the word 'reform' implies by definition a change for the better. The changes which have been implemented at the instigation of the Treasurer, Mr Paul Keating, by the Hawke Labor Government could not in anyone's language be described as a change for the better. In the view of the tourism and hospitality industry, and in the view of business generally, those changes are most definitely a change for the worse.

It is worth looking at the revenue generated through sales by restaurants in this State. The association has estimated that licence fees assessed (that is, on the basis of 11 per cent on purchases) in the year ending 21 December 1984 amounted to $1 185 000. The total amount of liquor purchased was estimated to be valued at $10 772 800. Liquor sales value, at 150 per cent on-cost, was $26 932 000, and food sales, based on the liquor to food ratio of one to two, was $53 864 000. That is a total of estimated sales through restaurants of $80 796 000—a very significant turnover in anybody's language of business in this State. That turnover has been hit for six as a result of the Keating legislation.

The restaurant industry and, indeed, the hotel and hospitality industry generally is particularly labour intensive, with labour costs representing an average of 30 to 40 per cent of revenue. The effect of that is that profit margins are narrow and on average represent less than 15 per cent of sales. I seek leave to insert in *Hansard* a table based on industry averages, utilising the total revenue, and indicating expenditure by restaurants in the various expense categories. The high proportion of direct expenses confirms a well established factor that the restaurant industry supports a high multiplier factor in employment in associated and support industries such as wine making and food production. In seeking leave, I assure you, Madam Acting Speaker, that the table is entirely statistical.

Leave granted.

TABLE OF REVENUE AND EXPENDITURE

LICENSED RESTAURANTS IN SOUTH AUSTRALIA

	1984
Total gross revenue	80 796 000
Distribution of Expenditure	
Purchase from food suppliers 37 per cent	19 930 000
Purchase from breweries, wine and spirit suppliers	10 772 800
Wages—direct payment to employees 35.5 per cent	28 683 000
Other operating expenses—	
Laundry	
Energy	
Paper products	
Replacements	
Repairs etc.	10 423 000
Total Distribution of Expenditure	69 808 800

(Rent, financial charges, etc., have not been included).

The Hon. JENNIFER ADAMSON: As I mentioned earlier, the hospitality and entertainment business in South Australia is heavily business oriented, not only in Adelaide but also in the regional cities. If anyone were to go into hotels or restaurants at lunch time in such places as Mount Gambier, Whyalla, Port Pirie, Port Augusta, Berri, Barmera or other Riverland towns, one would have found, prior to the Keating legislation, that a large proportion of diners were dining on business expense accounts, quite legitimately, and incurring expense in the conduct of business. Just as any other expense legitimately incurred in the conduct of business has always been a tax deduction, so in the past have entertainment expenses: not so since the Keating legislation.

South Australia does not have either the population or the tourist market to turn to with its major source of revenue, namely, the business sector, substantially reduced. Not the Grand Prix, not the Adelaide Festival of Arts, not any major event could possibly substitute or sustain the level of constant day to day profitability that has been generated in the hospitality industry by the business sector. That sector has simply ceased in many instances to spend money in restaurants. The *Advertiser* of Thursday 17 October carries a report stating 'Restaurants suffer a 34 per cent drop of trade, survey says.' The report goes on to say that, following the Federal Government's disallowance of tax deductions on entertainment expenses, a random selection of restaurants found that business had lagged since the changes were introduced in September. The article continues:

Lunchtime trade had dropped by 39 per cent and trade from dinners and functions had fallen by 28 per cent. . . . One of the restaurants worst hit was Cobb's Restaurant, Light Square. Owner Mr Luke Salagaras said he had lost as many as 150 customers a week, which would result in a $300 000 reduction in turnover in the next year if customers continued to stay away. 'It's absolutely killing me.' Mr Salagaras said two companies, which provided business worth $33 000 a year, had 'just walked out the door,' two kitchen staff had been laid off and 'the way it's going more will be put off.'

The manager of the Hackney Cellars, Mr Michele Sare, said the tax changes were 'bloody disastrous.' Business had dropped by 50 to 60 per cent, three staff had been laid off and others had had their hours cut.

The manager of the Stonyfell Winery complex, Stonyfell, Mr Don Deleso, said the Government should reconsider the issue. Mr Deleso said lunchtime trade had dropped between 40 to 50 per cent, two people had been laid off and the winery was waiting to see what the effects would be after Christmas.

Other restauranteurs whom I could quote but will not, because of the pressure of time, all have the same story to tell and, in each case, they conclude by stating that they have laid off staff. In the main, those staff would be casual staff, young people working their way through university or women working to support the family income to give their children a decent start in life. They could be men supplementing another wage in order to give their families what they believe their families deserve.

All these people have been hit as a result of those ill-considered moves by the Treasurer. When I say 'ill-considered' I put to the House the proposition that the Keating recommendations and legislation are based on a presumed abuse by individuals for social benefit only and an inability by the Taxation Commissioner to enforce the existing laws concerning the separation of business and personal entertaining as a deductible business expense.

That disallowance of tax deductibility simply strikes at the basic principle that expenses incurred in generating revenue should be tax deductible. No other expenses have been tampered with. Why did the Federal Government choose to strike at the very heart of the industry it claims—and rightly so—is Australia's fastest growing industry—the tourism and hospitality industry?

That industry has the greatest capacity to generate employment and to remove the dreadful spectre that confronts us in this State more seriously than in any other State of unemployment, particularly among young people and women. There is a great deal more that could be said in support of this motion but, in view of the time constraints, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DEREGULATION UNIT

Mr GUNN (Eyre): I move:

That, in the opinion of the House, the Premier should re-establish a deregulation unit similar to the one that operated during the time of the Tonkin Government as a matter of urgency so that unnecessary Acts, regulations and licences can be repealed.

This motion is not only important but it is necessary in order to deregulate and get rid of unnecessary red tape and humbug that is plaguing business and the community at large. Indeed, if there is an area where the Government can move rapidly and effectively to get out of the way of business and to free up management in this State it is by way of deregulation.

Deregulation is an integral ingredient of a sensible and rational part of a privatisation program that also should be implemented. Unfortunately, when the Government came into office an extra committee was working in the Premier's Department and a number of Acts had been repealed. A list of Acts that could have been repealed was prepared, and the committee was working on regulations, but the Labor Government, in its zeal to turn back the clock on everything initiated by the Tonkin Government, did nothing about it and the situation lapsed for about 2½ years until the Government was suddenly confronted with the fact that the public was not happy and wanted deregulation and privatisation.

The Government set up Mr Bakewell to move in this area. Some work has been done but we have not seen any results—we have not seen these unnecessary regulations repealed. Dozens of regulations are brought before the Subordinate Legislation Committee each week. We have a proliferation of unnecessary regulations, proclamations, orders—you name it—and Government policies. The time has come to get rid of them because, with them, go inspectors, forms and applications, and it is a costly and unnecessary course of action.

We could have a great deal of work done in this area to institute improvements. I understand that Mr Bakewell and his committee have reported once and are now going into more detail. I understand they have a list of thousands of

regulations to examine. That is all well and good, but when are we going to see the necessary action put into effect to rid the Statute Book of the regulations that are cluttering it up and standing in the way of proper business management?

I realise that, in the dying days of this Parliament, nothing is going to be done, but it is important that the House is aware of the view of the Opposition that deregulation is an essential ingredient of proper management. Unfortunately, we have seen a deliberate attempt at misrepresentation. First, there was an attempt to damn the Deregulation Unit of the previous Premier's Department, and there has been an attempt to deliberately mislead and confuse the public about the other part of the deregulation process—that is, in regard to realistic and appropriate privatisation.

There has been an unscrupulous campaign to misinform and mislead the people of this State, yet the Government is going down that very track. We have had the Minister of Health (Hon. Dr Cornwall) announce last Sunday privatisation—public health joining with Mutual Community to build a hospital: that is privatisation. We applaud it. We have had the selling off of unnecessary Health Commission activities and the announcement that the Government is looking at a joint venture with CRA to develop the next coal fields in this State—privatisation.

We have had the announcement that the Government is looking at private capital being involved in the power house—privatisation. However, when the Liberal Party mentions privatisation it becomes wrong and wicked. It is claimed it will cost thousands of jobs. We know that is absolute nonsense. The purpose of this motion is to put the record straight so that the Labor Party can be exposed for the action it has taken. Indeed, we seek from the Premier a clear and precise statement of where Mr Bakewell and his committee are heading.

What area are they looking at? What unnecessary regulations will be repealed? What unnecessary orders and licences that are currently standing in the way of the welfare of the people of South Australia will be removed? The first order that should go concerns preference to unionists—compulsory unionism. That is a day one decision, and it ought to go now. The Government has only a few weeks to run, we know that. We have the Road Traffic Board and, if ever there is a bureaucratic organisation standing in the way of people trying to get on and do something, it is that organisation with some of its decisions and regulations.

An honourable member: That's your hobby horse.

Mr GUNN: It is not only mine; I think a few of the honourable member's colleagues have also had trouble with that organisation. To put it mildly, those regulations are not only difficult but also quite unreasonable. The current regulations are unnecessary and they should be repealed. I could talk about other unnecessary Acts of Parliament and bureaucracy of which we are all aware. I therefore seek leave to continue my remarks later.

Leave granted; debate adjourned.

WORTHING MINE

Mr MATHWIN (Glenelg): I move:

That, recognising the important heritage significance of the Worthing Mine situated on the Field River at Hallett Cove and its environs, which is reflected in the fact that the mine is on the interim list of the State Heritage Register, this House calls on the Government, and in particular the Minister for Environment and Planning, to ensure that the surrounding land, in particular areas known as 505, 506 and 507, is not disturbed by any mining lease and that no tenement be issued under the Mining Act to allow further mining, and further calls on the Government to encourage local government to declare the area a conservation zone.

I call on all members to support this very important motion. Worthing Mine and its environs are not only significant to the people of Hallett Cove and the southern districts, but to all people in South Australia. Honourable members are obliged to support the motion if only to show that they care about future generations and so that those who are concerned about the history and protection of heritage and conservation are encouraged to continue their efforts towards the betterment of South Australia.

Very few people other than those in the southern areas would have heard of the Worthing copper mine, which is of great historic significance to the State. It is one of the few relics of Australia's early mining era and consists of an enginehouse and a chimney, both of which are on the heritage list. The enginehouse was built about 1850 and is the oldest such building in Australia. I, like other people, was aware of the chimney, although I did not know about the enginehouse and the surrounding area. I had heard of the Field River, although not a great deal.

I was asked to inspect the area and was very pleased by what I saw. As I said, the enginehouse is the only one of its kind in Australia. It is termed an 'inhouse beam', used both for pumping and hauling from the main shaft, and is in quite reasonable condition. The chimney is in very good condition for its age, and I compliment the owner, Mr Jim Sheidow, who has repaired it from time to time and protected it from vandals. His action has preserved it.

From time to time the Education Department takes schoolchildren to visit relics of our history, particularly mining sites, and they go to places such as Burra and Yorke Peninsula. However, we have an excellent mine, outhouse, engine house and chimney right in the metropolitan area, only yards away from the Lonsdale highway, which is used by a vast amount of traffic.

In order to get to this mining site, one must go over a fence and down a very steep incline through a paddock to discover the little river, engine house and chimney. I was amazed at the beauty and peace of the valley, despite the heavy traffic travelling along the Lonsdale road. I could not hear or see it and, indeed, I would not have known that I was anywhere near the metropolitan area. The only blot on the horizon was the fact that the mining operations are getting closer and closer to this historic site. Blocks 505, 506 and 507 form part of the boundary between Noarlunga and Marion councils. Although the overspill is getting closer, it has not encroached on this significant area, nor should it ever be allowed to go any further north in this very beautiful valley which has such a jewel of history nestled in it.

I understand that many councils are investigating historic mining sites in their areas, but the difficulty arises because there has been so much subdivision of land and houses are encroaching. Fortunately, in the Hallett Cove area in the Marion council district such subdivision has not occurred. There is some suggestion by the Marion council and others about resubdividing and rezoning it, but that has not yet occurred. It is therefore imperative (and I use that word deliberately) that action is taken by the Government, with the support of all members in this House, to ensure that the actual rezoning for residential or any other purpose other than conservation should occur.

Of course, the Minister for Environment and Planning is a good Minister, and he knows quite a lot in relation to that portfolio. I have no argument with him in relation to conservation and heritage issues. I am sure that he is aware of the situation, and I am quite confident that I will receive the wholehearted support of the House in this area. Again, as I say, it is imperative that action be taken as soon as possible.

The other point of concern is that a quarry is now located there and the mining operations are continuing. The over-

burden and spill goes into the valley, but fortunately it has not as yet crept into the area about which I am speaking. The city of Marion has produced a supplementary development plan in which some reference is made to this area. On page 1 of the Hallett Cove supplementary development plan, under the heading 'Explanatory statements', it says, under the subheading, 'Policy changes':

Rezoning of the area south of the Field River—

That is the river to which I referred earlier. It is a beautiful river that at the moment runs freely through this valley. The mine, chimney and engine house are all located in an area that is in a little world of its own. The supplementary development plan continues:

... adjacent to the coast in sections 569 and 570, hundred of Noarlunga, from residential 2 to part rural B and part light industry.

As far as I am concerned, this is a dangerous situation. I would like to see some encouragement given (and the Marion council certainly will receive encouragement from me) by all members to ensure that the Marion council rethinks that part of this policy change and indeed looks at the area.

I will deal further with the supplementary development plan. At page 5, referring to other sections of the hundred of Noarlunga that had been previously rezoned from residential 1B to hills face zone (which of course was done by the present and previous Governments following the recommendation of the Roder inquiry) it states:

It is likely that mineral extraction will take place in these sections of land in future. A buffer area will be provided in section 249, hundred of Noarlunga, to minimise adverse impact on adjacent areas which are zoned for residential purposes.

The report goes on to say:

High grade mineral deposits of State significance exist in section 505—

the ones to which I have been referring—

506 and 507, hundred of Noarlunga. This land is currently zoned residential 2—

this is the problem area—

and is subject to a private mine licence.

That causes me great concern, as it must also cause concern to the heritage people and progress associations of Karrara, Hallett Cove Estate and Hallett Cove beach, as well as to the local residents and the local councillors in that area. The report goes on to state:

This land should not be developed for housing until a decision has been made on whether the land is required for mining. The layout of the areas immediately north should ensure that extensions can be made to roads if the land is surplus to mining requirements. The roads should also be designed to ensure that quarry access is not provided via residential streets.

When looking at that matter from a financial point of view, that may be an important aspect to some people, but to people who care about the future of the State, future generations and the environmental issues at Hallett Cove, that should not happen at all and it should be stopped now. Those sections 505, 506 and 507 should be declared a conservation zone and no further tenement should be allowed to encroach on that area for any reason at all.

I turn to page 2 of an amendment that is attached to the supplementary development plan. It states:

identification of the Hallett Cove Conservation Park, the Worthing mine site, and the Field River and its estuary as areas requiring protection from inappropriate development.

I would say that, unless any development was a conservation area (full stop) it is bad. So, at all costs it should be protected from any further encroachment. Dealing with the present zoning of the area, at page 18 the report states:

The conservation zone should be conserved in its natural state.

It then goes on to define various kinds of development that are prohibited in the Hallett Cove conservation zone. Of course, these items are laid down. This means that under the present Act and zoning, and the probable zoning of agriculture, the development for the purposes of a bank, hotel, junk yard, piggery, pig keeping, prescribed mining operations, stock slaughter works, used car lot and warehouses could be allowed if the Act remained as it is now. I am attempting to highlight the urgency of this matter.

A letter from the Director-General of the Department of Mines and Energy dated 9 November 1983, referring to the Worthing copper mine at Hallett Cove, states:

I would like to draw your attention to the significance of the Cornish enginehouse and chimney at the Worthing copper mine, one of the few relics of Australia's earliest mining era. The enginehouse was built about 1850 and is the oldest remaining enginehouse in Australia, the next oldest being at Burra, built in 1860.

So, it is older than the Burra mine. The letter continues:

It is the only engine house of its kind, being an in-house beam—

which means not only that the beam is used for the purposes that I mentioned earlier, but also it is totally enclosed within the house itself and was used for both pumping and hauling. The letter goes on to state:

By contrast the well known Cornish enginehouses at Burra and Moonta are quite different in their construction in that the large beam protruded from the house. Being one of few early Cornish enginehouses in the world in a metropolitan area it has considerable tourist potential if developed for public access and interpretation.

So, when dealing with tourism, that shows an additional importance. The letter further states:

Fortunately the land surrounding the Worthing mine has not yet been subdivided, providing the opportunity for council to plan adequately for the development of this site.

So, the Director-General of the department obviously has no qualms about that. The letter continues:

Preservation and reservation of heritage items was not the responsibility of the council alone.

I agree with that. It is a responsibility not only for councils but all members of Parliament. This area was referred to in the *Government Gazette* of 20 September 1984, and the relevant part of the advertisement states:

Corporation of the City of Marion, Hallett Mine Historic Site—Hallett Cove 5158. All that land contained and described in CT Vol 4171 folio 321, located in part section 505, hundred of Noarlunga, and delineated on L.T.R.O. filed plan No. 5315.

So, it was gazetted on 20 September 1984, even though the mine was covered by the Heritage Act. I have received a letter stating that next Sunday there will be an open day in the area where the mine is situated. I hope that anyone who is interested in seeing this area will take the opportunity to inspect it. Visitors cannot help but be moved by what they see there. I understand that a new branch is to be formed by Mr Ron Kean, MBE, JP, who was for some years Mayor of Marion when I was Mayor of Brighton. Representatives from Hallett Cove and Karrara, as well as from the local progress association with which I have been associated, will be present, along with representatives of the Marion Historical Society and the Heritage Trust, who will explain the significance of the area to those who attend.

The preservation, restoration and protection of this important part of history is a matter of paramount importance. Field River and the estuary areas require protection and they are included in the area referred to on page 2 of the document. I pay due respect to Mr Ron Kean, who is the driving force in this matter, together with Mr Evans, another member of the Progress Association. Now living at Hallett Cove, Mr Kean is a member of the Marion Historical Society. Indeed, only recently he presented a paper to the Marion council. Part of that paper states:

I wish to appeal against Hallett Cove supplementary development plan policy dealing with rezoning of Rural B Zone and Residential Zone 2 in sections 505, 506, 507, hundred of Noarlunga, to rural living.

This refers to the area with which I am concerned, as anyone who visits it will be concerned. Mr Kean's paper continues:

The grounds for appeal are as follows:

(1) Destroy the natural beauty of the historic site associated with the Worthing mine if the land is required for mining—

I agree with that absolutely—

(2) Development of mining should not detract from the present character and function of Field River, its tributaries and its estuary—

I certainly support that—

(3) Identification of the Hallett Cove Worthing mine and the Field River and its estuary as areas requiring protection from inappropriate development.

I agree with that, too. It is important that we give every support to this gentleman. The paper continues:

(4) The retention of the natural character, conservation, preservation is of utmost importance to future generations.

Members cannot but support my motion. This area was placed on the interim list as recently as 20 September 1984. The minute from the Acting Manager, Heritage Conservation Branch, states:

These items have been discussed with officers of the Department of Mines and Energy, and it appears unlikely that any objection will be raised to the inclusion of either on the register. In the case of the Hallett mine, it is proposed to expand the existing register item to take in the area around the enginehouse as far as the topographical skyline. For convenience in description, this has been defined as most of section 505, hundred of Noarlunga, an area of about 600 m square, although in practice about half the section is out of direct sight from the mine, and this branch would have no objection to developments proceeding in those areas. This proposal has also been discussed with a representative of Quarry Industries Ltd, the lessee, and no objection is anticipated from the company.

That may be so, but I again implore the Government, especially the Minister, to support my motion because it is so important to future generations of South Australians. In the interests of the young people who follow us, this area should be preserved for all time.

The Hon. D.J. HOPGOOD secured the adjournment of the debate.

MOTOR VEHICLE TAX

Adjourned debate on motion of Hon. D.C. Brown:

That this House deplores the move by the Federal Government to tax the use of motor vehicles supplied to employees by employers and the adverse effect it would have on the motor industry and its employees in South Australia, and calls on the Government to forward these views to the Prime Minister.

(Continued from 18 September. Page 1017).

Mr GROOM (Hartley): I oppose the motion, because it is nothing more than another cheap attempt by the Opposition to gain as much political mileage as it can from the Federal Government's proposals for tax reform. The speech delivered by the member for Davenport was destructive. It offered no possible solutions to the need for tax reforms in this country. It was given in the typical vein that we are accustomed to from members opposite: it was nothing more than a cheap shabby political attempt to gain mileage.

Tax reform is long overdue in this country. The conservative Parties, to which members opposite belong, between 1949 and 1982 (except for three years), had a 33-year period in which to introduce tax reform, but they failed Australians miserably. At no time did they effectively tackle tax reform. Consequently, Australia has reached the position where the tax burden has become onerous. In their annual reports, the Taxation Commissioners have produced figures that indicate the way in which the burden is falling on various members of the community. Although I have not the precise figures with me, my impression is that wage and salary earners pay 61 per cent, small businesses about 20 per cent, and companies about 19 per cent, which means that about 81 per cent of all income tax is paid by the wage and salary earner and the small business person.

It is particularly this group of wage and salary earners, small business and self-employed people, which will gain from the benefits of the Keating tax proposal. The package must be looked at as a whole. There are some problem areas to which I will refer later. The Premier has already addressed the problem areas and has taken up these matters with the Federal Government. But there are significant tax gains for wage and salary earners, the small business and professional community, as well as the companies, in this country.

The current mix of the tax burden is onerous on certain sections of the community. As Eric Risstrom pointed out in the *News* of 1 July 1985, a situation can occur where different circumstances can apply in relation to two employees working side by side. The example given refers to well-off employees. However, in relation to the illustration provided, there is no justification for this difference to occur, with two workers sitting side by side in an office, or anywhere else, one receiving $50 000 a year, fully taxed and the other receiving $30 000 a year, taxed, and receiving an extra $20 000 in untaxed benefits. Both employees get $50 000 a year, and one pays tax at the full rate while the other, through an agreement with the employer perhaps is able to arrange his affairs better and split up his income so that he pays tax only on $30 000 and gets $20 000 in fringe benefits.

That is a clear illustration of the inequities in the current tax system. Clearly, the second employee should pay tax at the same level as the first employee and there ought not be discrimination. The tax reform proposals that were presented to the summit indicated that fringe benefits cause something like $700 million a year loss of revenue. The fringe benefits as a consequence of the availability of complete deductions for motor vehicles account for some $280 million lost revenue.

Mr Gregory interjecting:

Mr GROOM: I will come to that. The figures indicate that a large proportion of these benefits goes to the wealthiest people in the community—like the member for Bragg.

Mr Ingerson interjecting:

The ACTING SPEAKER (Mrs Appleby): Order! The member for Bragg is interjecting out of his seat, and I ask him to return to it.

Mr GROOM: The fringe benefits cause a loss of some $700 million in revenue a year. Someone must pay for that lost revenue; someone must be paying for the wealthier members of the community to have a significant advantage in the motor vehicle area, for example, and, as I have said, further revenue amounting to $280 million is lost. Simply, someone must pay for that lost revenue.

Mr Hamilton interjecting:

Mr GROOM: The tax summit papers clearly indicate that. Material published in the tax summit papers, as well as in the *Advertiser* of 2 July 1985, indicates that between August 1983 and August 1984 there was a 7.3 per cent increase in the use of fringe benefits among employees. That means all employees—those lower down the scale, and the executives and company directors. There has been a 7.3 per cent increase in the use of these fringe benefits to mitigate the severity of the current tax system.

The tax summit papers indicate that 8.7 per cent of all employees obtain fringe benefits: and one must remember, as I have said, that it is a tax package and the maximum rate will come down from 60c to 49c in the dollar, which means that people on higher incomes will gain significantly—but at the same time such a person cannot retain all the

fringe benefits, which are nothing more than lurks and perks.

On an income by income basis, the tax summit papers indicate the following details: of people earning under $200 a week, only 4 per cent of employees receive fringe benefits; of people earning between $200 to $360 a week, 7 per cent of employees receive fringe benefits; of those in the higher income tax brackets, earning between $360 and $520 a week, there is a sudden jump to 13.6 per cent of employees receiving fringe benefits; and over $520, some 19.7 per cent of employees receive fringe benefits, and that includes the top executives, as technically they are employees.

So, there are dramatic jumps in the percentage of employees in the higher income tax brackets obtaining fringe benefits. Clearly, people on the higher incomes are gaining the most from fringe benefits. They are better off and, as a consequence of their positions, are better equipped to gain information and to negotiate with the companies concerned to get a far better tax deal. As Eric Risstrom points out, a person who cannot satisfactorily organise his affairs must pay tax at the full rate on $30 000 and is worse off than is the person who can organise his affairs and arrange to pay tax on $15,000 with $15 000 in tax free benefits. One could go on and on with these examples which illustrate the inequities in the present system.

In relation to fringe benefits involving the use of motor vehicles, it is estimated that some 9 843 chief executives in this country are able to claim fully for a motor vehicle, with its attendant petrol and repair expenses. Of the marketing executives, some 5 648 obtain these benefits, and some 5 476 sales executives obtain fringe benefits. Clearly, it is the wealthy groups who are able to organise their affairs and reduce their income tax by utilising the fringe benefit area.

It is certainly true that much of this situation has occurred due to the onerous nature of our tax system and because the marginal rate of 60c in the dollar has been a burden. The Federal Government addressed that matter, and reduced that rate to 49c in the dollar, to apply from next year. That will redress the need to go into the fringe benefits area. But one cannot have both: one cannot get a reduction in the marginal rate of tax and at the same time expect to hang on to fringe benefits. Members opposite should visit the shop floor of factories anywhere in the metropolitan area and argue the sorts of things that they argue in this House about protecting the wealthy groups in the community and allowing them their free lunches, tax perks, and so on. Members opposite should try to put forward that argument to people working a full day in factories for the wages that they get.

Mr Hamilton interjecting:

Mr GROOM: Exactly. Yet, these people working on the shop floor have to pay the full rate of tax and are required to eat a sandwich at lunch, to enable the wealthy people to go out to a restaurant and eat at the workers' expense: how equitable is that? That is the sort of situation that members opposite have been promoting and trying to protect. If one analyses this matter in a rational way, one would have to acknowledge the need for tax reform, and this applies even to members opposite. At times they do acknowledge that, but they do not offer any positive solutions or policies. Members opposite never indicate which way this country should go in relation to tax reform: their utterances are mostly destructive.

Liberal members were in office for 32 years, except for a three year period, and what did they do? They did absolutely nothing: the system was allowed to decay, and the position drifted until it was up to the present Federal Labor Government to remedy the situation in the best interests of all Australians. That goes for the higher income earners as well as the lower income earners. The Federal Government is attempting to promote a better distribution in relation to the taxation system. One must look at the more rational statements made about tax reform. For example, in the *Advertiser* of 21 September it was stated:

> No disaster predictions over the new group car tax.

That is not to say that there are no problems, but honourable members opposite paint it in the worst possible light with their dire predictions of disaster. As the article goes on, there are no disaster predictions. They asked the various leaders in this area. None predicted that there would be a sales disaster when contacted the previous day—that is, members in the car industry and fleet operators. It was felt that any lost sales would come out of the ranks of desk-bound middle management, where people have secured a car as part of their remuneration package, rather than out of the sales force transport pool. In other words, it was just a perk because it was not being used for the company's business to promote sales but simply being used as a perk to reduce the tax burden.

I will not mention all the people quoted, but the Deputy Managing Director of Mitsubishi Motors pointed out that Mitsubishi would probably benefit, as people would probably move down to smaller cars rather than the six cylinder cars used for fleet car purchases and this would bring a benefit to the car industry. When we look at rational people who assess these matters in a positive light and seek to say that a need exists for reform, that there might be some benefits, but do not make the predictions that members opposite make for political purposes, we get a more rational approach.

It was very interesting to read a speech distributed by Senator Missen, a Liberal Senator from Victoria, in August of this year in which, under the paragraph heading of 'Australia's lost opportunities', he stated:

> While I have been away the tax summit has come and gone—not a matter for congratulations by anyone, but a sign that significant tax reform (so essential to economic drive and for our future prosperity) has been buried for years. How unlikely it is that we will get cooperation when we are in government in view of our recent lack of contribution.

That was from a Liberal Senator, a person who has been a member of the Federal Parliament on the conservative side for many years. He quite clearly indicated that significant tax reform is overdue, and that it had been buried for many years under conservative Governments. He made reference to the lack of contribution coming from the conservative Parties in this country on tax reform.

We then move to a different element—the purely political field. No doubt honourable members opposite have a lot of friends in the community in this area. I was disturbed to read comments by Mr Spalvins, from the Adelaide Steamship Company. He announced on 9 October, as its chief executive, that Adsteam would stop buying from 1 July 1986. That is significant. He said that the tax would cost Adsteam about $5.5 million. The whole tenor of the article was that they are not going to put up with these sorts of tax reforms because the tax is on employers. Essentially it comes down to a tax on private users of motor vehicles, I might add.

Members interjecting:

Mr GROOM: The member for Glenelg had an excellent run and took a long time over the motion. I am going to take a few minutes over this, because it is important.

Mr Oswald: Private members day—the Opposition's day—

Mr GROOM: The longer the honourable member carries on like that, the longer I will be. If he lets me finish my speech in peace I will be as brief as I can. This is painful to honourable members opposite, because they do not like

hearing the truth presented to them and do not like being reminded of the destructive and negative political way in which they carry on in South Australia.

I wish to refer to Mr Spalvins and the position of his company. In political vein, designed to assist members opposite and their counterparts in the Federal Parliament), he said that from July 1986 he might consider not buying company cars. It is not a positive contribution. Looking at Adsteam is very revealing, because *Australian Business* of May 1984 published details of tax paid by the top 20 companies in Australia. When members opposite read statements from Mr Spalvins they ought to bear this in mind. Mr Spalvins' company, Adsteam, made a pre-tax operating profit for the year of $34.4 million. Companies are supposed to pay tax at the rate of 46 cents in the dollar, so one would expect that company to be paying a lot of tax. How much tax did Adsteam pay? It paid $39 000 because of the way in which the tax system has been manipulated by the conservative parties over a lengthy period.

Out of the top 20 companies no company is paying 46 cents in the dollar in tax. I will go through a list of some of them. A giant company like Adsteam is paying $39 000 in tax out of a profit of $34.4 million because it has been able to arrange its affairs. The notional tax of 46 per cent was $13.75 million, but when the the $12.64 million rebate on dividend income was deducted, along with $1.1 million in other benefits largely resulting from tax losses, the net contribution to the tax revenue was $39 000.

Myer is another such company. Its *prima facie* tax provision was $5.57 million—46 per cent of its $12.11 million operating profit. The net result, because of all the rebates and subsidies, meant that it ended up paying $3 million. David Jones was in much the same boat. It started at $29.8 million accounting profit and should have been paying $12.13 million if paying tax at 46 cents. It ended up paying $4.5 million.

I will not go through all the companies, but of the top 20 companies mentioned in the article, which I commend to honourable members opposite as it is a contribution to the need for tax reform and to addressing the imbalance, Davies Bros was paying an effective taxation rate of 23.9 per cent, The Bell Group was paying 25.99 per cent, Myer 25.28 per cent, Bond 20.99 per cent, David Jones 17.67 per cent, Elders 16.04 per cent, Ampol 1.59 per cent and topping the poll was Adsteam—that giant company—paying .11 per cent of its profits in tax. The burden, for the benefit of honourable members opposite, is such that one wonders whom they are protecting. It is clear from the figures whom they are protecting.

We cannot have a situation where the wage and salary earners, the small business and professional persons, are paying 81 per cent of all income tax collected in this country, with public companies collectively paying 19 per cent. We just cannot maintain that tax system: it is inequitable. We have to reduce the ability to gain perks and lurks. A clear need exists for the redistribution of the tax burden, as we simply cannot maintain the current system.

All of what I have said does not mean that there are not problems with the proposed tax on company cars. The Premier has expressed his concern, and the full telex was set out in *Hansard* in the debate of 17 September 1985. I will not read it all, but the Premier clearly expressed his concern and, in the concluding paragraph of the telex to the Federal Government, stated:

> I strongly urge your Government to consider the implications of any new tax measure and especially a proposed company vehicle tax on the viability of a major sector of this State's manufacturing base.

The Premier of course gained an acknowledgement from the Federal Government that his concerns would be taken into account when the fine print on the fringe benefits tax was discussed and prepared.

In the light of experience and some of the problems, whenever a reform proposal is put forward there will always be some modifications needed and suggestions emanating from various sections of the community. It may be that, in the light of representations made to the Federal Government, and particularly in view of representations by the Premier, there may be room for modifications. The type of contribution by the member for Davenport is destructive and unhelpful to tax reform. He offered no solutions whatsoever and simply took the opportunity to gain as much cheap political mileage as he could on behalf of the Opposition out of a very significant tax reform package.

Mr MEIER (Goyder): I was amazed to hear how the member for Hartley started to speak on this motion. It deals entirely with the motion vehicle industry, but he referred to the fringe benefits tax and took the debate off at a tangent. Thankfully, he came back to the motion later. What was he trying to do to the debate by turning it around completely without any cause? The member for Hartley should have known, if he had read the motion properly, that it deals entirely with motor vehicles supplied to emloyees by employers and the tax that is to be levied on employers.

I intend to take up one or two of the member for Hartley's points. He referred to Adsteam and the profit it made and the fact that it was paying only $39 000 in tax. I am amazed that a member who theoretically wants to promote South Australia should go off at a company about hardly paying any tax without producing any facts or figures about how the company is reinvesting its money and trying to keep ahead so that technologically it can remain competitive in this State, throughout the nation and overseas. The member for Hartley could not care less about it.

Obviously, he would like to see the company paying full tax and running down year by year. Indeed, we saw big problems about 10 or 15 years ago when certain key industries were not reinvesting enough funds into their companies to ensure that they remained competitive. There was then a scream by the Government to say that companies should at least reinvest money to ensure that they keep up to date.

Mr Groom: I am talking about their profits—not what their other deductions are. Justify that the company paid only $39 000 in tax!

Mr MEIER: The member for Hartley should produce all the facts and figures, because there are statistics and statistics. Many statistics lie, and it was convenient for the member to produce the statistics that he quoted. The member for Hartley also mentioned that certain people in the upper income brackets are getting fringe benefits and, as he referred to fringe benefits, I will just take him up on that point.

I noticed in an article (I do not have it with me here) that railway employees were screaming and getting upset about having to pay a tax on their fringe benefit of free rail travel. From my knowledge of employees in this State, I would say that they are part and parcel of the work force and, if they are entitled to fringe benefits, why should they be taken away? The member for Hartley says the position is unfair.

It has been brought to my attention by a local council Chairman that perks and benefits of council employees will disappear under the Goverment's proposals. Why take those benefits away from workers? What about teachers and the Teacher Housing Authority rental relief? Obviously they will no longer get that relief or they will have to pay full tax on it. Here we have the Government taking away benefits from another group in our society. Lower income groups are subsidised in housing rents in many instances

but, from the way it has been spelt out, even this advantage will be taken away. I could spell out example after example.

The member for Hartley and other Government members, and especially the Federal Government, fail to see the economic implications of their proposals with respect to the motor vehicle industry. In the *Sunday Mail* of 29 September we saw the headline 'Cars may rise $1 000', and the article stated:

> Car costs could increase from between $300 and $1 000 for the average car after 1 January next year.

The report said it was likely that for luxury cars the increase could be nearer $2 000. Why will this be the result? This supposed tax change is supposed to have nothing to do with increasing the price of cars—it is a tax on employers. The article went on to explain:

> The market value of a car is based on an economy of scale. If the market drops dramatically prices will have to rise dramatically.

That seems to be a very simple economic truth, yet the Government is ignoring it. It is even more disturbing when we see that the Government's proposals are coming at a time when there is likely to be a natural downturn after a boom period in motor car sales. Surely, it is the Government's job to see that it does not bring in negative proposals at a time when there is supposed to be stimulation required in the economy.

We have also heard that between 10 000 and 15 000 jobs could be lost nationally in the car manufacturing industry. This, too, is at a time when the Government has made vibes about trying to help keep unemployment down. The Government's moves will increase unemployment. The member for Hartley gave certain examples about Adsteam, and I will not dwell on those details, but that company is certainly saying that it could virtually stop buying company cars until the tax is clarified.

I was interested to note that Mr Spalvins claimed that the tax is amongst the most unrealistic and ill conceived in Australia's history. Again, in the *News* (page 2) on Friday 18 October we saw the headline 'More join revolt on fringe benefits tax' and an article listing Elders-IXL. ACI International and Metal Manufacturers last week indicated that they may not be buying the hundreds of cars that they normally would buy. Indeed, some of those companies have stopped their orders already.

The most interesting thing to see is that the total value of the Elders-IXL fleet of 4 000 cars is about $60 million and the proposed tax would be about $2 million. The Government has talked about so much tax avoidance but it does not realise that it is prepared to sacrifice $60 million of car sales going into the economy simply to ensure that in theory it collects $2 million in tax from a particular company. Certainly, if one multiplies that $60 million by however many other companies are involved, it is certainly a sad reality. Companies that were spending $60 million and not paying $2 million in tax in regard to a benefit for their employees are saying that they will no longer spend that $60 million and so the Government will not get its $2 million in tax.

Not only is the Government going to be $2 million worse off but it will have to provide unemployment and other spinoff benefits spreading from one area to another. What about the small case of not the typical farmer but the farmer lucky enough to employ one worker? I know of several farmers who pay perhaps a basic salary but allow the use of a car and a subsidised or free house, but now they are told they will have to pay a tax on those benefits. Certainly, I know what some farmer employers will say: they will say they cannot afford the tax and so they will have to dismiss their employee.

We heard from the member for Hartley that a telex was sent to the Federal Government expressing dissatisfaction with parts of the tax package. Certainly, I hope that this Government has done much more than just send that telex since the time the first tax package was announced. I have been disappointed not to see major headlines or significant statements in the press over the last few weeks originating from the State Government.

Perhaps they have too many other things on their minds. I urge the Government to do everything in its power, as suggested by this motion, to see that South Australia is not lumbered with a massive unemployment problem because of a Federal Government that does not know where it is going. I seek leave to continue my remarks later.

Leave granted: debate adjourned.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 9 October. Page 1208).

Mr GREGORY (Florey): I listened with some interest when I heard the member for Glenelg introduce this measure, because I know that he has introduced something similar before. He seems to introduce into this Parliament Bills that are designed to attack the trade union in the guise of democracy. That is all that this is. In his remarks the honourable member referred to working people who are unionists and who have money taken from their pay packets to pay for trade union fees. He is critical of that action and that trade unions give money to the Labor Party. He also criticises the fact that some people cannot stop unions paying sustenation fees to Labor Party funds, and so on.

The honourable member was somewhat accurate in his comments about the Labor Party. However, he was very inaccurate in respect of sustentation fees for sub-branch members. It is not $4.30 a head, nor is it $4.50, as described in *Hansard*. He talked about sustentation fees paid by trade unions and was correct when he referred to $1.90. However, the honourable member also said:

> It is all very well to say that $4.30 is not very much, but, when considering 8 000, 10 000 or 15 000 affiliated members in a union, the total amount runs into a fair amount of money.

That is obviously nonsense: it is not what unions pay to the Labor Party, and I thought that the honourable member would know that; perhaps he does not. However, he has addressed this Parliament from time to time and advised us of his great experience in the trade union movement in England. It is obvious from what he has said here that he has no experience in the trade union movement or of how it operates in Australia.

The Bill contains three sections: first, what is commonly known as a prohibition on paying any membership fees to, or making a payment to or for the benefit of, any political organisation. The second clause is commonly known as an opting out clause, and the third deals with the section not applying to associations registered under the Conciliation and Arbitration Act (1904) as varied. The honourable member referred to the Commonwealth Act when he made that comment.

From my knowledge of unions affiliated to the Australian Labor Party in South Australia, at the moment only two are not registered under the Commonwealth Conciliation and Arbitration Act, and they are the Fire Fighters Association and the Baking Trades Employees Union, both of which are taking courses of action within the industrial courts so that they can become part of federal bodies. When that happens, their rules will be registered under the terms

of the Commonwealth Act, so this measure would not apply to them.

Consequently, no union in South Australia that is affiliated to the Labor Party would be affected. However, in typical fashion of an organisation claiming to look after the interests of small business and business generally, it has not considered the effect that it would have on the number of employers who are registered in South Australia. Because I have had some association with those people from time to time, I know that the Chamber of Commerce and Industry is not registered nationally. I do not think that the Credit Union employers, the Hairdressers and Cosmetologists Employers Association, the licensed clubs and a couple of others are, but I do not want to comment because I am not sure.

If the honourable member's Bill was enacted, it would be very unlikely that a past President of the Chamber of Commerce and Industry (Mr John Rundle) could have run his political campaign in 1976, because this Bill refers to payment of an amount or 'for the benefit of'. There is no doubt that the Chamber of Commerce and Industry did a number of things 'for the benefit of'. I met afterwards quite a few employers who contributed considerable sums of money to that campaign, which was political and definitely 'for the benefit of' the present Opposition.

I now advise honourable members of some reasons why trade unions have an interest in politics. We should not lightly dismiss our heritage, as early trade unions were confronted with industrial and political problems, so that employers sought recourse to political means to defeat trade unions. The United Trades and Labor Council of South Australia was formed on 31 January 1884, and it already had in 1885 a parliamentary committee that undertook political activities for the council. Therefore, it became involved in the political affairs in this State.

In 1885, it condemned the then Government for bringing in more immigrants when there was a depression in the colony. In the first six months of 1890 the council grew: there were strikes in which it became involved. Also, there was rather a long strike in relation to which the unions contributed much money. It convened a meeting to form the United Labor Party Council, which grew out of the political committee of the United Trades and Labor Council. Since that time, unions have traditionally been involved with the Labor Party.

Why should they not be, because it saw the organisation benefiting: first by industrial action it took; and, secondly, by the political action that it could take through an organisation in which they participated. The member for Glenelg was politically point scoring on the method of paying affiliation fees to the Labor Party. If anyone understands Labor Party rules, they will know that unions pay sustenation fees based on membership in order to ensure that no union can buy for itself more than its membership size within the organisation. That attitude is understood in the affiliation to any organisation, in organisational influence and in voting capacity. Any of the councils in which they participate are based more on size of membership and not on what they pay.

I think that is an admirable way of doing it. Under the Conciliation and Arbitration Act federal unions are required to give very explicit details of their income and expenditure. Section 158AD of that Act sets out in great detail what is to be done. Regulation 149, which sets out in some detail what has to be done, refers to:

> The total amount paid by the organisation as fees and periodic contributions in respect of its affiliations to any political Party, any federation, congress, council or group of organisations or any internal body having interest in industrial matters.

When one looks further at the relevant regulation one sees that it refers to the following:

> In relation to any donation or grant exceeding $1 000 made by the organisation the purpose for which the donation or grant was made, the amount of the donation or grant and, where the donation or grant was not a prescribed donation or grant, the name and address of the person to whom the donation or grant was made.

The provision also refers to the collection by the organisation of voluntary contributions made by members of organisations or firms for particular purposes other than voluntary contributions in respect of which the organisation has during the financial year operated a special fund or account. It talks also about compulsory levies raised by the organisation. All these are required to be set out explicitly in the accounts. The provision also refers to:

> . . . the total amount paid by members of the organisation in respect of a levy or voluntary contribution and the total payments made out of a fund or account being payments in respect of a purpose for which the levy or voluntary contributions are made.

When one looks further at the regulations one finds that members have considerable rights in obtaining information about the effect of the regulations and accounts. They can write to the Secretary, who is obliged to give them the information. If they write to the Registrar and show that they are a member of a registered organisation, they can receive information within a specified period of time.

I want to give an example of how one union treats this information. In its regular posting of the newspaper the union sends to every member a copy of its accounts. I am referring to the union of which I am a member, namely, the Amalgamated Metal Workers Union. The December 1984 issue has on page 1 a photograph of Bob Hawke and the national President of our union, Dick Scott, with the caption '$60 000 donation to Labor poll campaign'. The article states:

> The ALP's campaign fund for the 1 December election was boosted by $60 000 with a donation from the AMFSU.

Since the publication of this paper there has been a change in name of the union. The article further states:

> National Council authorised the donation to help ensure the defeat of the reactionary Liberal/National Party coalition.
>
> Prime Minister Bob Hawke visited AMFSU headquarters in Sydney to accept the cheque from National President Dick Scott.
>
> The Prime Minister said the donation was a tremendous example of the union's support for Labor.

Any member of our union who did not know that that was happening would have been blind and unable to read. That is in sharp contrast to the annual reports that are received by shareholders from their company directors.

When one looks at the financial returns for the 12 months ended 30 September 1984 one finds under the heading 'Political funds' that there has been an income consisting of contributions from the National Council general fund, interest in the bank and interest from short term deposits. The expenditure consisted of affiliation fees, audit and accountancy fees, bank charges, cost of administration, delegation expenses, delegation fees and allowances, grants to own and other trades, election campaign expenses, printing and stationery and a surplus for the year. The accumulated funds at the end of that period of time are also shown.

One also finds in that report that, in relation to South Australia, there is no reference to a political fund, because that is treated as national funds and the money is spent from the national fund on a political basis. The officials of that union are elected by its members to do its work and report to the members. Contrast that with companies that give shareholders' funds to political Parties but do not report to their shareholders regarding that fact. There is no such democracy in that instance. They would not be game to publish photographs of their Chairman and Directors handing over money like that, because, if they did, considerable problems would be raised for the company and the

shareholders would rebel, thus causing problems at the annual general meeting.

It is my view that the member for Glenelg has no knowledge of how unions work, how they arrive at these decisions, how they determine the amount of money they will give and the very democratic way that they operate and report to their members on their decision making processes. They are required to advise their members within a specified time of the results of the receipt of the audited report. They cannot receive an audited report and not convey that information to their members. They must do it in a specified time and it has to be by post. It is not something that they can leave lying around at the workplace: it has to be delivered to each individual member. I am quite satisfied that people who are members of trade unions know where their funds are going and that their union committees are making decisions in affiliating to the Labor Party and making donations.

The other point that I want to raise is one that the member for Glenelg has not even considered or mentioned. I do not know how many unions are registered in South Australia, but I do know that there are over 140, and that is a limited number in comparison to those that are affiliated to the Labor Party. Those other unions may or may not make donations to the Labor Party. They take part in political campaigns, sometimes for the benefit of a political Party, but sometimes not for the benefit of that Party.

The form in which this Bill has been drafted is a clumsy and inept attempt to pander to the fantasies that the member for Glenelg has about unionists and their organisations and his lack of understanding of how trade unions work and operate in South Australia today.

Mr OSWALD secured the adjournment of the debate.

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

SELECT COMMITTEE OF INQUIRY INTO STEAMTOWN PETERBOROUGH RAILWAY PRESERVATION SOCIETY INCORPORATED

Mr GUNN (Eyre): I move:

That the time for bringing up the report of the select committee be extended to Wednesday 30 October 1985.

Motion carried.

ELECTRICITY SURCHARGE

Adjourned debate on motion of Mr Gunn:

That, in the opinion of the House, the Government should immediately abolish the 10 per cent electricity surcharge which applies to certain parts of the State and institute an electricity pricing policy in which all citizens of South Australia are charged on the same basis and, further, the House condemns the Government for its failure to implement a fair and equitable system of charging for electricity in country areas.

(Continued from 9 October. Page 1211.)

The Hon. B.C. EASTICK (Light): I am surprised that the Government has not seen to fit to answer the motion put by my colleague, the member for Eyre. This is not a new subject to this House but one which the member for Eyre has addressed over a period of years. Since the honourable member gave notice of his intention, the Liberal Party has indicated to the populace at large that it would proceed with a 10 per cent surcharge remission; in other words, that it would do away with the 10 per cent electricity surcharge that applies in some council areas in this State, notably on the West Coast, and that the opportunity existed for the same benefit to accrue to the Hawker District Council and areas west of Ceduna.

If this is good enough for one part of the State, we believe that it is good enough for the whole of the State. Indeed, the Government subsequently announced that it would also make such an alteration. In an article appearing in the *West Coast Sentinel* of 4 September 1985 under the heading 'ETSA tariff reduction for Eyre Peninsula', the Premier announced that he had offered Eyre Peninsula residents new electricity supply arrangements that would cut their tariffs by 10 per cent. He indicated that he had had discussions with the Eyre Peninsula Local Government Association in Adelaide on the day of his announcement and that there were propositions to look at the continuance of employment, albeit with some possible relocation of people currently employed by local governing bodies who are involved with the sale of electricity.

I am appreciative of the fact that some of those discussions have been held and that negotiations are continuing in relation to some areas where there is still a question as to the number of personnel who will be required. There is a fear being expressed by people in some country towns that, if they comply with the requirement currently placed upon them by the Government, there is likely to be a loss of some families to those towns with the consequent problem that that carries for schools, postal services and other community activities. That is an understandable fear, and there is no doubt about that.

Any small country town, and indeed some that are not so small, is particularly keen to maintain its population base and to have that base happily working and living in the community. There is no equivocation on this matter by members on this side of the House. I believe that I speak also on behalf of the member for Flinders, who has shown an interest in this matter. However, I doff my hat to the honourable member for Eyre who has been quite consistent in his advocacy of this need.

The Liberal Party's main interest is in a unification of purpose and an opportunity for all South Australians to receive the same benefits. Over some time action has been taken by the E&WS Department to promote equality in relation to the cost of water, and the Opposition believes that that should apply equally in relation to electricity. I have no hesitation in saying that the Liberal Party in government will see this matter through to finality, if the present Government has not completed it by the time it goes out of office.

The Hon. R.G. PAYNE (Minister of Mines and Energy): The Government is in no way contemplating or considering leaving office, although it will be up to the electors of South Australia to make a determination in that respect: when that will occur has not yet been made public. In much as I can understand the wishful thinking of the member for Light, I draw that fact to his attention. I thank the member for Light for his contribution to the debate.

I am somewhat at a loss in relation to certain matters raised. However, on this occasion I take the opportunity to seize the bull by the horns (a term which the member for Eyre would understand), iron out the carpet and distribute a number of corpses on it. Included in those corpses would be some members of the former Liberal Government. The member for Eyre has exhibited a degree of consistency, for which he deserves to be commended, in his view that the price paid for electricity by people in his district is not equitable with the tariff that applies to people throughout the rest of South Australia.

Why was the member for Eyre unsuccessful in obtaining any progress in this matter when the former Liberal Government was in power from 1979 to 1982? Some people

might say that that is an uncharitable way of approaching the matter, and I realise that the honourable member is entitled to raise matters of concern on behalf of his constituents. The honourable member and I have been here since 1970, and I would be the first to admit that he has displayed a singular zeal in putting forward his views in relation to the needs of his constituents: he has done that without fear or favour—whichever Party has been in Government.

I simply want to draw to the attention of members the fact that he had a singular lack of success in this area during the minuscule period in which the Party of which he is a member held office in this State. I believe that he deserves to be mentioned in another respect. The honourable member is one of the few members opposite (and I suppose that he will not thank me for this, but if we invite members to get to their feet we are never quite sure what they might say and we have to live with what subsequently occurs) who is prepared to give credit where credit is due, at least on occasion. I know from the feedback that I receive from the parts of South Australia that comprise the honourable member's district that he is not averse to saying that the Government and ETSA do not have an unlimited purse to disgorge dollars endlessly to meet requirements, and the honourable member should be commended for that.

I note that the member for Flinders is nodding his head: he is another member who on occasion is not averse to recognising the realities of life and saying that Governments cannot meet equitably every request that emanates from the community (Governments may be able to meet every request, but not equitably, and that is why I use that term). In this case the member for Eyre is in the position of knowing that his wishes, as portrayed to the House in the words of his motion, are likely to be met. Is that not so? I suppose that if I were the honourable member, who has had to battle through a period from 1970 until 1985 (he has lived through 12 years of Labor Government and three years of Liberal Government and has achieved his end), I too would be pleased.

If I asked the member for Eyre whether he has achieved his end, I am sure that he would say that he has—because he has achieved it. That is a special kind of thing to achieve. It is not entirely wrapped up with the sealing wax applied, but it is very near. A meeting was held a few days ago, and the honourable member might be aware of that, because he is a member who keeps tabs on what is going on. Almost all the local government bodies concerned have now come to the party (to use a time honoured phrase often used in this House). When the Premier, as a result of a matter that I put to Cabinet, agreed to make an offer in conjunction with ETSA (and let us make quite clear that ETSA is involved too) to meet the requirements of the honourable member, there was one minor stipulation—and I am sure that I am fair in saying this—that is, not an absolute majority was required (to use a term that we all understand) but all parties had to agree for the necessary palliative measure to be carried.

However, at the meeting to which I refer one local government body did not indicate its intention. The honourable member, probably better than I, could quickly call to mind the name of that body. I understand it was a situation in which a little more information was required and there was a very proper degree of concern on the part of the local government body about the prospects of its employees. That is an issue with which I have no quarrel. In fact, when the offer was made it was stretched, somewhat, and that is not something that has to be finished by D day: it is a progressive thing. There is no fuss or pressure there, but this anomaly which currently exists will be redressed.

The Hon. B.C. Eastick: It was the District Council of Elliston.

The Hon. R.G. PAYNE: Yes; as most members can see, my fishing expedition has finally elicited from the Opposition the name of the council in the western area of the State which has not yet come to the party (I also have had a small success, as I was not in possession of that information previously). An anomaly existed which needed to be addressed, and it did not necessarily have any political connotations.

It was necessary to ascertain whether correcting the anomaly was affordable. I caused the necessary things to happen to show that it could be afforded. It has happened, the offer has been made and I look forward to the needs being met of the district council area concerned. As a result, the matter which the honourable member has felt a need to raise over a long period to put a motion on the paper will not need to be raised in future. I am sure that the honourable member will understand that I can have the last possible word in this matter, and I now seek leave to continue my remarks later.

Leave granted; debate adjourned.

DEREGULATION OF HOUSING INTEREST RATES

Adjourned debate on motion of Ms Lenehan:

That this House—

(a) expresses its strong opposition to the Liberal Party's proposals for the deregulation of housing interest rates;

(b) strongly supports the maintenance of the ceiling on housing interest rates; and

(c) urges the Federal Government to reject calls for deregulation and to maintain the ceiling on housing interest rates—

(Continued from 9 October. Page 1215.)

Mr BAKER (Mitcham): I wish to address the motion briefly, there being only 10 minutes remaining in private members' time. It is a reflection on the House that we could not negotiate on one of the most important aspects involving the Notice paper—the time when private members have the opportunity to express their concerns on such matters. We fall far short of the mark in this situation, and that is reprehensible in many respects. My contribution is made necessary by the nature of this motion. It is a cynical motion without any academic or practical relevance to this Parliament.

In moving the motion, the member for Mawson states that the House should express its strong opposition to the Liberal Party's proposals for the deregulation of housing interest rates. I ask her to which members of the Liberal Party she is referring. It has been clearly shown on the record in this place and elsewhere that housing interest rates would be as secure under our Government as they would be under the existing Government. Paragraph *(b)* of the motion is just an addendum to paragraph *(a)*, and adds nothing.

It is a totally cynical motion, because the member for Mawson—indeed, all members on the other side—understands and realises that the problems in the interest market today are of their own making. The member for Unley, who has some claim to have some economic knowledge, knows and realises that. It is a fact of life that the economic performance of Australia under this Federal Government has been of insufficient standard to gain support in terms of the Australian dollar on the international market.

We all know that a healthy economy is reflected in the value of our dollar. We also know that the dollar has fallen some 40 per cent under the Labor Administration in Canberra. Indeed, as I talk today, the dollar has taken a further

dive. Simply, other countries do not trust the Australian Government or our ability to perform in international markets. They have grave concerns with our ability to manage debt and about the future of Australia. The Treasurer and the Government have admitted that the only way of shoring up this situation is to maintain high interest rates. The very simple explanation of that is that, if the real interest rate is sufficiently high, the return from investing in the Australian dollar will be sufficient to defray any loss that will come through devaluation. Indeed, our real interest rates are among the highest in the world today: my colleague the member for Todd mentioned that they were the highest for some 50 years. If anybody studies a chart of real interest rates they will understand that they are. A real interest rate of 6 per cent, is, indeed, the highest for 50 years in this country.

They have to be held high, in the belief of the Federal Government, because if pure market forces were allowed to determine the interest rate there would be a fall in the interest rate on the market and an outflow from the Australian dollar, which would sink further on the international market. That is simple economics: perhaps the member for Mawson can understand that simple proposition.

So, it is a deliberate policy of the Federal Labor Government to maintain high interest rates. It is not a deliberate policy of the Federal Labor Government to try to improve its efficiency, to keep Government expenditure under control or to become competitive—all ingredients that affect the Australian dollar. If we want to make a concerted effort to get interest rates down we have to become more competitive on the international market. Anyone here can understand that simple proposition.

It is totally cynical that the member for Mawson should move this motion. We all know why she has: in the suburbs of Adelaide, particularly in the fringe areas, people are feeling the brunt of high interest rates. They are not of a Liberal Government's making, but of the Labor Government's making.

The Hon. B.C. Eastick: It would not have gone on if the revelations of the State Bank had been—

Mr BAKER: Yes, indeed. Of course, it flows through. As my colleague the member for Light has said, in the little State arena the State Bank has also tried to be competitive. In somewhat less than auspicious terms, it has gone into the market with market rate interest loans, and that has caused a great deal of consternation.

The other factor is that, understanding the impact of interest rates from the building societies, the Premier decided to provide some supplement in that area. I realise that interest rates on housing loans have a fundamental effect, and it is less than inteliigent of the member for Mawson to suggest that anyone in this House does not understand that. I understand it because I have a mortgage, just like everyone else. I also understand it because I have people coming through my door constantly talking about the problems they are facing because of higher interest rates.

As I said, the member for Mawson has not added anything to the debate. In fact, if she had been true to herself and Parliament she would have moved a motion along the lines that 'this House calls on the Federal Government to improve its efficiency to act responsibly and get its house in order'. That is the bottom line. As to the ceiling on housing loan interest rates, there has always been a differential rate that has operated in the market in South Australia. The member for Mawson has made a number of statements pulled from sociologists and various other people in the field claiming that if we raised interest rates it would not have an impact, it will not pull many more borrowers into the system.

I wish the member for Mawson would talk to the State Bank. It does not believe that. In fact, 60 per cent of the borrowers from the State Bank have been channelled into market rate loans. The simple fact is that, for financial institutions to survive, they have to offer a rate of interest that is competitive on the market. If they do not offer that rate of interest they will suffer a dimunition in the amount of funds that they can hold. Rightly or wrongly, the State Bank has said it has to offer higher interest to attract funds and maintain its segment of the market.

That has been wrong in some circumstances because I believe it has been done in a somewhat underhand way. Some of my constituents have been affected. They have gone to the State Bank believing that they are receiving a genuine housing loan, but when they have got their documentation it says 'market rate loan' and that has never been explained. Indeed, I am pleased that the Chairman of the State Bank is to review the situation, and I hope he reviews the situation of some of my constituents in that process. I believe firmly that they were not *au fait* with the conditions operating when they took out their loans. Indeed, some were not informed.

In the remaining time available—about three minutes and perhaps I will seek leave to conclude my remarks later—I would like to make another point. There was much comment in the Australian papers—the *Australian,* the *Advertiser* and the *News*—about the budget deficit faced by America suggesting that the American deficit of $200 billion was excessive, that the world was at risk, that the American economy could not stand an ongoing deficit of $200 billion a year.

Let me assure the House that, when we are running an $11 billion deficit we are in a far worse situation than America with its $200 billion deficit. If one looks at the gross domestic product figures for both countries in 1982-83, our GDP (from memory) was about $158 billion and the American GDP was about $3 100 billion. This shows the production capacity of America to be about 20 times greater than our own. Therefore, if we are running an $11 billion deficit we are performing much worse than the $200 billion deficit that America was and is still running and having problems with.

We will all be paying for the American deficit just as we will pay for the Australian deficit. Indeed, I get tired of the simplicity of arguments from members of the Government side. As I would like to raise a few other matters in the debate, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

STATUTES AMENDMENT (ENERGY PLANNING) BILL

Returned from the Legislative Council without amendment.

PARKS COMMUNITY CENTRE ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

The SPEAKER: The Legislative Council draws the attention of the House of Assembly to clause 9, printed in erased type. This clause, being a money clause, cannot originate in the Legislative Council but is deemed necessary to the Bill.

BLOOD CONTAMINANTS BILL

Received from the Legislative Council and read a first time.

SWINE COMPENSATION ACT AMENDMENT BILL

Second reading.

The Hon. LYNN ARNOLD (Minister of Education): I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The prime purpose of the principal Act, originally, was to pay compensation to owners of pigs which either died or were condemned because of notifiable diseases on the farm or in the slaughterhouse. The use of the compensation fund was broadened in 1968 to provide for an annual allocation for research and again in 1974 so that funds considered surplus by the Minister could be used for any purpose which was of benefit to the pig industry.

The prime purpose of this Bill is to update the Act in relation to fixed monetary values which have depreciated with the passage of time. Other minor changes designed to simplify the operation of the Act have also been included.

The first change is to provide for an increase from $60 to $250 in the maximum market value of a pig. This upper limit has not been altered since 1965 and is now quite inadequate compensation. The proposed maximum market value of $250 is only marginally greater than the current market value of a large pig. The proposed change provides for the amount, in future, to be prescribed by regulation. The second change is to make specific provision for the payment into the fund of moneys arising from the sale of property purchased from moneys provided by the fund.

The third change provides for an increase from $25 000 to $50 000 in the annual allocation for research and investigation relating to the pig industry. This amount has not been altered since 1974 and the proposed increase is in accordance with inflation over this period. The proposed change provides for the amount in future to be prescribed by regulation. The final change to the Act is to give formal recognition to the committee advising the Minister in relation to the management of the fund.

The Swine Compensation Fund Advisory Committee has, in fact, been functioning with the proposed terms of reference since 1974. While the committee was not specifically referred to in the Act, its existence was agreed to and recorded in *Hansard* when the Act was varied in 1974 to provide for the use of surplus funds for the benefit of the pig industry.

The Bill sets out the constitution of the committee, the terms and conditions of office of members of the committee and its functions. The primary function of the committee is to advise the Minister in relation to the management of the fund, particularly in relation to the expenditure of surplus funds on projects which benefit the pig industry. It would also advise on future variation of the stamp duty levy on pigs slaughtered and the maximum amount of compensation payable in relation to a pig.

In formulating these amendments, there has been close consultation with the relevant industry organisations: the United Farmers and Stockowners (Pig Section) and The Australian Pig Breeders Society (South Australian Division). It can be said that the pig industry is supportive of the amendments proposed in this Bill.

Clauses 1, 2 and 3 are formal. Clause 4 amends section 4 of the principal Act by inserting a new definition—'the committee'.

Clause 5 amends section 6 of the principal Act which provides for the amount of compensation payable in respect of a pig which has died because of disease or has been destroyed because it is suffering from or suspected of suffering from disease. The maximum market value of one pig for the purposes of compensation is increased to $250. The power to vary this amount has been removed from the principal Act and can now be prescribed by regulation.

Clause 6 amends section 12 of the principal Act which provides for the establishment of the Swine Compensation Fund. Express provision is made for moneys arising from the sale of property, originally purchased by moneys provided by the fund, to be paid back to the fund. Secondly, the amount of moneys allocated annually by the fund for research and investigation relating to the pig industry, is increased to $50 000.

Clause 7 inserts a new Part into the principal Act, establishing the Swine Compensation Fund Advisory Committee and detailing its constitution and advisory functions.

The Hon. B.C. EASTICK secured the adjournment of the debate.

GOVERNMENT MANAGEMENT AND EMPLOYMENT BILL

In Committee.

(Continued from 22 October. Page 1415.)

Clause 4—'Interpretation.'

The Hon. B.C. EASTICK: As the member for Torrens is otherwise occupied this evening, I move:

Page 4, lines 4 and 5—Leave out the definition of 'senior position' and insert definition as follows:

'senior position' means—

(a) a position classified in accordance with the classification structure for Executive Officers at or above the level of Executive Officer Grade 3;

or

(b) a position classified in accordance with any other classification structure at a level the remuneration for which equals or exceeds that for a position classified Executive Officer Grade 3,

but does not include a position of Chief Executive Officer:

The Opposition believes that the definition of 'senior position' is too restrictive and not sufficiently definitive. The Opposition's intention is to insert that such a position would be in respect of a person the equivalent of an EO3 or above. That view is supported relatively widely within the service. Clearly, some departments are conducted by people on EO3 level, and in some instances people have very substantive positions below that level. In that sense, EO3 or its equivalent should be defined as a senior position. It will increase the total number of senior positions if this amendment is accepted. We do not resile from that position, but we want a functional and successful piece of legislation. This amendment should be supported.

The Hon. J.C. BANNON: I cannot support the amendment. I stress again, as I did last night when dealing with some of these amendments, that part of the purpose of this Bill is to provide flexibility. I concede that in a number of instances flexibility should not mean an open slather. Constraints and guidelines need to be laid down.

This amendment, in that it seeks to tie down in the Act the positions to be designated the senior positions to the EO3 level or its salary equivalent, is in other words a current grading in the Public Service which of course could change if there was a restructuring and/or a salary level or remuneration level which is subject to change. It simply imports into the Bill far too great an inflexibility which would defeat its purpose of ensuring that there is the ability to deploy senior management in the service, and that is an integral part of the proposals.

There are problems in using the level of remuneration as a means of identifying the positions. In one case that I have been advised of concerning medical specialists at the MO7 level, they are not employed as executives but their level of remuneration is at that level. Having flexibility to make designations of senior positions on the basis of function rather than a salary level would seem to me to be essential. There is no doubt that this would have to be closely looked at. Obviously, if there was some kind of arbitrary use of this power as it appears in the current definition, there would be a number of people who would have words to say about it, including the Public Service Association, but I suggest to the Committee that we need this kind of flexibility in the Bill. There are plenty of safeguards against the abuse of a wider definition, but to pin it down in this way would mean that we would find anomalies cropping up, and all that you can do to handle them is either make acting arrangements or try and get around the Act in some way or in fact come back to the House and make amendments to the Act, and that is the sensible approach but a very cumbersome and clumsy procedure.

The Hon. B.C. EASTICK: I accept part of the principle of the Premier's argument, but I do not accept it in total. It is always difficult to specifically quantify the position that you might be seeking to obtain when there are variable classifications. The EO3 has an equivalency in the medical field, as in others, as the Premier suggested, whether it be an engineer, a special scientific officer or whatever. We believe that there is sufficient definition in the EO3 or its equivalent to relatively clearly define into the future the position which we believe should be contained within the Bill.

The anomalous circumstances which the Premier suggests might occur are likely to occur even with the clause as it exists at present, and we will have to come back and there is a distinct possibility we will have to fine tune the Act which is subsequently passed. It has never been an impediment in the past to bring back to the House necessary changes. Certainly, if it were shown or could be demonstrated that the general thrust of the argument I am putting by virtue of this amendment was impractical in practice—not impractical in theory, and that is what the argument is at the moment—after it had been in the workplace for a period, then the Liberal Party, whether in Government or in Opposition, would support a necessary change at that stage. We believe that it is a distinct advantage, and an advantage which is recognised by a number of the people within the Public Service, to be rather more definitive than the very open-ended interpretation which is given here to senior positions. I ask the Premier to think again in relation to this matter. The Opposition believes it is a very necessary alteration to give some benefit to the legislation.

The Hon. J.C. BANNON: My quick response is that we are talking here about a position of executive officer grade 3, which technically does not exist. There is a classification EO3 which is a particular level of the executive officer classification group as it stands. Those classifications may change: and there may be revisions. To place that in the Act in this form would be I think—

The Hon. B.C. Eastick interjecting:

The Hon. J.C. BANNON: Yes, or equivalent based around some sort of level of remuneration. As I was saying, to place it in the Act in this form would cut down the flexibility required. Again, I repeat that there are safeguards in it and many means by which we can ensure that the powers that are given are not arbitrarily used.

Mr BAKER: I would like to further comment upon a point raised by my colleague the member for Light and perhaps elaborate on a couple of comments made by the Premier. If we do not make such a determination, then we get into the field of adhockery. The Premier realises that, if we go through it department by department, we will have a schedule the proverbial mile long that looks at each position in determining whether the responsibilities of that position warrant inclusion as a senior public servant.

We have canvassed this issue and there has been general agreement that the EO3 classification is the appropriate level at which it should come in. The Premier well realises that, in terms of disclosure of pecuniary interest and appointment and promotion, the ramifications of the senior position are quite wide. Because of the very nature of the Bill we believe it important that it in fact be a major part of the Bill, so that in principle we determine the level at which this should occur.

It reminds me of some of the paperwork that we used to generate. The great difficulty with public servants and services is that, with regulations and the many procedures which are outdated and unnecessary, there is an inevitable paper war. Unless the Premier makes a determination on a general grading at which that level will be applied, we will go through the same procedure here. The flexibility about which he speaks becomes inflexible if indeed he has to go through every department and every position that is not in the general format (whether referring to architects, engineers, medical officers or whatever) and make a determination in relation to each of those positions. That is a very inflexible system in its own right. It is very time consuming and it raises many anomalies.

If we make a general standard and if there is then a compelling reason why we should depart from those principles, then I think that is fine, but until that time I believe that we should have the general principle encased in the legislation itself, and not in the regulations, the schedules, or whatever. It says to members of the Public Service that they are regarded for various provisions in this Bill as senior public servants and I believe that there are also some benefits to that. I think that there is a great deal of flexibility, if you like, in the provision that we have here. It has not been put forward lightly, but only after consultation with members of the Public Service, from whom there has been general agreement on the matter.

Obviously, if the Premier refuses to accept it, then it will go no further, but perhaps in hindsight the Premier, with what little time he has remaining, may wish to accept the amendment. Despite the fact that at this stage he is unwilling to accept it, I commend the amendment to the Premier.

The Committee divided on the amendment:

Ayes (15)—Messrs Allison, P.B. Arnold, Baker, Becker, Blacker, D.C. Brown, Eastick (teller), S.G. Evans, Goldsworthy, Gunn, Lewis, Mathwin, Meier, Olsen, and Oswald.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, and Trainer.

Pairs—Ayes—Mrs Adamson, Messrs Chapman, Rodda, Wilson, and Wotton. Noes—Messrs Hemmings, Hopgood, Slater, Whitten, and Wright.

Majority of 4 for the Noes.

Amendment thus negatived.

The Hon. B.C. EASTICK: I move:

Page 4, after line 25—Insert paragraph as follows:

(fa) the Electricity Trust of South Australia established under the Electricity Trust of South Australia Act, 1946:

At present, 'the State Bank of South Australia constituted under the State Bank Act, 1983' and 'the State Government Insurance Commission established under the State Government Insurance Commission Act, 1970' are excluded from the definition of 'State instrumentality'. The Opposition

believes that the Electricity Trust of South Australia should also be excluded. Members appreciate why the two organisations referred to are excluded: that was explained by the Government in the explanation of the Bill. However, discussions that members of the Opposition have had with professional engineers and others in the community suggest that the Electricity Trust should be excluded to enable it to benefit. The Opposition believes that this would be advantageous to South Australians and, accordingly, I ask the Premier to support the amendment.

The Hon. J.C. BANNON: A lot of consideration was given to the question of exclusions. The committee that looked into Public Service management and the industrial bodies and others which considered the matter worked from the basis that exclusions should be the exception. If one looks at this matter in terms of the general principles of the Bill, there is nothing in those general principles that any authority should feel uneasy or concerned about. Clearly there are some exceptions, which is why this provision is there. The Government does not support the inclusion of an additional exclusion.

I do not know why ETSA should be regarded in terms of these principles: and it only touches the principles; the industrial relations of other policies of ETSA will continue as presently conducted. They are very successful. ETSA has a very good record, and indeed a national reputation, and we certainly do not want to disturb that by altering and forcing a different framework on it. However, there is no valid reason why ETSA should not be subject to the general principles that apply. That has been accepted by ETSA.

After considerable discussion and negotiation it has been accepted by the industrial organisations that cover ETSA. I guess that one of the criteria that applies is this question of commercial applicability. Neither the State Bank nor the SGIC operates in the same way as do most other statutory authorities. Certainly, the State Bank Act makes quite clear that the State Bank is not subject to the direction and control of the Minister. It runs its commercial banking business within certain principles laid down in the Act.

The SGIC is, of course, cheek by jowl with a number of private sector companies which operate in the same field of business. It was thought reasonable to exclude the State Bank and SGIC because of the way that they were covered and organised. However, in the case of ETSA it is quite appropriate to have it covered by the general principles, and I do not think there is any basis to the argument that it should be excluded.

The Hon. B.C. EASTICK: I am not convinced by the Premier's argument in relation to ETSA. I acknowledge that the number of exclusions should be minimal. The position is similar to that in which we found ourselves when debating State Supply matters recently, in which regard there were only three exclusions, and in that case the entrepreneurial role of the organisations involved caused us no concern.

The arguments put to us by the professional officers of ETSA, quite apart from what might be acceptable to the industrial department of ETSA, convince us that there is a real value and real purpose in ETSA's being one of the organisations excluded, and we will persist with this amendment.

Mr BAKER: I believe that the Premier undersells the importance of this amendment, because there is a vast difference between all the organisations that are included under schedule 2 and ETSA. We are talking about the exclusion clause in this instance. It is all about commercial integrity. The Premier may believe that ETSA is equivalent to a Government department, but we on this side do not hold that view. Members will no doubt note the persons excluded from the Public Service under schedule 2, and I relate my remarks to that because it is very important to take the two in conjunction. Every other person included under schedule 2 has been traditionally regarded as part of the Public Service, although they do not come under the Public Service Act and regulations in many ways because of the various rules that operate in regard to their employment provisions and their general reporting responsibility.

According to the Premier, in this Bill we are now saying that ETSA is equivalent to a South Australian Government department. I believe that the majority of South Australians would vehemently reject that proposition. The Premier has said that he believes that there is room and scope for some entrepreneurial spirit in terms of electricity generation and there could be joint ventures. We have said that there is certainly scope for this sort of venture. ETSA is probably one of the very few organisations within the public service—in fact, the only one—that would embark on this in any scale. I cannot think of any other department—although perhaps the Department of State Development provides services to the private sector on an advisory basis.

Generally, however, the public sector has been streamed towards providing services within the general public sector framework. Traditionally, people have not regarded ETSA in the same light. I do not wish to go back to when ETSA was first formed, but about a month ago I dug out the original Act on electricity generation, going back to the time of Playford and the reasons the Electricity Trust of South Australia was formed—there were different phases of electricity and 26 bodies were providing electricity in this State. The thrust of the legislation at that time was that ETSA should be a body that was efficient and effective in providing services to the public in much the same way as a private organisation should operate.

We are not taking a step forward by including ETSA under the general umbrella of the Public Service. Members of the Judiciary, the Police Force, the Auditor-General and the Ombudsman are excluded. The one that sticks out like a sore thumb is ETSA. I cannot think of any other authority on this list which issues debentures or which gathers money from the public for its own operations. I cannot think of any other Government organisation that dispenses services within the same principles and guidelines as does ETSA. I am philosophically opposed to this move. I believe that ETSA has a bright future in conjunction with a little bit of entrepreneurial spirit injected by private financing in certain areas of electricity generation.

Indeed, there may be some reason why there should be some private sector involvement in transmission and various other aspects. The Electricity Trust has indeed served this State well. For the Premier to argue that ETSA is generally in agreement with this proposition underscores the difficulties and concerns that this side of the House has with the current structure of the ETSA Board. Mention has already been made of that in this House, so I do not need to go on. All members understand that the board is stacked, that people of outstanding ability have been removed and replaced by other persons of lesser ability. It is akin to the 1949 situation when the Federal Labor Government was in the process of nationalisation; and today one could draw the parallel of 'State-isation'.

There is a difference. We believe that there should be a difference and that, as far as possible within the confines of this monopoly service, there should be exposure to competitive forces. Bringing it under the general umbrella of the Public Service is tantamount to taking a backward step. We vigorously oppose this measure and ask the Premier to reconsider.

The Hon. B.C. EASTICK: I point up one or two factors made available to the Opposition by the professional engineers directly associated with ETSA, which is somewhat

historical in nature. It is quite important to realise the difference that exists so far as ETSA and a number of other organisations within the Government service are concerned. The 1945 Royal Commission into electricity supply in South Australia reported:

> The possibility of unnecessary political interference would be removed if the undertaking is vested in a public utility trust clothed with the power of government, but possessing all the flexibility and initiative of private enterprise.

The Government of the day accepted this and set up ETSA, which for 39 years has performed better than any other Australian electoral authority. The record is on hand and was presented to the House by my colleague the Deputy Leader in a debate earlier this year: it showed a marked benefit as far as South Australia is concerned in relation to relative costs. The provision bringing ETSA within the ambit of the legislation strikes at the very heart of good management because, if the Bill passes in this form, no longer will it be possible to find who is accountable for the decisions.

These are the technical and important engineering decisions made by people whose one interest or activity is that directly associated with the ETSA enterprise. It would do away with what ETSA personnel suggest is always a very grave danger with Government involvement in such an organisation. They pick up the point that gas prices have been a matter into which the Government has been looking for a number of months—in fact, for the entire three years of its term of office. Only today we saw a rather belated attempt to find an answer to that situation. Members of the Opposition remain convinced that a case is to be made out for ETSA. We will pursue the matter to finality both here and elsewhere.

Mr BAKER: I do not need to tell the Premier how to suck eggs, but it is obvious that under these provisions ETSA will be subject to more political direction than it has been in the past. We know that it is subject to a certain amount of political direction at present because of the composition of the board. We will have a whole spectrum of people in marginal seats at times of elections wanting electricity ahead of everybody else. Rather than economic decisions being made on the basis of merit, priority and orderly marketing, we will have political decisions that are not made in the best interests of the market itself.

Governments can hoist themselves with their own petards in many ways by taking such steps. There is a feeling on the other side that we are better served by an ever expanding Public Service: I do not share that view and neither does any member on this side of the House. We believe that government should be minimised, that it should be efficient and that it should provide the services commensurate with the funds supplied to it by the public. There is a grave danger here; indeed the ALP will acknowledge this. We are teetering on the edge: we are in a very critical situation as far as future electricity supplies are concerned, although members on neither side of the House need reminding of that.

We have had the debacle today of legislation to enforce on gas producers prices which are totally devoid of marketing and reserve considerations and which are politically motivated. The South Australian Gas Company performs an impeccable service for South Australia. Indeed, it is in competition with the Electricity Trust in certain areas, and that is very healthy. The Gas Company has operated very efficiently, and it supplies gas to the Adelaide market at a relatively cheaper cost than in the case of the Electricity Trust. There has been some change over in relativities there.

It is important that ETSA remains a semi-government authority, with minimal political direction, except for the principles involved in certain areas where the Government is required to make decisions: for example, decisions on the source of energy and residential or commercial areas or new enterprises that require a supply. Some very significant decisions are to be made as to whether Roxby Downs should be supplied through the Leigh Creek source or be required to generate its own power supply at a far higher price.

Those are decisions to be made by the Government, but they are only umbrella decisions, not the marketing decisions, which it is important should be made purely on the basis of the market itself. There is no doubt that we will divide on this issue: it is important and fundamental. We are totally opposed to what the Premier intends to do here.

The Committee divided on the amendment:

Ayes (15)—Messrs Allison, P.B. Arnold, Baker, Becker, Blacker, D.C. Brown, Eastick (teller), S.G. Evans, Goldsworthy, Gunn, Lewis, Mathwin, Meier, Olsen, and Oswald.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, and Trainer.

Pairs —Ayes—Mrs Adamson, Messrs Chapman, Rodda, Wilson, and Wotton. Noes—Messrs Hemmings, Hopgood, Slater, Whitten, and Wright.

Majority of 4 for the Noes.

Amendment thus negatived; clause passed.

Clause 5—'General principles of public administration.'

The Hon. B.C. EASTICK: I move:

Page 4, after line 42—Insert paragraph as follows:

(aa) the public sector shall be administered so as to ensure that the public receives services of the highest practicable standard;.

The Government introduced this Bill not only in the interests of those employed in the Public Service but also to provide for a better and more efficient service to the public. We believe that, although this provision may be claimed to represent an abundance of caution or overplay, it is a desirable and basic feature of the whole Bill. It is consistent with other amendments that will be sought in relation to the long title.

I mention that briefly because it is parallel with this requirement. It was a feature that service to the public was to be enhanced, yet the long title of the Bill does not talk about direct service to the public. It is consistent, in seeking to alter the long title, to ensure that there is positive service to the public and that the requirements of the public are justly served, that this additional paragraph is inserted so that to those who look upon it as a motherhood clause—and we do not—it gives a clear indication of the first purpose of the Public Service, that is, to serve the public to which it is financially responsible and for which it was established. I seek the support of the Committee for this amendment.

The Hon. J.C. BANNON: I have some sympathy with the arguments that the honourable member has used in support of this amendment, but I do not like the wording used here. The words that concern me are those referring to 'the highest practicable standard'. This could create more problems than it solves. I am prepared to accept paragraph *(aa)* in an amended form, which I suggest should read:

> The public sector shall be administered in a manner which emphasises the importance of service to the community.

It means that we are not then dealing with a qualitative equality issue, which can be subject to misinterpretation, picking, and so on; in fact, we are laying down a principle which, I think, is fair, as put forward by the honourable member. Either I will move that formally, or the honourable member might like to adopt that form of words. If he wishes to persist with his original amendment, that is fine.

The Hon. B.C. EASTICK: I am quite prepared to allow the Premier to put in the form of words suitable to him, as Minister in charge of the Bill. Having put forward the idea, the end result is what we are concerned about. I am happy that the Premier's proposition is a better form of words. I seek leave to withdraw my amendment.

Leave granted.

The Hon. J.C. BANNON: I move:

Page 4, after line 42—Insert paragraph as follows:

(aa) The public sector shall be administered in a manner which emphasises the importance of service to the community;

Mr BAKER: I am a little perplexed. The Premier is reading an amendment from a long time ago. I am not sure whether he has the latest set of amendments, because we changed 'with a view to ensuring' to 'so as to ensure'. I am astounded that we have come up, after all this time, with wording that is probably close to what we are looking for—service to the public—but we do not have it in a formal way before the Committee. I find 'which emphasises the importance of service to the public' very clumsy. We are trying to say that the Public Service is there to service the public and to provide the services of Government to the people of South Australia in the most efficient and effective way. We are not trying to emphasise anything: we are saying that the most important criterion for the Public Service and its management is to ensure that the public gets the benefit of its services in the most efficient and practical way.

That is why we had that set of words. I accept that the Premier has come up with different words because he is not happy with ours. Our amendments have been with the Premier for well over a week, and I would have thought that we could come up with something a little closer to the flavour we were trying to attempt to find with this amendment. I cannot think of another acceptable amendment now. I appreciate the Premier's adopting the principle we have attempted to place in the Bill. We could make it more explicit, and say that the cornerpiece of Public Service management is service to the public. I would like to think, that between now and the Bill's coming before the Upper House, that we could get a set of words that brings out that principle. I am sure that the Premier agrees in principle with what we are doing here. We accept this as an interim measure, but I am disappointed that we are placed in this situation. We could have had a formal amendment before us, with time to consider it, and say that we agreed entirely with it.

Amendment carried.

The Hon. B.C. EASTICK: I move:

Page 5, line 17—Leave out 'proper' and insert 'the highest practicable'.

I recognise that we are using a series of words that the most recent amendment sought to withdraw. However, the circumstances are somewhat different and the form of words is consistent for the use it has been given on this occasion. Proper standards of financial management can take one to the nth degree and the nth on top of that. One might have achieved a better standard of financial management, but the cost is impracticable. The thrust of the amendment is to point out that it is the highest practicable, having regard to cost, and so on. It is by no means a diminution of the importance of proper financial management or standard in the total sense, but we seek to achieve practicality rather than the theoretical. I commend those words to the Premier.

The Hon. J.C. BANNON: I cannot accept this amendment. The term 'proper' refers to ordinary and reasonable standards of accounting which, incidentally, in the public sector probably go beyond those in some respects required of the private sector. Certainly, in the private sector one does not have the parliamentary scrutiny and other things required in terms of accountability in the public sector. 'Proper' must be read in that context: what is proper for the public sector, Treasury requirements, Auditor-General's requirements, and so on.

The term 'highest practicable' could be interpreted as suggesting some higher requirement even than that, and, while it is true that 'practicable' gives you a bit of a let out in terms of being unreasonable in the requirements or demands, it still gets away from the concept of proper standards. In fact, in earlier drafts of the Bill, as I understand it, 'highest standard' was the form used, but, the more it was looked at, the more it was realized that that could create problems rather than solve them.

I make the point that there is often impatience with those who deal with the public sector about our accounting and auditing requirements. Complaints about the red tape, regulations, and so on, can often be traced back to the public sector's very proper requirements in terms of accountability—higher requirements, very often, than those in the private sector. To impose yet a further level of requirement would obviously encourage those establishing the systems to take even more steps and put even more regulatories, checks and balances into the system. Really, there is no justification for it. Our existing system works pretty well; in fact, it works very well. It is being streamlined and it is being made more accountable. More information is being provided, and I think the term 'proper' covers all that quite adequately.

The Hon. B.C. EASTICK: Suffice to say that the Premier touched on one or two rather important aspects of the accounting process and the overzealousness of some accounting requirements within the Public Service—to the point that the continuance of that overzealousness sustains employment within the Public Service. That criticism has been levelled on many occasions. It is like the forms that must be filled out because they were designated to be filled out 40 years ago, but nobody really understands why they should be filled out now, 40 years later. I know that that is an overstatement of the situation—

The Hon. J.C. Bannon: It is often said that there is some audit requirements.

The Hon. B.C. EASTICK: Precisely. I think we can accept the thrust of the purpose of the amendment. We will each have our own views on this matter. I say on behalf of the Opposition that I believe that the form of words which is being offered is a better form than the form 'proper', which in the minds of some overzealous persons will mean, 'go to lengths which are not practicable'.

Mr BAKER: I endorse the comments of my colleague. We are in the computer age now. Departments are now slowly being brought on to the Treasury system. It is reasonable to expect that people can get dollars and cents right. In fact, in the accounting procedures, we should be able to streamline the process considerably so that we do not have to duplicate paper. The statements will come out at the end of the month or the year, or the forecast will come out with minimum effort, as long as the inputs are correct. 'Proper' really does not specify anything in relation to standards.

The Premier had in the original draft the words 'highest practical standard'. We thought it was admirable that he had determined that that was the way in which we should approach it. We should try as far as possible to get it right and provide sufficient information upon which governments can make judgments. With computers one can do many better and more informative things than was done in the past. 'Proper' really underscores something which I believe is important, that is, that we should aim for the best.

As my colleague says, the best in a situation is subject to the resource constraints that are applied. A whole lot of time will not be spent doing accounts when it is not nec-

essary. 'Highest practicable' means, 'Let us get it in a very useful form, not just proper'. We will apply rules, and apply ourselves diligently to ensure that the public sector is fully accountable for every dollar that it spends. That does not mean 'proper'—it means as high as practicable. I think in the first instance that the emphasis on this section was very admirable, but by substituting 'proper' it detracts from the Bill.

Amendment negatived; clause as amended passed.

Clause 6—'General principles of personnel management.'

The Hon. B.C. EASTICK: I move:

Page 5, line 30—Leave out 'any other form' and insert 'any form'.

The Opposition believes that the insertion of the word 'other' in the fourth line of subclause (1) *(d)* is an unnecessary qualification. We do not believe that there should be any discrimination and that 'other' appears to have been inserted without any real purpose that we have been able to determine. I suppose that it becomes a matter of simple semantics in the minds of some, or it may be a matter of importance to someone who has made representations to the Government in relation to this matter. However, the reason for its inclusion escapes us. We believe that there should be no discrimination and that the insertion of the word 'other' is not necessary.

The Hon. J.C. BANNON: I can be fairly conciliatory about this matter. 'Unlawful', as it is in this clause, is a subset of 'unjustifiable'. If you remove 'other' I do not think any harm is done to the clause. I understand the point made by the honourable member. As far as the Opposition is concerned, if it helps to assist in its clarity and aim, I am happy to accept the amendment.

Amendment carried.

Mr BAKER: I move:

Page 6, lines 3 to 13—Leave out subclause (3).

As the Premier well realises, this is a rather sensitive area of the Act. We talk about exercise of preference and making discrimination a part of this Act. I know that in the past few years, in terms of embracing the principle that every person of every class, colour and creed, has a right to walk equally on this earth, we have come a long way, but in my view, to encase in a legislation a non equality provision goes against that basic principle.

It also detracts from the basic premise of merit that is the frontispiece of this Bill. It contains the provision to set up a class that cannot be justified except in the mind of the Minister who makes that determination. I can give an example by referring to the teaching profession, where certain people are being preferred over other people for reasons that possibly can be explained by the Minister. That is causing a lot of heartache to the people in the profession who believe that they are being discriminated against, but I will not argue that point here tonight.

We know that, because Governments of the day believe that they need a certain person or attribute in a particular position, particular employment areas exercise discrimination. However, for a Government to introduce legislation providing that a Minister can actively discriminate and can apply other than equality detracts from the whole basic tenet of the Bill. It does not improve the Bill in any way. It sets up a whole new forum for discrimination and makes any action legal. It takes away rights from people. I am absolutely amazed that the Government has seen fit to include this clause. I can understand that it has been included because certain pressures have been applied by various segments of communities. Despite the fact that I can understand why there is a possibility of its being included, nevertheless it does not justify its inclusion.

I find it quite disgraceful that in this day and age we should have this Bill in this House after hearing so much from members on the other side of the House about equality of opportunity. It makes an absolute farce of equality of opportunity. What we have here is the Government saying, 'Yes, but we want to apply our principles when we like and how we like and we will be the sole judges of that.' I do not believe that that is sufficient. I do not believe that it is right in this Bill, which is attempting to take the Public Service forward 10 or 20 years and which is setting up a new mechanism for its operation.

The Premier would be pleased that the Opposition supports most of the provisions of this Bill, which we believe is positive and headed in the right direction. We believe that it forms the framework of new improved operations. Whether, in fact, new improved operations ever come about will be up to the willingness of the key people in the system—the heads of departments and the Ministers concerned.

For the benefit of the *Hansard* record, and so that people will know what we are talking about, I will read subclause (3) into the record. It states:

> The Minister may in an equal employment opportunity programme make provision for the according of preference—
>
> *(a)* to young persons, or persons of a defined class disproportionately represented amongst the unemployed, in securing employment in the public sector;

That situation is already in vogue today. The subclause continues:

> *(b)* to persons of a defined class employed in the public sector with a view to enabling them to compete for other positions or pursue careers in the public sector as effectively as persons not of that class,
>
> and the according of such preference in pursuance of such a program shall, notwithstanding the provisions of this or any other Act, be lawful.

That is an active form of discrimination in its own right: it has nothing to do with equal opportunity. It may be used as equal opportunity is now being used—as a means of perpetrating a lot of sins on this country.

It is in the view of the people who espouse equal opportunity as to whether their particular sector is discriminated against or not. We know that the evolutionary process will mean that not too far down the track many of the areas that are currently under-represented will be sufficiently represented. The words 'may in an equal employment opportunity program', are a preliminary opening to say that there is to be some legality to the whole thing and this is the reason why we are going to do it. I cannot condone this provision. I think that it takes away from the very thrust of the Bill. It is something that members on this side will not support. We believe that it is unnecessary and that it detracts from the general excellence of the Bill.

The Hon. J.C. BANNON: I am amazed at that contribution by the honourable member who is successfully turning the clock back many years, probably 10. He is successfully ignoring policies adopted even under the Liberal Administration for which he worked in the Public Service. Where he was at that time and what he was doing and saying, I do not know. To move this amendment is bad enough, but to couple it with the reasons that he has given is quite extraordinary. I would have thought that it is widely recognised that there are a number of groups in the community who are unrepresented in the work force, but it is not a case of discrimination but of providing opportunities to have programs which recognise that and make deliberate attempts to train and encourage those groups. It is well accepted personnel practice: it is widely supported in the community, among trade unions and elsewhere, and so it should be. It does mean that there is some special recruitment action required on occasions.

A specific program that the Government has had in operation for two or three years now to recruit young people into the Public Service I understand is widely supported. I certainly have not heard criticisms of it from all members of the Opposition. It is good to know where the honourable member stands on that matter. I hope that some of his younger constituents do not get to hear about it.

In relation to disabled persons, Aborigines, and so on, there are cases for specific programs. The amendment would simply exclude them and would mean that they are not possible, that they are not valid, and that they are not legal. I find that quite unacceptable. The concept of an equal employment opportunity program is well established: it is not just something that we in Government have invented. We have taken those programs seriously and, in fact, they were part of the policy and principles under which the previous Liberal Administration operated. The honourable member wants to turn the clock right back to some earlier age, and I find that unacceptable.

Mr BAKER: I cannot let that pass. Of course the former Government gave credence to those in underprivileged or under-represented areas, just as the present Government is doing. It amazes me that the Premier says that we are turning the clock back 10 or 20 years, or whatever. We are not indeed, as currently it is possible to put up programs, whether they are called equal opportunity programs, or whatever. I do not necessarily think that equal opportunity programs of the type that the Premier has mentioned have any relevance to what we are talking about here. Surely, the employment of young people does not constitute an equal opportunity program. Is the Premier suggesting that when we provide employment for young people we have an equal opportunity program? That is absolute garbage. We are saying that we need more young people in the Public Service because *(a)* there are many unemployed people in the community and *(b)* the structure of the Public Service is ageing and we need a more balanced pyramid effect in that regard so we will have people going through the professional ranks in the proper form.

There is a range of reasons why employment is given to young people who have not been employed before. It has nothing to do with equal opportunity. One might consider that we need more women or Aborigines employed in certain areas, or that more disabled people should be given an opportunity to work. The reasons for employing any of these people are equally valid. The Government can make various determinations, but the House should not be given the garbage that it is all part of the equal opportunity employment program. Perhaps the Premier is thick, but I point out that when a determination is made to appoint 100 young people in the Public Service, and that provision will be made to provide 10 positions for disabled people, and 50 positions for women, or whatever, by that same token—

The Hon. J.C. Bannon: That is unlawful discrimination, under your thinking.

Mr BAKER: No, I am not saying that; the Premier should get it right. When talking about this equal opportunity program, by that same program there is inequality, because the groups excluded are suddenly not part of the equal opportunity program. For example, in relation to young people, if the male unemployment rate is 25 per cent, the female rate is 32 per cent, and I am not sure what the disabled rate is, as soon as a decision is made to employ 10 or 20 people taken from a certain category that is not providing for equal opportunity—that is simple mathematics. On what basis does the Government base equal opportunity?

I am saying to the Premier that it is useful for him to say he has to make determinations within the public sector which basically relate to carrying out social programs, and I have no difficulty with that concept at all, as the Liberal Government did it and the present Labor Government is also doing it. However, the Premier cannot talk about equal opportunity programs and about discrimination, because as soon as one exercises discrimination other people will be discriminated against by that same action. In principle, this provision should not be in the Bill, and I am opposed to it. The Premier should understand that if one discriminates in one form there is consequent discrimination in another form. It is simply a matter of principle.

The Hon. B.C. EASTICK: My comments will be very brief. I think the Premier has shown considerable inconsistency in his argument here tonight. Earlier, he wanted to exclude from one of the definitions a measure that the Opposition sought to include, because the Premier wanted greater flexibility to apply. I believe that the clause does nothing for the Bill. The opportunity exists for the Government to undertake the programs that the Premier indicates have been in place in the past, undertaken by both the past and the present Governments. Those programs can be undertaken without this clause in the legislation. We believe that the degree of flexibility that he seeks to bring to the passage of this Bill is in part destroyed by this clause, and we will vote accordingly.

The Committee divided on the amendment:

Ayes (15)—Messrs Allison, P.B. Arnold, Baker (teller), Becker, Blacker, D.C. Brown, Eastick, S.G. Evans, Goldsworthy, Gunn, Lewis, Mathwin, Meier, Olsen, and Oswald.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, and Trainer.

Pairs—Ayes—Mrs Adamson, Messrs Chapman, Rodda, Wilson, and Wotton. Noes—Messrs Hemmings, Hopgood, Slater, Whitten, and Wright.

Majority of 4 for the Noes.

Amendment thus negatived; clause as amended passed.

Clause 7 passed.

Clause 8—'Annual report'.

The Hon. B.C. EASTICK: I move:

Page 6, line 33—Leave out subclause (2) and insert subclause as follows:

(2) The report must contain—

(a) a full account of the financial affairs of the government agency;

and

(b) any other information required by regulation.

The amendment does not alter the general thrust of the requirement written into the original Bill other than to extend it to the need for a full financial disclosure in the report being prepared. This is but one of three similar variations which the Opposition seeks to incorporate in the Bill. It may well be said that such information may be available in the Auditor-General's report or in some other document. However, if we are going to be consistent in open government and provide for the maximum information being available to the public for services it is funding, a need exists for the report to indicate financial competency, as well as other detail that might indicate how many actions might be taken and so on. It does not need a lot of further discussion. I hope the Government will see the value of the amendment and accept it without further debate.

The Hon. J.C. BANNON: I do not disagree with the intention of the amendment, but do not think we should have detailed requirements of reporting inserted in the Bill. The regulations are the appropriate place for that. It may be that even the nature of the financial reporting require-

ments could change and we should have some flexibility for it. Financial affairs of a Government agency are covered under a number of other headings, but there are other things which people suggest ought to be in the annual reports, perhaps with some good reason. The regulatory procedure provides the appropriate place to do that. Financial affairs obviously is one issue that is appropriate, but the form and extent of it should be determined by regulation and not be inserted in the Act itself.

The Hon. B.C. EASTICK: The thrust of the argument is that some things should be prescriptive, recognising that there are others which, at the whim of the Government, can be changed in and out of session and which may be excluded. If we are going to be consistent in projecting this as a measure to be looked up to and to provide a proper Public Service structure, we firmly believe that the prescription of a financial report associated with the annual report is desirable and eliminates any possibility of the public, the Parliament or whoever may be interested in the action being excluded from information that is their right.

Mr BAKER: Every publicly listed company that operates has to provide a report to its shareholders. In the same way we believe that that principle should be embraced by the public sector and it should advise the Minister. We have certain mechanisms within the Parliament at budget time to give us information. The Minister should be appraised of financial performance—whether and why a profit or loss was made according to budget allocations—and informed about areas for improvement and saving. It is a healthy proposition that could assist departments to operate more efficiently—that is why it is included here. Financial accountability is a most important part of the public sector operations and for that reason it has been included.

Amendment negatived; clause passed.

Clause 9 passed.

Clause 10—'Constitution of the board.'

The Hon. B.C. EASTICK: I move:

Page 7, lines 9 to 19—Leave out subclauses (1) and (2) and insert subclauses as follows:

(1) The board shall consist of 5 members, of whom—

(a) one shall be the Commissioner;

and

(b) the remainder shall be persons appointed by the Governor, being persons who have, in the opinion of the Governor, appropriate knowledge and experience in the area of management or industrial relations.

(2) Of the persons appointed by the Governor, 2 shall be appointed on a full-time basis and the remainder on a part-time basis only.

Possibly, the first of the major philosophical differences between the Government and the Opposition in relation to the structure of this Bill is noted in this clause. We believe that the Government model for the structure is not the best approach. Of the five members suggested by the Opposition, it is obvious that there will in essence be three part-time and two full-time members. I make that distinction because the Commissioner will be a part-time member of the board while fulfilling his other duties as Commissioner for the balance of the employment.

The structure suggested in my amendment is more consistent with a model that will benefit the Public Service for a long time to come. It is supported by many people within the service. Having taken evidence from them and indicated to them the course of action that we seek to take, we found a genuine interest in the Opposition alternative. There appears to be a major philosophical difference between the Government and the Opposition. I hope that the Premier will not persist with the form presented in the Bill and that due consideration will be given to the alternative, which we know has public appeal.

The Hon. J.C. BANNON: I am not prepared to accept this amendment. The composition of the board is obviously one of the matters that has been very seriously considered, discussed and debated, and the form in which it is in the Bill is appropriate. The Opposition amendment seeks to make a number of changes: first, and predictably, it removes any employee representation on the board. When I talked earlier in this debate about the member for Mitcham's turning back the clock, it certainly applied in that area of equal opportunity and here we have another example.

There are very sound reasons that are reflected in practice in many areas where the input of a person representing employee organisations can provide a very important contribution to such a board. It is most appropriate that they be represented on the board, and we insist that they be so represented.

Secondly, the Opposition amendment provides that the other board members shall have experience in industrial relations. No doubt, some of them will have. In that context it is interesting that the Opposition seeks to remove someone who is certain to have experience in that area, namely, the employee representative. Experience in industrial relations should not be a requirement. The mix of board members will undoubtedly import some industrial relations experience, but the Committee should remember that as well as the board we have a personnel and industrial relations function that is not exercised by the Government management board: that is not its primary role.

There are professionals who will be handling that. What we are looking for from the board is an appropriate mix of skills reflecting experience in those areas of management that are necessary. That brings me to the next part of the amendment which makes it obligatory that we have two full-time members and the remainder on a part-time basis only. Again, there may well be a case for full-time members on occasions, but I think that there should be flexibility in that. To stipulate numbers in advance ignores the desire for some form of flexibility and an appropriate mix of skills.

I do not understand why, when one looks at the function and role of the board, it is necessary to stipulate that certain positions should be full-time. That may be inappropriate. On the other hand, if the Government wishes to move to a full-time board in whole or in part, that can be a decision of the Government based on experience. So, I do not believe that appropriate arguments can be advanced to support this amendment, and I think there are strong arguments against it.

The Hon. B.C. EASTICK: The position of the Opposition has been misrepresented yet again. There is no preclusion in the amendment, nor does it say that a member will have industrial relations experience as an attribute. The amendment uses the words 'management or'; and there is no preclusion because it is the province of the Government on the advice it gives to the Governor to include a person who may be a member of the United Trades and Labor Council.

It may be a person who is recognised as having major industrial relations skills, who is not a member of the UTLC but is a member of a non-affiliated body who has particular attributes and who is highly regarded in the community at large or in the fraternity of industrial relations. I dispel the claim made by the Premier that there is a preclusion. Also, I point out that there is no demand that a person must have industrial relations experience as a positive attribute.

Management rests equally with industrial relations as attributes that will be considered in the determination of who will be appointed. As to the provisions contained in the Bill (other than the number of members, which we sought to reduce from six to five and which is a plus in a management sense), my amendment offers the same opportunities to the Government of the day to decide on appointments without being tied into the Government prescription.

In the most recent amendment, the Premier asked that flexibility be provided and suggested that we did not have a prescription in relation to financial matters associated with the report. Now, according to the Premier, we suddenly want a prescription. The Premier cannot have it both ways. We believe that the flexibility that is an important part of the whole management structure is best provided by the Opposition model, and that is the view we hold.

Mr BAKER: Again, the ignorance of the Premier has been displayed in this debate because obviously he did not listen to any of the contributions made in the second reading debate; he has not read the amendments; he is obviously approaching it provision by provision; and he is getting some bad advice from someone behind him about what the amendments actually mean.

We are talking about two fundamentally different systems. It is a key element of our thrust towards the management of the Public Service. If the Premier had listened to or read our speeches, he would understand why these provisions have been put in—they are part of a package that we believe is important for the future of the Public Service. If we canvassed the Premier's proposition of a toothless Government management board which, on the last advice we received, will be part-time, we would see that the person with the greatest amount of power in the public sector would be the Commissioner. He solely will determine a whole range of matters in the Public Service. We saw this as totally unhealthy.

If the Premier would like to test the water I suggest that he conduct a referendum in the public sector in order to ascertain which system public servants want. The Premier, if he put the case fairly, would probably find that most public servants would like to have an effective sounding board at the top. They do not want one person making the decisions. In many ways our Public Service Board has had some fine attributes in the past that have not necessarily been present in other public sector employment.

We believe that elements of the existing system have merit. We want to improve on the existing system, and that is why we have included two full-time members; they are people who we believe will be the filter in the system to ensure that the ultimate decisions of the board are just and right and put the Public Service on the right footing. The Premier's misunderstanding of this clause shows that he has not been interested in this debate to date. I know from his comments that we will not change his mind, because there is a fundamental difference between the Opposition and Government.

Clause 10 specifies six members, one of whom shall be the Commissioner and the remainder persons appointed by the Government. How did the Premier arrive at six members? What type of people does he want on the board? Will those people serve in a full-time or part-time capacity?

The Hon. J.C. BANNON: Six is a reasonable number providing for some flexibility. In the original proposition the Commissioner would not necessarily have been a secured member of the board, but it was decided that it was appropriate that that person should be so. It is also strongly argued that we must have a representative of the industrial organisations in the Public Service, and that is what is provided there. The argument is that a board such as this is best served by part-time members. It allows flexibility in who can be available to serve on the board. We expect there to be, over time, a turnover of membership; that members can be drawn from key areas of the Public Service, and that we can have some input from outside the Public Service. All that is possible in the framework that we propose. Therefore, we believe that is the most desirable.

Mr BAKER: In effect, the Premier is saying that there will be six key persons, one being the Commissioner. We do not think that that is inconsistent with what the board should be trying to achieve. Six part-time members, who will be busy people if they have some ability, will meet effectively for an hour or two a month to determine in an *ad hoc* fashion the future direction of the Public Service. I hope that public servants at large will understand that decision making, under this proposition, will be completely and utterly in the hands of one person—the Commissioner—who will have enormous power.

There will be no checks and balances in the system. Under the terms of reference, the board is an advisory body. I am not sure if members will be paid a fee whether or not they attend meetings. As all members who are on such boards will know, we cannot always carry out our duties in the way we would like, because of the lack of time to read papers, and so on. It is an indictment on us, but we cannot always fulfil those obligations.

In practical terms, the board will be a paper tiger so that the public can see that there is outside representation putting ideas through the system: 'it is a healthy system because there will be outside input on how the Public Service is run. As we all know, that is window dressing.' The Premier should say, 'We do not need these people because they will not be able to provide the sort of service and advice necessary in the Public Service.' How can a person who attends a meeting once a month for an hour or two determine some of the fundamental questions confronting the Public Service?

Obviously, the Commissioner will feed in items on which there will be some recommendations made by the board. The board will have to determine those matters on the basis of limited information, and those important questions will be fed through the system. Unfortunately, we will not win this argument here and now, because we do not have the numbers. I am disappointed with the Premier. I hope that all public servants appreciate that they will be subjected to the wishes and whims of one person in that system. Under this provision, there is no real check and balance. It is purely window dressing for the public's benefit, the suggestion being that there is private input into this system. We do not agree with that.

The Premier raises the matter of the UTLC. It is fascinating that he has to include that organisation in everything. I hoped that in principle we would talk about the composition and skills of the board. We should not prescribe any particular position. As the member for Light suggests, we might find someone from an unaffiliated union or someone from the UTLC other than a person nominated by it. The Public Service Association might provide representation on the board through a person who is the most skilled and has the greatest knowledge in the public sector. All those possibilities are tenable under our proposition.

Under the present proposition, the UTLC has pride of place in the system, but a number of other unions provide a service to the public sector—the Government Workers Union, the Miscellaneous Workers Union and a range of unions that would like to be involved in the decision making. I presume that the Public Service Association may get pride of place as the UTLC representative. It may be that the Public Service Association is the best body to do the job. Certainly, we would look for a person with skills and someone with their feet on the ground. We would not discard the UTLC as a prime source for that sort of candidate. We are not precluding the UTLC from the board: we are not putting just anyone on it.

We are saying that in principle we want people to have two skills—both if possible, but either/or—and they are management (that includes personnel management) and industrial relations experience and knowledge. As I say, our proposition is fundamentally different. This is a test clause.

It is a clause where there are other provisions in the Bill which will not necessarily be proceeded with because they are redundant if our proposition is rejected.

The Committee divided on the amendment:

Ayes (15)—Messrs Allison, P.B. Arnold, Baker, Becker, Blacker, D.C. Brown, Eastick (teller), S.G. Evans, Goldsworthy, Gunn, Lewis, Mathwin, Meier, Olsen, and Oswald.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, McRae, Payne, Peterson, Plunkett, and Trainer.

Pairs—Ayes—Mrs Adamson, Messrs Chapman, Rodda, Wilson, and Wotton. Noes—Messrs Hemmings, Hopgood, Slater, Whitten, and Wright.

Majority of 4 for the Noes.

Amendment thus negatived; clause passed.

Progress reported; Committee to sit again.

CRIMINAL LAW CONSOLIDATION ACT AMENDMENT BILL (No. 2)

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill makes three amendments to the law relating to sexual assault. These amendments should be regarded as part of the Government's ongoing concern to ensure that victims of sexual assault are accorded the due and proper protection of the law. I refer honourable members to the reforms already effected in relation to the unsworn statement, the abolition of the corroboration warning rule, the reforms relating to the admission of evidence of sexual experience of complainants, the reform of the law relating to the competence and compellability of spouses and reinstating the complainant's ability to give evidence of the circumstances in which a complaint of the sexual assault was made.

The first amendment extends the definition of sexual intercourse. The definition of sexual intercourse for the purposes of the crime of rape is confined to the penetration of the vagina, the anus and the mouth by the penis. This represents an extension of traditional notions of rape as the penetration of the vagina by the penis.

With the law now extended well beyond the prohibition of non-consenting, but conventional, heterosexual intercourse there seems no sound reason to define narrowly the means by which a sexual assault can be carried out, particularly in view of the fact that less conventional assaults (for example, those involving penetration by bottles or screwdriver) can be most abhorrent. The new section covers acts which can be regarded as attacks on one's body and integrity.

In some Australian States the principal offence of rape has been abolished and replaced by a series of offences described as 'sexual assaults' of various levels of seriousness. One principle underlying the reform has been the desire to emphasise the violent rather than the sexual nature of the crime of rape. An unexpected side benefit of such reforms may be an increase in the number of guilty pleas and convictions. An increase in the number of guilty pleas because offenders are more likely to plead guilty when there is no longer a risk of a sentence of life imprisonment and an increase in convictions because juries no longer equate rape with the sending of a person to prison for life.

The New South Wales Bureau of Crime Statistics is evaluating the effect of the reform of rape laws in that State and, should it appear that the introduction of a graded series of offences results in more guilty pleas and convictions, the Government will most certainly look to moving in this direction.

The second amendment is designed to highlight the fact that a person who does not offer physical resistance to a would be rapist is not by reason of the non-resistance to be taken as consenting to the sexual intercourse. The amendment is, in fact, only stating what is the present law but it is considered that a clear statement of the law in this Act would serve as a useful reminder.

The third amendment, the repeal of section 76a, removes an anomaly. Section 76a provides for a time limit of three years within which charges for sexual offences under the Act must be laid. There is no time limit on the laying of charges for other offences under the Act. It can happen that a person will make admissions concerning sexual offences after the three year time limit has expired. No action can be taken against such a person.

Clause 1 is formal.

Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation.

Clause 3 amends section 5 of the principal Act which sets out definitions of expressions used in the Act. The clause replaces the present definition of 'sexual intercourse' with a new definition by which the term is defined to include any activity (whether of a heterosexual or homosexual nature) consisting of or involving—

(a) penetration of the vagina or anus of a person by any part of the body of another person or by an object;

(b) fellatio;

or

(c) cunnilingus.

The present definition of sexual intercourse defines the term to include the introduction of the penis of one person into the anus of another or into the mouth of another.

Clause 4 amends section 48 of the principal Act which makes provision for the offence of rape. The clause amends the section so that it expressly declares that the offence may be committed whether or not physical resistance is offered by the victim.

Clause 5 repeals section 76a of the principal Act which was enacted in 1952 and provides that an information for an offence of rape or any of the other sexual offences under the Act must be laid within three years after the commission of the offence.

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

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

That the sittings of the House be extended beyond 10 p.m.

Motion carried.

GOVERNMENT MANAGEMENT AND EMPLOYMENT BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 1493).

Clauses 11 to 14 passed.

The Hon. B.C. EASTICK: New clauses 14a and 14b are of a similar type, so with your approval I would like to take

those together and deal separately with new clause 14c, which follows a different set of circumstances.

The Hon. J.C. BANNON: Perhaps new clauses 14a and 14b could be moved separately. That would be helpful.

New clause 14a—'Members of board to disclose pecuniary interests.'

The Hon. B.C. EASTICK: I move:

Page 8, after line 30—Insert new clause as follows:

14a. (1) Each of the appointed members of the Board shall disclose pecuniary interests of the member to the Minister responsible for the administration of this Act in accordance with the regulations.

(2) The Minister shall, at the request of any person, review the information disclosed by a member of the Board under this section and report whether there is, in the Minister's opinion, a conflict between the member's pecuniary interests and official duties.

(3) Failure to comply with subsection (1) constitutes misconduct.

This new clause is to require the members of the board to disclose their pecuniary interests. One might suggest that its exclusion was an oversight. If in fact it is to be explicitly excluded, one would have to ask why in so much legislation which relates to people in this type of position should it be included and yet excluded from this legislation. We believe that it is appropriate, because of the nature of the Bill before us, that there should be a disclosure of pecuniary interests.

It leads on to the conflict of interest that is referred to in the subsequent new clause which I seek to insert. The format is consistent with that which has been passed by this House on a number of occasions. It applies to people in local government as well as in the parliamentary area, so I seek the Committee's approval for its inclusion.

The Hon. J.C. BANNON: In regard to proposed new section 14a and the functions of the board as outlined, I do not think that there is a great deal of necessity for a particular disclosure provision. On the question of conflict of interest, which is covered by the second amendment, perhaps the argument is different—there could be a conflict of issues arising and some provision made for them.

New section 14a could act as a bar or impediment to somebody taking a position on the board. It would seem to be unnecessary, if one wants to recruit someone such as a senior businessman from outside the Public Service to have an input to the board, to require that person to disclose in advance all personal and pecuniary interests as a precondition to accepting appointment.

I think that that is going too far with a board that is primarily an advisory body to the Government. I take the point that the member for Light has raised, namely, that we should cover areas of conflict of interest. I think that by having a conflict of interest clause we can get over the difficulties that having a strict pecuniary interest clause in the Bill would encompass and at the same time achieve the primary aim to ensure that where conflict of interest does arise a pecuniary or personal interest is disclosed.

The Hon. B.C. EASTICK: I do not completely understand the Premier's reasoning on this matter. I understand the point that he is making that it might be a deterrent. We have certainly been able to show that there has been a deterrent in the local government area. A number of people, having been required to disclose their pecuniary interests, have resigned from councils, and a number of people have not made themselves available for local government. We are not talking about local government, which I appreciate. I must admit that I am working only from memory when I say that I suspect that pecuniary interests provisions were written into the State Supply Act.

The Hon. J.C. Bannon interjecting:

The Hon. B.C. EASTICK: Although the Premier might say that that is a different set of circumstances because the trading aspects are involved, there are nonetheless advantages of inside information, and advantages associated with that person from industry who is to be drawn in hopefully to make himself available for inclusion on the board. I also pick up the point, although I do not directly debate it, that one of the situations in respect of a conflict of interest is that there is a pecuniary interest. We are not going to define 'pecuniary interest'. If the Premier has his way, we will have recourse to a conflict of interest clause which relates to a pecuniary interest type of situation. I believe that to be completely consistent and in line with the actions of this Government in relation to major new legislation in this whole area of Government activity, the clause ought to be included.

Mr BAKER: I support the member for Light. I take the point made by the Premier about the attraction to a position of people of merit who might be rather reticent to participate if they had to declare their interests. I hope that, despite some of the performances of certain Government Ministers in the past year, we can assume that the Minister in charge of this area will be a responsible person and that details of pecuniary interests will stay within his domain and will not be thrust out into the public arena for anyone to go through with a fine tooth comb and then perhaps cause the matter to be further raised in the public arena.

The member for Light has identified a weakness. Admittedly, when we were putting forward the original proposition, the board was to be a more practical board, which would help in a major way with decision making within the Public Service. In that situation it was imperative that the members of the board were seen as being cleaner than clean and whiter than white and, where a conflict of interest was perceived, should not participate and be taken out of the decision making process.

The Premier has agreed that there should be in the Bill a provision relating to conflict of interest, and he has recognised that the Opposition has made a valid point in that regard. Does the Premier intend to move his own amendment forthwith or delay moving such an amendment until the Bill has further proceeded through Committee? Given that the Opposition has raised this problem area and that the Premier has admitted that a conflict of interest could well arise and that we should have some provision in this regard, what does the Premier intend to do about rectifying that position in the Bill?

The Hon. J.C. BANNON: Two amendments have been tabled. At the moment we are considering clause 14a. I think I have said enough to indicate that, while I do not believe that a pecuniary interests clause is justified (I do not think that a conflict of interest will be a common occurrence; I think it will be very rare), I am prepared to support a conflict of interest proposal put forward by the Opposition.

New clause negatived.

New clause 14b—'Conflict of interest.'

The Hon. B.C. EASTICK: I move:

Page 8, after line 30—Insert new clause as follows:

(1) Where—

(a) an appointed member of the Board has a pecuniary or other personal interest in a matter;

and

(b) that interest conflicts, or may conflict with the member's official duties.

the member shall disclose the nature of the interest to the Minister responsible for the administration of this Act and shall not take any further action in relation to the matter except as may be authorized by that Minister.

(2) The Minister responsible for the administration of this Act may direct an appointed member of the Board to take specified action with a view to resolving a conflict between a pecuniary or other personal interest and an official duty as a member of the Board.

(3) Failure to comply with subsection (1) or a direction under subsection (2) constitutes misconduct.

A conflict of interest clause is common in matters of this nature. I believe that it was an oversight that such a provision was not included originally. This new clause picks up part of the matters pertaining to pecuniary interests, the subject of proposed new clause 14a, which was defeated. The Opposition believes that the format of new clause 14b as submitted is self standing, and I commend it to the Committee.

New clause inserted.

New clause 14c—'Extent to which board is subject to Ministerial direction.'

The Hon. B.C. EASTICK: I move:

Page 8, after clause 14a—Insert new clause as follows:

(1) Subject to this section, the Board is subject to direction by the Minister responsible for the administration of this Act.

(2) No Ministerial direction shall be given to the Board—

(a) requiring that material be included in, or excluded from, a report that is to be laid before Parliament;

(b) requiring the Board to make, or refrain from making, any particular recommendation or comment when providing any advice or making any other report to a Minister or Ministers under this Act;

(c) requiring the Board to refrain from making any particular review of public sector operations.

(3) A Ministerial direction to the Board—

(a) must be communicated to the Board in writing; and

(b) must be included in the annual report of the Board.

This clause indicates the extent to which the board is subject to Ministerial direction. It is the summation of a number of discussions relative to the Bill and more clearly defines the propriety of the relationship between the Minister and the board. It is somewhat prescriptive, if you like, or more definitive: it does not leave in the Bill an open-ended cheque, as we believe is currently the case. More specifically, proposed new subsection (2) *(b)* provides that any indication of a Ministerial direction must be made available in the annual report of the board. We believe that this gives rise to accountability. It is a necessary requirement of the new approach to accountability within the Public Service and the whole governmental management sector.

The Hon. J.C. BANNON: I cannot accept the new clause, which is superfluous. Its impact would depend on amendments to clause 15, and we cannot accept them because they give the board detailed personnel and industrial relations powers. That cuts across the whole structure of the Bill. We have already considered a number of amendments that would reinforce this aproach to the Bill, and it is fairly fundamental. The board is an advisory board. It can be expected to accept directions consistent with the policies of the Government of the day, but it would be impractical and, in confidential matters, undesirable for such directions to be included in annual reports in this way. It is not established to have detailed personnel and industrial relations powers: they are handled in another way. The amendment misconceives the point of the board and its mode of operation.

The Hon. B.C. EASTICK: It is quite obvious that the Premier wants to move around claiming to be a leader of an open Government without anything whatsoever to hide, yet when given the opportunity to bring into legislation as important as this a clear requirement that the openness and accountability will be put on view, he runs away from it. I will not delay the House other than to say that we believe that in relation to other variations this is a very desirable addition to the Bill, one which will give the public a greater sense of acceptance of the secrecy that currently surrounds some actions of Government.

Mr BAKER: Much of this new clause is predicated on the acceptance of the change of arrangements relating to the board as a living instrument rather than as a bit of window dressing for the edification of the public, but there are still some relevant sections. It really provides that the Minister shall not intercede in certain areas if he has given the board a job to do, and some of that still comes within the framework of the review and advisory role that the Premier has set the board. Quite clearly, we are saying that, having given the board that role, there should not be ministerial directions to prevent the board from carrying out that role. We believe this is important. Obviously, it has greater relevance in the situation we were proposing, but some of the basic principles in this new clause are relevant and I had hoped that the Premier would accept the framework we suggest. We are disappointed that he has not accepted it.

New clause negatived.

Clause 15—'The function of the board.'

The Hon. B.C. EASTICK: I move:

Page 8, lines 33 to 36—Leave out all words in these lines and insert:

review and—

(i) to establish, and ensure the implementation of, appropriate policies, practices and procedures in relation to personnel management and industrial relations in the Public Service;

and

(ii) to advise the Minister responsible for the administration of this Act and other Ministers on policies, practices and procedures that should be applied to any other aspect of management in the Public Service or to any aspect of management in other parts of the public sector;.

I have already referred to clause 15 in respect of new clause 14c. One is, in essence, consequential upon the other. The alterations proposed in relation to clause 15 really move over to consideration of clause 24, which we will come to later. We see a distinct cross reference between the two. An important part of the functions of the board is to provide advice—placitum (ii) of the new inclusion. Placitum (i) gives the opportunity for the board to provide and establish practices of an advisory nature to the Minister responsible. It may well be that this is looked on once again as one of the philosophical differences between the two sides of the House. We believe that the model which we would seek to set up and which in part was associated with the new form of a board requires this variation to its form to the advantage of the end package.

The Hon. J.C. BANNON: I am not prepared to agree to the amendment. I referred to it in passing a moment ago in relation to another amendment that had some bearing on it. It misconceives the whole concept of the Bill, which seeks to separate day to day personnel and industrial relations responsibilities from the Board of Management, improvement and review responsibilities. That was the whole theme of the report and the Bill has been devised around those separations of functions and, if accepted, the amendment would have the effect of involving the board in detail of personnel and industrial matters, which would totally confuse its role with that of the Commissioner. It fundamentally distorts the whole purpose of the Bill.

The Hon. B.C. EASTICK: I refer to the cross-reference which I believed was clause 24 of the Bill. In fact, it is clause 25. The proposal here is to take from clause 25, which reads:

(1) The functions of the Commissioner are as follows:

(a) to establish, and ensure the implementation of, appropriate policies, practices and procedures in relation to personnel management and industrial relations in the Public Service.

I do not want to debate clause 25 further, other than to identify it. That is an action more properly the province of the board and is at the centre of the thrust we put to this measure. It does not establish new ground in so far as the totality of the Bill, but it does establish a new position and

new form of authority, the authority being that of the board directing these vital matters, albeit that the Commissioner is the one who subsequently will be responsible for implementing all of those actions.

We believe quite clearly that these matters should not be left totally to the jurisdiction or the responsibility of the Commissioner. It may be argued that he would in turn take those matters to the board and get views of the board. However, as presented with those functions being present in clause 25 of the Bill, there is no clear necessity for the Commissioner to take those matters back to the board or to allow an impact from the board in relation to those matters. On that basis we believe that they are more properly established under clause 15 and would strongly represent that viewpoint.

The House divided on the amendment:

Ayes (15)—Messrs Allison, P.B. Arnold, Baker, Becker, Blacker, D.C. Brown, Eastick (teller), S.G. Evans, Goldsworthy, Gunn, Lewis, Mathwin, Meier, Olsen, and Oswald.

Noes (19)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon (teller), Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunket, and Trainer.

Pairs—Ayes—Mrs Adamson, Messrs Chapman, Rodda, Wilson and Wotton. Noes—Messrs Hemmings, Hopgood, Slater, Whitten, and Wright.

Amendment thus negatived; clause passed.

Clause 16—'Delegation by board.'

The Hon. B.C. EASTICK: I move:

Page 9, after line 22—Insert subclause as follows:

(3) A copy of every instrument of delegation under this section shall be retained by the board as part of its records.

This amendment is an extension of the clause as it exists. It does not seek public exposure, as did a previous series of amendments which sought to include such information in the annual report, but it clearly indicates that at a later stage, if it is necessary to follow through a line of questioning, research or investigation, the information will be available in the appropriate register. I seek the support of the Committee.

The Hon. J.C. BANNON: This is a reasonable proposition and I am happy to accept it.

Amendment carried; clause as amended passed.

Clause 17 passed.

Clause 18—'The structure of the Public Service.'

The Hon. B.C. EASTICK: I move:

Page 10, line 27—After "practicable" insert "having regard to the efficient operation of the administrative unit or units in question".

We believe that the amendment gives a deeper sense of purpose to the clause and that there is a distinct advantage in the inclusion of these words.

The Hon. J.C. BANNON: I reject the amendment. By specifying particular criteria the amendment is made unnecessarily limiting. There may be circumstances not having any relation to the efficient operation of the administrative unit, which would mean that the Minister may need to take action without consultation. If that is so, it should be allowed.

Mr BAKER: We were in somewhat of a dilemma because the original draft did not include this provision. While we appreciated why it suddenly appeared in the finalised draft, we were faced with the dilemma of whether it should be inserted as a clause in any event. We came down on the side that if one wants good industrial relations one should obviously consult with the bodies concerned. We would have preferred it not to be in the Bill.

Certain matters of good sense are not put into legislation because it binds parties in the process and it can lead to a tremendous dilemma in the odd case where one does not consult and where it causes great problems. The PSA or the Government Workers Union or the like could say, 'You were told to consult in this Act' and then someone has to define 'practicable'.

Good industrial sense suggests that where employees are affected we should at all times consult with the people affected to ensure that any disruption is minimised and that everyone is informed of the reasons for change taking place. The word 'practicable' may mean practicable in the time sense—it might mean many things. What we are specifying ensures that almost all situations are covered, having regard to the efficient operation of the unit concerned. Can the Premier think of any situation where it does not cover that contingency?

If the Premier is suggesting other reasons, the only other reason is are that he wants to hide it from the unions, and I do not think the unions will be enthralled with that proposition. We recommend this amendment to the Premier because it is a practical way of specifying the direction and reason for the proposition in the Bill. It does not take away responsibility. Where fundamental changes effect people, consultation should take place. I believe in industrial relations and in talking to unions and hearing what they have to say. Obviously, if we all get on the same track there will be no disputation.

I believe that, as the clause stands, 'practicable' will be subject to interpretation; and it will cause some heartache on those occasions where it may be imperative, for a whole range of reasons, not to consult. Members of the employee bodies will have a justifiable right to say, 'This Bill was passed by the Parliament, and it says that you should have consulted with us.' I believe that the amendment is a necessary addition to the Bill. Obviously, if the Premier disagrees, he will not accept it.

Amendment negatived; clause passed.

Clause 19—'Administrative unit comprised of unattached positions.'

Mr BAKER: I think there is a fundamental problem here. Clause 19(2) provides:

Where an administrative unit is abolished by proclamation and no provision is made in the proclamation for the transfer of the positions in the administrative unit, the positions shall become unattached positions in the administrative unit referred to in subsection (1).

Clause 41(4) provides:

A position shall not be abolished while occupied by an employee.

I ask that the Premier seek an opinion from the Crown Solicitor, because I think that clause 19(2) is in conflict with clause 41(4). This matter could have been handled by an overriding clause which would allow the two provisions to stand in their own right, but this has not been done. This conflict will cause difficulties in particular situations.

The Hon. J.C. BANNON: The ambiguity or conflict that the honourable member sees is overcome if one reads the two provisions together. Clause 41(4) provides that a position shall not be abolished while occupied by an employee. Clause 19(2) provides that, where an administrative unit is abolished, the positions become unattached positions. I do not think that there is conflict between the two, and that is Parliamentary Counsel's view.

Mr BAKER: I understand that a position is described by a title, department, and maybe a few other words so that people understand that it is, say, a clerical officer class 1 position in the Public Service Board, and that conditions, salary, duties and so on attach to it. The position is defined, first, as the grade and, secondly, in terms of the department. If one abolishes the administrative unit or the department, one abolishes the position, because it is tied to the department. I appreciate that the Premier will not respond, but I

ask him to refer the matter to the Crown Solicitor, because it is an area of potential conflict. That advice was given to me by the Parliamentary Draftsman. There is sound reasoning for his determination on this matter, but I am still not satisfied.

Clause passed.

Clause 20 passed.

Clause 21—'Conditions of appointment of the Commissioner.'

The Hon. B.C. EASTICK: I move:

Page 11, after line 10—Insert subclause as follows:

(3a) A person is not eligible to be appointed as the Commissioner for terms of office that in aggregate exceed 10 years.

There is no argument that this is prescriptive and reflects an attitude that there is tremendous advantage in the Public Service, as is the practice elsewhere, in terms of contract and a not infrequent period is five years. The opportunity for a person actively and effectively to provide leadership to this position would diminish by the end of a 10 year period.

There is nothing that one can measure that against other than to take examples elsewhere. Granted, from an age point of view or the age at which a person would come in, one could argue that they would be ready for retirement at that stage, anyhow. The Opposition in government, would not seek to re-appoint any person beyond the 10 year period even if it were not prescriptive in the legislation. The person would not be discharged from the services of Government, but there would be other opportunities to make use of their expertise or skills to the advantage of the State.

However, a maximum of 10 years should apply for appointment at the top as Commissioner. If the initial contract is for a lesser period than five years or a second contract is for a lesser period than five years, it would be possible to aggregate the total term to 10 years, but it would be against the best interests of the State and the Public Service to have somebody sitting in that position for ever and a day.

We are satisfied that a person who still had some capacity to serve the State could be used in another field without difficulty. I recommend the prescription to the Committee and point out that, whether or not the Government accepts the proposition, a Liberal Government would set a 10 year maximum for that position.

The Hon. J.C. BANNON: That proposition possibly has some merit. The concept of two consecutive terms is probably reasonable in this sort of position but, as far as inserting it as a provision in the Act is concerned, again, we come up against the question of flexibility. There may well be very good reasons for a Commissioner's being appointed for a further term even if it is intended that only part of that term would be served.

A number of circumstances could arise. Under section 33, the same provisions as are in the Bill apply to chief executive officers, and I do not think that there should be a distinction in the case of the Commissioner. I think it should be possible for a further term, although I agree with the honourable member that, as a matter of general rule and practice, it would not be likely that one would see a Commissioner being there virtually in perpetuity. Two five-year terms would probably be about as much as anyone would want to serve in such a position anyway.

Amendment negatived; clause passed.

Clause 22 passed.

New clause 22a.—'Commissioner to disclose pecuniary interests.'

The Hon. B.C. EASTICK: I move:

Page 12, after line 21—Insert new clause as follows:

22a. (1) The Commissioner shall disclose pecuniary interests of the Commissioner to the Minister responsible for the administration of this Act in accordance with the regulations.

(2) The Minister shall, at the request of any person, review the information disclosed by the Commissioner under this section and report whether there is, in the Minister's opinion, a conflict between the Commissioner's pecuniary interests and official duties.

(3) Failure to comply with subsection (1) constitutes misconduct.

New subclause (3) provides the opportunity for a Government to take action if there is a transgression. Whilst the Committee has previously determined not to require disclosure of the pecuniary interests of members of the board (which embraces the Commissioner, because in both models that were discussed the Commissioner is on the board), the Opposition still believes that there is a need to add this provision to the Bill in relation to that most important position. It is even more consistent, I suggest, with the provisions of the State Supply Act passed last session, and I commend the proposition to the Committee.

The Hon. J.C. BANNON: Given that the chief executive officers are required to make a similar declaration, I think it should be reasonable that the Commissioner should do so too. I understand that it was not included in the Bill because it was not envisaged that situations of conflict of interests would arise, but I accept the points made by the honourable member and agree to the new clause.

New clause inserted.

The CHAIRMAN: I refer the Committee back to clause 21 (8) *(h)*—line 12 on page 12. There is a drafting error, and 'or (7)' should be inserted after 'subsection 6'. That correction will be made.

Clause 23 passed.

Clause 24—'Extent to which Commissioner is subject to Ministerial direction.'

The Hon. B.C. EASTICK: As the two amendments to clause 24 are consequential and have been negated by the failure of our amendments to clause 15, I do not intend to proceed with them.

Clause passed.

Clause 25—'Functions of the Commissioner.'

The Hon. B.C. EASTICK: Again, the amendment we intended to move is consequential, and we do not wish to proceed with it.

Clause passed.

Clause 26—'Commissioner may issue instructions.'

Mr BAKER: As one of the amendments to clause 25 is not consequential, I would seek to have the clause recommitted.

The CHAIRMAN: If the honourable member wishes to pursue the amendment, the clause will have to be recommitted after the remaining amendments have been dealt with.

Clause passed.

Clause 27—'Reviews of personnel management.'

The Hon. B.C. EASTICK: I do not seek to proceed with the first amendment on page 15, line 7, which is consequential to a previous amendment. I move:

Page 15, lines 33 and 34—Leave out 'shall take appropriate steps' and insert 'may, notwithstanding any other provisions of this Act, give such directions as are necessary'.

This wording was deemed to be more explicit than the original wording, and this amendment is recommended to the Committee.

The Hon. J.C. BANNON: I do not accept the amendment. There will be circumstances where the Minister should not be able to direct that certain action takes place. I refer the Committee to clause 35, which provides specific exclusions in relation to certain personnel matters. I think that

other circumstances could also arise, and therefore the clause as drafted should stand.

Mr BAKER: That is exactly why we wish to insert these words. Clause 27 provides:

> Where a report is made to a Minister under subsection (4)—
> *(a)* the Minister shall respond to the report by indicating agreement or disagreement with the Commissioner's recommendations and, if in agreement with those recommendations, shall take appropriate steps to ensure that they are implemented;

Clause 35 provides:

> No Ministerial direction shall be given to a Chief Executive Officer—
> *(a)* relating to the appointment, assignment or re-assignment of a particular person;

What we are saying here is that there are parts of this Bill where, on the one hand, the Minister says he is trying to force a decision on the Commissioner (or executive officer in another spot) where it may be inconsistent with the role or requirement that the Minister does not intervene in the processes of the Public Service. That was a means of getting over a particular dilemma should it arise. We are saying that there are two principles involved, that they are not necessarily mutually exclusive, and so that one does not override or conflict with the other there is this catch-all clause. If the Premier reads it he will probably agree with it, but perhaps he has not read it.

Amendment negatived.

The Hon. B.C. EASTICK: I move:

> Page 15, line 38—Leave out 'may' and insert 'shall'.

The Opposition respectfully suggests that the word 'shall' should be used in the third line of para *(b)* in the interests of overall accountability. Subclause (5) states, in part:

> Where a report is made to a Minister under subsection (4)—
> ... *(b)* if the Minister fails to respond as required by paragraph *(a)*, or indicates disagreement with the Commissioner's recommendations, the matter may be referred to in the annual report of the Commissioner.

This would be an excellent opportunity to hide a disagreement, or to hide information which might be quite vital. The Opposition is of the view that if there has been a failure by the Minister to respond then that information should be declared in the annual report.

The Hon. J.C. BANNON: In some cases that could be quite mischievous and its effect could be quite unanticipated by the parties concerned. It is in the hands of the Commissioner, who may refer to such a matter if in his view it is appropriate to do so. However, to give the Commissioner a mandatory requirement to report publicly in these situtions I suggest could well impede the way in which business is effectively conducted. In practical terms it would be wrong to do so. The power lies with the Commissioner, if he chooses to so report. That is surely when such a report should take place.

The Hon. B.C. EASTICK: The Premier and his Party preach accountability but do not necessarily practise it.

Mr BAKER: Indeed, it is a joke. If the Premier did not want it reported he should not have put the provision in the Bill. He has put in a 'maybe', 'get out', 'if you like' provision in the clause as it stands when it is obvious that there will be conflict on occasions between the Commissioner's recommendations and the ministerial views. Therefore, what harm is there in it being reported? If the principle is contained within the Act that it 'shall be', that ensures that there is accountability. There may be good reasons why the Minister and the Commissioner should be in conflict, for entirely different principles. Both may have some justice on their side. They may both be making decisions from a sound viewpoint. As we all know, it is possible to have different points of view that have some validity. If the Premier did not want a report he should not have put it in the Bill. He has said that we should have some form of accountability in this process, so why not insert the word 'shall'? One can put the reasons in, and that absolves everybody of blame. At least show it: otherwise scrap the clause.

The Hon. B.C. Eastick: Some form, but not the total.

Mr BAKER: Yes, indeed. It defies my understanding of what the Premier is trying to achieve: we can do this if we like it, or we do not have to do it if we do not.

Amendment negatived; clause passed.

Clause 28—'Investigative powers of Commissioner.'

Mr BAKER: I have two questions in relation to this clause, although I am not sure whether these matters can be resolved here tonight. First, I refer to the power of the Commissioner to require a former public employee to appear before the Commissioner for examination. Paragraphs *(a)* and *(b)* of subclause (1) refer to this. I am unsure of the legal situation in relation to the power of the Commissioner to subpoena or request the attendance of a former employee. I would like that matter clarified. I am not necessarily saying that the clause is wrong, but what is the legal situation in this regard?

Further, I refer to complaints received by the Police Complaints Authority about double jeopardy and the position of an employee answering any relevant questions and indeed of giving information which may tend to make that person subject to criminal proceedings. Will the Premier clarify those matters? We had a fairly long debate on that basic principle when considering the Police Complaints Authority. Will a conflict again be created? I do not see the same safeguards here that were in the Police Complaints Authority legislation?

The Hon. J.C. BANNON: I do not think there are any problems with the latter procedure. In fact, it touches on the first question asked by the honourable member. Currently the board can summon any person. Lest people think that it is a draconian measure, that the board can summon anyone to comply with requests and answers to questions, and so on, it should be remembered that in this regard that is qualified by the provision in clause 27. The board can summon a person only for a particular purpose or type of review or investigation. So, it is not on some sort of arbitrary power or whimsical idea on the part of the Commissioner: it must be in terms of clause 27.

The Bill circumscribes who may be summoned in these cases. In fact, it only allows the Commissioner to require public employees or former public employees to comply with requests relating to investigations, and so to that extent it reduces the scope of the Commissioner. Nonetheless, that power should be sufficient in any inquiry or investigation. Obviously, if criminal matters or matters of that kind are involved, the appropriate Statutes would apply, but not this one.

The Hon. B.C. EASTICK: I point out that subclause (2) relates to a very sensitive area. It provides:

> For the purpose of assisting the Commissioner with a review or investigation, a person authorized by the Commissioner to exercise the powers conferred by this subsection may—
> *(a)* enter and inspect premises occupied by the Crown or a government agency;
> *(b)* require a public employee to answer truthfully any relevant question;
> and
> *(c)* require a public employee to produce any relevant document, object or material.

Granted that this is not as draconian or as far-reaching as some other similar provisions relating to inspectorial activities, and one does not suggest that the Commissioner will delegate lightly such activities, there are certainly sufficient instances on record in recent times where people with inspectorial roles provided for in legislation have been overzealous and, I believe, have worked completely against the

best interests of proper governmental authority. I am not attempting to have this altered, but I simply draw attention to the fact that any Commissioner would need to be very careful about what authority is given, and to whom it is given, so that overzealousness, which is currently exercised by some inspectors of the Highways Department in relation to truck drivers, is not permitted to intrude into these activities. The parallel might not be completely clear, but certainly the type of overzealousness that has been exhibited by people in the area that I just identified is the great concern.

Clause passed.

Clause 29—'Delegation by the Commissioner.'

The Hon. B.C. EASTICK: I move:

Page 17, after line 9—Insert subclause as follows:

(5) A copy of every instrument of delegation under this section shall be retained by the Commissioner as part of the Commissioner's records.

This amendment is consistent with the amendment that was accepted by the Government in relation to clause 16, that is, to require that a copy of every instrument or delegation is kept on the file against need in the future. I ask that it be supported.

The Hon. J.C. BANNON: Consistent with my earlier approach, I believe that this is an appropriate amendment and I support it.

Amendment carried; clause as amended passed.

Clauses 30 to 37 passed.

Clause 38—'Right of recognised organisations to make representations to chief executive officers on certain matters.'

Mr BAKER: I move:

Page 21, lines 25 and 26—Leave out 'a Chief Executive Officer shall, so far as is practicable' and insert 'the Chief Executive Officer of an administrative unit shall, so far as is practicable having regard to the efficient operation of the administrative unit'.

This amendment relates to consultation with the employee body. The Premier did not accept our last amendment in this regard and it is unlikely that he will accept this one, but I will not call for a division.

Amendment negatived; clause passed.

Clause 39—'Delegation.'

The Hon. B.C. EASTICK: I move:

Page 22, after line 10—Insert subclause as follows:

(5) A copy of every instrument of delegation issued by the Chief Executive Officer of an administrative unit under this section shall be retained as part of the records of the administrative unit.

This is consistent with the decision that was previously taken.

The Hon. J.C. BANNON: I support the amendment.

Amendment carried; clause as amended passed.

Clauses 40 to 45 passed.

Clause 46—'Basis of appointment to the Public Service.'

The Hon. B.C. EASTICK: I move:

Page 27—

Lines 5 and 6—Leave out paragraph *(a)* and insert paragraph as follows:

(a) an appointment may be made on that basis for the purpose of filling a position without seeking applications in respect of the position and, in that event, the appointee shall, on being appointed to the Public Service, be assigned to the position by the appointing authority;.

Lines 9 to 18—Leave out paragraph *(c)*.

Paragraph *(c)* will subsequently be deleted and the clause will be restated so that it is more consistent with the existing Act and common practice.

The Hon. J.C. BANNON: I reject this amendment, which goes much further than is contemplated under present practice or than would be reasonable. The Bill allows negotiated conditions in those cases where normal Public Service recruitment and reassignment methods do not meet the needs. That is the normal approach in these areas. If special circumstances or special factors are involved, these possibilities emerge; otherwise, it is felt necessary to ascertain the availability of Public Service employees or outside applicants by advertising positions. A situation where that could simply be wiped out at will could create problems. Certainly it could have the effect of opening the Public Service to being politicised and, while I certainly agree with the concept of having some flexibility, which is appropriately provided for, this goes too far and I therefore oppose it.

Mr BAKER: The interesting part about the employment appointment section is that it has been white anted since the original draft, which is not surprising. The conditions prescribed and laid down for contract appointments have been tightened up to the stage where they are quite unworkable. We do not wish to detract from the professional aspect of the Public Service. We have had discussions with the Public Service Association on this matter, although it may not be quite happy with our stance. We are interested in bringing in outside expertise, but the new provisions are a little inconsistent with the document before us—the Review of the Public Service Management Final Report. We have heard about flexibility, but when it comes down to provisions and the pressure goes on, the Premier wilts, which is not unusual.

Indeed, the original provisions in the draft Bill were to our mind reasonable and fair, given that it is very hard to prescribe under which conditions we should be bringing in people and where indeed there should not be a full advertising procedure for employment. It is in the best interests of the Public Service that all employment possibilities should be canvassed as widely as possible. We have in the Public Service people who are quite capable of reading the *Gazette* and determining whether a position is to be filled. On a number of occasions the Government will believe that the expertise required may well have to come from outside. It may well be that there are a lot of square pegs and the hole is round. There is reason to expect that the procedures followed will vary in certain circumstances.

In some situations we may canvass purely within the Public Service; in others we may canvass within and outside; whilst on other occasions we may want a certain type of expertise in a hurry and to use the negotiated conditions as a means of entering the Public Service. That is healthy and indeed what the Review of the Public Service management recommends. The basic principles there, which we thought were fine, were that we would leave the door open a little wider in order to bring in people of sufficient expertise and calibre where it was deemed necessary. Under these provisions as laid down, it is virtually impossible for the Minister concerned to follow that procedure. We now have a whole new overload on the system.

It will be very difficult indeed if we want people from outside to come in. It may be that they will do something in a specialised area of technology—a whole range of reasons exist for bringing in people. Although provision exists in the Bill, the circumstances would have to be somewhat extreme. Most people had accepted the principle that the Public Service had to be a little more open for its own good and for the good of the service to the public and that it would be healthy for people to come from the outside sector. A number of my colleagues have served with the Public Service and now have very good jobs in the private sector. It is healthy for people to move between the two sectors, as both sides have something to offer. Obviously there are some outstanding people in the Public Service who are keenly sought from outside, and the opposite will apply. The new provisions do not make that possible.

Clause 46 (4) *(a)* detracts from the original proposition. Paragraph *(b)* is reasonable. The conditions in paragraph *(c)* are draconian and make a complete farce of the whole proposition that we should have outside expertise coming into the Public Service. The door has been effectively closed. The Premier did not have them in the original draft and I would like him to explain why he suddenly changed the provisions of clause 46 and had these extra conditions suddenly inserted in the Bill. Can he explain why he did so and why the door was effectively closed in the process?

The Hon. J.C. BANNON: This whole Bill has been subject to some pretty intensive consultation and development. As a result of those consultations, this clause was inserted.

Amendment negatived; clause passed.

Clauses 47 to 57 passed.

Clause 58—'Reappointment of employee who resigns to contest an election.'

The Hon. B.C. EASTICK: I move:

Page 35, lines 11 and 12—Leave out 'and shall be counted as part of the employee's effective service'.

Nobody is telling persons who are employees of the Public Service that they are required to stand for Parliament: it is a voluntary action which they take themselves and which we support, that is, the right to seek election to Parliament. We also support there being a minimum of delay in reappointing these persons who are unsuccessful in the election. There have been some classic examples in the past where different interpretations have disadvantaged some people *vis a vis* others.

However, the addition of these words is a form of double dipping. Nothing is lost to the person other than perhaps three or four weeks in the long term of their employment. Their employment is guaranteed, but because they took that voluntary action no credit should be given for that period in the other terms of entitlements of office.

The Hon. J.C. BANNON: To the extent that this amendment seeks to continue with the current practice, that is in order. We are happy to accept it.

Amendment carried; clause as amended passed.

Clauses 59 to 74 passed.

Clause 75—'Temporary exercise of statutory functions by persons other than those to whom they are assigned.'

The Hon. B.C. EASTICK: I move:

Page 41, line 40—After 'officer' insert 'by instrument in writing'.

The Opposition views this clause as somewhat similar to the delegation of authority. The proposed amendment is consistent with the other three alterations that have been accepted. It does thrust into a slightly different area, but it is one that could be quite critical in the longer term. Therefore, I submit the amendment for the improvement of the Bill.

The Hon. J.C. BANNON: I agree that it does improve the Bill and I am happy to accept the amendment.

Amendment carried; clause as amended passed.

Remaining clauses (76 to 81) passed.

First schedule passed.

Second schedule.

The Hon. B.C. EASTICK: A consequential amendment to this schedule at page 45 stands in my name and I withdraw it.

The Hon. J.C. BANNON: I move:

Page 45—After 'officer or employee' in paragraph *(a)* of subclause (2) insert 'or class of officers or employees'.

This is a technical facilitating amendment. The Bill requires specific employees or officers to be excluded individually by proclamation. The amendment simply allows a group to be treated in the same way.

Amendment carried.

The Hon. J.C. BANNON: I move:

Page 45—After paragraph (i) of subclause (1) insert paragraph as follows:

(ia) any officer of the teaching service within the meaning of the Technical and Further Education Act 1976;.

Again, this is to correct an oversight in the drafting. Education Act employees were included and at the time it was overlooked that Technical and Further Education employees were covered under a separate Act and should be included separately.

Amendment carried; schedule as amended passed.

Third schedule.

The Hon. B.C. EASTICK: I move:

Page 48—Leave out from subclause (2) '$1 000' and insert '$2 000'.

The suggested sum is more consistent with recent alterations to the penal clauses of a number of pieces of legislation. It gives a clear indication of the seriousness of the provision in the eyes of the Opposition. The amendment does not say that the penalty shall be $2 000 but it indicates the seriousness and indicates that amounts up to $2 000 could be applied where appropriate. I recommend the variation.

The Hon. J.C. BANNON: It may be consistent with elsewhere, but what is more important in this context is consistency with other penalties: for example, in clause 28 the sum of $1 000 is provided. It is consistent at present and it should be sustained.

Amendment negatived.

Mr BAKER: I move:

Page 48—After subclause (1)—Insert subclause as follows:

(1a) The report of the Presiding Officer must—

(a) in the case of the Promotion and Grievance Appeals Tribunal—refer to the number and nature of grievance appeals that were determined during the period to which the report relates to be frivolous or vexatious;

and

(b) in the case of either Tribunal—refer to any matters stipulated by the regulations.

We wish to insert this subclause because appeals dealing with grievances and promotions will become more legalistic, more expensive and could take a lot longer than they have previously. We know that the appeals system has not been working overly well in the public sector. Certain changes were insisted on to ensure that justice was done, and the chief executive officers and the commissioner were not part of the appeals system.

We are going into a very expensive and longwinded process of settling appeals. I do not believe that it is in the best interests of the public sector that we do so, but there are some profound reasons why it should be so. It is important, if we are to go into this new system, that there be some checks and balances, and that these checks and balances be that the tribunal should have the right to report on the appeals that should never have seen the light of day and which they believe have taken up a great deal of time, effort, money and public service hours.

I have known a number of people who were professional appellants over a period of time. If they continued in a system like this then, while they did not mess up the previous system, they would cost this system an enormous amount of money. For that reason it is only fair that the appeals tribunal should have the right to assess the applicants. While they may say that the application is unsuccessful, there is a deeper question involved of whether the resources should be tied up.

If it is the assessment of the Government that there are too many vexatious or frivolous appeals, obviously something has to be done about the system. However, until that information comes to hand no one will know because it will be on an individual basis. I believe that it is important that tribunals have a right to report. We are not revealing names or anything else, but providing the system with

checks and balances. This provision adds a little bit to a system which could be very much encumbered by certain individuals who continually protest that their attributes and efficiency have not been recognised in the right way.

Amendment negatived; schedule passed.

Schedule 4 passed.

Clause 25—'Functions of the Commissioner'—reconsidered.

Mr BAKER: I move:

Page 14, line 9—After '(1)' insert '*(b), (c), (d), (e)* and *(f)*'.

This amendment tidies up the wording. Subclause (2) provides for the determinations of the Commissioner contemplated by subsection (1), and then goes on with a number of provisions. Those determinations are only related to paragraphs *(b), (c), (d), (e)* and *(f)*. If we had determinations to classify, etc., we would have conflict. I understand that the Parliamentary Counsel agrees, in principle, with what we are trying to do. Without the amendment, we could have the problem that subclause (2) applies to all items in clause 25 (1), and that would be ludicrous.

The Hon. J.C. BANNON: I cannot accept that: there is no need for it. The word 'contemplated' modifies it to the extent necessary.

Amendment negatived; clause passed.

Title.

The Hon. B.C. EASTICK: I move:

Page 1, lines 6 and 7—Leave out 'establish principles governing management and employment in the public sector' and insert 'provide for the efficient and effective management of the public sector and the provision of public services of the highest practicable standard'.

The removal of those words is covered in the words sought to be included. This also picks up the point relative to the importance of delivery of service to the public. The principles enunciated in the second reading explanation by the Premier were commendable. They were received by the House and expanded upon by members who contributed to the debate. In the best interests of the measure we are passing those alterations should be made so as its importance is known to the public.

The Hon. J.C. BANNON: I cannot agree to it. The matter to which the honourable member refers is embodied in the Bill, anyway. The rewording of clause 5 embodied the principle that the honourable member wishes to see inserted. It is not necessary to include it in the title: it is adequate as it stands.

The Hon. B.C. EASTICK: Acknowledgment is made of the rewording of clause 5. That picked up the point time and time again that it is extremely important that there be recognition of delivery of services to the public. That was one of the major views presented by the Premier when introducing the Bill. However, the long title of the Bill, which gives a clear indication of its intent, is deficient in this way. What is proposed enhances the long title. Granted, it will never be used other than on high days and holidays, but clearly defined in the long title will be what was the intent of the Government, the Opposition and Parliament. I ask the Premier to reconsider the position.

Mr BAKER: If the Premier had taken the time to listen to the original debate, if he had taken time to read the amendments, and if he had taken time to obtain a proper briefing on the matter, he would have certainly agreed to that set of words or a modified set of words acceptable to him. It is ludicrous that we do not have any mention of service to the public in the major form of the Bill, because that should be the central theme of Public Service management. The Premier has shown a lack of willingness (or ignorance) to spend a bit of time on this Bill tonight. I am sure that, if he had taken a bit of time, he would have accepted our proposal—perhaps in a modified form. Again, we are disappointed that the Premier has not seen fit to do his homework.

Amendment negatived; title passed.

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

That this Bill be now read a third time.

The Hon. B.C. EASTICK (Light): Certainly a lot of progress has been made in the provision of a new form of management for Government service. The provisions of the Bill as it comes from the Committee stage are not entirely suitable to the Opposition. Some useful amendments have been accepted by the Government, but the Opposition would suggest that there have been a number of worthwhile amendments which have been denied. It is a piece of legislation which I suspect is going to take some time to come into being, by the time further consultation is undertaken to provide the necessary working structure.

The Opposition will look very closely at the regulations that are prepared by the Government; alternatively, we will certainly be looking very closely at regulations that we may have an opportunity to prepare for the final proclamation and introduction of this measure as the working model for the State of South Australia. I sincerely hope that, as a result of the deliberations of the House and the Committee, there will be new impetus for development and service within the public sector, making use of the opportunities which can be obtained from cross-fertilisation or by the introduction of people from outside for specific purposes for periods of time. Only good can come from this Bill which can now proceed to another place, although I suspect that we will be discussing it here in this place in relation to further amendments before the final passage is agreed.

Mr BAKER (Mitcham): The Opposition certainly supports the general thrust of the Bill. There are only two areas that have created fundamental differences on this side of the House: first, in regard to the relationship between the Commissioner and the board and the tasks that have been set by the Government and, secondly, contract employment. We believe that the original report directed that our position in relation to those issues was correct, and we are disappointed that the Government has not taken up our suggestions. I look forward to the amendments returning from another place, when I am sure we will repeat some of tonight's debate.

The Hon. J.C. BANNON (Premier and Treasurer): The Bill emerges from Committee with some changes that we are happy to accept, because we believe they make improvements. We found some amendments unacceptable, because a number of them attacked the substance of the Bill, and some were perhaps of a more minor nature. I think the Bill that has emerged is a far reaching and progressive reform.

This Bill will provide tremendous advantages for all those working with and in the Public Service and all those people in the wider community who need Government and public sector services in this State. I think that in many respects this measure will ensure that we remain at the forefront in this area.

The Bill is a tribute to the Review of Government Management Committee, headed by Mr Guerin and his team. It is a tribute to all of those who consulted and worked with the Public Service Association and other industrial representative bodies which obviously had a number of concerns. Modifications were made as a result of those consultations.

We believe that the Bill as it emerges from the Committee stage provides a very workable and practical framework for

a reformed and revamped Public Service. I hope that too much violence is not done to it in another place and that we will see these new provisions in operation in the not too distant future.

Bill read a third time and passed.

ADJOURNMENT

At 11.38 p.m. the House adjourned until Thursday 24 October at 2 p.m.