HOUSE OF ASSEMBLY

Tuesday 29 October 1985

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

ASSENT TO BILLS

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

Appropriation,
Liquor Licensing Act Amendment, (No. 2),
Police Pensions Act Amendment,
Superannuation Act Amendment.

PETITION: STATE BANK LENDING

A petition signed by 2 157 residents of South Australia praying that the House urge the Government to ensure that the State Bank of South Australia operates equitably toward all of its customers in relation to home loans was presented by the Hon. D.J. Hopgood.

Petition received.

PETITION: TEACHER POLICY ON HOMOSEXUALITY

A petition signed by 25 residents of South Australia praying that the House oppose the South Australian Institute of Teachers policy on teaching homosexuality within State schools was presented by the Hon. H. Allison.

Petition received.

QUESTIONS

The SPEAKER: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard:* Nos 134, 172, 229, 233, and 237; and I direct that the following answer to a question without notice be distributed and printed in *Hansard.*

UNDERGROUND POWER CONNECTIONS

In reply to **Hon. B.C. EASTICK** (19 October).

The Hon. R.G. PAYNE: In accordance with the recommendations of the Scott Report and the Lewis Committee following the Ash Wednesday bushfires, the Electricity Trust of South Australia has required that all new electricity services on customers' properties in bushfire prone areas be placed underground. There has been general acceptance of this policy.

The trust also encourages the adoption of underground services for new connections in non-bushfire areas and this is based on environmental and aesthetic considerations. Most customers are aware of the benefits of these service arrangements and accept the undergrounding recommendations. If any customers have strong preferences for an overhead supply, such supply is made available. In general, the customer is not required to pay additional costs for a street crossing.

For new land divisions councils have the authority to declare that all electricity reticulation should be underground. In these circumstances the additional cost of undergrounding the mains in the street is borne jointly by the developer and the trust. Because of this, most new subdivisions in the metropolitan area are now serviced by underground mains.

PAPERS TABLED

The following papers were laid on the table:

By the Deputy Premier (Hon. D.J. Hopgood)—

Pursuant to Statute—

Boilers and Pressure Vessels Act, 1968—Regulations—Standards.

By the Minister for Environment and Planning (Hon. D.J. Hopgood)—

Pursuant to Statute—

Planning Act, 1982—Crown Development Reports by South Australian Planning Commission on proposed—

Metal Classroom, Palmer Primary School.
Transportable Classroom, Palmer Primary School.

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

Pursuant to Statute—

Citrus Board of South Australia—Report for year ended 30 April 1985.
Pest Plants Commission—Report, 1984.

By the Minister of Transport (Hon. G.F. Keneally)—

Pursuant to Statute—

Food and Drugs Act, 1908—Regulations—Prohibited Products.
Corporation By-laws—
Glenelg—No. 68—Traffic.
Henley and Grange—No. 23—Restaurants and Fish Shops.
District Council of Willunga—By-law No. 40—Vehicles on Reserves.

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

Pursuant to Statute—

Credit Union Stabilisation Board—Report, 1984-85.
Suppression Orders—Report of the Attorney-General, 1984-85.
Rules of Court—
Local Court—Local and District Criminal Courts Act, 1926—
City of Adelaide Development Control—Civil Enforcement.
Planning—City Enforcement.
Planning Appeal Tribunal—Planning Act, 1982—General Rules, 1985.
Supreme Court—Supreme Court Act, 1935—Companies (South Australia) Code.

By the Minister of Recreation and Sport (Hon. J.W. Slater)—

Pursuant to Statute—

Lottery and Gaming Act, 1936—Regulations—Australian Formula One Grand Prix.

MINISTERIAL STATEMENT: GOOLWA LAND PURCHASERS

The Hon. T.H. HEMMINGS (Minister of Housing and Construction): I seek leave to make a statement.

Leave granted.

The Hon. T.H. HEMMINGS: This morning's *Advertiser* carried a front page story with the headline '$500 000 profit may flow from Goolwa deals'. The story claimed that two unlicensed land dealing companies which are inter-related stand to make a profit of at least $500 000 by buying up land at Goolwa. One of the principals named in the story, Mr Tennyson Turner, is quoted as saying that some of the land may be sold to the South Australian Housing Trust. He is quoted as saying, 'We've had discussions with some

Housing Trust representatives. They've been looking for land and buildings to buy.'

Some readers may infer from these comments that the trust is about to do business with the two companies. The General Manager of the trust has told me this morning that this is not the case, and the trust will not be involved with the project. Of course, the trust will always be seeking land and houses and will therefore always be willing to discuss any proposition. But in this case the trust has decided it is not interested. I believe it is in the interests of the trust to have the situation clarified. The trust has gone from strength to strength under the Bannon Government, providing an effective and efficient service to the community. It will continue to maximise the value of every dollar expended on public housing. The Goolwa land speculation does not fit in with this objective.

QUESTION TIME

HOME LOAN INTEREST RATES

Mr OLSEN: Does the Premier agree with the Chairman of the Cooperative Building Society that interest rates on home loans have not yet peaked? In his annual report issued yesterday, Mr Dick Fidock, Chairman of the CBS, said that private sector and heavy Government borrowing demands were likely to force interest rates even higher. He also warned about extended waiting periods for home loans if the State Government holds down the rates. Earlier this year the Premier made a number of public statements forecasting an easing of home loan interest rates. I ask him what forecast he is prepared to make now in view of yesterday's warning from the Chairman of one of South Australia's major building societies.

The Hon. J. C. BANNON: I have said a number of times in this House that, based on the experience I had earlier this year, I will not any more forecast interest rates. I did forecast them and I was wrong. I must admit that in that forecast I was joined by most of the commentators, the Federal Treasury and a number of other bodies that all believed that towards the end of this year there would be an easing of rates. That has not happened.

Incidentally, I must say that I was concerned also that a lot of people, including members opposite, were very happy to talk up interest rates for their own purposes and risk this becoming a self-fulfilling prophecy, but I repeat, as I have done on a number of occasions, that I will not try to predict the form of home loan rates or rates generally over the next few months. It is very murky indeed.

This morning's *Financial Review*, to which I refer the Leader of the Opposition, headlines a story saying that there will be an easing of rates next year and it cites a number of authorities. I hope it is right, but at this stage we cannot see what that movement will be. As far as home loans are concerned, the Leader of the Opposition asked me whether I concur that they might not have yet peaked. I am not sure about that. As far as the loans that are under the controls of the banking system are concerned, the facts are that in most cases they are at a peak. In the case of the State Bank they are 0.5 per cent below that ceiling.

The Liberal Party advocates that the ceiling should be removed. I suggest that if that was done in the short term, if the policies of the colleague of the Leader of the Opposition were followed, most certainly home loan rates would increase. All the banks have said that they would if the ceiling was removed. I suggest that the Leader of the Opposition ought to tell us where he stands on that matter. Does he support his colleagues? Does he support the lifting of the limit? I would be very interested to hear that, because we know that his Party's policy is to lift these rates and to ensure that there are no ceilings.

Incidentally, the honourable member then introduced the concept that if anyone held down interest rates the waiting period would increase. Is the Leader of the Opposition saying that, in order to reduce the waiting period, interest rates should be put up? I hope that he says that very loudly and clearly in the community. At the moment my concern is not just for people who want to borrow money to get into a new home (and we are taking a number of steps to ensure that people have that capacity) but also for those people with existing loans who have been facing increases in the amount of repayments. If the Leader of the Opposition supports a reduction in waiting periods, he knows very well that that will put a further impost on those people with existing borrowing arrangements. If that is his position, let him state that loudly and clearly.

RETIREMENT VILLAGES

Mrs APPLEBY: I direct my question to the Minister of Community Welfare, representing the Minister of Consumer Affairs and Minister of Corporate Affairs in the other place. Will the Minister give urgent and immediate consideration to extending the terms of reference of the current interdepartmental committee involved in inquiring into commercial retirement villages to include the following matters:

1. A clear definition of what is a retirement village, particularly a commercial retirement village.

2. What tenure security a deed of licence provides the tenant.

3. What management procedures should be in place for the administration of such complexes.

4. What provisions are made for the maturity cycle, medium and long term.

5. Should an advisory panel be set up under the Commissioner for the Ageing to advise prospective tenants?

I ask that these matters be attended to in the knowledge of the growing number of such complexes and the number of matters being raised in relation to some practices which are not in the best interests of people choosing to make provision for their retirement in such villages. Members would already be aware of a number of matters that I have raised on this topic previously.

The Hon. G.J. CRAFTER: I thank the honourable member for her most important question. I shall most certainly refer the suggestions she has made in her question to the Minister of Corporate Affairs and ask him to refer those matters to the interdepartmental committee currently considering the issues surrounding the proprietary rights of those people who have purchased shares in retirement villages in this State. I point out to the House, and I am sure that the honourable member concurs with me in this, that there should not be any cause for alarm amongst people who have subscribed to such ventures in South Australia.

Unfortunately, there has been an occurrence, I think in the State of Victoria, in respect to a venture of this type. However, I think it is clear that a reform of the law in this area is required so that the investments that many people have made in retirement villages are secure and are firmly based at law. It is in that respect that the Government is undertaking these inquiries and, ultimately, it will bring down a report in this place. Hopefully, subsequent action can then follow.

ELECTRICITY TARIFFS

The Hon. E.R. GOLDSWORTHY: Will the Premier rewrite the letter that he, together with the Chairman of the Electricity Trust, has composed to send to all electricity consumers, as it is seriously misleading because it omits some highly relevant facts? I have a copy of the letter, which is about to be sent to some consumers, and it is signed by the Premier (Hon. J.C. Bannon) and the Chairman (W.H. Hayes). I believe that this letter is to be sent out with all power bills over the next few weeks. I suggest that that is very convenient timing, Mr Speaker. The letter refers to a number of factors that have influenced ETSA tariffs in recent years, including fuel prices, ETSA's capital spending, higher interest repayments (which the House will recall were unilaterally imposed on ETSA last year and cost it about $12 million, plus a guarantee fee of about $3 million for loans that did not need guaranteeing), and the impact on the trust of the Ash Wednesday disaster in 1983.

This letter also makes the specific point that extra tree cutting and insurance premiums as a result of the bushfires have cost the trust an extra $15 million. However, nowhere in the letter is there reference to the extent to which Government taxes and charges have influenced tariffs. Let me give the House some further information to illustrate the importance of—

The Hon. D.J. Hopgood: Read the letter.

The Hon. E.R. GOLDSWORTHY: I have read the letter, Mr Speaker. In 1981-82 the trust paid $21.5 million to the State Government in various taxes and charges, including the 5 per cent tax on turnover introduced, incidentally, by the Premier's own Labor Party. Therefore, in 1981-82 the effect of the Labor Party's tax introduced earlier was $21.5 million.

Last financial year State Government taxes cost an estimated $52.4 million—an increase of 143.5 per cent over three years. The trust's general operating costs, of which that is a component, went up by 69.6 per cent. The fact that the cost to the trust of paying various State Government taxes and charges has escalated under this Government at more than twice the rate of its overall operating costs means that these Government imposts now have a much greater influence on tariffs, and the Premier should be prepared to admit this fact when he is sending out this letter on the eve on an election. If he does not, this letter can be regarded only as more blatant Party political propaganda, to be paid for by the taxpayers and consumers.

The Hon. J.C. BANNON: It is very interesting to have a question about electricity tariffs from the man who signed the gas price agreement, and to hear him talking about something being done on the eve of an election when that 'quick fix' was done within a couple of weeks of the election to get the Government off the hook over its problem and to foist it onto its successors with a three stage increase that put impossible imposts on the trust. If the Opposition is going to ask questions in this area I suggest it should begin by getting someone credible to ask them.

The second point I would like to make is that the letter is emanating from the Electricity Trust of South Australia, a quite proper notice to consumers of electricity in this State whose interests we are trying to protect—and it has been very interesting to see just how members opposite are protecting the interests of consumers again on the business of gas prices; they have come out and made clear that they want the prices to go up and with them the costs. Following the practice of previous Governments in relation to any major change in tariffs, taxes or charges and, quite properly, because the arrangements have been made (in particular, the $11 million that the Government took from general revenue and gave to the trust in order to allow it to reduce its prices), the letter is jointly signed by me and the Chairman. As the Deputy Leader was a little coy about it, I would like to read the letter into the record. It states:

Dear customer,

At last we are able to give you some good news about your electricity account. As you know, the price of electricity has risen steeply in recent years despite all out efforts to keep it down. However, we can now proudly inform you that not only have we contained prices, but we are actually about to reduce them.

From 1 November your electricity tariff will be cut by 2 per cent. When you take into account the increase in the cost of living over the past 12 months, you can see that a reduction in electricity tariffs is a real achievement.

Members interjecting:

The Hon. J.C. BANNON: Members opposite do not like this at all. It gets better! This is the bit that they like:

One major reason for the steep increases in electricity prices—

I emphasise 'one major reason'—a perfectly factual and accurate statement—

in recent years has been the extraordinary increases in the price of natural gas—

Mr Becker: You bowed to the unions.

The Hon. J.C. BANNON: You bowed to the producers. The letter continues:

As you are no doubt aware, natural gas accounts for about 80 per cent of our total fuel requirements and the price of gas has increased more than threefold over the past five years.

Members opposite are a bit quiet about that. The letter continues:

At the same time, ETSA has been faced with huge costs in developing the Leigh Creek coalfield and building a new power station at Port Augusta to ensure you have reliable supplies in the future. Unfortunately, this vast expenditure coincided with a period of rocketing interest rates, so ETSA had to spend a lot of money on financing these and other projects.

Another big expense was the cost of preventing bushfires following the Ash Wednesday disaster—extra tree cutting alone has cost about $8 million a year and insurance premiums rose by nearly $7 million.

I understand that the Opposition, in its attack on us, blamed those increases on this Government. The letter continues:

All these factors meant ETSA had huge cost increases. Because ETSA is funded by the money it receives from customers, there is no choice but to put up the price of electricity. After all, you need electricity in years to come—and industry needs a guaranteed supply to provide jobs. However, we have been constantly looking at ways to keep prices down. Now we can announce not just pegged prices but a price cut.

Furthermore, the Government is working with ETSA to ensure that any increase next year will be kept below the consumer price index. ETSA is already acknowledged within the power industry as a very cost-effective organisation. We are committed to ensuring that your power needs now and in the future are met as economically as possible.

I hope that all consumers read, learn, mark and inwardly digest that factual message on the position.

TEACHER NUMBERS

Mr KLUNDER: Will the Minister of Education indicate how many positions will be available in the Education Department for new teachers in 1986? One of the rumours which has been doing the rounds of my electorate, and which has been communicated to me by a number of concerned teachers, is that the teaching force is under threat of redundancy and that the reduction in student numbers will eventually reflect itself in teacher numbers, with teachers being possibly laid off. I ask the Minister to confirm that this is not the case and to state how many new teachers will be employed by the department in 1986.

The Hon. LYNN ARNOLD: I am happy to reaffirm the advice I have given on earlier occasions that there is certainly no intention for there to be any redundancies in the Education Department. I gave that affirmation last week in

answer to a question asked by the member for Henley Beach, and I am happy to repeat it on this occasion. It would appear that the number of employment positions for newly employed teachers in 1986 will be of the order that it has been for 1983, 1984 and 1985, but quite different from the order of 1979 to 1982. Over the last three years we have been newly employing between 600 and 750 new teachers in the education system to replace those who have retired or resigned for various reasons.

We estimate that between 650 and 750 newly employed teachers or positions will be available and will come on line in 1986. The final number is contingent upon the final level of resignations or retirements—information which we do not have immediately to hand. This certainly indicates that we will be maintaining our commitment to maintain teacher numbers despite significant declines in enrolment. Despite the decline, for example, in 1986 of 4 000 in the student population we will be employing as many teachers in South Australian schools as were employed in 1985, 1984 and 1983.

The record under the former Government was quite different, as it was happy to waste away teaching numbers as student numbers declined and they were not able to employ as many new teachers a year as people retired. Whilst between 600 and 750 people were retiring each year, the previous Government was employing between only 300 to 350 new teachers each year—quite a different situation. We have doubled that rate and will do so again next year.

The point has often been made: 'If that is so, why do you wish to displace teachers from schools when there are declining numbers? What will happen to them?' The fact is that we are concerned about all three kinds of schools in South Australia: those with declining enrolments, those with static enrolments, and those with increasing enrolments (and there are a number of schools in that category). Our first aim is to provide formula staffing for all those schools so as to provide teachers for those schools that are growing in numbers and not to leave parents at those schools with the answer that we cannot give them extra teachers even though there are 30, 50, or 70 more students there. That would be a most unsatisfactory answer.

Also, as teaching positions are liberated by declines in enrolment, and we are able to reinvest them in education for the benefit of all education and of all South Australian students, we are spreading them across all South Australian schools. It would be a point of inequity if the schools to benefit from enrolment decline were just those schools that were suffering enrolment declines within their own schools. Surely the benefit of that should be available to all schools in South Australia. That is partly what the exercise is all about: determining how many positions should be taken from schools with respect to enrolment declines. It is to ensure that the benefit of those positions is available to all our children in South Australia.

The other point that needs to be made is that, as teachers retire and resign, they are doing so not just from one set of schools but right across the school system and leaving vacancies in other schools that must be filled. Those teachers who are displaced from schools where they are presently teaching will go to places in other schools, either to fill vacancies that are left by transferees from those positions, to fill vacancies left by those who may have retired or resigned from positions, or to help us initiate new programs which we have announced and which will take place in South Australia in 1986. We shall not be declaring anyone redundant in the teaching profession. We have many vacancies that are there to be filled. We will employ large numbers of new teachers in the education system, and the figure will run into hundreds—about double the rate that the former Government achieved between 1979 and 1982.

ENTERTAINMENT CENTRE

The Hon. MICHAEL WILSON: Will the Premier confirm that a site between Hindley Street and North Terrace is the Government's preferred option for the location of an entertainment centre? I have been informed that the Government has made this decision and that the Premier will make an announcement early next month. The proposal is for an entertainment centre between Hindley Street and North Terrace, close to the Morphett Street bridge. It will involve the demolition of buildings in that vicinity other than the hotel on the corner of Hindley and Morphett Streets and Holy Trinity Church. The proposal also calls for the D. and J. Fowler site to be used as the car park for the centre, which would mean the end of plans to use this building as a living arts centre.

The Hon. J.C. BANNON: First, the entertainment centre analysis is well under way and following precisely the timetable that the Government announced. Members may recall that we examined extremely thoroughly the proposition of converting Centennial Hall as an option with tremendous cost advantages and with the ability to establish it rapidly, because we would not have had to build the structure. The assessment of that option proved that it just would not be viable, chiefly because it could not accommodate the numbers required for a reasonable convention centre.

We then announced that expressions of interest should be registered with the Government, a time period being allocated and a committee established to assess those applications. The time has expired and a number of interesting proposals in terms of design and site are before the committee. A number of sites and different designs are involved, and the committee is to report to the Government by the end of this month on what its preferred options are. They will be considered, and we will then make an announcement.

ROAD SAFETY CODE

Mr GREGORY: Will the Minister of Transport say whether it is possible to provide to all drivers up-to-date information on current road traffic codes when the Motor Registration Division is carrying out its three year licence renewal procedures? A case can be made out for ensuring that drivers are kept in touch with the rules of the road—especially older drivers and especially since dramatic changes have been made recently to the road rules. A concerned constituent has suggested to me that this would be a very useful initiative that would pay dividends in road safety in the long term.

The Hon. G.F. KENEALLY: The Department of Transport already has a booklet called the *Road Traffic Code* which is available, to the best of my knowledge, at all motor registration offices throughout South Australia and which people pay $1 to purchase. My information is that it would probably cost about 80c per booklet to mail out, so there is some economic consideration there. However, the honourable member has raised an important issue, and I undertake to address it in one of two ways: the Government could look at providing a condensed version of the existing *Road Traffic Code* booklet to see whether sufficient information could be contained in it and whether it could be mailed or handed out with registrations, as suggested by the honourable member.

Alternatively, we could encourage people to purchase the *Road Safety Code* booklet and, as registrations are renewed, provide registrants with an updated copy of amendments to it. I accept the honourable member's proposition that many people, including myself, who obtained their drivers

licences many years ago continually need to have their road traffic knowledge updated. Because of the implications for road safety, I undertake to have the honourable member's proposition investigated and I will bring down a report.

LOXTON COOPERATIVE WINERY

The Hon. P.B. ARNOLD: Will the Premier say what steps the Government is prepared to take in an effort to redress the damage caused to the reputation and good name of the Loxton Cooperative Winery as a result of action taken in this House on 10 October by the member for Henley Beach?

On that day the honourable member claimed that his constituent, a former Loxton wine grape producer and shareholder of the company had been unable to retrieve both his original investment and his accumulated investment from the company. In response to that question in the House the Secretary of the Loxton Cooperative Winery and Distillery wrote to the member for Henley Beach and stated:

> You are advised that should [your constituent] contact the writer and advise that he wishes to withdraw his share capital then he will be sent an application form for the redemption of his shares. Once this form has been completed and returned to the cooperative, it will be processed in accordance with the society's share redemption policy, a copy of which is enclosed for your information. We also refer to the question you directed in Parliament in October 1985 to the Minister of Agriculture regarding this matter. The writer has already expressed in a telephone conversation with you this organisation's resentment that you didn't do the cooperative the courtesy of at least checking with it before raising the matter in Parliament. Your observation that you were too busy to check on the facts of the case is of no comfort to us, and furthermore we believe it was grossly irresponsible and insensitive to act in the way you did.

The winery went on to indicate to the member for Henley Beach that there was no record of his constituent ever having made an application for the redemption of his shares. In fact, it goes on to state that, in 1981, 35 shareholders were paid out their share capital; in 1982, 16; in 1983, 16; in 1984, 19; and in 1985 some 23 shareholders made application and were paid out. The company goes on to state:

> As a direct result of your question in Parliament we have been queried about our actions by our auditors, our bankers, officers of the Department of Agriculture, not to mention shareholders. This has involved our staff in a great deal of wasted and unproductive time in setting the record straight and allaying people's fears. It is a matter of great regret that your action has called into question the proud reputation and good name of the Loxton Cooperative Winery. This is a matter of a great deal of concern for the board of directors, management, staff and shareholders of the cooperative. We therefore demand you issue a statement to the effect that you regret the alarm caused in various quarters by the question you raised in Parliament and that you unreservedly withdraw the inference that the cooperative has acted in anything other than a totally efficient and ethical manner.

Members interjecting:

The SPEAKER: Order!

The Hon. P.B. ARNOLD: The letter concludes:

> We would expect that you would attend to this matter immediately so that any further harm caused by your action will be minimised.

I find it somewhat incredible, especially in view of the fact that the Government has established a development council in the Riverland, that a member of the Government would make such false accusations which have caused undoubted harm not only to the winery but also to many growers in the Riverland and have shaken the credibility of many people in that area.

The Hon. J.C. BANNON: I was not aware of either the honourable member's original remarks or anything else involving this matter. In his lengthy explanation the honourable member read out letters which have been written to the member for Henley Beach and which I am sure in due course the member for Henley Beach will be replying to and will attend to.

As to damage done to the good name of the Loxton Cooperative Winery, I am not quite sure that one can erect this into such a *cause celebre*, if that is the case, and in fact, if as is suggested in the letter the winery is able to set the record straight in their terms, that is probably a good opportunity to have been afforded. Basically, the matter is one that I am sure the member for Henley Beach can quite capably handle and will respond to. The fact that the honourable member has read out in the House the letter to the member for Henley Beach suggests to me that the member for Henley Beach should be able to read his reply, and we can then make our own judgment from that.

WEST LAKES BOULEVARD

Mr HAMILTON: Will the Minister of Transport make available an officer or officers from the Highways Department to discuss with my constituents, at a mutually acceptable time and date, the proposed extension of West Lakes Boulevard to Clark Terrace, Albert Park? On 16 October 1985 I received from a Mrs G (I will not mention her full name) and her family a three page letter expressing concern and opposition to many aspects of the design and entry of this road, including safety aspects of the concept plan of the West Lakes Boulevard extension. The letter from my constituent and her family stated, in part:

> I feel that the plans should encompass the following aspects:
> 1. The access road to Morley Road from the boulevard should not be proceeded with.
> 2. The cul-de-sac on Second Avenue be moved further west, to allow easier access for residents to properties and to preserve some on-street parking.
> 3. The boulevard be sited to preserve all established parkland.
> 4. A more effective noise barrier structure between West Lakes Boulevard and Morley Road to be constructed, than the current proposal. I would suggest a very high earth mound suitably landscaped and screened with trees. This would serve to reduce more effectively the intolerable rise in noise pollution, resulting from the huge increase in traffic flow past this section of Morley Road (in 1984, 4 000 vehicles per 24 hours, to 150 000 vehicles per 24 hours in 1990 along West Lakes Boulevard).
>
> I trust that the objections I have raised will be given the consideration deserving of their importance and that appropriate action be undertaken to rectify these objections.
>
> Yours sincerely (signed by my constituent and her husband).

Given my desire to assist my constituents wherever possible, I would appreciate the Minister's acceding to my request that an officer or officers from the Highways Department be made available to meet with my constituents at a mutually acceptable time and place.

The Hon. G.F. KENEALLY: I can certainly confirm to the Parliament my experience of the honourable member's representing very assiduously the best interests of his constituents. He has done so on a number of occasions in relation to West Lakes Boulevard. I understand that the Highways Department provided the honourable member with a concept plan, details of which he was then able to provide to his constituents. At this stage the plan is only a concept. Once the Highways Department is able to reach some firm conclusions on the construction of the extension of West Lakes Boulevard to Clark Terrace consultation and community input can occur. I can give the honourable member my guarantee that on this occasion the Highways Department will proceed as it has in relation to all other major construction work in enabling local communities to provide an input.

I understand that the honourable member has circularised his constituents on this matter. I have seen a copy of the

circular. I am somewhat bemused about the fact that there are still people who feel uncertain about the Highways Department proposal and the processes that the department follows. I shall certainly take up this matter with the Highways Department with a view to having an officer go to the honourable member's electorate so that once again he can discuss with the people who are still uncertain as to what is going on what the position is at the moment in relation to West Lakes Boulevard and Clark Terrace intersection work. Therefore, the views of the people in the area can be considered in relation to the Government's final decision in the matter on the recommendations of the Highways Deptartment.

HERITAGE

The Hon. D.C. WOTTON: When was the Minister for Environment and Planning first aware of the concerns of members of the South Australian Heritage Committee, as stated in the *Advertiser* this morning, about the Government's handling of this State's built heritage? Is the Minister disturbed about reports of low morale in the Heritage Conservation Branch of the department, and overall concern that exists in the community regarding the action of the Government in relation to heritage which promotes one law for the people and another law for the Government?

I have been aware, for some time now, of concerns expressed by members of the South Australian Heritage Committee regarding its dissatisfaction with the Government's handling of the State's heritage; in fact, I am informed that some members have considered resigning from the committee in protest. I am informed that the Government's recent action in the demolition of registered items and the suggestion of the further demolition of the tram barn on the Hackney bus depot site have resulted in a strong feeling of there being one law for the people (who are restricted in what they can do with privately owned registered buildings—and I am reminded of the recent case where a person was fined heavily for the part played in the demolition of a registered item) and another law for the Government, which appears to be able to demolish any registered item that gets in the way.

The Hon. D.J. HOPGOOD: If the honourable member is making a plea for the retention of the running shed at Hackney—and that would have the effect of setting completely at nought the Government's very progressive move in returning that sensitive area of Adelaide to the parklands—let him come out and say so. In relation to the article this morning, the *Advertiser* got it 90 per cent right, but not completely right. The *Advertiser* certainly quoted from a letter that had been sent to me by the Chairperson of the South Australian Heritage Committee, but it then went on to indicate that there would be a discussion between Judith Brine and me about this matter. In that it was wrong because the discussion has already taken place. It took place in my room, not more than about 20 paces from where I am standing right now, some time during the last couple of weeks when the House was in session. I felt that that was a very productive and amicable discussion about procedures. Since that time I have invited Judith Brine to accept a reappointment as the Chairperson of that committee, and she has accepted. As far as I am concerned that concludes the matter.

L AND P PLATE DRIVERS

Mr FERGUSON: Will the Minister of Transport say whether the State Government is considering reducing penalties for breaches of the traffic law imposed on learner and provisional drivers? I ask this question because of a report in the *Sunday Mail* which suggests that the Government may reduce penalties against holders of learner and probationary licences. The article refers to a 'series of sweeping changes' to procedures to be introduced next year.

The Hon. G.F. KENEALLY: I thank the honourable member for his question and for giving me notice that he was going to ask it, because I wanted to reply to a part of the report in the *Sunday Mail* that disturbed me somewhat, because it contained some material that could be called misinformation. There is no intention by the Government to reduce penalties against learner and probationary licence holders. Anyone who doubts this is quite free to inspect the briefing notes prepared by my department and read out to the reporter. I am not being critical: I can only believe that there has been a genuine mistake.

Nowhere in those notes does it suggest that the penalty referred to may be reduced. On the contrary, the Government has acted this year to make the penalties more severe. I will explain in more detail for the benefit of members and for those people who may have read the article. Before 1 July L or P plate drivers, if found to exceed the .05 blood alcohol content, and if they had lost four demerit points, had their permit or licence cancelled for three months. Furthermore, if such drivers exceeded 80 km/h on the open road, or failed to display P plates, the P plate driver would have his or her licence extended by three months while the L plate driver would have his or her licence cancelled.

From 1 July, with the recommendations of the Select Committee into Random Breath Testing in mind, the Government decided that anyone who failed to display P plates, was found with any alcohol in the blood or exceeded any speed limit by 10 km/h would incur four demerit points and that that driver would then suffer cancellation of his or her right to drive for six months and recommence the probationary period.

So, honourable members can understand my worry about where the suggestion came from that the penalties could be reduced. The Government holds very strongly to the importance of a driver's licence. People who drive cars are becoming more conscious of tragedies that occur on our roads, both nationwide and in South Australia, and would agree with the Government that the driving of a motor vehicle of any nature or the use of a road of any nature involves a very serious responsibility, and people should be encouraged by legislative means or community attitudes to honour that heavy responsibility.

ASER PROJECT

Mr BECKER: Will the Premier investigate as a matter of urgency allegations that two small businesses providing design drafting services for the ASER project face bankruptcy unless their outstanding accounts are paid within seven days? I understand that two small drafting firms have been involved in considerable work on the ASER project convention centre. The original estimate for this work was $37 500. I believe that as at August this year the estimated work undertaken or required totalled $110 000 due to continual changes in design. I am informed that an extra 100 tonnes of steel has been added to the convention centre project so far and that, as the project is built on a fast track system, detailed drawings and design keep changing, thus increasing the draftsman's work.

I believe that the tardiness of the management of ASER blamed quantity surveyors for non-payment of this overrun of the original estimate. I believe also that draftsmen have been advised to stop work, which would halt the project

and add further to the cost. However, as with most small businesses the threat of bankruptcy may force their cessation unless urgent Government action can be taken.

The Hon. J.C. BANNON: I will certainly investigate the matter that the honourable member has raised.

POLITICIANS' IDENTITY

Mr MAYES: Is the Deputy Premier in a position to identify the 'best known politicians' in South Australia referred to in an article in the *Sunday Mail* of 27 October 1985?

The Hon. D.J. HOPGOOD: I read the article and was a little interested in the coyness behind it and therefore made a few investigations. I notice also that the *News* today bleakly refers to a telephone survey that had been taken over radio station 5KA, although again it is a little difficult to sort out from what they say exactly what happened.

Members interjecting:

The SPEAKER: Order!

The Hon. D.J. HOPGOOD: According to the ring-in from quite a large sample—

Members interjecting:

The Hon. D.J. HOPGOOD: Members opposite do not like what I am going to say—they obviously know what it is. As a result of that poll, as announced on radio station 5KA late last week, the least trusted politician in South Australia is the Leader of the Opposition. I am not altogether surprised by this, particularly in view of his performance last week, which reinforces the negative sort of attitude that he has displayed over a long period. The sad fact of the matter for the Leader of the Opposition is that he is on the ropes.

Members interjecting:

The SPEAKER: Order! I cannot let the honourable member for Flinders rise until there is order. I ask the Leader of the Opposition to come to order.

EYRE PENINSULA ROADS

Mr BLACKER: Can the Minister of Transport say whether the road funding allocations have been determined for the Eyre Peninsula region? If they have, what are the allocations for the Cleve-Kimba road and the Lock-Elliston road? I understand that until late last week councils on Eyre Peninsula had not been notified of their allocations and, as a result, have been unable to plan their year's activities as they would like.

The Hon. G.F. KENEALLY: The road program is now finalised and available to those councils and people who wish to see it. The allocation to the Kimba and Cleve councils has been finalised.

The Hon. Michael Wilson interjecting:

The Hon. G.F. KENEALLY: The member for Torrens, a former Minister of Transport, is well aware of the desire of the people on the West Coast to obtain a high funding for this road. Those people have been well represented by their local members on Eyre Peninsula (the member for Flinders and the member for Eyre), and I have been subjected to their advocacy. I do not have details of the funding with me, but I can tell the honourable member that it has decreased. The honourable member is probably aware of that. I will get the actual figures for the honourable member. He knows that there are other programs in that area that have been approved. The sealing of the Mangalo Silo Road has been approved, so there will be some redressment there. I am aware of the representations from the honourable member's colleagues. The Premier and I have had representations on this matter also from Mr Des Ross (Chairman of the Local Government Association) and his advocacy, too, has been strong. I will obtain the figures for the honourable member. They are much less than his constituents would have wished but, if the honourable member wants to talk to me about that, I can explain it to him. I can explain it to the House and it would be appropriate to do so.

This year the allocation from the Federal Government to the State Government in terms of arterial roads (that means our flexibility to provide debit order work to local government) has been reduced dramatically. In fact, funding direct to local government by the Federal Government has held its cash value but not its relative value after taking into account inflation; so, there has been a slight reduction from federal coffers. Further, the State Government has suffered a dramatic reduction in its capacity to fund the arterial road system. In fact, we have had to put 23 per cent of additional funds into highways from State coffers this year to enable us to continue the work of the Highways Department.

Indeed, we had to make the difficult decision either to put off people in the Highways Department by cutting back our maintenance and road construction programs to which the department is committed and thereby keep up the value of the debit order work given to local government or we had to cut back on debit order work, local government having to share in that reduction of Commonwealth funding. We decided to ask local government to take its share of that cutback in federal funding. We had to reduce our own workforce or to ask local government to make its own economic decisions. Local government is better able to do so than the State Government this year because it has had a real increase at the Premiers' conference whereas, as a result of that conference, we have suffered a real decrease in funds allocated by the Federal Government to South Australia. In the light of that comparable position of local government this year as opposed to last year and that of the State Government this year as opposed to last year, we have had to make the difficult decision to reduce debit order work. I will give the honourable member the exact figures within a day or two.

BIRKENHEAD FUEL TERMINALS

Mr PETERSON: Will the Deputy Premier ascertain whether his colleague the Minister of Labour is satisfied that the security and surveillance procedures at the Birkenhead fuel terminals are adequate? Recent events at Birkenhead—that is, the tragic fire and acknowledgment by the Department of Marine and Harbors that the ship discharge facilities were dangerous and needed to be replaced—clearly illustrate the ever present risk in handling and storing fuels in these depots. When the Inflammable Liquids Act 1961 was superseded by the Dangerous Substances Act 1979 the requirement for security was changed.

In the 1961 Act, section 11(1)*(a)* clearly provided that any person keeping a registered depot where more than one million gallons of inflammable liquid are kept shall 'appoint persons over the age of 21 years sufficient in number for the adequate supervision of the depot at all times to act as watchmen'. That Act was superseded by the Dangerous Substances Act, section 12 of which provides:

> A person shall, in keeping, handling, conveying, using, or disposing of, any dangerous substance, take such precautions and exercise such care as is reasonable in the circumstances in order to avoid endangering the safety of any other person's property . . .

Without adequate security and given the isolated location of some terminals there is a risk that access could be gained by a person or group who could then create an extremely

dangerous situation for the entire area. Is the Minister aware of and satisfied with the security at these terminals?

The Hon. D.J. HOPGOOD: I will refer the matter to my colleague in another place for a considered reply.

HALLETT COVE WATER MAIN

Mr MATHWIN: Will the Minister of Water Resources investigate the excessive time taken to repair a burst water main in the Hallett Cove area last night and this morning? I understand that about 9 o'clock last night (28 October) a water main burst in the vicinity of Genesta Street. The department was advised, and employees came and turned the mains water off. However, many streets in the area were affected. Officers left the area and did not return until this morning, when they finally solved the problem and reconnected the water supply at approximately 10 a.m. This is a fully built up area comprising many families with young children who waited for 13 hours for the water supply to be reconnected. As these residents were greatly inconvenienced, I ask the Minister to investigate the matter.

The Hon. J.W. SLATER: I will certainly investigate the matter raised by the honourable member. It is a most unusual situation because generally the response time by the E&WS Department is certainly better than that mentioned. However, each situation is different and response times vary. The water main mentioned by the honourable member no doubt services a large area.

Mr Mathwin interjecting:

The Hon. J.W. SLATER: I do not know whether that is quite the case. A service is provided whereby a person with a complaint telephones the department radio room, and officers respond according to the nature of the complaint—in this case a burst main. However, I will certainly ascertain the facts of the matter alluded to by the honourable member and advise him accordingly.

WESTERN SUBURBS FREEWAY

Mr TRAINER: Will the Minister of Transport advise how financially viable is the suggestion made by the member for Davenport that he can easily find $250 million to construct an unwarranted and socially destructive freeway through the western suburbs? This proposed quarter of a billion dollars of expenditure—and that is a conservative figure based on old estimates used by the member for Davenport—is apparently to be found by earmarking $15 million per year from petrol taxes that allegedly go into general revenue.

Constituents have asked me how South Australia could then make up the shortfall this would create in other areas. One constituent has suggested that this would be just robbery—robbing Peter to pay Paul—and another has suggested that the Opposition has already promised that sum elsewhere. Certainly, large amounts of revenue would be diverted away from the repair and construction of all our other roads to be spent on this one unwarranted project. In terms of marshalling resources, it is like telling someone that they can have a Mercedes Benz provided that they go without food, clothing or housing.

The Hon. G.F. KENEALLY: It is opportune that that question should be asked today, because I note in today's *News* that the Deputy Leader is reported as saying that the Bannon Government is trying to buy power. If any member of Parliament is trying to buy an election win, it is the member for Davenport. Only today, I fortuitously had placed on my desk a letter the honourable member has circulated in his expected—and I think it is a false expectation—new electorate in which he says, in part, that a Liberal Government would work for smaller government and a determination to reduce our State's debt.

At the same time, the honourable member is making some rather expansive promises in relation to our southern transport needs. In fact, his promises are a good barometer of how the Liberal Party is going in the polls: as its popularity reduces, the expansive nature of its promises increases. To be able to fund the honourable member's program that he promised at a meeting last Thursday night, he would need to do one of four things: he will need to defer or shelve existing programs between now and 1990 (defer past his projected program after the year 2000); he would need to acquire more funds from the Federal Government; he would need to explain what he means by transferring funds from the fuel taxes—from general revenue—into the Highways Department; or he would need to increase taxes. In terms of deferring or shelving work on roads already programmed—and I have had this checked with the Highways Department this morning—this is what the honourable member's promises between now and 1990 mean in terms of other road programs throughout Adelaide.

The South Road widening would be canned; the Old Belair Road project, from the roundabout to Fullarton Road, would be stopped; the Brighton Road (Anzac Highway to Jetty Road) program for 1987-88 would be stopped; the Torrens Road (Ovingham) overpass project would be wiped out; the 1987-88 program for the north-east ring route (Bridge Road to Montague Road) would not go ahead; the Henley Beach Road widening, from South Road to Marion Road, would not go ahead in 1988-89; the Tapleys Hill Road (Anzac Highway to Sturt River) 1989-90 project could not go ahead; the Salisbury Highway extension program for 1988-90, which is a very important program, would not go ahead; the McIntyre Road project, from Bridge Road to Main North Road, for 1988-89 could not go ahead; the Burbridge Road project, from Brooker Terrace to South Road (1989-90), would not go ahead; work on the road to service Morphett Vale East would go out the window and, of course, there is the Golden Grove commitment.

If the honourable member is to delay, defer or shelve existing road programs, that is just a sample, not a comprehensive list, of the projects he would have to forgo. If he is seeking more funds from the Australian Land Transport Act, already there has been a five year agreement which began this year and which has resulted in dramatically reduced arterial road funding, and that has been indexed for the next five years. The reduced amount provided this year has been indexed for the next five years, so there are no funds there. The honourable member now talks about $15 million a year from the fuel tax to go from general revenue back into the Highways Department.

The honourable member knows, because he has had access to the budget documents, and as a result of questions asked in the Estimates Committee, that $12 million of the $15 million that he promises to return was this year returned to the Highways Department by the Bannon Government. I know that the Leader of the Opposition has promised that money to local government and that the member for Davenport has promised it to cover southern transport needs. That is a very flexible $15 million! However, there is not $15 million: there would be $3 million, because $12 million has already been returned.

If the honourable member intends to fund this massive road program out of general revenue, he has to tell the people of South Australia from where he will get the money. It will be at the expense of other very essential State needs—services, hospitals, education and the police. If elected to office, will members opposite sack people in the Public Service? I believe that will be the case. From where will the honourable member obtain the money to provide the very

expensive road program that he promises people living in the south? Never mind the fact that the Government has already in train a very responsive and responsible road program, particularly the third arterial, etc., that will start during our next term of office. The source for the funding of the member for Davenport's scheme is clear. It is the only source available to him, and he should come clean and tell the people of South Australia. The member for Davenport would increase road taxes and general taxes on the people of South Australia to fund these road programs. Talk about trying to buy an election! The member should come clean and say from which of those four areas he intends to obtain funds.

I believe that the member for Davenport will completely wipe out the existing road program or that he will increase taxes. They are the only two approaches available to him. I think that the honourable member should come clean and tell the people of South Australia what it is that he wants to do, because the road program that he intends to cut affects probably every member of the House. I see members nodding their heads. The funding of this grandiose scheme in the time allowed by the honourable member will affect every member opposite. The period of the scheme is flexible, because a few months ago the member said that work would start on that section within the next three years; he is now promising to complete the scheme during that period. When challenged about that statement six months ago he said that the brochure was wrong and that that was not the intention, anyway.

The flexibility of the honourable member is astounding; in fact I believe that it relates to the popularity of the Liberal Party at the polls. It is a desperate Opposition making desperate promises. I think that all members and the people of South Australia should closely check the promises made by the honourable member. Those promises are irresponsible and cannot be met; they have been made with one purpose in mind—self-survival. Despite that, I think the member for Fisher will beat him in the district of Davenport.

PERSONAL EXPLANATION: LOXTON COOPERATIVE WINERY

Mr FERGUSON (Henley Beach): I seek leave to make a personal explanation.

Leave granted.

Mr FERGUSON: In view of the question raised by the member for Chaffey, I feel that I must clear my name by reading my reply to the winery. The letter is dated 24 October 1985 and it is addressed to the Secretary, Mr R.L. Younger, as follows:

Dear Sir,

This is to acknowledge receipt of your correspondence dated 22 October 1985. I find your reaction to a question asked in Parliament on behalf of one of my constituents very curious indeed. I have no evidence to disbelieve the information tendered to me by Mr G.M. Bartlett that he contacted the Loxton Cooperative Winery in respect to his investment and could gain no satisfaction.

I have not the slightest intention, as I mentioned to you on the phone, of apologising for raising this particular question in the Parliament. What you may not understand is that my office is staffed by only one other person and the quickest and most expedient way of obtaining information is therefore necessary. To ask a politician to apologise when he is working for one of his constituents, to me, seems to be quite ridiculous.

I will, however, read your correspondence into the *Hansard* as I promised on the telephone, as soon as I am allowed time in the Adjournment Debate. Your side of the story will then be recorded for all time.

I have not had the opportunity to do that. To ensure that the information that I tendered to Parliament was correct I again contacted Mr Bartlett, who replied, as follows:

Dear Sir, Please find enclosed a carbon copy of the letter sent to the Loxton winery. I am grateful for your help and I am sorry for the way Mr Younger has written to you.

The letter dated 24 October 1985 sent to the Loxton winery states:

In 1981 I signed a redemption form in front of Mr Lind, the Manager, after the sale of my property to Kevin and Sue Ryan.

That witness is available and can be produced. The letter continues:

On my return visits to South Australia I called into the winery to be told it would be forwarded on to me. I was sent a cheque from the winery per the Commonwealth Bank, Loxton in the early part of 1984. Nearly one year later I was told it was sent to me by mistake.

At the time of receiving the cheque I thought it to be part payment of my share capital, but instead it belonged to a Mr G.M. Arnold. I had a buyer also for my shares, Mr B. Millard, and my accountant from Robin Harris and Co., Adelaide, was to act on my behalf but I was instructed I couldn't sell my shares, that the gentleman would have to take out new shares with the winery.

I have never received any correspondence from the winery, only demanding the return of the money plus 3.75 per cent interest, which I returned the amount—being $2 223.63 in full.

The letter is signed by G.M. Bartlett.

In my letter to the winery of 10 October I asked the Secretary of the cooperative whether he would be prepared to send a further redemption form to my constituent. In the very insulting letter that he sent to me there was no redemption form and he has never been prepared to send a redemption form to my constituent. I wonder what is going on.

PERSONAL EXPLANATION: NORTH-SOUTH FREEWAY

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

Leave granted.

Mr TRAINER: Last Wednesday, 23 October, the member for Davenport made certain allegations about a pamphlet which I put out in my area and which has been very well received by my constituents, who have had some quite scathing comments to make about the member for Davenport. Last Wednesday, in the course of the member for Davenport's remarks, he said that my literature contained lies. On instructions, he then withdrew the word 'lies' and replaced it with the term 'false facts', which is a new use of the English language. Referring to the north-south freeway, the member for Davenport said that I claimed in the leaflet that 800 homes could be destroyed. He then went on to say:

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.

The misunderstanding on the part of the member for Davenport apparently derives from the fact that he cannot tell the difference between the words 'acquire' and 'require'.

Since that time I have studied the *Hansard* transcript of what the member for Davenport said last Wednesday, and I have also referred to page 514 of Estimates Committee A of 4 October where I said (and this is what the member misunderstood):

The shadow Minister of Transport is on record as having said the majority of the land along the north-south corridor is already owned by the Government. I suspect that that may well be true south of Darlington in regard to the third arterial—the Darlington bypass. However, I believe that that is not true in relation to the impractical route proposed north of Darlington along the path of the old MATS plan, and I suspect that only a minority of the 700 or so houses on that route between Darlington and Thebarton are actually owned by the Highways Department.

At that stage I conservatively estimated that 700 homes were involved in the northern section of the old north-south corridor. However, the Minister's reply indicated that in fact nearly 900 homes would have been involved in the old eight-lane MATS freeway. I went on to say:

> ... I would imagine that those acquisitions that have taken place would not have been compulsory ones but the relatively easy purchases and that the more difficult compulsory acquisitions are still to come.

In a freeeway corridor such as this the first homes are purchased from people who cannot sell their homes on the open market because of the cloud hanging over them (caused by the proposal) and, as a result, they tend to beg the Highways Department to buy them.

The Minister then went on to give as an example of that process the north-east corridor, where it took four years to acquire only 34 residential properties. The honourable member opposite has misunderstood the Minister's comment:

> When we translate that into attempting to acquire over 500 properties we are talking about a long process indeed.

The key word there was 'acquire'. The Minister went on to say:

> From Anzac Highway to Seacombe Heights the Highways Department owns 32 per cent or 199 properties if a four-lane highway is proposed. It still has to acquire 427 properties, or 68 per cent ... in an eight-lane proposal the Highways Department owns 291 properties or 33 per cent, but would need to acquire 598 additional properties, which is 67 per cent.

In other words, for a four-lane freeway a total of 626 homes would be required and for an eight-lane proposal 889 homes would be required. The estimate of 800, being between 600 and 900, is I believe a reasonably conservative estimate for the number of homes that would be required for a six-lane freeway. It is obvious that the shadow Minister did not understand the difference between acquiring homes and requiring homes, and obviously he did not do his homework.

SELECT COMMITTEE OF INQUIRY INTO STEAMTOWN PETERBOROUGH RAILWAY PRESERVATION SOCIETY INCORPORATED

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

That, by leave, the Select Committee of inquiry into Steamtown Peterborough Railway Preservation Society Incorporated have leave to sit during the sittings of the House today.

Leave granted.

The SPEAKER: Call on the business of the day.

NATURAL GAS (INTERIM SUPPLY) BILL

Adjourned debate on second reading.

(Continued from 23 October Page 1468.)

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): This Bill is nothing short of a hollow sham.

Ms Lenehan interjecting:

The Hon. E.R. GOLDSWORTHY: Our friend the lady from the south remonstrates—

Ms LENEHAN: On a point of order, Mr Speaker—

The SPEAKER: Order! From the very beginning I ask honourable members to restrain themselves. Behaviour today has not been that splendid. I ask the honourable member to refer to other members of the House by their district, as Standing Orders require. The honourable Deputy Leader of the Opposition.

The Hon. E.R. GOLDSWORTHY: I apologise for my lapse of memory: I was referring to the honourable lady from the electorate down south, the name of which escapes me. The fact is that the Bill is a hollow sham, because the Government has made a complete botch of seeking to settle this business of gas prices over the entire life of its Administration. I shall recount to the House the history of the sorry events that have led to the present situation of the Government asking the House to tear up a legally binding agreement which was entered into by the previous Labor Government's much vaunted Minister of Mines and Energy (Hon. H.R. Hudson), and which committed this State in an indenture to legally binding contracts or arrangements set in place in relation to the supply of gas. Do not let anyone be under any misapprehension as to the fact that the Bill seeks to tear up that indenture. I refer to the time when the arrangements that this Bill seeks to destroy were brought into the House. I refer to *Hansard* of 28 October 1975 (page 1468) and to the second reading explanation of the Cooper Basin (Ratification) Bill provided by the Hon. Hugh Hudson. It was a lengthy explanation. The Minister stated:

> The Bill ratifies and approves an indenture between the producers of natural gas in the Cooper Basin natural gas field and the Government of this State. The approval of the indenture by this House, and the entry by the parties into certain other agreements, notably the unit agreement and the Pipelines Authority of South Australia future requirement agreement, will go a long way to ensuring the future supplies of natural gas for this State, as well as enabling those supplies to be extracted from the field in a rational and orderly manner.

So, let there be no illusions about what this Bill does and the effect that it will have on the reputation of this State: to do a deal, sign a contract, have it ratified by Parliament, and then, as a result of complete inaction of the Government of the day to come to grips with such an important matter facing the State, unilaterally tear it up. The Premier says that he is seeking desperately to attract investment to South Australia. However, I refer to comments that are being made around the nation at the moment. In the *Business Age* Peter Gill, in the News Analysis section, under the heading 'Cooper row could make investors wary of South Australia' stated:

> The South Australian Government has placed at risk the investment climate in the State with its move on the Cooper Basin gas producers over an issue that could have been clearly decided within two months ...
>
> Other companies like Western Mining Corporation, with its indenture covering the development of the joint Roxby Downs uranium deposit, must now be on the alert that the rules of the game can change.

We know the strategy of the Government. I doubt its sincerity in seeking to get this Bill through the Parliament. The Bill must go to a select committee: I assume that the Government will give those who are interested in this measure a chance to put their case. I will be quite surprised if the matter is brought to finality before a State election is called. If it is not, this indicates just what a hollow sham is the Government's attempt to validate ETSA tariffs—which it announced without knowing what ETSA was going to pay for its chief source of fuel. Let me say that it goes further than the fact that this makes a liar of this Parliament and the Labor Party in the eyes of the investing public, and not only that, it has now been revealed—

The Hon. R.G. PAYNE: I must take a point of order, Mr Speaker. I think the honourable member has gone a little too far in transgressing against the requirements in this Chamber in imputing that the Labor Party is a liar. I seek a withdrawal.

The Hon. E.R. GOLDSWORTHY: I withdraw the remark, and rephrase it, Mr Speaker. If ever the Labor Party has demonstrated that it cannot be trusted, that its word and the word of this Parliament cannot be trusted in a binding

contractual arrangement, we have clear evidence in this Bill. But the matter goes further than that. We have now had revealed details of the negotiations about which the Minister has been so cagey for the whole of this year. The Government cannot even be trusted to keep its word while it is negotiating with other parties who in good faith reach agreements as part of the solution of this package.

Negotiations really only got under way towards the end of last year, despite the warnings that I had been giving the Government from day one of its accession to office. I told the Government again and again that the No. 1 problem facing South Australia was to ensure the supply of natural gas for our use, despite the appalling contracts written by the former Minister in 1976. Anyone in this House who will not attest to that fact has had cotton wool in his ears for the past three years. I pointed this out time and again and I shall refer to some of those references in *Hansard* to illustrate the point.

It has now been revealed that substantial agreement had been reached by the Government by a negotiating team headed by the former Under Treasurer (Ron Barnes), for whom I have enormous respect. He headed a team of people until February this year. Prices had been agreed for a five year supply of gas (and this has come to light only in recent days), starting at $1.70 per gigajoule next year, rising with an escalator, details of which have been made public, approximating to the rate of inflation. In fact, there were two components in the escalator: one half was half the rate of inflation and the other half was to be made up of components in the CPI weighted by the fuel and electricity components. In round terms, so that the layman can understand, there was an escalator equating approximately to an average of inflation and the CPI.

That was agreed by the Government, by the negotiating team, and accepted in good faith by the producers. I could not stand in this House or live with myself if, during the Roxby Downs negotiations or the Stony Point negotiations, I had reached substantial agreement on behalf of the Liberal Government during those protracted negotiations, and then suddenly said, 'Bad luck fellows, all bets are off.' How on earth can the Government be trusted?

The Hon. R.G. Payne: Do you support high prices?

The Hon. E.R. GOLDSWORTHY: That is an absurd interjection.

An honourable member: That is what he said.

The Hon. E.R. GOLDSWORTHY: That is not what he said.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: Yes, that is what the Government agreed. It is not what I want.

Mr Ferguson: Yes it is. That is the end result—higher gas prices.

The Hon. E.R. GOLDSWORTHY: That is not what I want for a moment; nor will I be distracted from the point. If ever there was a completely untrustworthy Government—

Mr Ferguson: You're seeking higher prices—

The Hon. E.R. GOLDSWORTHY: I am not for a moment seeking higher gas prices. That is the Government's propaganda, which I will blow in a minute. The Government has said that *ad nauseam* to confuse the journalists, but it is a fact of life—let the member for Henley Beach shut up and listen—that it agreed to a schedule of gas prices.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: Members opposite do not want the truth to come out.

The SPEAKER: Order! We can do without interjections from both sides.

The Hon. E.R. GOLDSWORTHY: I will talk about the Opposition's alternative strategy, which the Government did not have the guts to follow because it would not take on its mate Wran in New South Wales. I will talk about what the Liberal Party would have done for the public of South Australia in spite of these stinking lousy contracts which sold the State out. In my judgment, of all the multiple mistakes of the Dunstan Administration—and they are legion—

Mr Klunder: Tell us your gas price.

The Hon. E.R. GOLDSWORTHY: If members will be quiet, during the course of this speech—and I have unlimited time—I will be only too happy to enlighten them. How can anyone deal with a Government when there is an agreed schedule of prices—agreed, mind you—starting at $1.70, with an escalator for five years approximating to the rate of inflation? How much credence does one give to this oft repeated canard that electricity tariffs are influenced largely by the so-called Goldsworthy agreement? This Government had agreed the higher price of $1.70 next year, and it had agreed an escalator. So much for all this hoo-ha on the eve of an election where the Government suddenly says, 'We are going to reduce the price.'

I reinforce the point, which I have made over and over in this House, that we had major problems. When the contracts lumbered us with an 80 per cent tariff increase in one year, retrospective to January 1982, if ever one needed evidence of just how crook these contracts were, that is what landed on our plate. As a matter of fact, I thought of taking legal action. Members opposite are very toey and writs fly all round the place; however, when they put out their propaganda material this year suggesting that the 12 per cent increase in tariff in 1982 was entirely due to the 1982 Goldsworthy agreement I was on the point of seeking legal advice.

In view of what has come to light during this past week I may well do it. The Labor Party's contracts, which led to that 80 per cent increase in gas prices as a direct result of the Hudson agreement, and the Labor Party legislation would have led to a 19 per cent increase, one off, in 1982. That would have been as a direct result of the Labor Party contracts. That is the truth of the matter.

Here we have a Government that is not only prepared to tear up a legally binding indenture, but is prepared to go back on its word when it had agreed a range of prices which in the event, with an election looming, does not suit its base political purposes.

An honourable member interjecting:

The Hon. E.R. GOLDSWORTHY: I will get around to the Bill a little later. To illustrate the details—

Ms Lenehan: I thought that that is what we were debating.

The Hon. E.R. GOLDSWORTHY: Members opposite are like parrots, chirping away. They seek to deflect me from the truth which, of course, hurts them. If anything exposed them as a bunch of crooks, this sorry history does.

The SPEAKER: Order! I ask members to resume their seats. The Deputy Leader will withdraw that remark forthwith.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I withdraw the remark. However, if I was out on the street and I had done a deal with some people about the price of some goods—

The Hon. R.G. PAYNE: I rise on a point of order. The Deputy Leader well knows that a withdrawal called for in this House should be in an unqualified form and not in the way he is attempting to put forward the withdrawal.

The SPEAKER: Order! As I understood it the Deputy Leader did withdraw without qualification.

The Hon. E.R. GOLDSWORTHY: Mr Speaker—

The SPEAKER: Order! The Deputy Leader well knows that he does not rise to his feet until he is invited to do so. The honourable Deputy Leader.

The Hon. E.R. GOLDSWORTHY: I cannot call the Government a bunch of crooks, and I have withdrawn that, but I can give an illustration. If I was negotiating, for the Government or on my own behalf, and the negotiations were well advanced (the Government claims they were well advanced and the producers claim that they had reached agreement), the question of price had been settled, and suddenly the Government (or I, if I was dealing with someone in business) unilaterally called it off after we had reached an agreement, I would be rather worried about my reputation. How on earth can a Government say that it has credibility in negotiating on behalf of the State when it welches on a deal? That is what it has done, all for this base political purpose of validating a set of phoney ETSA tariffs already announced, without knowing the price, on the eve of an election.

Mr Ferguson: What is your gas price?

The Hon. E.R. GOLDSWORTHY: A damn sight lower than yours. The fact is that the Government broke off negotiations in February, after starting them only a few months earlier, and came back, having wiped out all it had agreed, with a new set of rules. This legislation has seen the light of day, because obviously the Government has no regard for the reputation of the State and little regard for its reputation for honest dealing in terms of trying to negotiate important matters for the State.

I will indicate to the House how we would have effectively rebated the price of gas in South Australia if the Government had been game enough to follow the plan that we had already developed and if the AGL arbitration subsequent to the 80 per cent arbitration had come in. I will round out the history to the House. I have been warning the Government for three years, but according to the Minister sitting opposite everything in the garden was rosy. That Minister came into this House full of optimism, with no worries and saying that Goldsworthy was a scaremonger and did not know what he was talking about.

Mr Klunder: You are being accurate.

The Hon. F.R. GOLDSWORTHY: I am being accurate, am I? Let me tell the House what transpired in this place in 1983. Obviously, the member for Henley Beach and the lady from the electorate down south, the name of which I cannot recall—

Ms LENEHAN: On a point of order, I believe that the member is referring to me not by my electorate but rather by my sex and the general direction of the electorate that I happen to represent. I should be afforded the normal courtesies of every other member of Parliament and be referred to by the name of my electorate.

Mr Ashenden: She is so forgettable—it's Mawson.

The SPEAKER: Order! I ask the Deputy Leader to resume his seat. So that the Deputy Leader has his memory jogged, I state that the honourable lady represents the seat of Mawson, and I ask him to refer to the member in that way. However, I want to add one other thing. Every time this matter comes before the House there are high emotions, and it would be a good idea if people followed Standing Orders and refrained from interjecting. There may be some more logic.

The Hon. E.R. GOLDSWORTHY: Thank you, Mr Speaker. An obvious attempt is being made to distract me from the points that are highly embarrassing to the Government. However, I intend to make them, despite the rabble. The Minister sitting opposite came into this House, stuck out his chest and, in a ministerial statement on gas supplies on 19 October 1983, stated:

> Both the Government and the producers are confident of ultimately establishing reserves in excess of all PASA futures agreement requirements.

For the information of the House, they are the contracts in which the Labor Party guaranteed gas supplies to Sydney to the year 2006. That is what the PASA futures agreement requirements dictate. The Minister further stated:

> Today's announcement is a landmark, finally laying to rest the myth that gas supply to South Australia would cease in 1987. The Government will be seeking increased effort in gas exploration and development from the producers to further enhance the security of South Australia's long-term gas supplies. Security of supply and price will be the key issues for discussion with the producers in ensuing negotiations. The Government's efforts to pursue gas sharing—

that means with Australian Gas Light, who hold the Sydney contracts—

> the establishment of a petro-chemical plant and to deal with the question of the A.G.L./PASA price differential are continuing.

I further questioned the Minister, who said that all was rosy, that Goldsworthy was a scaremonger, that all was well, and that we had had plenty of gas in each year since 1982 in the Estimates Committees. I have further questioned the Minister closely in relation to gas supplies. We asked further questions in the House as a result of that cheerful ministerial statement to the House in October 1983. On 19 October, I asked the following question:

> I ask the Premier a question relating to a ministerial statement made by the Minister of Mines and Energy today. What discussions has the Premier or the Minister had with the New South Wales Premier or with others in relation to rationalising the gas prices paid at the well head in South Australia and New South Wales? The Premier was quoted in the *Sunday Mail* on 18 September as saying that a satisfactory conclusion of the matter would be reached within a couple of weeks.

I have that quote here, to refresh the Minister's memory. It is headed 'Settlement soon on gas prices' and was written by that well-known reporter from the *News* and *Sunday Mail*, one Randall Ashbourne. The Premier then stated:

> Now that we have a firm decision and know precisely what figures everyone is working to, we can get down to business. South Australian consumers should not be paying higher well head prices than New South Wales.

And so the question continued. In the event the Hon. R.G. Payne, now Minister and then spokesman, superseded midway this year by his Premier, who obviously was moving a vote of no confidence in the Minister's negotiating skills—

The Hon. R.G. Payne: He didn't have pneumonia—I did.

The Hon. E.R. GOLDSWORTHY: He has not let the Minister back since. For one so low key and with so little achieved after three years in office, I am not surprised that he did not wake up earlier. The Minister again, quite cheerfully and with no problems, concluded in reply by stating:

> I have had indications from Mr Williams of AGL that it is very happy to enter sharing negotiations, and these matters are inextricably linked: the question of price, the price paid, and the question of sharing.

I interpose that I could not agree more. That was stated in October 1983 by Minister Payne. He continues:

> So, I indicate, in answer to the question, that the matter is being addressed, that the proper time for disclosure of what is proposed is when it is commenced, and that at that time the Deputy Leader can expect further information.

Since that time I have not leapt and asked when negotiations had commenced, as the Minister promised to let me know what was going on. I pursue the matter of some length in the Estimates Committee each year, and this year I asked the Minister whether he still believed that the questions of price and reserves were inextricably linked. After three hours of to-ing and fro-ing, fancy footwork and not answering, the Minister finally said, 'Yes' during the Estimates Committee. It was a plain statement, and I finally got it.

Mr Klunder: We haven't got a plain answer from you yet on what price for the gas you want.

The Hon. E.R. GOLDSWORTHY: As low as we can possibly achieve. We will do a damn sight better than this Government has done because it has done nothing.

Mr Klunder: Give us a price—don't waffle.

The Hon. E.R. GOLDSWORTHY: If members opposite continue to regurgitate that interjection *ad nauseam* in this debate, people can draw their own conclusions as to the expertise that they have shown in breaking faith not only with producers but with all would-be investors in this State. After a painful and lengthy process, the Minister said that he believed that the questions of reserve and price were linked. I suggested to the Minister that it seemed a little premature to be suggesting that he could fix the price before those reserves were delineated. I reminded the Minister that I had told him 2½ years ago that this was the most important question in terms of energy supply to South Australia—our prime energy source, namely, gas in the Cooper Basin—and making satisfactory arrangments for that supply to the State. This overshadowed by far all other considerations in terms of energy planning. It really did not require the setting up of a committee of experts (the Stewart committee, to which I referred) to tell the Government that. The Minister agreed with me that that was by far the most important energy question facing this State.

However, they did not really start their negotiations until the end of last year. The Minister failed completely. Having reached an agreement with a range of prices starting at $1.70 next year, the Government has now welched on that deal. The Bill is quite draconian. I have never seen anything like it in my time in Parliament, and I hope that I never see anything like it again.

Here we are putting at risk any investor, large or small (probably large because we do not require indentures for smaller deals)—people who otherwise would be prepared to come into this State in good faith and enter into contractual arrangements, no matter how appalling are the contracts. In this regard, everyone agrees that the future contract has to be torn up and renegotiated: even the producers admit that it is unsatisfactory. Of course they do: they would not sit down and negotiate, otherwise. How would Western Mining feel if this happened after it had gone to enormous lengths to cross every 't' and dot every 'i' in the most comprehensive indenture that was ever negotiated in Australia for a major resource development, so as to be absolutely certain in its mind that it would know before committing $1.5 billion investment in little old South Australia, a State of which we should be proud?

After all, we fought every inch of the way and it took us 18 months to get what we believed was the best possible deal for South Australia. The Labor Government said that that deal was unsatisfactory, but now the Government is happy to adopt it. Western Mining knew the ground rules. It could go to its financiers and to its board and spend money knowing that the ground rules would not be changed because it had achieved this deal with the State. Then, in 10 years time a Government that does not like what has been done previously tears up the contract and rewrites the rules of the game. What does that do for the reputation of this State and of this Parliament?

We will not see a major investment of this magnitude in this State again in my lifetime, and I trust that my normal life expectancy will give me some more years yet. This is a serious day for South Australia. The Bill has seen the light of day, first, because the Government did not heed my warnings and, secondly, because the Government was not prepared to negotiate with AGL, which holds vastly superior contracts because of its business expertise and because of the lack of expertise possessed by the Government of that time. That is what business is all about. The company is there to protect its interests, and it is a pity that the Labor Government was not more expert in protecting the interests of the citizens of South Australia.

This draconian legislation has come before Parliament and we are asked to pass it because the Labor Party abysmally failed to heed my warnings and to negotiate from day one this most important issue facing the State. I am appalled.

Mrs Appleby: Do you know what it means?

The Hon. E.R. GOLDSWORTHY: I certainly know what the Bill means.

Mrs Appleby: Not the Bill—the word?

The Hon. E.R. GOLDSWORTHY: Which word? This low key Minister has had an appalling record. Indeed, the Premier had to supersede him, he suggests because of illness, but I suggest that nothing had happened and that an election was pending. The negotiating team was changed. What sort of a set-up is this where the Government has negotiated a deal, agreements are reached, and the Government unilaterally suspends negotiations, then up bobs another team in about July or August? I find that situation incredible.

The second reading explanation of the Bill is very thin on what the Bill is really all about. It is rather long on the Goldsworthy agreement, which has nothing to do with the Bill. The Minister laughs. He was prepared to pay $1.70 for gas next year—an increase on the $1.62 with which I was not satisfied after the AGL contract came out. We would have done something about that.

The Hon. R.G. Payne: What would you have done?

The Hon. E.R. GOLDSWORTHY: Later I will say how we would have addressed that question. The second reading explanation is very thin on what the Bill is all about. It is about this 1976 indenture, which was ratified by Parliament, and about tearing it up. It is not about three-year gas prices which have run their course and about which the Government has done nothing: it is about tearing up what the Government did in 1976. The second reading explanation is indeed thin on that point.

What does this Bill do? Briefly, it wipes out the PASA futures requirement agreement allowing the Pipeline Authority of South Australia to enter into new contracts. It fixes the price of gas at $1.50 a gigajoule for 1986 and the AGL arbitrated price thereafter.

This is a transparent ploy. The price of $1.70 having been agreed to, the Bill wipes that out and hands over all negotiations on behalf of the State to a company which is in another State and over which we have no say whatsoever. What sort of a concept is that? This is the ploy: to say, 'We will get the prices together.' What if AGL makes a deal with the producer who maybe agrees to pay an extra price for a benefit which is not known to us and about which we have no say whatever? What sort of an arrangement is that? We are handing over to a company in New South Wales the responsibility to do all the thinking, negotiating and planning in terms of the price arrangement to satisfy South Australia's needs to the year 2006.

What an abdication of responsibility is such a concept. It is plainly stupid. Here we are concerned about our gas supplies in South Australia, yet we say, 'To hell with them. Hand them over to New South Wales people because we think they are a little smarter than we are at negotiating.' If ever there was an abdication of responsibility, it is that concept. It is nothing short of a ruse to solve the problem that the Government has of agreeing a phony set of ETSA tariffs without knowing what the chief source of fuel will cost. We know the Government's strategy. It will go to the public and say, 'We will give you cheaper gas.' We will see about that.

This Bill must go to a select committee, and I doubt very much whether this Government seriously wants to have the legislation passed before calling an election. The Bill is a

gimmick. I cannot conceive of the Government's introducing this legislation at this late hour when it has had three years in which to negotiate an agreement and in respect of which it only got down to business at the end of last year. I doubt the Government's sincerity in seeking to get this legislation through the House. Enough damage has been done. The fact that the Government has introduced the Bill into Parliament is damaging. If it gets through, in my judgment we can wave goodbye to any large investments in this State for a long time: certainly while there is a sniff of the Labor Party having any say in the affairs of this State. The Opposition approaches this Bill with that background: an appalling admission of failure on the part of the Government and a more concerning aspect of a Government that cannot be trusted.

It would worry me if it was known publicly that, as a result of conditions to which I had agreed, I could not be trusted. I think that that would worry the Government, but obviously in their desperate bid to come to grips with their electoral problems Government members are prepared to sell their souls.

The Bill seeks to give the Minister control over any new discoveries of gas in South Australia, and it reserves petrochemical gas and ethane for South Australia. It gives the Minister power to vary, suspend or cancel a production licence and to impose a fine of $1 million and $100 000 a day for a continuing offence.

The Bill also gives the Minister and his agents immunity from legal action and gives the producers protection from civil liability in complying with the Act. However, I doubt very much if it gives the producers such protection in the courts of New South Wales if Australian Gaslight finds that the producers contravene some of the conditions in the contracts which it has negotiated with them. No doubt the Government believes that that is one of the saving clauses, but I find it very hard to conceive that a South Australian law can give immunity from prosecution in New South Wales courts if a challenge is mounted from that quarter.

I will outline these contracts and just what the Labor Party agreed to so that we can get into perspective what it believes would satisfy, in the words of the former Minister, 'the requirements of the State'. I will briefly summarise the contracts. The PASA gas sales contract provides for:

(i) the supply at Moomba of natural gas out of available economically producible proven and probable reserves of natural gas within the Cooper Basin region of South Australia in the annual volumes scheduled thereto;

(ii) the term of the contract being for a period expiring on 1 January 1988;—

which indicates the urgency which I have been pointing out to the Government for the last three years—

(iii) a fixed annual escalation of 0.2370 cents per G.J. commencing 1 January 1980;

(iv) an annual price review having regard to all economic and other relevant factors existing at the time. In the event of disagreement as to the price review the same is to be referred to independent arbitration. The single arbitrator is appointed by agreement of the parties and failing agreement by a senior South Australian judge.

The last arbitrator (in 1982) was Mr Justice Lucas, a retired judge from Queensland, as I recall. The contract further provides:

(v) an annual 'take-or-pay' liability on the part of PASA of 80 per cent of the annual contract quantity for a particular year, with the right to 'make-up' the deficiency in any subsequent contract year;

(vi) a maximum daily delivery rate of up to 120 per cent of 1/365th of the annual contract quantity for a particular year;

(vii) a requirement that PASA will not purchase natural gas from any other supplier except to the extent its requirements exceed the maximum amount to which it is entitled or the producers are able to supply; and

(viii) a recognition of the producers' entitlement to use natural gas in their operations.—

that is what the Hon. H.R. Hudson and the Dunstan Government agreed—

2. Summary of PASA Future Requirements Agreement—

This agreement, entered into between the producers, PASA and the Minister of Mines and Energy, provides for:

(i) the grant by the authority to the producers, in respect of available natural gas from the Cooper Basin region of South Australia, of the first right to supply natural gas in the annual quantities specified for the period 1988-2005, and the reciprocal grant by the producers in favour of the authority of the first right to purchase such annual quantities. 'Available natural gas' is defined to mean natural gas within the Cooper Basin region of South Australia available to the companies and not subject either currently or contingently to any other contract for sale or required for field or plant operations;

(ii) the terms and conditions of sale of such gas are scheduled to the agreement and essentially follow the form of the PASA gas sales contract. In the absence of agreement between the producers and PASA as to the initial price for such gas, the matter will be determined by independent arbitration. The single arbitrator is appointed by agreement of the parties or failing agreement by a senior South Australian judge;

(iii) the grant by PASA of a first right of refusal in favour of the producers in respect of PASA's additional requirements of available natural gas provided the terms and conditions of sale are not less favourable than those obtainable from some other source. Reciprocally, a first option to purchase natural gas is granted by the producers in favour of PASA, provided the terms and conditions of purchase are no less favourable than those obtainable from some other purchaser; and

(iv) an election on the part of PASA not to proceed on the purchase of the 1988-2005 quantities if the price determined by arbitration is in excess of the greater of the wholesale inland list price then applicable to South Australia for furnace oil of equivalent total heating value approved by the Prices Justification Tribunal or Prices Commissioner of South Australia plus 10 per cent.

Blind Freddie could see that those contracts are quite unsatisfactory: even back in 1976 one could see that they were unsatisfactory. In fact, they limit South Australia's ability to buy gas from elsewhere. We have to take the gas if the price of oil is up even 110 per cent, and in round figures (I have not done the calculations for a long time) it would probably put it up $6 or $7 a gigajoule. That is what the Hon. H.R. Hudson agreed—quite hopeless—and that is what the legislation tears up.

Even the producers in their wildest dreams could not have contemplated anyone buying gas at that price. If they did, it would be a nightmare as far as we were concerned. Everyone agrees that the contract is unsatisfactory. However, the Government does not have the solution. In 1982 the Government did not have the solution. In 1982 the Government had managed to muddy the waters deliberately and to confuse, I suggest, 99 per cent of the journalists around South Australia, because the contracts and issues are complex. I am contemplating legal action in terms of the Government's suggestion that the 12 per cent increase in 1982 was entirely due to the Goldsworthy agreement.

I will find the release, which I kept. However, in view of the duplicity and deceit of the Government which has now been exposed, I shall re-examine that press statement, because those 1976 agreements would have led to a 19 per cent increase in ETSA tariffs and the Goldsworthy agreement reduced them, whereas the Government is falsely seeking to tell the public that this increase of 12 per cent, when we managed to ameliorate the effect of those appalling contracts, was entirely my fault. That is a completely misleading and defamatory statement. I shall examine that again in light of the Government's deficit—again churned out in a rather more muted form in its explanation. Nonetheless,

the Government entered into these arrangements, and everyone agrees that they must be changed.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: Members opposite ask what I would have done about it: in 1982 we were faced with a legally binding 80 per cent increase in gas price, retrospective from 9 September 1982 to 1 January 1982, necessitating—as a direct result of Labor Party contracts—a 19 per cent one-off increase in the price of electricity. It was nothing to do with Goldsworthy or any Goldsworthy agreement: it was an 80 per cent legally binding arbitrated decision of Justice Lucas requiring a 19 per cent increase in electricity tariffs immediately in 1982 as a result of the 1976 Hudson Labor Party legislation.

Is the Labor Party suggesting that it would have let it ride and that Goldsworthy should not have done anything about it? We sought to challenge it in the courts. Our legal advice was that we really did not have a feather to fly with. Of course, we did not tell the producers that, but that was the advice we received.

The only basis for altering that 80 per cent arbitrated price was if there had been some mistake in law by Judge Lucas—not in relation to the facts, but the criteria on which he made his judgment. We were faced with an 80 per cent increase, and the Labor Party is in a similar position—facing an election—except that it does not have a legally binding arbitration decision compelling it to do anything or requiring it to even think about doing anything. It has merely announced some ETSA tariffs. The Government is not faced with an 80 per cent increase. What did Goldsworthy do? He did what the Labor Party does not have the nous to do: I arranged for a meeting between all the major consumers, namely, SAGASCO, Adelaide Brighton and ETSA, and I said, 'We can't live with a 19 per cent increase in ETSA tariffs as a result of the Labor Party's contracts. What are we going to do?' I knew what we had to do; we had to ameliorate and cushion it—knock it back—without a legal leg to stand on or a feather to fly with.

I wonder what the present Minister of Mines and Energy would have done under those circumstances? Would he have sat down and twiddled his thumbs, as he has done for three years? I suppose he would have gone to an election with a legally binding contract that his Government had visited upon the public resulting in an expected increase of 19 per cent in electricity tariffs! I bet he would not have done that. He is not even faced with that situation now. He is not faced with an arbitrated price, and he will not wait for it. He agreed with me in Committee that reserves and prices are inter-linked, but he will not even wait until December, because his Party wants to have an election soon, and it will be too late to try to validate these electricity tariffs that have been announced without knowing what the fuel will cost.

The only imperative as far as these people are concerned is that they have announced electricity tariffs before they know what the fuel will cost. That is a slightly different situation from that which faced Goldsworthy and the Liberal Government in 1982, when there was a legally binding and arbitrated decision that we have a gas price increase of 80 per cent. So, is the Minister suggesting that I should have sat down and twiddled my thumbs, gone to the election and said, 'Bad luck, fellows. This is what the Labor Party visited upon us'? Do I say to Adelaide Brighton, ETSA and SAGASCO, 'Bad luck, fellows.' They said that they could not live with it; they said, 'You have to do something. We budgeted for about a 25 per cent increase' (I think that was the figure for ETSA).

One of the weaknesses of these contracts is the retrospectivity. No matter how long the arbitration takes, it is retrospective to the beginning of the year. AGL was far smarter, with no retrospectivity, stringing out the negotiations for as long as possible. The philosophy was that, if there was going to be an increase in price, in that way one could save money. That is far smarter than this bunch.

The Minister would have sat on his thumb and done nothing—that is what he is suggesting. The Minister, without a legal leg to stand on, would go to the producers and say, 'Bad luck, fellows. What about knocking the price down?,' after they have spent hundreds of thousands of dollars, as has the State, fighting this argument before an arbitrator. How pathetic.

I got all the interested parties together and said, 'We have to ameliorate the situation.' The Goldsworthy agreement did not increase ETSA tariffs to 12 per cent—it reduced them from 19 per cent to 12 per cent. There was this leap of 80 per cent in arbitrated prices, and no-one had the slightest idea as to the result of the AGL arbitration, or what the decision of the arbitrator next year would be. There was an 80 per cent leap in price in one year; the next year it could have gone up 50 per cent or 10 per cent—nobody knew. Nobody had a clue as to the AGL price. Was Goldsworthy expected to do nothing? Not on your life.

Without a feather to fly with, I got all the interested parties together. Due to goodwill on all sides, the producers were prepared to give away $16 million that year in order to cushion the effect of what was lawful, to reduce the increase to 40 per cent to September, hold the price steady for 1980, the next year at $1.10, the legal price—

Mr Ferguson: Send up the price again.

The Hon. E.R. GOLDSWORTHY: Listen to the smart fellow from Henley Beach. He would have sat on his thumb. If he had been placed in the position in which I and the Liberal Party found ourselves, he would be squealing like a stuck pig.

Mr Ferguson: My Party would look after me.

The Hon. E.R. GOLDSWORTHY: I hope they do, because they will damn well have to at this election. In a month's time the member for Henley Beach will be past history. What would the Labor Party have done if the Liberal Party had lumbered it with this situation?

Some quarters in ETSA suggested that we do what the Labor Party is doing now, namely, in the heat of an election tear up a legally binding document. We would have had far more reason to do that, because it was not our document, although it was Parliament's document. The ETSA board eventually agreed with what I did, because it sent me a letter to that effect, but the major consumers came along, and the Chairman of PASA said to me, 'This is a damn good deal for the State in the circumstances.' So did Adelaide Brighton, SAGASCO and ETSA, although some people in ETSA had some ideas about legal challenges and the like and protecting the whole thing without having the faintest idea where it would all finish up.

Let me dwell on this, because the Labor Party is pretty good at muddying the waters in the public arena. It has managed to sell the idea that this was all Goldsworthy's fault. Even though that agreement has expired, it was regurgitated in the second reading explanation. We took all the uncertainty out of what would happen to gas prices for three years, and the consumers were happy with that. They said that they could live with it and that they could plan. For the first time ever we got the producers to agree to spend at least $50 million in looking for gas and nothing else.

The Minister has bragged about the gas that we found. It would not have been found under the Labor Party. We got them to agree to spend that money in order to find gas, and as a result of that exploration due to the Goldsworthy agreement enough gas was found for almost three years. We did foresee the problem that the AGL arbitration decision

might produce a price less than ours. We had no idea. They were stringing it out, which of course is understandable, because it was to their commercial advantage. They are a far smarter bunch.

In the event the arbitrated decision came out below even $1.10—$1.01 from day one. Of course, we had thought ahead. We did not sit on our thumbs for two years of a three year term and do nothing as this Government has done and tear up an indenture because it was unsuccessful. I received a letter from the producers saying that, if the AGL price came out below ours, they could not live in South Australia and something would have to be done about it. The Labor Party would be too scared to approach AGL. The Minister cheerfully said, 'Things are going swimmingly in our discussions with AGL.' I asked a series of questions about the number of meetings and when they occurred. If they have had any of any consequence, I would be very surprised. If you are going to get anywhere with contracts of this magnitude you do not send off middle ranking public servants to do the job.

The Hon. R.G. Payne: Whom are you denigrating now?

The Hon. E.R. GOLDSWORTHY: I am not downgrading anyone.

The Hon. R.G. Payne: Not much you're not!

The Hon. E.R. GOLDSWORTHY: The Minister can say that, but I am telling you this—

The Hon. R.G. Payne interjecting:

The ACTING SPEAKER (Mrs Appleby): Order!

The Hon. E.R. GOLDSWORTHY: If the Minister believes that, that helps to explain the Government's singular lack of success during the whole of these negotiations, because the decisions in relation to contracts are made by boards of companies and managing directors who advise their boards, and they are made by the leaders of government. As I have said, I have a lot of faith in some of them. I have mentioned Ron Barnes, for whom I have enormous respect. When it comes to the crunch, it is up to the people in government. That is why the Premier stepped in, unfortunately at the eleventh hour.

Unfortunately, he got in to the act a bit too late. The Minister says that that was because of his sickness, but the Minister conducted things up until February, and nothing had happened; they called it off, and then the Premier stepped in. In the past I have had discussions with Mr Carmichael, who was then the Chairman of Santos, and Mr David Anderson, who was the Chairman of AGL. I flew to Sydney on a couple of occasions for discussions. At least we had discussions on a level where it counted in relation to doing something about these contracts which were grossly unfavourable to South Australia.

The Hon. R.G. Payne: You talked to Vancouver on the phone, or was it Toronto?

The Hon. E.R. GOLDSWORTHY: That sounds to me like a smart arse comment, which has nothing to do with the comments that I am making.

The ACTING SPEAKER: Order! I ask the Deputy Leader to withdraw that remark: it is unparliamentary.

The Hon. E.R. GOLDSWORTHY: I used this same remark only last week when the Premier was berating me not being a lawyer. I said I was proud of the fact that I was not a lawyer, and I remember—

The ACTING SPEAKER: Order! I have asked the Deputy Leader to withdraw the remark.

The Hon. E.R. GOLDSWORTHY: I withdraw unreservedly: I apologise—do any damn thing I have to do. Let me just point out I used the same phrase last week, when I was talking about lawyers. The Premier said that it was a pity that I was not a lawyer, because I might understand the Ombudsman Act better. On that occasion I said that I was damn proud that I was not a lawyer, because some of them (and I hope I still have some friends) are so used to saying one thing 'on the one hand' and something 'on the other' that they soon run out of hands—and they are so used to defending crooks that they forget intuitively the difference between right and wrong. However, that is beside the point. All I am saying is that I used that phrase on numerous occasions last week, and it was not 'unparliamentary' last week, but it is this week. Notwithstanding, I withdraw it.

The fact is that we had those negotiations, and we would have continued them had the Labor Party not managed to scrape into office in 1982 with a bag full of promises which it has not kept. The previous Government would have continued discussions at the appropriate level, because it is at that level that decisions are made. We also decided that, if the AGL price was below ours, we could not live with that, because the gas belongs to the public. At the bottom line, the gas belongs to the Crown, which means that—

The Hon. R.G. Payne: We are putting facts on the record now.

The Hon. E.R. GOLDSWORTHY: Yes, and I point out that the previous Government would have done its darndest to see that there was some amelioration of a price difference between the AGL price and ours. The previous Government sought a Crown Law opinion, and we were told that we could increase the royalty on gas. We got the best opinion that we could: we were told that we could do it. However, it would not have been done unilaterally, as the present Government is doing by wiping out a whole Act, without consulting the producers. Indeed, on the previous occasion, the former Government consulted with the producers, who agreed, and a draft letter was forwarded to me: I still have it.

The Hon. R.G. Payne: I do not think that the honourable member ought to talk about this any more, because on a discovery basis, what you have just outlined to the House could prove to be very interesting. The honourable member may ignore my advice if he wishes.

The ACTING SPEAKER: Order!

The Hon. E.R. GOLDSWORTHY: I do not care what the Minister says. I am telling the House what happened. The previous Government was going to have a go, and if that had proved to be illegal, we would have been quite happy to have it challenged. The Minister would know that the Hon. Tom Playford was challenged in the High Court on one or two occasions. You must have a go, with whatever feathers you have to fly with! We proposed that we would increase the royalty on gas, we would reimburse the South Australian public, and see that the producers were not disadvantaged in South Australia. I will not use the expression which is in common parlance for what happens when this sort of thing hits the fan but, of course, when that occurred AGL nearly went through the roof, because there was a Government that was going to get into them. But we were going to have a go.

I received a letter from the producers saying that they would go along with it. Therefore, we were not going to sit on our behinds and do nothing. The Premier said that in two weeks he would fix it, although three years further down the track nothing further has eventuated. The previous Government had a strategy to give it a go: if that was subject to a legal challenge, then let them challenge. We were determined to use every weapon we could: that was the first one, and I think others could have been found. If in fact the move had led to litigation, I think we would have had the public behind us, and we were not breaking any indenture agreement; we were not tearing up an agreement. We had a strategy to recoup something for the public of South Australia, and that arose because of the difference in the arbitrated price and the price which we had agreed

for the purposes of ameliorating the effects of the 80 per cent increase in price.

Is the Government saying that there was something wrong with that, that I should not have done that? Is it saying that the previous Government should have sat down and accepted the 80 per cent increase? Is the present Government suggesting that I should not have gone to the producers and had talks with them and said that South Australia could not live with the situation? I knew the Chairman of Santos well. I negotiated with him for the Stony Point liquids scheme, which has now proved to be a South Australian investment of over $1 billion, providing 3 000 or 4 000 jobs. Does anyone think that I negotiated that without a degree of goodwill, or that I went back on my word? Does anyone think that I did not have some rapport with the people involved, doing what I believed was best for South Australia, with an indenture which I believe will stand up for a damn sight longer than this 1976 deal?

I said that the situation was impossible. Is the Minister suggesting that the Government should have done nothing? There would have been a direct increase of 19 per cent in ETSA tariffs. It would have been no less than that, a one-off, and that would have occurred if the Government had done nothing. But that is what the Minister is saying that the previous Government should have done. We had a strategy, which we would have pursued with vigour. I believe that it had a chance of flying. I had agreement from the producer. Of course, the Government had been talking to AGL right through. I know Mr Anderson, Chairman of the board: I met him. How many meetings has the present Minister had with the AGL board, in order to come to grips with the contracts? What real negotiations has the Minister had?

The AGL contracts are as much a part of the problem as are the South Australian contracts. I have been telling the Minister that for three years. The Minister has done nothing to fix things in South Australia except in this Bill to hand over to AGL all the negotiating authority. As I have said earlier, this is a complete abdication of responsibility to the people of this State—an appalling concept.

I have been provided with numerous notes in relation to the clauses of the Bill which, on close examination by people far more expert that I—some of the smart lawyers the Premier lauds—indicate faults in the legislation which I will detail in due course. The Bill is to go to a select committee, and I am sure that those points will be made there. This is a sorry day for South Australia and for the Government. I am quite sure that the Liberal Party's strategy would have led to an amelioration of those gas prices, with the people in Sydney paying more for their gas than they presently pay. I believe that we had discussions of goodwill, and maybe we would have phased it in.

I know that AGL was horrified at the thought, and that Mr Williams said a few hard things about me. That does not worry me; it is no skin off my nose. I am still on quite good terms with Mr Williams, who took a strip off me because I was suggesting that we might be able to get more money from them. The fact is that the Liberal Party is on good terms with AGL; I am quite confident that we could reopen negotiations and that we could have ameliorated that price differential in terms of the strategy we outlined. Failing that, we would have pursued vigorously other means of doing something to relieve the public of South Australia of this difference in gas prices.

Do not let the Government say that I did nothing. Do not let it say that I was not aware that there was the possibility of a disparity in price. Do not let it say that, in government, if I am Minister of Mines and Energy when we win government, as I believe I will be, I shall not be bending all my efforts from day one to solve legally the problem with the producers, Australian Gas Light, and the South Australian Government and, if need be, the Australian Government, although we get precious little help from the Labor Government which controls the transportation of gas to Sydney.

I am sure that if a Liberal Government was in office in New South Wales (and I have spoken to the shadow Minister), I would involve them if we had to. I bet that this Government has not even opened its mouth and talked to the Premier of New South Wales, had any real discussions with AGL or the Federal Government, which controls the transportation of natural gas to the Sydney market.

The misrepresentation and deceit of this Government are mindboggling. What it will misrepresent to try to cling to office, when it has so abysmally failed to legally reach some accommodation in relation to this matter, concerns me greatly. I believe that the Government has done this State enormous damage; despite its public posturing and its confusion of the issues, it has neglected what I believe is one of the essential elements of this deal and, that is, what is happening in Sydney. Despite its enormous deception and its appreciation of the limited ability of the public to grasp the fundamental long-term issues of importance to this State, this Government must be concerned. If it is not concerned about the reputation of this State, the sooner the public gets rid of it the better. We oppose the Bill.

Mr GUNN (Eyre): I will not be able to speak as long as I would like or at the rate I would like because, unfortunately, I have caught a wog which has affected my throat. I want to make one or two pertinent comments about this measure. We are again saddled with the legacies of the so-called Dunstan era. We have before us this afternoon a measure which, in essence, has torn up a legally binding commercial contract.

I am appalled that the Labor Party would have created the situation in Opposition where it went round the country telling all and sundry that it was the fault of the then Government that electricity prices were escalating. It tried to blame the previous Government for every price increase. The Premier and one or two of his colleagues were daily spruiking in this House. Press releases were churned out by those scurrilous characters who purported to be press secretaries. We know their track record in relation to other matters in removing the back pages of confidential reports. It is a fine track record.

The propaganda exercise that the Government engaged in has caught up with it. Today we have the culmination of that activity: trying to tell the people of this State that the Opposition was responsible, then being elected to government when it did not expect to be; that fell into its lap when the people believed its propaganda. Nothing was said to the public of South Australia about the Government milking millions of dollars from the Electricity Trust. I seek leave to have inserted in *Hansard* a statistical summary from the annual report of the Electricity Trust of South Australia, which details from 1976 to the current financial year the exact amount of money that the taxpayers have paid into general revenue from ETSA, culminating this year in some $40 million. This table should be included in *Hansard* so that the public can see it. If that $40 million has not had a significant effect on the cost of electricity, I do not know what has.

Leave granted.

Year Ended 30 June	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
TEN YEAR STATISTICAL SUMMARY										
Year Ended 30 June	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Revenue and Expenditure Statement $000s										
Sales of Electricity	123 012	145 022	168 093	190 403	214 838	256 993	319 793	416 796	449 621	543 417
Sundry Income	3 732	4 036	5 403	6 119	5 969	5 363	6 467	7 715	8 133	10 035
	126 744	149 058	173 496	196 522	220 807	262 356	326 260	424 511	457 754	553 452
Less										
Generation and Distribution	62 105	74 991	85 163	96 875	118 125	131 824	151 449	196 797	199 187	245 122
Administration and General Expenses	14 470	16 317	18 314	19 716	21 746	24 238	30 342	34 643	39 591	55 719
Employee Benefits	9 101	11 338	12 433	14 114	15 490	18 614	22 053	27 452	30 214	32 092
Depreciation										
Historic Cost	16 529	18 994	21 429	22 875	25 332	26 999	33 049	34 252	36 955	45 105
Revaluation	—	—	—	—	—	—	—	36 689	36 689	36 689
Financing Charges (Net)	18 481	19 937	22 123	24 919	27 595	32 961	43 801	66 305	87 080	100 350
Contributions to State Government										
5% Levy on Sales	5 810	6 957	8 001	9 144	10 323	12 209	14 810	20 366	22 366	26 787
Charge on Non-Repayable Capital Contribution	—	—	—	—	—	—	—	—	13 686	13 384
Add (Subtract)										
Extraordinary Items, etc.	11 308	11 556	(1 150)	(3 117)	(1 738)	(14 257)	(25 588)	(7 290)	3 656	(2 656)
Accumulated Deficit/Retained Surplus	11 556	12 080	4 883	5 762	458	1 254	5 168	717	(4 056)	(4 754)

Extraordinary items, etc.—includes accumulated surplus (deficit) brought forward.

Members interjecting:

Mr GUNN: It is all very well for the member for Henley Beach to talk about gas prices. We will come to that in a moment. This whole exercise is in relation to the cost of electricity to consumers in this State. Of course, we are all concerned about that. We would be fools if we were not, and we would not be accepting our responsibilities. However, one or two other matters have to be taken into consideration. First, we must have available to us a ready supply of raw material to produce electricity, not only today but in the future. Secondly, the Electricity Trust has to be in a financial position to continue to build the powerhouses and other facilities that are necessary to generate electricity. By its various acts over the past few years the Labor Party has run the Electricity Trust into a deficit.

An honourable member: That's a good touch.

Mr GUNN: That is a fine effort. It has already taken some $40 million, during this financial year, out of the coffers of the trust. With monotonous regularity we have seen the Premier attempting to promote investment in this State. This Government did not have the courage to benefit the people of this State and assist the mining industry, or to stand up to the negotiators in relation to the Maralinga land rights legislation. It backed off. It would have given away another 8 per cent or 9 per cent of the State, and allowed no mining. The Government did not have the courage to stand up to people such as Mr Toyne, who should be put in their place. It has failed to properly look after the interests of the people of this State. It has displayed a disgraceful lack of courage and weakness about Pitjantjatjara land rights, where it could have done some good, and where huge quantities of minerals could have been exploited for the benefit of the State.

To culminate its deplorable action in this area, the Government has introduced this legislation as an attempt to convince the electors of this State that it is on the right track. If the Government starts tearing up agreements of this nature where hundreds of millions of dollars are involved, the investing public will not forget. If anyone has had any experience in commercial activity and in negotiating contracts or signing agreements, one will know that, if it is torn up or the ground rules are altered in the middle of the game, people will be very hesitant before signing another agreement. I guarantee that the mining industry will be reading these debates and looking at this legislation with a critical eye.

I come to the next matter that should be discussed. It is deplorable that the Government has made no attempt to bring AGL into line. It is all very well to say, as the Minister said in his speech—

Mr Ferguson: Would you rather send up the price of gas?

Mr GUNN: The honourable member can go into his so-called smart electoral statements to try to gain favour in Henley Beach, but that means nothing to me. I am concerned about the long-term welfare of the people of this State. I have seen that sort of attitude and what it has done to this State. I will not be diverted by the likes of the honourable member, as he is temporary. He should enjoy sitting in that seat because he will not be there much longer.

This sort of legislation will create conditions where we will not have future indentures brought into this State. I wonder how the people at Stony Point feel. Will that indenture be put under threat? What about the indenture on Roxby Downs at Olympic Dam in my electorate? Is the Government looking at that indenture? What about the BHP indenture—will it come under consideration?

So we could go on. Once we set a precedent of tearing up contracts when other measures are available to resolve difficult situations, the Government is going down a very bumpy road indeed. With the AGL contract, if the Government had adopted the action that was proposed by the Deputy Leader of the Opposition, the problem would have been solved. Why has it not adopted the royalty proposal? That is the way to get around the issue—with a bit of commonsense. Why is the Government frightened of Mr Wran and his colleagues in New South Wales?

Can one imagine the Premier of Queensland tolerating a situation where his constituents were being taken for a ride by New South Wales? He would not tolerate it for a week but would resolve the situation. He would not have torn up existing contracts but would have solved the problem, and that is what this Government can do. I am concerned to see that commonsense prevails and that the citizens of this State receive electricity at the cheapest rate possible. I am concerned to see that we have a guarantee of long-term supplies of electricity. I am concerned also to ensure that the Electricity Trust is not starved of funds.

I know what it is like to be short of electricity. I am one of the few people in this State who has had to generate my own electricity. I know the problems of being short of electricity. Up to this stage we have not been lumbered with the sort of disruption to supplies that they have had in New South Wales and in other places because the Government had its fingers involved in the administration and day-to-day running of electricity undertakings in that State.

My throat is not going too well, and members opposite may say that is a good thing. I would like to say many other things about this proposal. I share the concern and viewpoints expressed by my Deputy Leader, and I look forward to appropriate action being taken in the relatively near future by a future Liberal Government to resolve the difficulties that now exist.

Mr Ferguson: What is your price? That's what we want to know.

Mr GUNN: The honourable member is an optimist. The only price he will have to worry about after the election is trying to find another job. I do not know whether the honourable member will be on the select committee. If he is, I hope that he will ask some suitable questions so that we can obtain more information about the long-term effects of the matter. I therefore oppose the measure.

Mr LEWIS (Mallee): No question exists that this is the kind of thing that one does when one is trying to get out of a nest more eggs than there are chooks to lay them. If one can scare up a bunch of feathers one might frighten some breakfast out of them. That is what the Labor Party is trying to do. It is certainly a gesture, but there is by no means any intention to make a commitment. It smacks of the kind of stuff one hears around fowl yards—plenty of cackle and not much else.

This measure, which completely abrogates the decision made by the Parliament when it endorsed the indenture Bill, is the very worst kind of legislation that any Parliament can pass. It destroys public trust in the capacity of Parliaments to make laws that are of enduring significance during the term of their relevance to the development of a natural resource. Indenture agreements are, of course, most common where some natural resource development takes place. They are also common where Governments make arrangements with one or more private investors in a substantial project of the kind that ASER is, for instance.

When such indentures, so determined by negotiation prior to their being enshrined in law, have been finally passed into law, they have always been seen as enduring, dependable legal documents which make secure the people who are charged with the responsibility of managing the affairs of organisations that must exist in the commercial environment to which the indenture terms address themselves. When we find a move, such as has been made in the hen house of the pre-election moment by the Labor Party, to destroy that contract between the Parliament and its people, as in this instance, we find that everybody in future who deals with this Parliament in general and, in particular, this Government—this Party, this despicable organisation called the Australian Labor Party, which tells lies like they are going out of fashion—will always be suspicious. They will never know whether they can depend upon the word of this Parliament—indeed this Labor Party—because, once you break that kind of commitment in law by changing the law and the ground rules after the game has started, nobody will ever be sure again that they can trust an indenture Bill.

It will be negotiated always with that thought in the back of the mind with people other than the representative Government in the Parliament of the day: the concern that, as soon as it suits the Government, the Government will change the law and make it possible in the process (if one goes to the natural extreme) even to make it a crime for originally negotiating with the Government.

That sort of thing has happened in banana republics, those countries which are otherwise known as third world countries and which have had a whack at democracy. Such countries attain their national status, come into nationhood as a democracy, make agreements with international organisations to finance substantial projects in their countries, and then in a few short years change the ground rules of the original indenture that they had agreed with entrepreneurial interests that provided capital. They change rules to such an extent that they finally lock up the people with whom they were dealing, calling them criminals. This Bill is the first step down that track.

Apparently, it is good enough to claim that the original indenture Bill needs to be amended by law without consultation with the parties. In fact, any consultation that took place on this Bill deceived the parties into believing that it was a negotiation within the terms of the indenture that was being undertaken. The companies were not aware of the Minister's ultimate card, as he might call it (I would call it gross deception), of finding out what they were prepared to offer by way of bargaining chips and then say, 'That doesn't suit us. We are going into an election. We'll lop your head off. That will fix you and we will get votes out of it. Then we will blame the Libs and claim that they got into bed with big business when they defended the original deal. When they defend your position as parties to the indenture, we'll say that they were in bed with big business in an effort to rip off the poor unsuspecting South Australian citizen. The Libs would allow the producers to charge much higher gas prices. That's what the Labor Party had in mind.'

Then, when the time comes the Labor Government will try to con the public of South Australia into believing that. What a shonky rotten thing to put into Parliament only days before announcing an election. What sort of rotten propaganda is that? It is baseless and without principle. It is the sickest kind of politics that I can imagine. It stinks from the core outwards and it is the kind of thing in which the member for Ascot Park (or is it Albert Park —Hollywood) wallows—

Mr Hamilton interjecting:

Mr LEWIS: Despite his protestations to the contrary the honourable member enjoys the sty of politics where he can get his nose into the trough and stir up the slush; otherwise, he would not be amused by what I find to be an utterly repugnant approach to an election. It is clear to me that this whole Bill has been rushed into the Chamber at this time in order to provide the Government with what it believes to be a legitimate platform from which to attack the Liberal Party in the forthcoming election campaign. The Government is trying to make the Liberal Opposition seem to be defending big business when, in fact, we are really defending the principle of responsible law making by a constitutionally elected Parliament in a constitutional democracy in which the head of State is separate from the head of Government. That is what we are trying to defend.

There should be no changes to indenture agreements. What would happen if next year we suddenly told the ASER Trust financiers, 'We're going to change your indenture, boys. We're not getting enough out of it. We'll simply reduce by law your equity in the trust because that will provide us with an increase in our equity and therefore more income for the State Treasury'? The indenture could well be changed and then the Labor Government could go along to a few other organisations with which indentures had been negotiated, such as the partners who are developing Roxby Downs, and say, 'It's inconvenient for us to retain the indenture agreement that was negotiated between Parlia-

ment and you as promoters. We will change the rules by passing a law through the sovereign Parliament, and you can go to hell. It suits us to do that now that we've got you conned and on the hook for several hundred million dollars (somewhere between $150 million and $1 000 million) You've spent that, but that's tough. We'll do what banana republics and some of the Arab countries have done: simply take over all the assets.' If anyone in Parliament raises a voice against that action, that member will be told 'We will say that you are in bed with the capitalists and in their pocket.'

Let us put it on the record straight down the line. So far as I am aware, no member of the Liberal Party has ever been in bed, politically speaking, with big business—any more than it has been in bed with any other citizen. No member of the Liberal Party whom I know has taken or solicited any contribution from big business to the Party. We do not have sustentation slush funds provided by coersion or in return for shady deals.

The Hon. R.G. Payne: How do you know that?

Mr LEWIS: I have been a member of the State executive of the Liberal Party.

The Hon. R.G. Payne: Do you know that a former Liberal Premier said that the Parliamentary Liberal Party had nothing to do with the collection of Party funds? You seem to know quite a bit about it.

Mr LEWIS: Yes, I do. I was a member of the State executive before I was a member of Parliament.

The Hon. R.G. Payne: Then you speak from memory, not from experience.

Mr LEWIS: Yes, and from experience. I will swear an affidavit just as readily as I make that statement in this place. I wonder how many members opposite can do the same. We need to look at the way in which the Bill changes the present indenture. It wipes out the PASA future requirements agreement, allowing for the Pipelines Authority of South Australia to enter into new contracts. It fixes the price of gas at $1.50 a gigajoule into 1986 and at the AGL arbitrated price thereafter. I dare say that it will not last even four months. The Bill gives the Minister control over any new gas discoveries in South Australia. Apparently, such resources no more belong to the people who have risked money to find them: they are at the the Minister's behest once they are uncovered.

It is like telling a kid to pick mushrooms and to offer to pay him for a bucketful. Then when the kid returns, he is told, 'I have already bought you your shoes and I gave you the bucket. Those are my mushrooms. Get along.' Then the kid is whacked in the ear. That is what the Government is trying to do by means of this Bill. Why does it not come clean and tell the truth for once.

The Hon. R.G. Payne: Have you got any stories about strawberries?

Mr LEWIS: Of course I have.

The ACTING SPEAKER (Mrs Appleby): Order!

Mr LEWIS: Further, the Bill reserves petrochemical gas and ethane to South Australia. Regardless of whether or not South Australia wants the product, it has to stay. The Bill gives the Minister power to vary, suspend or cancel a production licence. Even President Wanking Willie in a banana republic would not be game to tell that to a contractor with whom he had entered business. But this Minister seeks the imprimatur of Parliament to give him the power to do that. As I said, it gives power to vary, suspend or cancel the production licence and imposes a fine of $1 million—my God, what a hide!—and $100 000 a day for any continuing offence. I suppose that that would be retrospective in the next amendment after this one.

The Bill gives the Minister and his agents immunity from legal action; in other words, 'We'll do what we like to you; we will do what it suits us to do from day to day, and you cannot do anything about it. If we want to punch you in the teeth we will and, for a bit of variation, if we punch you in the stomach that is up to us too. There is nothing you can do about it: you just stand there and cop it; that's the law.'

Finally, the producers themselves are protected from civil liability in complying with the Act. In other words, they have to breach every other agreement they make with anybody anywhere, any time before or after. If the Minister tells them to jump, they jump. It is not a matter of 'if'; it is a matter of how high. If that is not Draconian, I ask the Minister what is. That is the kind of thing that fits the sort of activity that Mao Tse Tung was involved in when he took power in China and quite openly made the statement that political power comes out of the barrel of the gun.

That is exactly what this Bill gives the Minister. It is not really just one gun—a .45—it is a whole battery. It is not just 25 pounders either, it is a whole battery of Rapier—they are better than Exocet—missiles aimed at, in the first instance, the Cooper Basin producers and, as a matter of fundamental principle, every other interested body that gets involved in an indenture agreement with this Parliament in this State for the development of any resource, whether it is a natural resource or something like the ASER trust facilities.

That is a summary of the Bill and of the consequences it will have on the confidence which people within this State and outside it can have in indenture agreements in future. They will not be worth the paper they are written on or the time spent in Parliament debating their merits, because they can be changed legislatively any time thereafter. I acknowledge that no indenture agreement is cast in stone for ever, but it nearly is, and so it should be. If it is not, that essential confidence which other parties to the indenture need to have in the honour and trustworthiness of the Parliament and the Government will be destroyed. We cannot make such radical alterations to this or any other indenture agreement without destroying that faith and confidence which we all need to have in our future and, more importantly, which others who can help us achieve that future need to have in us. We are the representatives of the people.

If we destroy their confidence by passing this measure in its present form, or indeed in any form not negotiated with the parties to the indenture, we will deserve the contempt with which we may be treated by people and business interests elsewhere in this country and around the world. We will again suffer the kind of blight we suffered during the 1970s when anybody with capital to invest took it out of South Australia—they did not bring it in. During the 1979-82 period of the Tonkin Government that impression was turned around. During the election campaign in 1982 the current Premier gave everyone to believe that the blight of the 1970s—the deceitful fashion in which things would be done regardless of the consequences for investment in this State—led people to believe that, regardless of whether the current Premier was elected or the former Premier was re-elected, in either case they could have confidence in the Government of the day from that point forward.

Woe betide those who trusted the Labor Party and its current Leader. This measure shows just how draconian they are prepared to be for the sake of obtaining a political advantage on the eve of an election. The Government will be able to beat up such a cloud of dust and feathers in the fowl yard of the campaign that it will obscure from the public mind the truth of what is happening. The Government will cackle and claim in the process that the Liberal Party is causing the trouble.

My Deputy Leader, whose ability as a negotiator is outstanding and well known, has put on the record exactly

what the Liberal Party's proposal as an alternative would have been in the event that we were in Government—and will be once we become the Government. No-one can doubt that the proposal that he has put to this Government is far more satisfactory than the measure we have before us, in that it does not threaten the indenture: it leaves the framework there. It certainly ensures that the producers will retain their cooperative approach and continuing presence and development here in South Australia.

That development is vital to our State's future, not just because of the royalties it will bring into the State Treasury but also because of our dependence upon it. I say that, because no-one has yet told the people of South Australia that easily the cheapest electricity—by a huge margin—which goes into our power grid comes from burning natural gas. Electricity cannot be generated from Leigh Creek coal or any other coal source on a kilowatt hour basis or any other unit of measure anywhere nearly as cheaply as it can be generated from burning natural gas. That is the truth of the situation, and without that natural gas we will be compelled to pay higher prices for electricity, anyway.

If you, Madam Acting Speaker, were a truck owner-driver and I took your truck off you by passing a law or whatever other means I had at my disposal and then coerced you at the point of a gun to drive it, would you feel inclined to find business for your truck and work from 6 a.m. until 7 p.m. driving that truck to carry the goods that people wanted you to carry?

Would you be willing to work as hard then as you had been prior to the time I took the truck from you and forced you—by blackmail or any other means—to carry on your business? I think not: I think you would be inclined to do the bare minimum necessary simply to keep body and soul together with the income you derive from what work you already had and just let the whole thing run down, not bothering to maintain the truck. After all, it is no longer your truck; why would you care whether or not it falls to pieces? Fairly soon the truck would fall to pieces and you would attempt, probably successfully, to disappear from the scene and out of my control as quickly as possible.

If we want the Cooper Basin producers to run down their equipment and production of gas, we will pass this measure in due course in the form in which it has come into the Parliament. That will most certainly be the result: we will end up paying more for our electricity and we will be worse off. We will not only suffer from the loss of royalties but will have to pay more for our electricity. Further, thousands of members of the general public who own Santos shares will not receive the kind of revenue income they would have otherwise derived from the profits made by Santos and all the other partners in the Cooper Basin project.

Those dividends will be lost. It will mean that the gross national product will shrink and we will be the poorer. Every truck driver, as quickly as possible, will drive his truck across the State border and set up business operations elsewhere, knowing that the sooner he gets out of South Australia the less likely his truck will be nationalised or taken over by whoever is in office.

This measure is very detrimental in its consequences to the State's economy and to energy users. That includes the citizens who depend upon natural gas for the electricity and gas used in their homes and also the people who work here. What will happen if gas is not available to a large number of the businesses that depend upon it and have set up here in South Australia because gas was available? If they cannot get gas they will go elsewhere, and people living in South Australia and working in those businesses will no longer be able to do so. If we want this State to end up as a repository for welfare recipients, we should support this legislation. If, on the other hand, we want to take the alternative and better direction, we should throw this legislation out.

Mr BECKER (Hanson): The Minister of Mines and Energy reminds me of a previous Minister (Hon. Hugh Hudson). He has got himself into a terrible situation and cannot seem to extract himself unless he takes the heavy hand of slamming one of South Australia's more successful companies, on the basis that the Government can and will do all it can to reduce the price of gas.

If the price of gas could be reduced, that would be a welcome move and certainly a tremendous boon to commerce and industry in South Australia as well as to the general consumers. But I understand that the cost of gas to the Electricity Trust makes up about 20 per cent of the consumers' accounts. Whilst we all think that the price of electricity and gas is far too high in South Australia, I think that the Government has itself in a terrible bind: it has made a lot of promises and statements and is now seeking the ultimate compromise by introducing this sledge-hammer legislation and referring it to a select committee, thereby compromising the Parliament.

I remind the Minister of question No. 21 that is on the Notice Paper. If I remember correctly, it has been there since the beginning of this year. It is a question that I have asked the Minister, as follows:

Did the Consumers Association of South Australia Inc. meet with the Minister in June 1983 seeking a price freeze of electricity tariffs pending an independent inquiry and, if so, did the Minister promise a reply to the Association within two or three weeks following the deputation and, if so, what was his response and if he has not responded, why not?

The Minister might answer that question. I think that the Consumers Association and the consumers of South Australia want to know what is going on. We do not accept that this legislation is an answer to the problem. The price of electricity has been a headache for this Government as well as the previous Government. We have to go back to the original agreement negotiated by Don Dunstan. Successive Governments after the Dunstan era were locked into a terrible agreement. Let us go right back to the beginning. If Santos had not developed the Cooper Basin in the economic way that it did, we would not have a company of such a size in South Australia, and I doubt that we would have the opportunity of obtaining gas. We would therefore be locked into a very expensive system of using New South Wales coal.

Nobody wants to use New South Wales coal. Although there is an abundance of it in that State, many jobs have been lost in New South Wales as a result of the policies of the Wran Government and the impact they have had on industry there. Nobody, particularly in South Australia, wants to take New South Wales coal, because we still remember what happened in the 1940s when, as a result of the disastrous New South Wales coal strikes, South Australia suffered blackouts. We had blackouts because we just could not get the coal. Not enough coal reserves were held in South Australia, so this State paid dearly for a very poor situation. We do not have any significant reserves of good quality coal.

If it were not for Leigh Creek, South Australia would indeed be in a poor situation. At least the very poor quality Leigh Creek coal has helped meet the State's energy needs. It is expensive and it has been necessary to relocate the old town of Leigh Creek and to remove the huge amount of overburden to get down to the next seam of coal. The cost of building the new town rose from the original $32 million to $64 million. I believe that the cost of removing the overburden was in the vicinity of $100 million, so as far as the Electricity Trust of South Australia is concerned, that

coal is very expensive as a form of fuel for the trust's generators.

I come back to the only other alternative, and that is natural gas. The indications were that the Cooper Basin could supply a significant amount of natural gas for a major consumer. South Australia was the natural consumer, so it appeared to Santos to be a good proposition, but the field had been developed by Santos mainly through bank overdrafts and bank resources, cheap finance that was not available to many other mining let alone exploration companies. Most of the finance was unsecured, so a fair punt was taken by some of the battlers in supporting Santos in the early days.

To be able to sell its natural gas to a major consumer meant that the company could look forward to a further exploration program and a reasonable future. Of course, the employees of Santos also would have been heartened by that move. In order to be able to supply natural gas to South Australia, Santos had to find an Eastern State market, and New South Wales was the ideal one. Whilst it was able to write an agreement (an agreement which we think is entirely unfair), there is no doubt that the South Australian consumers were left to pay an unduly large price for the gas. We therefore find ourselves in this current situation, although the problem could have been solved.

The Hon. E.R. Goldsworthy interjecting.

Mr BECKER: The Deputy Leader is quite right, but this Government—the socialist Government in South Australia—could have prepared the groundwork many years ago when Hugh Hudson was playing around with the Santos legislation to control the shareholding in Santos. Alan Bond was buying up shares in Santos at about $3 a share, and telling everyone they were worth $10: in fact, they finally went to $22, and were split with bonus issues, and so forth. They are sitting at about $5.50 today, with a rights issue of about $2. Santos shareholders have done very well. The company is well cashed up, with a great potential for future expansion. There is no doubt that this was done partly through arrangements applicable to the supply of gas to South Australia.

However, I still feel for Santos, because I think it is on the brink of big development as far as South Australia is concerned and the impact on its economy. It is pointed out in the business page of today's *News* that 'South Australia could lose a $100 million project'. In relation to development and future proposals of Santos, Mr Ross Adler, the Chief Executive and Managing Director, is quoted as saying:

> According to estimates in Santos Limited's annual report for last year the group's share of crude oil available through secondary recovery techniques (gas reinjection) amounted to 8.6 million barrels from the Tirrawarra and Moorari fields.
>
> For the past 18 months the partners have been carrying out a pilot study on the Tirrawarra project. The commercial scheme would involve the drilling of 18 wells, conversion of other wells from oil producers to gas reinjectors and the construction of a 60 km pipeline from the Moomba field.

That relates to various activities, and not to the Bill before us. However, the whole thing is that 200 jobs could be at stake on that project alone if this current proposal goes through. As the member for Mallee and the Deputy Leader have asked, what company will expand and develop in South Australia if the Government of the day decided to bring in legislation to control such activities? This does tremendous damage to investment confidence in South Australia. That worries me very much. It took three years of hard slog by the Tonkin Government to get South Australia back on to some sort of footing. It takes three to five years to get major projects up and running.

In relation to major developments undertaken in South Australia, for example, the Northern Power Station took years to design and financially plan and develop. The price went from about $260 million or $280 million to $480 million-plus. These things are not done overnight. The same applies to the ASER development project. These things are not just dreamt up: they must be planned, prepared, designed and, most importantly, feasibility studies must be undertaken. Further, finance must be prepared and arranged. When hundreds of millions of dollars is involved there need be only a flicker of inflation and $5 or $10 million is dropped. I can understand how the Santos and Cooper Basin partners feel. They feel very strongly about this matter, and I think it is important to place on record the text of advertisements placed in the major media by the South Australian Cooper Basin producers today. I will read the advertisement which apperared in today's *News* at page 12, because I think it should be in the record and they have every right to have it recorded in *Hansard*. It is headed 'The South Australian Gas Story: The Facts', and States:

PRICE

The South Australian Government proposed a price for Cooper Basin gas and the producers accepted it. The legislation now introduces a temporary lower price. No other State in Australia has legislation controlling gas prices. The legislation does nothing to secure planned prices.

SUPPLY

The legislation does nothing to secure the long term supply of gas to South Australia. In the negotiations now terminated by the Government we had offered to guarantee supply to 1992 on reasonable commercial terms.

LAW

The legislation overturns existing rights of Producers in the present arrangements—rights enshrined in current Acts of Parliament.

CONSULTATION

Not only is the legislation ill-conceived but it has been prepared without any regard to the practical aspects of the Producers' operations. The Government's required terms will make continued operation of the Moomba gas fields unmanageable.

At all times the Producers negotiated with the Government in good faith. Meanwhile the Government secretly prepared legislation which puts it outside the existing legal processes.

INVESTMENT

The Producers have spent $1.6 billion on development of the State's petroleum resources, following agreement with the Government on producers' rights. Many of those rights are cancelled by the proposed legislation.

THE INTERESTS OF SOUTH AUSTRALIA

The standing of the South Australian Government in the eyes of the investment community will be severely damaged if this legislation passes. It affects not just the confidence of the Petroleum Industry but the attitude of all those looking to invest and employ in South Australia. Despite this new legislation, we will be doing all we can to maintain exploration at the level previously promised.

THE SOUTH AUSTRALIAN COOPER BASIN PRODUCERS

Alliance Petroleum Australia NL, Basin Oil NL, Bridge Oil Developments Pty Ltd., Bridge Oil Ltd., Crusader Resources NL, Delhi Petroleum Pty Ltd., Reef Oil NL, Santos Ltd., Total Exploration Australia Pty Ltd., Vamgas Ltd.

The very first statement made by the producers is that the South Australian Government proposed a price for Cooper Basin gas, and the producers accepted it. I want the Minister to say whether or not that statement is correct, because if a proposal was put to the producers in relation to the price of natural gas, and if it was accepted by the producers, why is this legislation presently before us? Why is it necessary to go through this trauma of upsetting so many people and such a large organisation as Santos, with its many employees? There should be no mistake about this: everyone on the Moomba gas field knows what is going on. A large percentage of those people live in the western suburbs of Adelaide—an area that the Labor Party thinks is exclusively its domain. Quite a number of those people are my constituents. They have seen straight away what is going on with this legislation. I can assure members that this is not doing the Government any good at all.

The statement in the media says that the legislation will now introduce a new temporary lower price. Here is the

first challenge to the Minister which I think he should answer before proceeding any further with the legislation. Is the minister concerned about future investment in the mineral industry? The Minister of Mines and Energy has only one portfolio: quite honestly, I cannot understand why, when the Deputy Premier retired, the Government did not take the opportunity to reduce the number of Ministers from 13 to 12, and the mines and energy portfolio could have been incorporated with the portfolio of another Minister, many of whom do not seem too overworked at all.

The Hon. R.G. Payne: Probably thought I was getting on a bit.

Mr BECKER: The Minister could have taken over from the Deputy Premier, and there would have been no need to appoint an additional Minister. In relation to future developments of South Australia's mineral industry (and it is a very large industry) one has only to refer to comments made by Bernie Leverington, Chairman of the Chamber of Mines, on page 65 of today's *News*.

The Hon. E.R. Goldsworthy: It is pretty worrying stuff.

Mr BECKER: I have known Bernie Leverington for a long time; I knew him before I came into Parliament. I think he is a very fair-minded person. When he comes out and says that he is not too happy about something, there is reason for concern. Of course, Mr Leverington was a former member of the Electricity Trust board. I would have thought that it would be prudent to keep a person of his ability not only on the board but also as an adviser, so that the Government can understand what is going on. The article in the *News* states:

The proposed gas legislation must be withdrawn, according to the President of the South Australian Chamber of Mines, Mr Bernie Leverington. Mr Leverington said the legislation 'clearly sets short-term political needs ahead of the State's ongoing development and prosperity.' He said the mining and petroleum industry in this State was alarmed and dismayed at the action of the Bannon Government in unilaterally setting aside terms of the Cooper Basin indentures.

The State Government should immediately withdraw its heavy-handed gas legislation and return to the negotiating table to conclude agreements to secure gas supply to South Australia at a price fair to all, Mr Leverington said. He said to override the basis on which companies and the Government had agreed to the development of a major resource project would cause a loss of confidence among investors generally.

'The legislation breaks the terms of the indenture entered into on behalf of all South Australians by their Parliament,' Mr Leverington said. 'As South Australians, we have given our solemn word to do certain things and hundreds of millions of dollars have been invested in our State by the producers putting their trust in our word. We now find our word is being dishonoured by this legislation for reasons not readily apparent nor publicly debated'.

According to Mr Leverington, the harm which will accrue to all South Australians through the loss of confidence and trust by those who right now are considering investing and creating future jobs in South Australia may not be immediately apparent but, nevertheless, will occur. 'This legislation achieves nothing that could not be settled by negotiation in good faith or by independent arbitration,' he said. 'The price we would pay after contracts reached as a State if it were enacted would be incalculable. The Bill will increase uncertainty, especially in terms of price, for the State's industrial, commercial and domestic energy users.'

An article in the *Age* of 25 October, under the heading 'Cooper row could make investors wary of South Australia'—the sort of headline we do not want in this State—states:

The South Australian Government has placed at risk the investment climate in the State with its move on the Cooper Basin gas producers over an issue that could have been clearly decided within two months.

The Government's introduction of legislation on Wednesday to drop gas prices from January and the reservation of five years supply of gas to South Australia brought with it the effective scrapping of an indenture that laid the ground rules for the original development of the Cooper Basin.

Other companies, like Western Mining Corporation with its indenture covering the development of the giant Roxby Downs uranium deposit, must now be on alert that the rules of the game can change.

Western Mining has already announced its Roxby Downs project's commercial operation; that is contained in its annual report which my wife received yesterday. I am not worried about Western Mining, but Santos is as South Australian as the ground it stands on. I have grave concern about that company, the future of the industry, and the credibility of the Government in dealing with people in that industry.

We sincerely want a reduction in electricity tariffs in this State. I welcome any move in that direction. I have collected about 3 000 signatures on petitions and door-knocked in my electorate. The price of electricity is a subject that is always brought up.

Mr Peterson: And gas.

Mr BECKER: Quite right, as the member for Semaphore reminds me. These matters worry elderly people and should not be a worry to them. It is worrying to members of Parliament to see aged people dependent on pensions, taking all sorts of action to reduce the price of electricity. A huge number of people in the community are affected by arthritis and other disabilities that need constant warmth. The only way they can get this is through a gas heater or their electricity supply. Those people are frightened that they cannot afford it, because they cannot measure accurately how much their next electricity or gas bill will be. These problems build up in families and in the community, and have an emotional impact on members of Parliament.

Electricity tariffs also have an impact on commerce and industry. If anyone asks a person who is running a business, small or large—General Motors-Holden's down to the little corner deli—about this they will say that they are worried about the price of electricity. Therefore, any move is welcome. However, when one sees statements such as those in the media today that the South Australian Government proposed a price for Cooper Basin gas and the producers accepted, then I want to know what the hell has gone wrong. Why have we got this legislation? The Minister knows that Santos is looking at a project where an additional 18 wells will be drilled. Sure, we can encourage Santos to drill more wells, but the Minister's counterparts in the Federal Parliament have not assisted one bit in the exploration of oil and gas in this country.

The incentives were there many years ago. It was costing the taxpayer much money, but at least wells were being put down and some results were being obtained. No-one can ever convince me that gas is not in that vicinity. It is there and we should be encouraging more exploration. I do not like the idea of this type of legislation, which is a threat to the very existence of a company and/or any future prospects. The Minister should know through his involvement in Cabinet how much hard work in the past three years has had to go in to attract projects and encourage people to talk about investing in South Australia. That applies to all sorts of projects.

This week we see the culmination of one project—the Grand Prix, which involved years of negotiation. There has been much hard work in the past couple of years. The Minister should not take action to destroy the confidence and credibility of a Government in this State. We have two main problems: the consumer impact (and I am concerned that the Minister has failed to answer my question on notice No. 21); and, in some respects, keeping a company viable.

We know the history of this whole area and what has happened in the past. Without doubt, Alan Bond was right when he paid $3 a share; he knew they were worth $10 and much more. Thank God he did not take it over, or we would be in one hell of a mess. That is where the Government had its chance; it should have taken over Alan Bond's

shares, because it could have had a direct say in the operation of the company.

True, that might be too left wing for some of my colleagues, but I believe that the Government missed its chance. The Government should have used that opportunity to bring in public involvement as well as being in public partnership. In that way it could have had a direct say. Quite rightly, the Leader of the Opposition has moved that the Bill should be referred to a select committee. I support that strongly. The Bill should be referred to a select committee, but on one condition: that it be considered at public hearings at all stages. If a select committee is established and is open to the public, we would be doing a great service to open government.

If the select committee is conducted behind closed doors, the people will regard the whole issue as just a cynical exercise. In supporting the idea of a select committee I emphasise the need for public hearings so that everyone knows at all stages what is going on, and so we can test the sincerity of everyone involved.

Mr BAKER (Mitcham): I will not talk about delays and the fact that the Minister has taken three years to get this far. I will not talk about dishonesty in bringing this Bill before the House just before an election. I will not talk about weakness and the pitiful efforts of the Government to bring AGL into line with South Australian prices. I will not talk about broken words and promises, because they have become the hallmark of this Government. I will not even talk about the incompetence of Dunstan and Hudson, who sold the State down the drain.

Tonight, I am going to talk briefly on jobs, because that is what it is all about. What concerns me, considering all the other things that have happened (we can catalogue them, as my colleagues have done), is that the Government is willing to do anything to win an election and sell jobs down the drain in the process. This cynical move by the Government (to introduce this Bill) creates in the minds of potential investors some feeling that perhaps a Government cannot keep its word; perhaps when business invests in this State it will not get a return, and perhaps the Government is not capable of keeping its word.

For example, we all know that about 4 000 people are involved directly in mining in this State and that there are about 20 000 people who are dependent on mining in this State—full-time jobs generated by the mining industry. We also know that mining investment in Australia amounts to more than $2 billion a year. Over the past three years, as a result of the efforts of the Tonkin Government and Roger Goldsworthy, we have had a good slice of the action in this State with the liquids development.

The Minister and the Premier are willing to throw all those things down the drain for the sake of an election. I cannot condone any Government which says, 'To hell with jobs, to hell with people, to hell with confidence, to hell with our standing in the local community, interstate and overseas. We are going to do this thing. We are going to break our promise because we want to win an election.' It is said that all is fair in love, war and politics.

I will fight as tough and as hard as any person to win an election, but I will not sell this State down the drain in the process as this Government is willing to do. What the Government is doing today defies description. The Government knows that mining is built on confidence and risk and that there is no guarantee of return. However, if one should happen to get a return, the Government will take it away and, as a result, no-one will invest.

I am not saying that mining is the most important industry in this country—far from it. I am saying that it is an important ingredient in this country and that all the eyes of Australia will be on South Australia to see what happens. I can guarantee that no-one will be willing to risk their money in this State if the Government shows that it is willing to break its word whenever it feels like it, or is willing to make reductions whenever it feels like it.

Mr Groom: I thought you wanted electricity prices to come down.

Mr BAKER: I am sure that, when the Liberal Party is returned to government in South Australia, electricity prices will be under control. We will not take three years to do it, as the honourable member's colleague has. We will not be dishonest and break contracts, as the honourable member's colleague intends to do. We will not sign contracts with holes large enough to sink a ship, as did Dunstan and Hudson. We will do it to ensure that our future is secure; and we will do it to ensure that people interstate and overseas have confidence in this State.

Mr Groom: Tell us what steps you are going to take.

Mr BAKER: I do not have to tell the member for Hartley anything. We have already outlined the things that we believe are important; and we have already outlined some of the important ingredients of successful contracts.

Mr Groom interjecting:

The SPEAKER: Order! Honourable members will get back to where we were a couple of hours ago: direct remarks through the Chair and cease discussion across the floor. Interjecting will cease.

Mr BAKER: I promised to speak for five minutes, and my five minutes is up. To reiterate one point, I cannot condone any Government which is prepared to sacrifice thousands of jobs and the honesty and integrity of Government, and let the future of this State go down the drain.

Mr S.G. EVANS (Fisher): I express the same concern as others in regard to the breaking of agreements. Most people know how I feel about any action in that field. It is not just a Government breaking an agreement, although it may be at this stage a Government attempting to break an agreement. If Parliament decides to support legislation, it is Parliament breaking an agreement. I am conscious of the difficulty the Government faces. I am conscious that, through a bad agreement (and I will not reflect on it very much) in the past, the State is in this position. The people elected the Government that entered into that bad agreement so, in a roundabout way, the people have to accept part of the responsibility. However, I do not believe that the people would expect any Government to put up a proposal to break an agreement. It does not matter what is the situation in the future—once this Parliament establishes that as a practice (because it has to be a parliamentary decision), people will have little faith in this place.

I do not know what the different Parties that have the opportunity as individuals to make a decision in another place will do. We at least should make sure that it does not reach the other place. I know that the cost of power is high. In fact, I believe that the cost of energy has reached the point in this State where many people will be looking for an alternative. If we shift to an alternative, having had the capital expenditure of putting underground power in our home or having some other work done to get the power to our home, to buy another method of energy—be it wind energy or whatever—will be very expensive if it is a form of electric current. So, those who have the electricity or gas or some energy source are already locked into a system if it is by mains supply.

I believe that in the future some people will look to alternatives, as one couple did recently in going back to what their grandparents had when there was no electricity. It is not as convenient or as comfortable, but it is much cheaper. Immediately that happens, Governments will be

asked by the Electricity Trust to make it a condition that, if power passes by a property, something must be paid to the trust, as is the case presently with the Engineering and Water Supply Department if a water supply or sewers pass a property. The service is there if it is required but, if it is decided not to be used, part of the capital cost should be paid for.

I believe that we are already down that path because of the cost of energy. So, I am conscious of the predicament that the Government is in. I am conscious that people must look when establishing industry at the cost of the energy in that State or locality, and we do not show up in such a bright light, when those people who wish to establish the industry also take into account the cost of the energy that is needed to transport their goods to the areas of greater population. Something like 13 million of the 16 million are located on the eastern seaboard of this great continent and, if we want to catch up to that market, we have to meet a huge cost to transport those goods. If the raw material had to be brought in and the manufactured item taken back, the cost of cartage is duplicated.

I receive a lot of complaints from people in my electorate about the cost of energy, even from those who may be receiving a concession because they are pensioners. The pinch is on. The Government is receiving the complaints. Every member of Parliament is receiving complaints, and I do not know whether the Government is fair dinkum or not about this Bill.

Ms Lenehan: Of course you do.

Mr S.G. EVANS: To be quite honest, I do not know. If we set a precedent of breaking agreements, it is true to say that nobody will really be able to trust the Parliament in the future. I re-emphasise that it is not just the Government. People of this country or from any other part of the world who enter into a contract with this State cannot trust the Parliament. It is as hard and as cold as that. I hoped that the suggestion made where we increase the royalties could have been tried. At least it should have been tested first. It may sound a tough way of doing it, and there may be some difficulties with it—I admit that—but at least it does not get into the principle of breaking an agreement.

We as a Parliament allowed the agreement to go through. We allowed it to stay there at the time and did not say that we would quash it. Parliament said that it would continue. Somebody could have moved a motion in the Parliament for the Government to take action at that time, but that did not happen, and the majority of the Parliament at the time—regardless of Party membership—allowed it to stand.

So, I am not prepared to support the legislation under the present circumstances because I believe that other avenues should have been tested first. If that failed, the State would still have been in its present position. If the cost of the commodity was too high, that is when we should have taken the other action. We could have had the benefit of increasing royalties, which I believe is a possibility. I put it to the Minister that that is what the Government should attempt to do. I do not support the proposition before the House.

Mr BLACKER secured the adjournment of the debate.

HOLIDAYS ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. D.J. HOPGOOD (Deputy Premier): 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 amends the Holidays Act 1910 by permittng a banking service to be provided for visitors to Adelaide on each day of the forthcoming Australian Formula One Grand Prix which will be held between Thursday 31 October and Sunday 3 November 1985. Currently, the Holidays Act requires all banks to be closed on Saturdays and Sundays and there is no discretionary or executive power to allow otherwise.

It is obviously essential that a convenient currency exchange service, etc., be available to the estimated 5 000 international and 50 000 interstate and country visitors who will be in Adelaide for this most important event in the State's history. The State Bank of South Australia, which has been titled by the Australian Formula One Grand Prix Office as the 'Official Formula One Grand Prix Bank', wishes to open three branches of its bank in the Grand Prix vicinity and to establish a special branch within the precincts of the declared Grand Prix area during the event.

It is intended that State Bank city branches at the corner of Rundle and Pulteney Streets and Hutt Street together with the suburban branch at Rose Park be opened from noon to 5 p.m. on Saturday and from 9 a.m. to 5 p.m. on Sunday. The new branch within the declared Grand Prix area is to be open on Thursday, Friday, Saturday and Sunday between 9 a.m. and 5 p.m. While the State Bank is the only bank to have made specific proposals to provide a banking service on the Saturday and Sunday in question, the Bill does not preclude any other bank from availing itself of the concessions provided.

The provisions of this Bill have been discussed with representatives of the Australian Bank Employees Union, who have indicated their acceptance of the Government's action to ensure that visitor services of an international standard are available for the forthcoming and subsequent Grand Prix events in Adelaide.

Clause 1 is formal. Clause 2 makes an amendment to section 6 of the principal Act which requires that banks be closed on bank holidays. Under the amendment, that section will no longer require the closure of banks on bank holidays that fall within a period that is a declared period under the Australian Formula One Grand Prix Act 1984, that is, the period immediately surrounding the day on which the Grand Prix is held.

Mr S.G. EVANS secured the adjournment of the debate.

EVIDENCE ACT AMENDMENT BILL (No. 2)

The Legislative Council intimated that it had disagreed to the House of Assembly's amendment.

Consideration in Committee.

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

That the House of Assembly insist on its amendment.

Motion carried.

NATURAL GAS (INTERIM SUPPLY) BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1599.)

Mr BLACKER (Flinders): I oppose the Bill, because I believe that a principle is involved and that there is an

element of credibility that this Government and, more particularly, this Parliament should observe. I understand that contracts for the supply of gas were negotiated with a company on the basis of contracts that were accepted at the time by all parties. If this Parliament introduces legislation which can break those contracts, it places in doubt the credibility of all such contracts and negotiations of this or any other Government.

It is a matter of credibility, one which I believe that we as members of Parliament should treat with the utmost seriousness. It has been said that politicians have a very low standing in the community, and I think that any person standing on the outside looking at us as a Parliament, determining what we are attempting to do in regard to this measure, would see that our actions are doing considerable damage to the little credibility that we have left.

I appreciate that the Government is trying to protect an essential service commodity, but I do not believe it is necessary to go as far as the Government proposes in this regard. I was concerned about the advertisement in today's newspaper under the heading 'The South Australian Gas Story: The Facts': under 'Price' it was stated:'

> The South Australian Government proposed a price for Cooper Basin gas and the producers accepted it. The legislation now introduces a temporary lower price. No other State in Australia has legislation controlling gas prices. The legislation does nothing to secure planned prices.

That is an all embracing statement, one to which I do not have the answers. I hope that the Minister can give some explanation in his summing up. As a layman, someone who was not involved in the initial negotations between the companies but who was certainly here when the indenture Bill went through Parliament (although I, like every other member of Parliament, could not quote verbatim the importance of that legislation), I am not in a position to judge the merits of that measure in relation to the merits of this Bill and debate in the way in which this measure has been debated today.

The principle with which I am most concerned is that legislation should be introduced to break a contract. That is what worries me. It is a matter of credibility, one which I had hoped the Government would be able to get around by further negotiations, if that was necessary. Not being *au fait* with or party to the negotiations that have taken place, I cannot say (and I suppose that no other member could say) what other avenues might have been open to the negotiators at that time. Many of us are flying by the seat of our pants and talking in the dark about this legislation. Because of the impact of this legislation on the credibility of the Parliament, I oppose it.

Mr PETERSON (Semaphore): I share the concern about the indenture's being laid aside. The indenture is a contract between the people of the State and any organisation or group that it sets up, and I am concerned that it should be laid aside. The other side of the argument is that we as a Parliament are here to protect the people of the State and to ensure that we achieve the best we can for them. There has been some public debate about the cost of gas to South Australia over the years, and there has been a glaring disparity between the price of gas to AGL and the price to South Australia.

Mr Baker interjecting:

Mr PETERSON: Well, this disparity is hard for people in the community to understand, and it is very hard to explain to them, as previous speakers have said. People in the community—the aged, the infirm and many other people who are struggling to pay their electricity and gas bills—are suffering because of the cost of energy in this State. There is concern in the community regarding the breaking or laying aside of the indenture.

Several documents have been sent to members of Parliament by prominent people in our community, such as Sir Ben Dickinson, who is of high repute and who has worked for both major Parties when in government in an advisory and official capacity. He is a former Director of the Department of Mines and a man of some standing in the community, one whose opinion would merit consideration.

The other prominent person who has had something to say about the price of gas over the years is Mr B.M. Dinham, the former General Manager of ETSA, a man who would have been involved in the negotiations and the business of buying power for the generation of electricity, and one who, we assume, would have some knowledge of the pricing structure. Both of these documents are relevant to the debate and the need for investigation. These men should and would know, and I think it is recognised by members on both sides that they would know.

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

Mr PETERSON: I am concerned also about the layman's aspect of this indenture. I think it creates fear in the community, but I am concerned also about the price of gas and energy in the future. Some people in this State are concerned about the way in which the cost of energy has escalated and the fact that electricity and gas bills are getting beyond the reach of some people. I have also mentioned Sir Ben Dickinson, who was the Director-General of Mines in this State.

The Hon. E.R. Goldsworthy: He was Chairman of the Uranium Enrichment Committee, appointed by the Labor Party, until they changed their policy.

Mr PETERSON: I hope that *Hansard* got that interjection.

The SPEAKER: Order! Interjections are totally out of order.

Mr PETERSON: He was, I understand, also Chairman of the Uranium Enrichment Committee. Sir Ben was obviously a man of some standing and some prestige in the community and one whose thoughts and comments on the gas situation, one would think, would have some credence.

I would like to quote a letter written by Sir Ben Dickinson because, as I am not an expert on gas, I think his words rather than mine are important on this matter. I know the feelings of the people in my electorate concerning the cost of fuel and gas and the way in which it is affecting industry. Sir Ben Dickinson, in an open letter dated September 1985 to members of Parliament, under the heading 'The importance of natural gas', made various comments. I think Sir Ben also made some comments in tonight's *News*, so obviously he is a man who believes in what he says and has reinforced it in the newspaper. His letter states:

> Dear member,
>
> Natural gas is absolutely essential to the economy of South Australia. It is available at negligible lifting costs. The Government faces a serious situation as a result of its decisions to place important negotiations on future supplies in the hands of analysts with no practical experience or understanding of the petroleum industry or with no investigative powers to ascertain costs.
>
> The cost of gas from the Cooper Basin was revealed willingly by the Cooper Basin producers to a Government cost inquiry in 1974 to be of the order of 15 cents per gigajoule. Today costs are not being revealed to the Government or arbitrators but are independently assessed at no more than 40 cents per gigajoule.
>
> It would be disasterous if the Government were to accept $1.50 per gigajoule as a well head price for 1986-87 when the same gas source supplies New South Wales currently at $1.01 with arbitration proceedings contesting any increase for the next three years.

People in the community cannot understand that. I understand that there is a volume, but how can they get it for $1.01 when we are now paying $1.62? Are we subsidising the New South Wales Government? What happens to the rest of the amount of money that we are paying per giga-

joule? I think that this needs to be clearly explained to the people of South Australia and to members of Parliament. Why is there that huge difference of over 33 per cent? The letter further states:

The Government must be in a position to veto prices which they consider exhorbitant. Price is a two-edged sword; it can open the way to abundance or impose constraints that can bring the economy of the State to a standstill without cheap gas. A price of not more than $1 per gigajoule at Moomba is necessary for ETSA to serve South Australia progressively.

Mention was made earlier about the imposts upon the Electricity Trust. It is a fact, also, that there has been a large increase in State costs to ETSA. The letter continues:

Over the long run, the Cooper Basin producers must, obviously, receive enough income from the sales of crude oil, natural gas liquids and natural gas to meet costs of replacing the petroleum products sold. If the price of gas is relatively low (either because of regulation or because of competition), the price of some or all of the other petroleum products must be high enough to compensate. There is no competition in South Australia. If the price of gas goes down in keeping with the requirements of the State for this essential fuel, the price of crude oil must remain at import parity pricing.

That is the other point. We currently do not have alternative fuel sources that we can apply quickly, easily and economically. Therefore, we are tied to gas and the producers know that. The letter continues:

The Electricity Trust of South Australia relies almost entirely on natural gas to generate electricity. The price of gas largely determines the tariffs which South Australian industry and the South Australian people pay for energy in the workplace, in the home, and in their social community activities.

This has also been stressed in the Electricity Trust report of this year in which quite some concern is expressed about the escalating cost of gas and the problems that that causes in producing electricity at a price reasonable to the community. I have another letter headed 'Open Letter to members of Parliament' from Mr B.M. Dinham, former General Manager of ETSA, dated 27 September 1985, again a fairly current letter. This is from a man who must have some knowledge of the negotiation of gas prices and the effect of gas prices upon the generation of electricity in this State. The letter states:

Dear member,

In the current debate on Cooper Basin gas pricing and supplies, a number of fallacious or questionable arguments are being used. One is that the Government is bound by a firm contract which it cannot legally or morally break. This is fallacious. The present arrangements with the producers are not a normal commercial contract. They are special arrangements put in place by the Government in 1974-75 to rescue the producers, particularly Santos, which was then a predominantly South Australian company, from financial difficulties.

We can remember or read about those days and realise that that did occur. Another arrangement was made because of the difficulties experienced. One might also remember a little later on when a man prominent in yachting circles made quite a few dollars out of this State in share transactions for the same company. There has been money made out of Santos. I am not saying that it is making a terrific profit at the moment, but money is being made. The letter continues:

The major users, ETSA, SA Gas Co. and Adelaide Brighton Cement Ltd, were asked to tear up their contracts and accept new arrangements almost wholly favourable to the producers. These include a 50 per cent price increase.

That is not a bad jump in one bite; 50 per cent in 1974-75 to assist the producers. The letter continues:

It is noteworthy that those interests now arguing that existing arrangements cannot be touched were remarkably silent in 1974-75. There is nothing sacrosanct about the present arrangements and, now that the circumstances they were intended to meet no longer apply, there is no reason why they cannot or should not be changed.

He goes on to state strongly:

In fact, the Government has a clear responsibility to do so to protect the interests of South Australians now suffering excessive gas and electricity prices.

That is fairly direct and clear statement from a man who should know. The letter continues:

Another fallacious argument is that high risks justify large returns on shareholders' funds. In so far as the producers' gas operations are concerned, the risk to shareholder's funds is practically zero. Gas was found originally as a by-product of oil exploration. All exploration for future gas supplies is being funded by consumers, through the price of gas, not by shareholders. The producers have a guaranteed market, provided by the Government, at a guaranteed price. They do not have to deliver their product to the market. The Government has built and operates a pipeline to do this for them.

That is the Pipelines Authority of South Australia. The letter continues:

A questionable argument is that, because Sydney is supplied from the Cooper Basin, the South Australian Government cannot act because of the Commonwealth Constitution. However, there is eminent legal opinion to the contrary and advice on effective action open to the Government which would not bring it into conflict with the Constitution.

It is important to remember that gas in the ground, like other minerals in this State, belongs to the Crown, that is, to the people of South Australia. Apart from fallacious and questionable arguments, the question of gas prices is continually being clouded by the question of future gas supplies. It is in the producers' interests to create uncertainties about future supplies because this gives a lever to use in seeking higher prices.

I notice a headline at page 65 of tonight's *News* that 'South Australia could lose $100 million project'. So, it is being used in such a way. The letter continues:

Also, as a monopoly supplier, with captive customers, the producers, not unreasonably from their point of view, are reluctant to spend money to find gas now that will not be sold for another 10 or 20 years. This is in direct conflict with the interests of consumers who have spent millions of dollars on gas-burning equipment and need to be assured of long-term supplies.

Obviously, as I said earlier, most of our electricity is generated by gas in plants that have been built specifically to operate in that manner, and the producers well know that it would cost millions of dollars to convert those plants to use some other type of fuel. The letter continues:

Over the last 10 years the producers have received several large price increases as an incentive to exploration but the results are obviously unsatisfactory. This, together with the inherent conflicts of interests, are more than sufficient reasons why the responsibility for finding future supplies cannot be left entirely with the producers.

At the moment, that is not in dispute but that is a point of view that should be put. The letter continues:

What is needed is the establishment of a separate exploration fund to which ETSA, SA Gas Co., Adelaide Brighton Cement Ltd, and other users, would contribute in accordance with their future needs. The producers should also contribute some of the profits from the liquids scheme because most of the exploration to establish the liquids scheme was funded by gas users. This fund would then be used to carry out an agreed exploration program under Government supervision. With separate funding of exploration, these costs would be excluded from the gas price. This would ensure that exploration costs are not paid by the consumer twice, as will happen at present. It would also prevent claims for 'exploration incentives' being used to inflate prices.

Mr Dinham summarises the points in his letter, as follows:

In brief, action the Government should take is:

1. Reduce the price of gas to the N.S.W. level of $1.01/GJ as an interim measure.
2. Establish an exploration fund to be used for an agreed exploration program under Government supervision and to which ETSA, SA Gas Co., Adelaide Brighton Cement Ltd, and other users would contribute in accordance with their future needs and the producers part of liquid profits.

I digress slightly to refer to Adelaide Brighton Cement. That company's main plant is in my electorate, and I have some knowledge of it. I refer to Adelaide Brighton Cement's annual report to indicate the effect that gas prices have on industry in this State. Adelaide Brighton Cement, a major

industry which produces the cheapest cement in Australia, is at risk because of this fuel agreement. The approximate delivered prices in capital cities per tonne of bulk cement from Adelaide Brighton Cement, as at 1 August 1985 were:

	$
Adelaide	97.50
Brisbane	105.00
Sydney	105.00
Perth	106.50
Melbourne	108.00
Canberra	111.50
Hobart	114.00

Adelaide Brighton Cement provides to the building industry in this State and in the other parts of Australia cheaper cement than does any other company. As I have said, its whole production is at risk due to gas supplies. This matter is referred to at page 5 of the Adelaide Brighton Cement's annual report, as follows:

Fuel Supplies

Both South Australian plants use natural gas as kiln fuel purchased under a contract with the Pipelines Authority of South Australia which expires in December 1987. The contractual affairs of the Cooper Basin Gas Producers and the purchasing authorities in South Australia and New South Wales have become very complex and most unsatisfactory. No supply of gas is now assured beyond 1987, nor is a price set beyond 1985. Protracted arbitrations costing millions of dollars are commonplace. The larger gas users, industries which require years to build or convert expensive plant cannot plan properly in these circumstances.

The member for Hanson mentioned that earlier in his contribution: that with the cost and long-term planning one cannot afford to plan to use one fuel and then find that one has to use another fuel. That is not practical or sensible. One needs set long-term prices, or at least an agreed escalation of price so that it will be a worthwhile project. The report continues:

It seems that the only solution is firm intervention by the South Australian Government in the common interest, by legislation if necessary.

Is Adelaide Brighton Cement saying that the action to be taken is exactly what is being taken? I hear nothing from the Opposition. The report continues:

Adelaide Brighton must make a decision by the end of 1985 whether to continue with natural gas or revert to coal as its main fuel. If coal is the cheaper or, in the absence of a solution to the gas fiasco—

and that is in the report—

the only available fuel, we are well placed to backhaul coal from Queensland and New South Wales in *River Torrens*. . . between clinker shipments to Brisbane and Newcastle. A coal handling plant would have to be built in this event, and thought is being given to its design.

Adelaide Brighton bought a special ship to move cement clinker one way and coal the other. That decision was made because of the uncertainty of the gas situation—no one knows where we are going. No-one would call Adelaide Brighton Cement a tin-pot firm: it is a major company producing the cheapest cement in Australia. The report indicates that its operations will have to be altered due to the gas situation. I again refer to the report of Mr Dinham, which concludes:

3. Implement an inquiry with adequate investigative powers into actual production costs of gas and then set a fair price on the basis of these costs.

It would be expected that a competent inquiry would find that the cost of producing gas from existing reserves for current contracts, including past exploration costs, would be around 40-50 cents/GJ and that a fair price for this gas would be less than half the present price of $1.62/GJ.

Yours sincerely,
Bruce M. Dinham

They are not my words, but come from people who should know. In contrast I notice that in tonight's *News* Mr Leverington says that it is terrible and awful. There will be a diversity of opinion—that is reasonable; there is nothing wrong with that in our society. However, we must find a way of obtaining a guaranteed long-term sensibly priced supply of fuel. I understand that a select committee will be set up. I am not sure how deeply that committee will go into it or whether it will come up with the answers. I will be interested to see the evidence put forward by the producers. I understand that an independent inquiry into the reserves of gas has to report in December. Unfortunately, that will be too late for this debate.

The points made in the second reading explanation are valid. They basically support what I am saying: that we must have a guaranteed supply of gas. Whether or not the exercise, as suggested in the *News* tonight, is a vote catcher, I do not know; whether it is a mechanism to frighten Santos into making a more reasonable approach, I do not know. I am not privy to that. If the end result is a guaranteed reasonably priced supply of gas for industries like Adelaide Brighton, ETSA (which provides electricity), and the South Australian Gas Company (which provides gas), then we must seriously look at it. I support the Bill.

The Hon. R.G. PAYNE (Minister of Mines and Energy): In listening to earlier speakers, particularly from the Opposition, one could have been forgiven if they thought that the second reading explanation, which is now recorded in *Hansard*, had not even been looked at. When I brought the Bill in a few days ago I said that it was with considerable disappointment that I brought it before the House. Yet, to listen to the speakers on the other side, including the member for Mitcham, my alleged purpose in introducing the Bill was to in some way arrange an election stunt. Members are giving me credit that is not due to me—saying that I am in such a position that I can manipulate and bring together all the parameters that could be involved in achieving such a thing through bringing this Bill into the House. At least, the Deputy Leader was clear on one point when he spoke, that is, that there was a responsibility on the part of the Government to do something about the difficult situation that applies in South Australia in relation to the supply and pricing of natural gas.

The Deputy Leader had a view that he would have fixed it all, and I suppose that, if one did not have access to his record for the three years that he was responsible for those matters, one might have almost accepted his near plausible argument. However, we know that in the three years in which he was responsible for that matter he presided over an 80 per cent increase in an award in arbitration given in the price of gas and, subsequently, a hastily negotiated agreement by the Deputy Leader, which saw the price of gas rise to the level which it now is, that is, $1.62 as a field gate price. As has been mentioned by honourable members, that is considerably in excess of the amount that is paid in New South Wales for the same natural gas on a field gate basis.

When I had the responsibility, I through Cabinet had the Government set up the Stewart committee. In 1984, the Stewart Committee identified a number of difficulties with the PASA future requirements agreement, and recommended that steps be taken to resolve the future gas supply uncertainties.

The Hon. E.R. Goldsworthy: We told you that three years ago, and you knew it.

The Hon. R.G. PAYNE: The Deputy Leader is not the most backward of persons in coming forward to claim for himself any credit that might be around, including that for the very great work done by the Stewart committee. Needless to say, there was a recognition by the present Government that something needed to be done. In fact, there has been a step by step progression, which has led for the first time ever to breaking the absolute dependence on natural gas as a fuel supply in this State. The benefits of those steps will

become more evident to future South Australians as the years go by.

It is certainly clear that the producers, and I use the term plurally, have become aware at last, albeit somewhat belatedly, that the privileged position that they occupied in this State as a supplier of an essential commodity—a fuel for the generation of our electricity and for the delivery of energy into industry and homes through natural gas—which was given to them by a previous Government—

The Hon. E.R. Goldsworthy: By you!

The Hon. R.G. PAYNE: That is correct. It was not actually by me: I can only share the general responsibility that the Deputy Leader shared, because the Deputy Leader conveniently never mentions when he is trying to farm out the responsibility for this matter that he was a member in this House in 1976 when that very agreement, which he spends all his time criticising, passed this House.

Let the Deputy Leader say that that is not so. At that time he had the opportunity to make all those points about which he now claims to be so knowledgeable. As we all know, it is very simple to be so smart in hindsight. I have chided the Deputy Leader about that before.

Members interjecting:

The SPEAKER: Order! The member for Mitcham will come to order, as will the member for Mawson and the Deputy Leader. I interpreted the field of the debate very generously for the Deputy Leader and those speaking with him, and in return I expect a reasonable opportunity to be given to the Minister.

The Hon. R.G. PAYNE: Much time can be spent in those hindsight type discussions with very little profit applying. In this case the situation is that: it is much better to take that view and try to analyse how much longer it can continue. Not one person on the other side adopted that view in any of the comments made. All that one could hear from them, their total response, can be summed up as follows: in relation to doing something about future gas supplies, as distinct from price, all the Government should have done, and should continue to do, is to travel more often to Sydney. Really, that is all the Opposition put forward: that I should be in more constant discussion with AGL, and in some magical way that would fix it all.

The Hon. E.R. Goldsworthy: Gas sharing.

The Hon. R.G. PAYNE: The Deputy Leader still advocates it even now while interjecting out of order: he still puts forward the same argument. It is an absolute fiasco on his part to believe that just saying that will solve the problem. Of course it will not.

Members interjecting:

The SPEAKER: Order! For the last time I am calling the House to order on this matter. The next time that I rise to my feet those interjecting on either side of the House will be warned.

The Hon. R.G. PAYNE: The Deputy Leader really knows that the best legal advice relating to gas sharing with AGL is that it is a dicey area—it is not easy to achieve. I am sure that anyone in the House, given the time to think on a few facts themsleves, will agree with the legal opinions that are available. AGL has a contract that is primate. It comes first, in simple terms, and it says that AGL gets gas to the year 2006. Why in some way should AGL feel disposed to give away from that contract such a rights situation without requiring some substantial consideration or *quid pro quo?* Let us not have it any longer, as has been put forward from the Opposition benches, that all one has to do is go to Sydney more often, or get Murray Williams from AGL, or Mr Connellan to come to South Australia and say that as long as we do that more often it will come right.

The hard facts of business life—and we are always given lessons on the way that business is undertaken from the other side, if one can believe them—are that one cannot, simply by talking, get some sort of change of heart from AGL. I do not blame them, nor do I suggest that they ought to be criticised for that. They are entitled to say that they have rights that they have obtained and they wish to retain them. We need to address this point: is there a need for the action that this Government has brought before the House? The best way to demonstrate whether there is a need for any such action is to ask what is the situation. First, let me deal with supply. What is the situation in respect of supply for South Australia?

Well, we all know, and hopefully trust, that we have got gas to the end of 1987. That does not seem to be a point of much contention in recent times. However, the viewpoint of the Stewart Committee (FEAC) was that there is an area of concern that needs to be addressed. It does not seem that we are in too good a shape for gas supplies after 1987, and something needs to be done. Others in the community, who are not necessarily members of FEAC, have the same view. I have in my hand a letter addressed to me, the Hon. R.G. Payne, MLA (I do not mind that, although we have a slightly different title). The letter, dated 1 July 1985, and headed, 'Crusader Resources NL', is addressed, 'Dear Mr Minister' and states:

> Crusader has become increasingly concerned by the apparent inability of this unit to satisfactorily tackle the complex gas supply and marketing relationships now arising in these markets.

That is referring to the New South Wales and South Australian gas markets. I notice that the member for Mallee has gone rather quiet now. He does not want to tell us any stories about handfuls of feathers and birds and how one might get more eggs from chooks if one sings to them. The honourable member distinguished himself some years ago by coming in here and advocating some sort of mechanised wheelbarrow delivery arrangements for farmers in the Mallee. They must have been absolutely appalled at the sort of information being put before the House. The letter continues:

> Crusader now sees the corporate goals of some larger unit producers dictating the course of the unit.

We know what is meant by 'the unit.' The letter continues:

> Because these producers have significant gas reserves in south-west Queensland, they have not proceeded with due diligence to protect the traditional unit markets for gas produced from within South Australia. In particular, exploration and appraisal for additional gas in South Australia has been neglected.

This is not the Government or FEAC talking—it is one of the producers, for the edification of the member for Mallee. If one would like to save the time of the House, I would quote the words at the beginning of the next paragraph as follows:

> The shortfall in reserves against the AGL and PASA contracted markets—

they are the words, 'the shortfall'—

Mr Lewis: You were saying in 1983—

The SPEAKER: Order! I warn the honourable member for Mallee. The honourable Minister.

The Hon. R.G. PAYNE: We are being assured that the gas is there and that all we have to do is contract the same and all will be well. This is information from one of the producers. The letter goes on to state, under a heading, 'Gas sharing between AGL and PASA':

> The independent expert, appointed under the AGL letter of agreement, is presently reviewing the capacity of the proved and probable recoverable reserves of the subject area to satisfy the contracted markets of New South Wales and South Australia (AGL schedule A, PASA . . . and petrochemical fuel). This evaluation is being done on the basis that ethane must be extracted from the gas stream and stored for a future petrochemical project

in South Australia. Crusader believes it is most likely that the independent expert will judge a shortfall to exist.

Even before any independent expert comes down we have the best opinion (one can only conclude that from the official letter addressed to me)—

The Hon. E.R. Goldsworthy: What date is it?

The Hon. R.G. PAYNE: It is dated 1 July 1985. The letter goes on to point out that the possibility exists, if viewed in another light, that reserves are sufficient to supply the likely combined PASA and AGL markets until 1992-93 without shortfall. That is, if we take into account the petrochemical feed stock and fuel gas. Reinforcing that, page 3 of the letter goes on to state:

Although there are presently insufficient proved plus probable reserves of gas in the unit subject area, Crusader is of the firm belief that further active exploration and appraisal drilling will more than prove up the required reserves from within the unit subject area.

I am trying to indicate the balance in this letter from one of the producers. It really points out that the Government is not necessarily being precipitous, it seems to me, in taking prudent steps to ensure that all South Australians—not only those working in industry but the owners of industry, those in commerce, those who simply have a domestic need for energy—can look forward to continued supplies of electricity and/or gas in their homes or respective businesses and commercial activities at a price they can afford.

That is what this matter is all about: gas supply at an affordable price. We have seen a great flood of crocodile tears from members opposite in relation to the cataclysmic way in which the business world will review the Government's action in this matter, that we are in some way capriciously breaking an indenture agreement. I think I have disposed of the capricious part by reading from the letter from Crusader.

We have demonstrated that it is reasonable for the Government to have a great deal of concern in relation to supply, based on evidence from outside bodies (including FEAC) and also a letter from one of the producers—the very group concerned. What is the situation in relation to price? The situation is that, thanks to the Goldsworthy agreement, everybody in South Australia pays 60 per cent more for their gas than consumers in New South Wales. I listened very intently to the Deputy Leader when he gave his story to the House once again in a belated attempt to shift some of the blame. He failed again, as he has failed on every occasion.

The Deputy Leader's name will go down in history associated with that agreement. Earlier today the Deputy Leader asked me what I would have done. First, he said that I would have sat back and twiddled my thumbs; but then he had a rush of uncharacteristic generosity and said, 'No, on reflection the Minister probably would not have done that. If he had been the Minister concerned, he would have done something about it—but he would not have done as well as I have.' I am glad to agree with the Deputy Leader, because I am damned if I would have agreed to a 60 per cent increase in price. I am not sorry that I am not as good as the Deputy Leader at getting great prices. I much prefer—

Mr LEWIS: On a point of order, Mr Speaker—

Members interjecting:

The SPEAKER: Order! I cannot hear what the member for Mallee is saying.

Mr LEWIS: Mr Speaker, should the Minister address the Chair during the course of his remarks rather than the gallery and members behind him?

The SPEAKER: All members, including the Minister, should address the Chair.

The Hon. R.G. PAYNE: I thank the honourable member for reminding me. I was a little remiss there. Because I feel so strongly about how badly the Deputy Leader landed us in the stew, I got carried away, and I apologise for that. I can only say that I lost control temporarily. If we are proposing a tremendously serious step, as was said by the Opposition (and I am not treating it lightly), that can be obviated at any time by the producers coming forward and putting their efforts where their mouths are, as demonstrated in the advertisement in both the morning and evening newspapers today.

The headings used in the advertisement are fitting: for example, 'Supply' is an area to which I referred earlier. If the producers had the supply stated, there would be no problem because the producers need only warrant that supply to the State in any contractual arrangement and we would all be laughing. Some members would understand my use of 'warrant' in that regard. It is an appropriate word. Put simply, if one says, 'I will sell you something over a period,' one should either have it to sell or not agree to the sale. Therefore, if a buyer wants a penalty incentive, and if one has the material to be sold, one is not worried.

However, we are not in that situation: we are being told that supply had already been met. That is not the case. We must address the fact that there is doubt about supply. That is why we specify in the legislation that no longer is there an exclusivity provision (as is the present case), which allows producers a monopoly over gas supplies to South Australia on their terms.

I am the first to point out that considerable effort and goodwill has been demonstrated by the producers. I am not standing here to land votes for the producers. An effort has been made: negotations have taken place over a very long period and, of course, some stop and go has been involved. It has been suggested that we have been tardy, yet earlier the Deputy Leader proudly told us that he negotiated for 18 months over another matter. Apparently, that was not a problem. The Deputy Leader's taking 18 months is considered a fair time, but when we take 14 months we are told that we have been tardy. Things are not the same when they are different!

We are negotiating in a difficult area. I am the first to admit, as suggested earlier this evening by the Deputy Leader, that it is not a game for the boys—it is the big league. I found that out at my first meeting. In fact I dip my lid to some of those people on the other side of the negotiating table. I found that I needed four hands and three elbows to hold down all the papers while negotiating various points.

The SPEAKER: Order! I ask the Minister to address the Chair.

The Hon. R.G. PAYNE: That is not a criticism. I found that it was a difficult area: one is talking about real life and real money. It is a hard negotiating scene. We were negotiating some 18 points of contention. Of course, there is a package arrangement in those areas. The price we may have agreed could be related to an agreed amount of exploration expenditure. All honourable members would understand my point. That price is only valid if the associated negotiating point is also valid. I could demolish one after another of the points raised in the advertisement today in a way that would make me feel good and which would possibly do the Government some good, but that would not necessarily help the people of South Australia.

I am speaking to the producers as well. This is not a vindictive or capricious act, or a scheme by the Government to get into an election scene: it is a genuine attempt to meet the fact that, despite all our best efforts, we have not been able to come to an agreement in an area that is so vital to the future of South Australia. We cannot consider only the bloke who is battling to go to work to look after his wife and kids, the one who will keep his job as long as industry can afford electricity: we also have to think of the well off in the community.

The whole community is concerned in this area. I want to see reason and a recognition by the producers that the way in which this legislation has been drafted provides a very soft and constrained approach to the matter, despite our disappointment that we have not been able to reach agreement.

We have said that we will take the petrochemical gas, the feedstock—the ethane—and gas which is contracted for the three years (that is, 1985 to 1987) but which is not actually used and put it beyond doubt. I refer to gas that has already been found; otherwise we might have to investigate further claims.

The Hon. E.R. Goldsworthy interjecting:

The Hon. R.G. PAYNE: The Deputy Leader and I have finally agreed. I had better examine what I just said, because we do not usually agree on much. We are putting it beyond doubt. So we have support for about one-third of the Bill already: we are doing well. Obviously, it is becoming more difficult every moment for the Deputy Leader to vote against the Bill. We are simply saying that the situation in regard to gas, how it will be used and for what purpose, is in the hands of the Government. What a terrible crime! There is nothing wrong with our specifying that at all, and the Deputy Leader agreed with me by interjection. Surely, we are not really interfering with the activities of the producers.

The Hon. E.R. Goldsworthy: Yes you are. You could reach agreement on that without too much trouble.

The Hon. R.G. PAYNE: It may well be. I welcome support for what I have just put forward. We ought to be able to reach agreement on this issue, and I trust that the producers are listening to the Deputy Leader. We have had quoted to us *ad nauseum* by members opposite an article or two under the heading 'Business. Anger mounts over Cooper Basin gas legislation', once they found it in the newspaper or once they were tipped off by the Deputy Leader that they should use the advertisement to save themselves doing any real work on this topic. It does not say who is angry. It may well be those hundreds of thousands of citizens outside who are angry that we have to go to these lengths to get a fair deal for them. Perhaps they are angry that they have to pay more for their gas than people in New South Wales pay. One can never tell by a headline—we have to read the article carefully. Mr Leverington was also quoted. He stated:

> The State Government should immediately withdraw its heavy handed gas legislation and return to the negotiating table to conclude agreements—

and this is the point that I bring to the attention of the House—

> to secure a gas supply for South Australia at a price fair to all.

If it is good enough for the Government to be exhorted by Mr Leverington to return to the negotiating table, does that not apply to the other parties in the deal?

The SPEAKER: Order! I think that the Minister's attention is straying from the Chair.

The Hon. R.G. PAYNE: I am simply drawing the attention of everyone in South Australia to the importance of this topic, and I am not in any way deriding the fact that Mr Leverington has entered the debate. I draw attention to the fact that it seems to me that he was a little one-sided in his comments, and I am entitled to make that point. It was also suggested by Grant Rowland that South Australia could lose a $100 million project in relation to the enhanced oil recovery proposal for the Tirrawarra field. I do not believe that that is likely to occur, so I put the newspaper down—I will not go through this stuff. It is probably legitimate for Mr Adler and Santos to draw attention to that.

The plain facts of the matter are that Santos had been in close consultation and cooperation with officers of the Department of Mines and Energy in an attempt to get this project under way. My understanding is that originally something like 20 per cent of the reserve could be recovered and that if this scheme succeeded 40 per cent of the reserve would be recovered. Of course, that is said to be in the interests of everybody in South Australia. I have no quarrel with that, and I do not know why it has been put forward in this way, because I am quite certain that we could come to an agreement or an arrangement with the producers whereby the ethane could be used on a reinjection basis: it is not then lost and can be subsequently recovered and used for its part in any fuel usage or whatever.

I am on my feet trying to put forward points to support my argument, so I suppose it is reasonable for the producers to do exactly the same by way of the newspaper. I think that a good deal more could be said on this matter. I have a large sheaf of notes here in which I have noted comments made by members opposite as they were speaking. At times one feels inclined to make the odd political point. I do not feel like that tonight at all. I know that so far my arguments have been so cogent that there is no need for me to resort to that time-honoured thing that we in Parliament sometimes do, namely, make political points.

I do wish, however, to say that the Deputy Leader suggested that I should have been concentrating on not breaking an indentural arrangement or covenant or whatever in this way, as a result of which South Australian business confidence would suffer, but that I ought to do it to AGL. The deed of covenant is part of this whole package that relates to AGL, the sales contract and so on. So, if I got stuck into AGL in the way that he suggested, if there is any justice in this world, I would take the same attitude and do exactly the same thing, which should lead to a loss of business confidence in South Australia.

The Hon. E.R. Goldsworthy interjecting:

The Hon. R.G. PAYNE: The actual mechanism used for cutting off a person's life is not important. Surely what is important is whether or not one takes that action. The Deputy Leader also outlined to the House what virtually amounted to a conspiracy in relation to royalties, and he then said that was something for an honest and straightforward Government to be involved in. He is on the record, so I suppose that I can now talk about it. He suggested that we enter into a deal whereby we screwed New South Wales and that it would not mind it; we would be quite honourable while we were doing that and the business community would not be at all upset.

That is one of the most implausible things that I have ever heard the honourable member put forward in this House. I suppose to some degree it also illustrates the desperation that he is faced with, because in this situation members opposite know that we are justified in at least taking the barest minimum prudent steps to ensure that we are not sitting on the edge of a two year precipice in relation to our energy needs in South Australia.

We propose that the provisions contained in this legislation will be able to be extended for a further period of up to five years, and that will give us the minimum time in which we need to take any necessary steps to ensure that we continue to supply South Australia's energy needs at an affordable cost to the domestic scene and to our industries. I believe that all members, including members opposite, on reflection should feel comfortable about supporting this legislation.

The House divided on the second reading:

Ayes (22)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, M.J. Brown, Crafter, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs Mayes, Payne (teller), Peterson, Plunkett, Slater, Trainer, and Whitten.

Noes (18)—Messrs Allison, P.B. Arnold, Ashenden, Baker, Becker, Blacker, D.C. Brown, Eastick, Goldsworthy (teller), Gunn, Ingerson, Lewis, Mathwin, Meier, Olsen, Oswald, Wilson, and Wotton.

Pairs—Ayes—Messrs Bannon and Wright. Noes—Mrs Adamson and Mr Rodda.

Majority of 4 for the Ayes.

Second reading thus carried.

The Hon. R.G. PAYNE (Minister of Mines and Energy): I move:

That Standing Orders be so far suspended as to enable me to move a motion without notice forthwith.

Motion carried.

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

That this Bill be referred to a select committee.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): I support the motion. As I remarked previously, there was some suggestion in some circles that maybe the Bill would not be referred to a select committee. The fact is of course that the original 1976 Labor Government Bill, which set up these arrangements on behalf of the South Australian public and which were then enshrined in an indenture, went to a select committee. In setting up the indenture that the present Government now intends to break, the Hon. Hugh Hudson said:

The Bill is a hybrid Bill, within the meaning of the relevant joint Standing Orders—

The SPEAKER: Order! Quite clearly the honourable member is out of order in dealing with the matter in this way. The motion presently before the Chair has nothing to do with hybrid Bills. As I understand it, it is a simple motion to refer the matter to a select committee, which can be done on motion by the House at any time.

The Hon. E.R. GOLDSWORTHY: With respect, Sir, this is a hybrid Bill. I am simply outlining—

The SPEAKER: Order! The honourable member will resume his seat forthwith. No point of order has been taken by the honourable member. A motion has been moved by the Minister of Mines and Energy that the Bill be referred to a select committee, which motion has been seconded. I understand that the honourable member is supporting that motion. However, in so far as his purporting to claim that it is a hybrid Bill, the honourable Deputy Leader is clearly out of order, as what he has done is to attempt to usurp the authority of the Chair, and that will not be tolerated.

The Hon. E.R. GOLDSWORTHY: I accept what you are saying. I must confess that one of the reasons why I support this Bill going to a select committee is that it is a hybrid Bill.

The SPEAKER: Order! This is the last time that I will call the Deputy Leader to order.

Mr LEWIS: On a point of order, Mr Speaker, can I have some clarification as to whether or not, in the opinion of the Chair, this is a hybrid Bill?

The SPEAKER: Order! There is no point of order. The motion before the Chair, which has been seconded, is to refer the matter to a select committee. That is the question now before the Chair.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, a Bill goes to a select committee for some reason. The fact is that the original legislation put up by the Labor Party, which was passed in this House in 1976, to set up an indenture, which this Bill seeks to wipe out, was referred to a select committee.

The SPEAKER: Order! I warn the Deputy Leader. The honourable member well knows that he is flouting the authority of the Chair.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I am doing my damnedest to show due deference to the Chair. However, without appearing too obtuse I am totally confused as to what I am allowed to say and what I am not allowed to say. I am saying I support the Bill going to a select committee. I understand that Standing Orders provide that I have half an hour to speak to the motion, and I am trying to exercise my democratic rights and explain why I support the motion.

The SPEAKER: Order! The honourable member will resume his seat. There has been no infringement or abridgment of the honourable member's democratic rights, and he well knows that. Throughout the afternoon the Chair gave the honourable member most tolerant and generous treatment, and will continue to do so, to maintain those democratic rights. At no stage did the honourable member suggest that this was a hybrid Bill, yet all of a sudden, following a routine motion moved by the Minister of Mines and Energy (and such a motion could have been moved by anyone), implications are being made in relation to the Chair, and that cannot be accepted. The Deputy Leader had better understand that or he will be in further difficulties.

The Hon. E.R. GOLDSWORTHY: I seek clarification from the Chair. I am not seeking a ruling from the Chair on whether or not this is a hybrid Bill. All I am seeking is to validate my reasons for supporting this Bill going to a select committee. I am trying to make a point to the House that in my view this Bill is of a certain type. I am in no way seeking to reflect on the Chair. I am seeking to give an opinion why I think this Bill should go to a select committee, and to indicate the precedent by which I make that point. Mr Speaker, would you please indicate, so that I will be clear, how you believe that I am reflecting on the Chair when I am simply indicating to the House what I think are the main reasons for referring the Bill to a select committee, and my support of the motion. I repeat that in no way am I seeking to reflect on the Chair.

The SPEAKER: The indication I give is that in my opinion this is not a hybrid Bill.

The Hon. E.R. Goldsworthy: I didn't ask that.

The SPEAKER: I acknowledge that. This is a standard motion before the Chair like any other motion. I ask the honourable member to address himself to that.

The Hon. E.R. GOLDSWORTHY: I was not asking for a ruling on whether or not this is a hybrid Bill. I was simply expressing my view. If my view happened to be different from the view of the Chair, which had not been expressed to the House, I cannot see how I can be reflecting on the Chair. However, let us pass that by. This Bill should go to a select committee for the simple reason—and I will explain why I support it—that many people in the community—

Mr Ferguson: You haven't done your homework.

The Hon. E.R. GOLDSWORTHY: All I can do is refer the honourable member to the debates of 1976. If he looks at the subject matter and the precedent established there he can make up his own mind. I am not reflecting on the Chair. I suggest that the honourable member read what this Bill is all about—it is to wipe out what happened in 1976. The honourable member should look at it and understand, if he can, the reasons why it went to a select committee.

My understanding of the procedures of this House is that if a certain group of citizens in a community are affected by legislation, such as a church group affected by the transfer of property, then the Bill goes to a select committee. Obviously, this Bill affects a large number of people in a specific way and I guess that they will want to give evidence to the select committee. It is only fair and reasonable for that opportunity to be afforded them. In the case of the Roxby Downs and Stony Point indentures, the opportunity was given to those interested from the public to make a

submission. Of course, that is part of the democratic process.

Given the division of opinion, which is apparent from some of the reports that the Minister read to the House, quite a number of people will want to appear before the committee. I do not doubt that the writer of the letter that the Minister read to the House a short time ago will want to appear before the committee. I could not put quite the construction on the sentiments in that letter that the Minister did, and I thought that the Minister was reading more into that letter than was there.

I have no doubt that the producers, whose rights are affected by this Bill, will want to appear before the select committee. I would not be surprised if the people who wrote the correspondence that the member for Semaphore read into the debate and who have had an intimate interest in this matter for many years will want to appear before the select committee. It is appropriate for the Minister and Government to give these people an opportunity to appear before the select committee. However, it appears to me that the Government's timetable may well preclude the conclusion of this matter before the Parliament.

Of course, that is in the Government's hands. If the Government is deadly serious in its attempts to get this legislation through Parliament, obviously the time factor will make it difficult. Unless the Government has decided that its election will be somewhere in the never never it will be fairly difficult for that select committee to meet, and meet as frequently as it will need to meet, to accommodate those people who will have a legitimate interest in this matter and who will want to appear before the committee. I do not know what the Government has planned for this committee. I hope that the committee is not a sham. I have indicated that the legislation is a sham.

An honourable member: Will you be on it?

The Hon. E.R. GOLDSWORTHY: Certainly. I hope that those people who have a genuine interest in this matter will be able to fit into the Government's timetable, whatever that may be, to try to validate this legislation, which has arrived out of the blue, unbeknowns to all, including the—

The SPEAKER: Order! The honourable member is straying far beyond the motion, which is simply that the Bill be referred to a select committee. Other motions need to be moved and carried by the House along the line: the honourable member well knows that. I ask him to direct his attention to the question that the Bill be referred to a select committee.

The Hon. E.R. GOLDSWORTHY: Yes, and I am simply putting my view to the House that I hope that the select committee is not a farce. I expect that the committee will meet—no doubt, it will meet as early as possible—at a time when members are particularly busy. Nonetheless, the Opposition will cooperate with the Government in setting up this select committee to hear what points of view people wish to put before the committee, with a view to reporting back to the Parliament.

As I say, I hope that the committee will not be a farce (and I described the Bill in that way) because of the timetable that the Government has set itself. We welcome the fact that the Government will send this Bill to a select committee, as, indeed, was the procedure followed with the original indenture, which this Bill wipes out.

An honourable member: Will it be a public hearing?

The Hon. E.R. GOLDSWORTHY: I do not know what the Minister has in mind in relation to that. I will not preempt the findings of that select committee, but I do not believe that we will achieve, certainly in terms of what the Government is about, evidence in that select committee that will change my mind, for one. Nevertheless, I approach the committee in a cooperative spirit with the Minister.

The Hon. R.G. Payne: You will have an open mind, too, I hope?

The Hon. E.R. GOLDSWORTHY: I always have an open mind: the Minister knows that. We will approach the operation of this select committee in a cooperative fashion and will in due course await the report of the committee to this House.

Motion carried.

The House appointed a select committee consisting of Messrs Baker, M.J. Evans, Goldsworthy, Gregory, Ingerson, Klunder, and Payne.

The Hon. R.G. PAYNE (Minister of Mines and Energy): I move:

That the committee have power to send for persons, papers and records, to adjourn from place to place, and have leave to sit during the sittings of the House.

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): Again, we will accommodate the Government. As I have said, I do not know what timetable the Government has. It has not made publicly known the timetable that it has in mind for the sittings of this select committee. It is not unusual for select committees to sit while the House is sitting, although that precludes members from being in here, and on occasion they are required here rather urgently. Even earlier today, we set up a conference. We suspend Standing Orders to accommodate Governments in all sorts of ways.

The Opposition certainly will not stand in the way of the Government in seeking to absent members from their deliberations in the Chamber to sit on the select committee. The Minister well knows that during a busy parliamentary session members have a large number of commitments and it will not be a particularly easy task to get the committee convened and to get the witnesses; much cooperation and effort will be needed. The Opposition is prepared to cooperate even with this motion.

Mr BECKER (Hanson): Mr Speaker, can I seek information from the Minister at this time?

The SPEAKER: The member for Hanson can speak and, after all other members who wish to speak to the motion have done so, the Minister has the right of reply.

Mr BECKER: Two points come to mind. I support and endorse the remarks of the Deputy Leader and I hope that through the select committee the Consumers Association will make representations. Indeed, I might get an answer to question No. 21 on the Notice Paper.

The SPEAKER: Order!

Mr BECKER: This matter is of much importance to the community. It affects consumers, commerce, industry, mining interests and everyone else and the hearings should be public. The committee has a right to move a motion to make its hearings public and I urge the Government to do that in the interests of open government.

Mr LEWIS (Mallee): Let me place on record my disapproval of the Government's motion. I do not agree that the Government should at this late stage of the Parliament cynically use the device of seeking the Opposition's cooperation in establishing a select committee on a matter of vital interest to large numbers of South Australians: not just industry but all kinds of jobs are involved. This is a matter of vital concern to the future of the State's economy. Members who have a genuine interest in this matter could be precluded from being present at the hearings of the select committee; if they were present, it would involve a dereliction of their duties in the House. It seems that the Government wants to simply engage in a piece of theatre by referring the matter to a select committee, fetch it back here

and knock it off in the shortest time in order to get the greatest political mileage possible before it calls a poll. That stinks.

The Hon. R.G. PAYNE (Minister of Mines and Energy): I am appalled at the viewpoint that some honourable members opposite have about the way in which select committees are conducted. I would have thought that some members opposite who have been on a select committee would know that they are conducted in a way that brings honour to Parliament, and I do not know what the hell they are on about at the present time about there being a farce. I have never been on a select committee like that. I can only assume that the member chaired one and caused it to degenerate into such a happening. Certainly, that has not happened on any select committee of which I have been a member—I have been a member of many select committees. I know that most members would not have taken much notice of the honourable member.

Motion carried.

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

That the committee report on Tuesday next.

Motion carried.

PREVENTION OF CRUELTY TO ANIMALS BILL

Adjourned debate on second reading.

(Continued from 9 October. Page 1226.)

The Hon. P.B. ARNOLD (Chaffey): The proposal for this Bill has been in the public arena now for quite some time and there has been opportunity for considerable public debate on the matter. During the period the debate has been proceeding, a number of points have been made. Most of the objections raised were objections to the original draft put before the public. It would be fair to say that most public opinion against the proposed legislation at that time revolved around the inclusion of fish within the definitions in the legislation. One could discuss this area for a great deal of time. There is scientific evidence that would establish that fish do feel pain and there is probably equal scientific evidence that would claim the opposite.

As a result of the inclusion of fish within the definitions in the draft legislation, a great deal of controversy arose within the community and in some respects the original draft legislation was held to ridicule. I can recall a number of radio talk back programs during which the matter was considered. At that time the crux of the whole public debate revolved around the inclusion of fish in the legislation and the effect it would have on the professional fishing industry as well as amateurs. There are probably between 250 000 to 300 000 recreational fishermen in South Australia and naturally there was an effective reaction from that section of the community.

On the evidence available at this stage it is impossible to prove positively one way or the other to what extent fish can feel pain and to what extent this can be alleviated by practices of amateurs or recreational fishermen and the professional fishing industry. However, if one looks at the professional fishing industry and tries to apply some of the measures considered necessary from recreational viewpoint, one realises that it would have the effect of bringing the professional fishing industry to a standstill. However, this legislation has quite clearly not proceeded in that direction. It has been specifically excluded from the legislation, and that is covered in clause 3 of the Bill.

The background of this legislation began when the original Bill was first debated and became an Act in 1908. Tremendous changes have occurred in public attitudes over the years in relation to thinking towards animals. I still believe that in the vast majority of cases people generally have a great deal of care and concern for the well-being of animals and it applies across the board, whether it be those involved in professional farming or people who keep animals purely as pets. However, a small percentage of people within the community, for one reason or other, have little or no concern for the well-being of animals and certainly it is very necessary that legislation of the nature that has been in existence be now rewritten and upgraded to meet the situation in the 1980s.

It is necessary, and there is no argument from me or from the Opposition. We support the legislation in the main as it has been presented to the House. It is worth noting the creation of the Animal Welfare Advisory Committee and the requirement of licensing of research and teaching institutions that use animals. Clause 6 of the Bill provides for the establishment of the Animal Welfare Advisory Committee. If we look at the composition of the committee we can understand why the broad crosssection of the community has, I believe, accepted this legislation in the main. Clause 6 (2) provides:

> The committee shall consist of eight members appointed by the Governor, of whom—
>
> *(a)* one shall be a person nominated by the Minister of Agriculture;
>
> *(b)* two shall be persons nominated by the United Farmers and Stockowners Association;

That is quite appropriate, because the farming industry is a very significant part of the productive industries in South Australia, which is still predominantly a farming economy. The subclause further provides:

> *(c)* one shall be a person nominated by the Society;

the 'society' being the RSPCA—

> *(d)* two shall be persons who, in the opinion of the Minister, are suitable persons to represent the interests of animal welfare organisations;
>
> *(e)* one shall be a person nominated by the Australian Veterinary Association;
>
> and
>
> *(f)* one shall be a person engaged in research activities involving animals nominated by the Minister of Health.

I believe that the committee established to consider the original amendments put forward by the RSPCA have, in the main, come up with a good cross-section in the Animal Welfare Advisory Committee. I can see no problem in the operation of that committee, and I believe that it should function in a very satisfactory manner.

Clause 13 should be noted, because it has a very significant effect on the operation of the legislation; in fact, this clause effectively outlaws live hare coursing. Clause 13 provides:

> (1) A person who ill treats an animal shall be guilty of an offence. Penalty: Ten thousand dollars or imprisonment for twelve months.
>
> (2) Without limiting the generality of subsection (1), a person ill treats an animal if that person—
>
> *(a)* deliberately or unreasonably causes the animal unnecessary pain;
>
> *(b)* being the owner of the animal—
>
> (i) fails to provide it with appropriate, and adequate, food, water, shelter or exercise;
>
> (ii) fails to take reasonable steps to alleviate any pain suffered by the animal (whether by reason of age, illness or injury);
>
> (iii) abandons the animal;
>
> or
>
> (iv) neglects the animal so as to cause it pain;
>
> *(c)* releases the animal from captivity for the purpose of it then being hunted or killed by another animal;
>
> *(d)* causes the animal to be killed or injured by another animal;
>
> *(e)* organises, participates in, or is present at, an event at which the animal is encouraged to fight with another animal;

Obviously, this clause will outlaw activities such as cock fighting and live hare coursing. Although I appreciate that live hare coursing has gone on in South Australia for a long time, if this Bill is enacted it will effectively mean that the annual Waterloo Cup will come to an end. However, in supporting this legislation I believe that in the 1980s it is difficult to continue to support live hare coursing as an acceptable sport.

I appreciate the problems that those who have been engaged in that activity for a long time will face. Some sections in the community will argue strongly in their support that every endeavour is made to ensure that the hares are protected as much as possible. However, there are instances when dogs must catch the hare and the end result is quite obvious to all concerned. Although a number of people are concerned that this activity is now being denied to that section of the community, I have never had any involvement in it whatsoever and I recognise that until this legislation is passed it is a lawful activity within this State.

Clause 16 prohibits the use without a licence of animals for teaching or scientific research and experimentation. I know from general discussion with members on this side of the House that this clause has caused some concern. The Minister may be able to provide an answer, in his response, as to its effect on schools and whether the Education Department will be provided with a blanket licence. Animals are kept in some schools for experimental purposes. In other schools, animals are kept in a situation similar to a zoo: they are there to educate youngsters in how to care for them—an essential part of early teaching.

However, in high schools, and so on, animals are kept for experimental purposes. Clause 16 will need clarification as to how the Government intends to deal with the situation, particularly in relation to schools involved in experimentation and dissecting of certain animals. That is not spelt out clearly in the Bill.

I am just touching on clauses which have particular significance and those which will particularly interest the community in the normal day to day operation of the legislation. Clause 23 provides:

The Minister may establish animal ethics committees for the purposes of this Act.

(2) Where a licensee is required, as a condition of the licence, to establish an animal ethics committee, the licensee shall establish an animal ethics committee in accordance with this section.

(3) An animal ethics committee shall consist of at least four members appointed by the Minister, of whom—

(a) at least one shall be a veterinary surgeon;

(b) at least one shall be a person who is engaged in teaching or research activities involving animals;

(c) at least one shall be a person who is responsible for the daily care of animals kept for use in teaching or research activities;

and

(d) at least one shall be a person with an established commitment to the welfare of animals.

The animal ethics committee will, I take it, be able to consider the codes of ethics established by various bodies in the Department of Agriculture. Clause 23 further provides:

(4) In selecting persons for appointment to an animal ethics committee the Minister should act with a view to ensuring that the membership of the committee is, as nearly as possible, equally representative of each of the classes of person referred to in subsection (3)

(5) The Minister shall appoint a member of an animal ethics committee to be the chairman of the committee.

It also provides that a member of an animal ethics committee shall be entitled to review certain things. There are the normal considerations in regard to a committee established by any legislation. I believe that that committee will operate in a manner that will ensure that proper ethics are maintained and that the required standards are adhered to. Clause 26 provides a right of appeal to the Minister against a decision of the animal ethics committee. That is extremely necessary, because otherwise a group or a body could be severely and adversely affected by a decision of the committee. If there was no redress whatsoever, there could be a distinct effect on that group or business and, in fact, people could be put out of business. Clause 26 provides:

(1) A right of appeal to the Minister shall lie against any decision of an animal ethics committee under this Part.

(2) The appeal must be instituted within one month of the making of the decision appealed against, but the Minister may, if satisfied that in the circumstances it is just and reasonable to do so, extend the period within which an appeal may be instituted.

(3) The Minister shall not determine an appeal under this section unless the committee has investigated, and furnished the Minister with a report upon, the appeal.

(4) The Minister may, on the hearing of the appeal, confirm, vary or reverse the decision appealed against.

It is logical that that should occur, and that the RSPCA should have the power to take that action. Clause 29 significantly changes the powers of inspectors.

I believe this is appropriate legislation for the 1980s. As I said, it has effectively outlawed live hare coursing and that certainly will not be popular with a certain section of the community. However, as I understand it South Australia is the only State that still legally permits that activity. I think we have probably reached the stage where we can no longer permit live hare coursing. The Opposition supports this legislation and we trust that when the Minister responds he may be able to clarify one or two of the points that I have raised.

Ms LENEHAN (Mawson): I rise to support this Bill. In so doing I would place on the public record that I believe that the Bill is a first for South Australia in relation to animal welfare and, in fact, it is probably the most progressive legislation of its kind in Australia. In supporting the Bill I will deal with three areas: first, I believe that the legislation breaks new ground with the establishment of the Animal Welfare Advisory Committee; secondly, it is the first time that comprehensive legislation has been introduced in Australia to control the use of animals in teaching and research (commonly referred to as laboratory animals); and, thirdly, it is the first time that codes of practice for the husbandry of animals will be incorporated within regulations.

Turning first to the Animal Welfare Advisory Committee, as has been mentioned by the member for Chaffey when referring to this committee, it is very widely represented. Perhaps we should to go back a little further and look at what has happened in relation to the issue of animal welfare. Historically, animal welfare has been an issue that has attracted serious scientific research only within the past two decades. In the past 20 years there has been more research in this field than in the rest of the century. Of course, as we all know, the field is rapidly changing. Practices that may have been considered acceptable on scientific grounds are no longer acceptable.

There is now considerable research into the way animals react to various conditions and situations to which they are subjected. As the results become available it is important to be able to take advantage of this information. The Animal Welfare Advisory Committee (or AWAC as it is referred to) has been specifically created to do just that, and its composition includes people with active experience in the following areas: for example, a person from the Department of Agriculture, a person with experience in the grazing industry, a person with experience in the intensive animal husbandry industry, a person from the Australian Veterinary Association, a scientist engaged in research using ani-

mals, a person from the RSPCA (being the organisation that administers the Prevention of Cruelty to Animals Act), a person from an organisation running a pound or an animal shelter, and a person from another animal welfare organisation.

It is my understanding that in establishing this committee it was always intended that members of the Animal Welfare Advisory Committee should be working members and not just representatives of a particular point of view mandated to push that viewpoint. Should other expert advice be needed, whether from users of animals or animal welfare organisations, representatives with expertise can be co-opted to the Animal Welfare Advisory Committee or to a subcommittee of the main committee. If the Animal Welfare Advisory Committee is to do its job and provide the Minister with the best and most appropriate advice, it must encompass both users of animals and animal welfare interests.

I now move to the next section that I believe needs to be talked about in respect of this Bill, namely, the use of animals in teaching and research commonly known as laboratory animals. As a result of the Bede Morris report, the major teaching institutions and hospitals have established animal ethics committees to approve and oversee research, a move with which I heartily concur. The Bill makes it mandatory for all such institutions to have committees as well as laying down the balance of skills to be represented, including animal welfare representation.

This, of course, is covered in clause 23. Ethics committees will have power to examine all proposals for research using animals. Only proposed research that has been approved can proceed. I think that this is a giant step forward. The Bill provides adequate appeal procedures should a researcher believe that an appeal against a decision of the committee is justified. So, indeed, researchers also have protection under this new legislation.

The institute will be required to obtain a licence from the Minister. This has already been alluded to by the member for Chaffey with respect to what will happen in schools where they do, in fact, have areas where animals are used in both experimentation and teaching. The licence can be revoked if the institution breaches the conditions of the licence. The Bill provides for those parts of institutions in which animals are kept or used so that they can be inspected for their suitability and operation.

One of the most significant things, I believe, is that for the first time it will be possible to keep statistics relating to the types and numbers of animals used for research and teaching in South Australia. I believe that every member of this Parliament will see that as a major advance in terms of an overall view of what is happening with experimentation of animals. As many members are aware, there has over the years been a steady stream of requests by members of this Parliament for information. I am told that there have been about two to three requests each year asking for the sort of statistical information that has not been available to date.

I turn now to codes of practice. Clauses 44 and 45 provide for the incorporation of animal welfare codes of practice. At present a number of codes have been formulated by an all State subcommittee and approved by all States. Many animal welfare organisations believe that these codes do not go far enough. I would like to say to the Parliament that I feel that this is an important start and, indeed, it is a baseline from which people such as farmers can follow.

Until the introduction of this Bill there has been no way that they could be enforced. The Department of Agriculture can only advise the farmer to follow the code. Both the department and the United Farmers and Stockowners Association of South Australia are pleased to be in a position to force compliance with the codes of practice. I will give the House just one example of what I am talking about. For example, the egg producers professional body, that is, the body which is established by the egg producers to oversee the codes of practice of the production of eggs, has already told its members that it will not support them if they do not follow the codes of practice relating to poultry. The association has actually paid for the printing and distribution of the code to its members rather than waiting for the Commonwealth to print and distribute it. That move must be commended.

Codes are examined and approved by the Animal Welfare Advisory Committee before being recommended to the Minister for inclusion in the regulations. As changes in recommended practices occur, it will be easy to incorporate them in the approved code. It will also be possible to incorporate codes other than those for animal husbandry. This is a very significant leap forward. For example, codes to be followed by pet shop traders have been established. I think that most members are aware that not all pet shop traders look after the animals in their care in a way that we would like to see that happen.

Also, when animals are used for entertainment purposes (and I am told that this is an area in which animals have been cruelly treated), it is important that they are covered by these codes of practice. In fact, these codes will cover any other activity that uses animals, thus ensuring that animals have some form of protection whenever they come into contact with human beings.

I turn now to the administration of the Act. It is generally held by animal welfare organisations that it is important that an Act relevant to prevention of cruelty to animals be administered by a department, for example, the Department of Agriculture, without conflict of interest arising. It is vital that this Act is seen to be administered impartially. When necessary (and this has always been and will continue to be the case), there has been close liaison between the Department of Agriculture and the Department of Lands. Such liaison is initiated by those departments as problems arise. Those sections of industry that have come into contact with the Department of Lands administration of the present Act I believe have had no difficulty in dealing with matters that have arisen.

I would also like to have on the public record that I believe that, while we will have one of the most progressive animal welfare Acts in the country, it is vitally important that adequate Government support be provided in this growing area. It would seem that a small amount of resources allocated will reap very important benefits in this area in the future. What will be required is a small office with perhaps two or three project officers to monitor the scientific work currently being undertaken, to liaise with other departments and welfare organisations, and to co-ordinate with industry and indeed with the Commonwealth Government. They will, of course, need some administrative expenses, and I believe that if the Act is to be properly enforced it is vital that appropriate resources be provided for its administration.

I think it is important that the RSPCA, for example, have adequate funding so that inspectors can be properly trained and employed to ensure that the provisions in the Act are being adhered to. I noticed a letter to the Editor in the *Advertiser* of 28 October 1985 which was published under the heading 'Animal Protection Bill has "many loopholes" '. I read this letter with great interest, because, although it seemed to me that the Bill was very progressive and that it had the general agreement of large sections of the community, including farmers and animal welfare organisations, it was being criticised. One point of criticism raised in the letter concerned the use of the steel-jawed trap, which was recently banned in Victoria.

My investigations have revealed that the steel-jawed trap is being used. However, I understand that it is being used only along the dog fence, as a back-up measure, and that it is more humane—if it can be put in those terms—than the convention snare trap, because an animal when snared can take a much longer time to die. I have been told that as soon as the dog fence can be completely electrified we will be able to follow the Victorian example and ban the use of steel-jawed traps. I also point out to the House that Victoria does not experience the problem with vertebrate pest control as we do in South Australia.

I know that some members of the Opposition, whose electorates encompass the areas about which I am talking, would know more about these matters than I do. I want to pick up points made in the letter to the Editor, written by Arthur Queripel: he said that we have removed the present offence of 'tormenting' or 'terrifying' an animal, provided for under the existing Prevention of Cruelty to Animals Act. He states that this offence will not be accounted for in the new Bill. In fact, this gentleman has not really understood what is happening with this Bill. The Bill, instead of listing all the things that one cannot do to animals, such as torturing or terrifying them, seeks to outlaw any practice or undertaking that causes pain, suffering or distress to animals.

In fact, instead of removing provisions in the old Act, we are increasing the protection for animals. We are not just specifying things that one cannot do: we are saying that any particular practice that causes pain, suffering or distress will be illegal under the new Act.

The Hon. Ted Chapman: Except for those management techniques that are required.

Ms LENEHAN: Exactly, except management techniques, which are covered in the Bill. The criticism was that we were somehow weakening the intent of the original Act. I do not think that that is the case, and I do not think that any reading of the Bill would support that point of view. I now move to the area of cruelty to kangaroos which Mr Queripel raises in his letter. He said that we will be moving to a code which, instead of preventing cruelty to kangaroos, would institutionalise it. Once again, my research indicates that a code for the culling of kangaroos was established by an Australia-wide committee of Ministers of Environment. It is not a code that has been forced on us by the Federal Government, as is suggested in the letter: there was wide consultation and agreement. During the Committee stage I will be asking some questions about particular clauses of the Bill. I wish to congratulate the various Ministers who have had under their care and control the preparation of the Bill.

I would like it on public record that I am fortunate enough to have in my electorate Kath Van Emmerik, who has for many years been involved in the prevention of cruelty to animals and who has been a great source of strength, information and energy to me. I would like on public record my personal thanks to her for supporting me when my sub branch moved the Australian Labor Party's policy on animal welfare through our convention. I am delighted that we have now seen that democratic process come to fruition and that the Government is introducing what I believe to be the most progressive legislation of its kind in Australia. I support the Bill.

The Hon. B.C. EASTICK (Light): I place on record my appreciation that, after many years of effort, a new Bill incorporating the second aspects of experimentation is in place. During the days of the Hon. Don Simmons, as Chief Secretary, a group got together to commence discussion on the rewrite of the Act. Mrs Molly Byrne, the then member for Tea Tree Gully, was a member of that group, having shown a considerable interest in the affairs of the RSPCA over a number of years. For a period of time that group, including Mrs Byrne and myself, with the authority of the Chief Secretary and members mainly of the RSPCA, had preliminary discussions and a general direction was determined.

Subsequent to the commencement of that investigation, the member for Coles, as the then Minister of Health, had the problem of the IMVS experimentation difficulties brought to her attention. Professor Bede Morris, who was made available from the Australian National University, prepared a document that was heralded by those who had access to it as a major indictment of a number of people in the community who were undertaking experimentation under less than favourable conditions. The consideration he gave to the matter and the directions he suggested by way of legislation were worthy of pursuit. At that time it was believed that there would be two Acts: a rewrite of the Prevention of Cruelty to Animals Act; and a separate Act in relation to the experimentation involving animals.

Subsequent to the change of Government, the Hon. John Cornwall as Minister of Health became involved. He had previously, in Opposition, indicated a particular interest in welfare aspects of animal management and had early discussions relative to the continuance of this matter. It passed over in the way of control to the then Minister of Lands, the Hon. Don Hopgood (now Deputy Premier).

There has been an input from a number of quarters: a very major input from Colonel Harries (the Secretary of the RSPCA), Senior Judge Kingsley Newman (currently the Chairman of the committee of the RSPCA), Chief Superintendent Wally Budd (who has recently retired from the Police Force), and others. Mr John Strachan, a solicitor practising in this city, who was very involved with the RSPCA at the federal level, also made valuable contributions. Recently, a working party has undertaken the final draft of the Bill.

I have no difficulty with the fact that the two areas of activity are tied in to the one Bill: it probably gives it a greater strength. I am aware that in the experimental organisations around Adelaide there is already a very major recognition of the importance of ethics committees and that there has been an involvement by the Australian Veterinary Association, the Department of Agriculture and others in making certain that the experimental actions undertaken by the various organisations are under close scrutiny.

The member for Mawson indicated that we were the first State to have such an enlightened piece of legislation. There is currently before the New South Wales Parliament a Bill concerning the use of animals in research, following on from the work of an Animal Welfare Advisory Council under the chairmanship of Professor R.M. Butterfield, a former South Australian who has been the Professor of Veterinary Anatomy at the Sydney University for a number of years. That council, which is currently working under local government in New South Wales, has recently concluded its preliminary work and presented a Bill that is in the New South Wales Parliament at present. I am aware that there has been considerable discussion within the New South Wales Parliament—not only by the Government but also by the Opposition—relative to various aspects of animal welfare, and that there is a very clear understanding by the members of that Parliament that matters must be put into proper perspective.

The member for Mawson also referred to the codes of practice. One code of practice, which has been in place in this State over many years and which was formulated by the RSPCA in South Australia, related to the transport of horses from Central Australia. The work of the RSPCA officers and inspectors in educating the transporters, the

Australian National Railways (as it was then) and other interested parties, including the stock agents, was a matter of some difficulty to commence with. Subsequently, however, the individual parties came together in a very positive way and in a code that was self-regulatory, albeit overseen by the RSPCA, with the provisions under its original Act.

That code of action has been well worthwhile. Certainly, with the major sheep export trade, which goes from South Australia, the RSPCA and other vital organisations, including members of the Australian Veterinary Association, have had a major part to play in overviewing the suitability of various transport vessels for the trade. They have not been totally successful in every instance because all of the vessels have been registered overseas and, once outside the jurisdiction of the port, there have been some difficulties in guaranteeing that the code was totally in practise.

The Hon. Ted Chapman: The member for Mawson didn't mention the live sheep trade in her address.

The Hon. B.C. EASTICK: In that area, I make the point that some of those organisations that have been trading in that way have, at their own expense, taken on board a veterinarian to travel with the sheep so that the difficulties that existed can be better understood. Officers of the RSPCA have travelled on the ship so as to get an understanding of the trade and shipboard conditions. They have been able to put in reports that have, in most cases, been acted on.

Another matter I should point out is that the United Farmers and Stockowners along with members of the Agriculture Department and others in the trade—the stock organisations—have met in seminars to oversee a number of the difficulties associated with animal welfare. I believe that there has been a very worthy change in heart in many circles. The difficulties that the RSPCA has had in some instances in getting an adequate appreciation of the case to put before the courts has been a matter of some concern. I hope that the RSPCA will use the new provisions with the good common sense that it has always used in this State, where it has seen its purpose to be one of education, albeit going for prosecution when a person fails to respond to the education process or when someone blatantly affects the welfare of stock.

The honourable member referred to other difficulties associated with steel traps. Mrs Byrne, to whom I referred previously, was successful in this place, through the support of the member for Ross Smith (Mr Jack Jennings), in having changes made to the Act some years ago. Also, there have been a number of changes in the period of time I have been here relative to the size of cages for the keeping of birds and poultry. Collectively, there has been some progress, but nothing like the progress that is embraced within the terms of this new legislation.

I look forward to its functioning quickly in the sense that I recognise that there will be a number of regulations to be prepared. In the meantime, there will be a continuance of the activities of the RSPCA under the present Prevention of Cruelty to Animals Act. There will be the arrangement for ethics committees in the various institutions, and all of those parties will work together to provide benefit for the animal kingdom.

The regrettable publicity that followed the possibility of fish being in the legislation is most unfortunate, particularly concerning whether they can or cannot feel pain. Suffice to say, although they are not included now, research is continuing to determine their proper place in the legislation, and I believe that one of the first amendments that we will see to this legislation will be for the incorporation of fish in some circumstances. I am not idiotic enough to suggest that they cannot have a hook in their mouth—it pertains more to the care and control of fish.

I indicate how important I believe this legislation is in order to bring to reality the management of pet shops. Over the years, the inability of the Act to satisfactorily control the activities of some pet shop owners has been a disaster. Some—I emphasise that—fail to give due regard to the animals and birds in their possession. I believe that a great deal of improvement has occurred as a result of the educative program that I mentioned previously by the RSPCA. Further work is to be done in relation to the controls under the new Act. I look forward to that area of difficulty being cleared up in the early days of the existence of the new Act.

The Hon. R.K. ABBOTT (Minister of Lands): I move:

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

Motion carried.

Mr LEWIS (Mallee): I support the Bill. Aspects of it cause me to feel uneasy when I contemplate the direction they are taking us as a society. Unquestionably members of the animal kingdom will enjoy, where they are living in South Australia, some greater measure of comfort, although that is not why I believe we have such legislation. I believe this legislation is a form of censorship. It seeks to prevent human beings from their gross self-indulgence of sadistic inclination by taking that out not on their fellow human beings but on other beings—the animals.

The Hon. P.B. Arnold: Only a small percentage of people.

Mr LEWIS: Well, those who would commit the offences defined or alluded to in this legislation would have to be sadistic. It is a censorship of behaviour and not a censorship of entertainment material, read or viewed. It prevents people who are that way inclined from being able to vent and develop their sadistic inclinations by this means. To that extent it is a measure that will enhance the level of civilised behaviour in society.

Whilst in general terms it is not true that we make better or more moral people by passing better laws that are morally sound, over the longer term to outlaw behaviour which can be brutalising and detrimental to the civilised state of man will improve the people who live and abide by such laws. If they do not abide by such law they are subject to the penalties and sanctions that it contains. The real purpose and consequence of this legislation will be to enhance the standard of civilised behaviour in the broader community from this point forward. Naturally we believe that as a society we can carry the costs which it will invariably mean we will have to pay as a sovereign State for the implementation and enforcement of the Act and the regulations which it gives the Governor power to gazette.

I want to look at a few aspects of the Bill and draw attention to my concerns. There are some cranks in our society and present among them are people who advocate animal liberation. I have very little, if any, patience with many of the attitudes of such people. I have a profound and total respect on the other hand for the work, principles and commitment of the RSPCA and the people involved in it.

I worry about a decision made by this Government recently to simply finance the establishment of open range facilities for keeping chooks in schools, whether or not the schools asked for that open range facility. If the school in question, any school, had hens or other poultry in cages or sheds, then it immediately received or was told it would receive $1 000 which was for the purpose of establishing an open range run for its poultry.

I wonder whether those school councils that took the initiative, raised the funds and incurred the expense of establishing an open range poultry run, be it in company with or separate and apart from caged or shed facilities for

their poultry, will get that $1 000 refunded to them. I also wonder whether, on balance and in fairness, those schools which have open range facilities will be given $1 000 to establish closed range facilities—that is, shed or caged facilities—and if not, why (in the name of justice, fairness and evenhandedness) not? There are specific, if you like, breeds of poultry—laying hens particularly—which cannot survive outside in open range conditions. They will die.

You and I would both know, Mr Speaker, for instance that dogs were once wild animals. However, the number and variety of breeds of dogs which have now been developed for the purpose of providing companionship to humans in their urban environment are quite clearly an indication, if anyone needed an indication and an illustration, that it is impossible to expect that those dogs, if they were released to open range conditions to fend for themselves, would do anything but die of exposure within a day or so. This is also the case with the breeds of poultry that have been developed specifically for the purpose of providing us with a variety of foodstuffs that we like to eat—eggs and poultry meat. They are not bred to be able to roost in trees out of reach of their natural predators. They have had their timidity bred out of them so that they are not nervous; they are not inclined to take fright so easily: they are placid in temperament and indifferent to changes from their predecessors' natural environment to the environment they now live in.

Accordingly, to argue that it is wrong to have poultry in shed or caged conditions is as ridiculous as arguing that all dogs must be turned loose in the bush regardless of their breed and experience of life as individual dogs up to that point. I think I have spent sufficient time to ensure that my concern about that aspect of the views of animal liberationists and their effect on the public purse in this State as a consequence of the actions taken by this Government is now clear to the House. It is stupid and altogether 'too precious'. I do not mind balance, but where I see unreasoned bias, I am annoyed.

I now turn to some aspects of the Bill which make me wonder about the direction in which we are heading, notwithstanding the fact that I support the measure as it stands for what it does. Under clause 3, of course, we need to remember that sub-phylum *vertebrata* includes the amphibians—frogs. There is a fairly wide range in that category of animals called amphibians—not only frogs, of course. However, I refer to frogs because now it seems it will not be long before the practice of children (particularly, I suppose for some funny reason, boys) keeping frogs will be banned, though keeping them as tadpoles will not, at least as this legislation now stands. They go through a metamorphosis and stop breathing through their gills. They become animals which can live on land. Indeed, they have lungs and are vertebrates and therefore belong.

I am pleased that the Act binds the Crown: that is vital. I am disturbed that the Minister has the prerogative—depending on who the Minister is, of course—of appointing just any two people who are, in his opinion, suitable persons to represent the interests of animal welfare organisations. The Bill does not specify what those organisations have to be.

If the Minister feels embarrassed by the pressure being brought to bear on him and the Government, he should realise that, whoever the Minister is at any point in the future, he might choose to appoint one of those people from the mad cap fringe. That would waste time and be unproductive. I wonder at the continuing inclusion in clause 7, under the terms of which we can have someone removed from the committee on the grounds of the dishonourable conduct clause. I do not know what dishonourable conduct is any more, nor do I think anyone else does. It is a waste of time including it in the legislation. I am as disturbed as anyone about the events of the last couple of months and the attempts which have been made by erstwhile politicians of one ilk or another to gain advantage out of the alleged dishonourable conduct of one or another person in public office.

Let us look at Part III 'Cruelty to Animals' and I do not wish to imply that these remarks apply to the previous comment I just made. We see there that it is possible for somebody to be fined $10 000 or imprisoned for 12 months if somehow or other, subjectively determined, they deliberately or unreasonably cause the animal unnecessary pain. That is the definition of 'ill treat' that is given. There is no definition of 'unreasonably causes unnecessary pain' anywhere. I suppose that somehow or other that will have to be left to the subjective determination of a court.

In the wrong hands, that could be fairly devastating in its consequences for a good many primary producers, I am sure. Somebody who does not understand the temperament and nature of animals used for primary production might end up thinking that it is cruel to milk cows when in fact there is nothing kinder one can do for a cow than to remove the milk from her udder when it is full and she is wanting to be rid of it; it is very painful. It is also worth noting that in clause 13, which we will come to in Committee (and it is a Committee Bill), we see that a person ill treats an animal if that person causes an animal to be killed or injured by another animal.

I worry about that a bit, because in my childhood I had a silent heeler kelpie cross that was an outstanding rabbit dog. That dog made it possible for me to augment the income I so desperately needed for my schooling. I would have been lost without it. I trust that it is not envisaged that this clause would outlaw anyone of that age being able to take their rabbit dog out and catch rabbits so that they can raise money to buy the books and boots they need to continue walking to school and to study when they get there.

I am quite sure that young children, whether boys or girls, who are engaged in that sort of activity would not know that clause 13 (2) *(h)* provides that no-one must kill an animal in a manner that is contrary to the regulations. I killed rabbits by stretching their neck and cutting their throat to ensure that the meat was of a high standard. If the regulations under this Bill make it an offence to simply dong a rabbit on the head or stretch its neck and cut its throat, I am sure that that would not be known by a five or six year old child in the country. I do not want to make criminals out of honest, honourable children who are doing nothing more or less than raising the finance they need for their schooling.

Paragraph *(j)* provides that a person ill treats an animal if that person traps, snares or otherwise catches the animal in a manner that is contrary to the regulations. The principal income I derived in those years was from trapping rabbits. Admittedly, I augmented that income by growing flowers and picking blackberries, mushrooms and things like that, as well as picking up windfall apples and selling them, but most of my income came from trapping and selling rabbits. I do not see that as being in any way cruel. I am certainly no sadist, and I never felt any pleasure in the ventures in which I was involved other than the pleasure derived from having more funds than I had at the outset of the day (or month) to continue going to school. I believe that we would be taking a step in the wrong direction if we outlawed that practice. If the trapping of rabbits is to be outlawed, then naturally the concept would apply equally to trapping mice or rats. I do not know what the sense of that would be.

Clause 14 provides that a person shall not use an electrical goad or fence or any other electrical device designed for the purpose of controlling an animal in contravention of the

regulations. So, there must be regulations already drafted if a clause like that is so. I trust that the use of electrical goads in stockyards will not be banned under the regulations, and I hope no one has that in mind because, if they were banned, it would considerably slow down the rate at which we move stock through abattoirs and stockyards, and that would increase the general level of distress of the animals. It would not help if we used less effective and less expedient methods of prodding animals along. I note that in the marginal note alongside the clauses there is a complete *non sequitur,* or at least a contradiction—I do not know which.

The marginal note adjacent to clause 14 uses the words 'use any form of electrical device unless banned by regulations'. I am quite sure that it should read 'unless permitted by regulations', or, alternatively, 'unless not banned by regulations'. I would like the Minister to clarify that. It seems to me that it may be just a drafting error.

Because of its implications for shearers, clause 15 worries me. It states that a person shall not carry out a medical or surgical procedure on an animal in contravention of the regulations. If the regulations preclude the possibility of an unqualified person stitching up an animal that has had its abdomen slit or some other part of its anatomy cut during the course of it being shorn, then I cannot imagine how farmers will be able to have a vet on hand throughout shearing, or, alternatively, be expected to bear the unreasonable cost of losing the animal if it moves quickly during shearing, or the handpiece slips and the animal is cut. I believe that the tarbrush and a small bag needle are the best means of dealing with that problem. Within a matter of hours very little discomfort if any is noticed in the movements of the animal.

I can speak with the experience of a shearer. I have had to stitch up my own mistakes that fortunately were never many or intentional. If you have not had a little blood on your hands, I do not think you really know what you are talking about in relation to these kinds of measures. I do not think that there is any need for me to further delay the Bill in the second reading stage. As I have said, it is a Committee Bill and those other matters upon which I seek clarification from the Minister can be best discussed and answered by him in Committee.

Mr BLACKER (Flinders): I support this Bill, because I think the motivation behind it is indeed warranted. It is designed to protect the animal kingdom from unscrupulous and cruel persons who may inflict injuries upon animals to which they should not be subjected.

In relation to persons involved in animal husbandry and the care of animals, this Bill does give me some cause for concern. As a farmer I have been involved in sheep, pigs, and cattle husbandry. From time to time it is necessary that certain medical procedures be carried out on those animals. When legislation of this kind was first talked about some scare tactics were raised as to how draconian or restrictive the provisions may be. It was even suggested that there would be a requirement in the Bill to have a veterinary surgeon carry out mulesing, tailing and docking and other such procedures.

I seek clarification from the Minister as to whether normal farming practices, as carried out in the general care and maintenance of animals, are exempted from this Bill and that it covers only those areas where animals are used for experimentation purposes, or where they are subjected to cruelty, namely, in hunting, and so forth.

I noted with interest the member for Mallee's comments about rabbiting, and that was the first thing that came to my mind when I read this Bill. Does it prevent somebody sooling a dog after a rabbit? One could place that interpretation on this Bill. I do not think it was intended that that be the case, but how am I and how are other members of Parliament to know how this Bill will be interpreted if and when it comes before the courts? It could well be that somebody could say that a dog was deliberately sooled onto a rabbit or hare and, as a result of that, was in contravention of this Bill. That worries me.

With respect to animal husbandry, I believe earlier in the debate reference was made to live sheep transport and to other forms of animal transport. Members of the committee referred to in the Bill should have a wide knowledge of animal husbandry and transport. Unless one has experience in that field, or has had a close liaison with the transport industry, it is not easy to ascertain what affect transporting has on animals. I know, for instance, that it is generally accepted that an area of three square feet is adequate for transporting baconer pigs in a truck. Although that appears to be a relatively small area, it is safer to allow that than to allow five square feet per animal because then there is bruising as the animals move around.

Pigs, being the animal they are, tend to lie down with their snouts up and, as a general result, they travel well. I know that pigs have been transported from my area to Adelaide—a 12 to 14 hour trip, depending on the truck used—and within half an hour of the truck being on the road the pigs have settled down, snouts up breathing the fresh air. Generally, they stay like that for the bulk of the trip. Sheep, on the other hand, are the reverse and must have plenty of room. They cannot be allowed to lie down as they climb on top of and smother one another—they are a disaster if the transportation is overloaded.

Whoever makes these determinations must have a practical knowledge of what this is all about. Another matter about which I make brief mention is the fact that there is reference in the Bill to animal codes of practice superseding the requirements of this Bill. I recognise that, but am concerned that all the codes of practice that we expect to be drafted are not yet drafted. I believe that two codes of practice—one relating to the pig industry and the other to the poultry industry—have been drafted and that there are draft codes of practice for the transport of animals. However, codes of practice have not been issued for other livestock.

If during the interim period some overzealous livestock inspector seeks to apply the provisions of this Bill to other industries involving deer, goats, sheep, sharlee wool growing sheded sheep, cattle or lot fed animals then we could see a number of interpretations drawn that are not intended. This worries me. When codes of practice are established that is good. However, I understand that those codes of practice are arrived at after consultation with the industry and established on an Australia-wide basis with the Federal Government and the respective State Governments. Whilst that is in hand I have no objection because it has considerable merit.

However, until those codes of practice are established there is room for an overzealous inspector to apply provisions of this Bill to normal husbandry matters. It is well known in relation to the intensive pig industry that, if the animals are free of stress and comfortable without there being undue noise around, and if they are not subject to harassment by dogs and are adequately fed and watered, they will produce. Surely it is in the interests of any livestock owner that his animals are kept in the best possible way.

I think that it is fair to say that persons presently involved in the pig industry have new sheds that are airconditioned. Almost all of those sheds are insulated. In fact, it is often said that many of the pig sheds are better equipped and insulated than the homes in which the owners live. I know that is being a little facetious, but there are not many homes around that have a controlled 26 degree centigrade temper-

ature at all times. This is of paramount importance in the pig industry where, if one can keep a shed within one or two degrees either side of 26 degrees centigrade one gets optimum production from the pigs.

If the temperature fluctuates more than 3 degrees either side of the optimum 26 degrees, the growth rate is nowhere near as good. I am happy with the Bill, provided that the necessary codes of practice can be implemented. I hope that the Minister can give an assurance that no other normal farm practices will be incorporated under existing provisions in the Bill in the interim period until such time as the relevant codes of practice are established. I know that pig and poultry codes of practice have been established and that the code of practice in regard to transport is under way, but other animal farm practices have not yet been established. Can the Minister assure us that they will be established at the earliest opportunity and that matters pertaining to cattle, sheep and so forth will not be brought under the existing provisions of the Bill? I support the Bill thus far.

The Hon. TED CHAPMAN (Alexandra): I indicate my support for the general principles incorporated in the Bill relating to the welfare of animals. Like the member for Light, who spoke earlier in the debate, I have some concern about the opportunity that this legislation presents for eccentric organisations to seek further restrictions on the movement and/or keeping of animals for production purposes. In that respect, I understand the importance of the live sheep trade. I also understand that some very heavy lobbying has been undertaken by various organisations to disrupt that trading practice that has been established in Australia. It is a component of our sheep management program nationally and it is very important to South Australia in particular.

I am comforted that the Bill provides that representation shall be provided by the RSPCA. I place on record my recognition of that national authority, and I especially refer to the rational and responsible attitude displayed by the South Australian division of the RSPCA. When the former Liberal Government was in office between 1979 and 1982, Colonel Harries and his staff discussed with the Government a number of aspects relating to animal welfare, and on each occasion I found the tenor of the discussions and the approach to the matters involved most responsible. Indeed, I commend the staff of the RSPCA on their attitude and their application to their role in society.

The only clause which I specifically address is clause 13, which is described as the penalty clause of the Bill. The clause cites the penalties that shall apply where deliberate or unreasonable hurt is endured by animals as a result of the handling or neglect of those animals by any person. I have no argument with that aspect of the matter. The clause goes on to identify the other factors that are embraced under it subject to the initially cited penalties. It talks about an animal that is caused pain as a result of its release from captivity for the purposes of its then being hunted or killed by another animal, and various other subclauses refer to the killing, maiming, injuring or otherwise of animals in other circumstances. At no stage in that clause or in any other part of the Bill, or indeed in the accompanying reports and papers associated with the Bill, is there any reference to the practice of live hare coursing. In fact, albeit clouded, it is incorporated in that clause.

Clause 13 (2) *(c)* provides for the release of animals from captivity for the purposes of their being hunted or killed by other animals. It is sneaky that the Government has chosen to slip this practice into the Bill for the purposes of its abolition without coming clean and making clear what is intended. I hope that in response the Minister will identify whether or not I have picked up the right interpretation of that clause. On my reading, it spells the end to live hare coursing in South Australia. Whether or not that is the case, I want to identify my position with respect to that sporting practice.

I have not been to a live hare coursing event, but I have had numerous discussions with people who have been involved in the sport over the years. I recognise the efforts that those sponsors have made to comply with the reasonable welfare care practices that might be incorporated in the sport. They have sought, wherever possible, to reduce the risk of hares being caught, maimed or killed by the greyhounds that are used in that sport. They have installed traps in the courses for the escape of hares that might be pounced on by the dogs being used in such events.

From the proceeds of the functions, the sponsors have supported numerous charitable organisations and have been a great asset to those parts of the community that they have supported so loyally over many years. We all know the history of events in this House where a certain member of the Labor Party tried year in and year out to have that sporting practice abolished but failed on each of his attempts. In this instance it would appear that the Bill has been introduced to cover a whole range of welfare care measures in the community, on the farm and elsewhere. Under the canopy of this Bill, words have been slipped in that dispense with that practice. As I said before it is a little sneaky, to say the least.

I take the view that, given the practices and methods adopted by sponsors of live hare coursing over the years, it is unnecessary to do away with that particular form of sport. I once heard it said by someone promoting its retention that, while greyhounds were given long teeth to kill, hares were given long legs to beat the greyhounds. Whether or not that is valid in this context I do not know, and I do not know that it really matters.

I recognise the efforts of the sponsors and those who have been involved in live hare coursing over the years. I know that many in that field, directly and indirectly associated with it, would be very disappointed to learn not only that the Government has slipped this in but also that, by the use of its numbers in the current climate, it proposes to introduce legislation that means the death knell of that practice.

I do not propose to canvass other aspects of the Bill at this stage or in Committee, except to recognise that, overall, I am happy with the intent of the code of practices that is proposed and the systems of organising committees, especially with the incorporation of RSPCA representation. It would be extremely disturbing if at some later stage some of our more eccentric animal liberationist bodies and organisations were to become involved because, generally speaking, those other groups outside the RSPCA have proved to be quite irresponsible and irrational and pose an enormous threat to agricultural and other animal keeping practices. I support the Bill, with the reservations placed on the record.

The Hon. R.K. ABBOTT (Minister of Lands): Since I announced that legislation would be enacted in relation to the prevention of cruelty to animals, I have had widespread community support for the measures outlined in this Bill. I thank the Opposition for its support, as I am sure that it sees this piece of legislation to be beyond Party politics and in the best interests of animal welfare.

I take this opportunity to thank the working party for its effort in bringing the legislation to this stage. Obviously, a lot of work, effort and consultation have gone into the presentation of this very important measure. A pleasing aspect is the support given by the Animal Welfare League and the United Farmers and Stockowners Association of

South Australia, which are two of the many organisations that support this Bill.

This legislation makes two firsts for animal welfare in this State. It establishes an Animal Welfare Advisory Committee, and it will be the first time that there has been comprehensive legislation in Australia to control the use of animals in teaching and research. Animal welfare has only begun to attract serious scientific research: there has been more research in this field in the past 20 years than in the rest of this century. Therefore, the field is rapidly changing. There is considerable research into the way in which animals react to various conditions and situations to which man subjects them.

As the results become available it is important to be able to take advantage of this information, and the Animal Welfare Advisory Committee has been created specifically to do just that. Its composition includes people with active experience, and this matter is spelt out clearly in the Bill. It was always intended that members of that committee should be working members and not representatives of a point of view mandated to push a particular stance.

Should other expert advice be needed, whether from users of animals or welfare organisations, representatives with that expertise can be co-opted to either the advisory committee or a particular sub committee. If the committee is to do its job and provide the Minister with the best and appropriate advice it must encompass both users of animals and animal welfare interests.

The member for Chaffey in his comments in support of the Bill expressed his pleasure about the deletion, from the original Bill, of the provision relating to fish. As I pointed out, there was much public comment relating to including pain in fish in the early Bill. However, my predecessor, the Minister for Environment and Planning when he was responsible for the Department of Lands, which has been given responsibility for this legislation, has publicly announced the formation of a committee to further investigate that aspect. It is to be hoped that that matter will be ironed out and, if it is found necessary for fish to be included at a later stage, we can do that.

The member for Chaffey also referred to the fact that this legislation does outlaw live hare coursing and the denial to that section of the community. South Australia is the only State where hare coursing is still permitted. That was acknowledged by the member and my understanding is that there are only two areas where live hare coursing is conducted: in the Mid North and in the South-East. As South Australia is the only State that currently permits live hare coursing, the Government believes it is time to get rid of that activity. The House will recall the petition against coursing in the early 1970s was the largest petition ever presented to Parliament. The present Act specifically exempted live hare coursing. This Bill openly removes that exemption. As I said, South Australia is the only State still allowing that activity and, just because a cruel sport is used to make money for charity, it does not make that cruel sport less cruel to the hares or greyhounds.

Reference was made of the Education Department and the fact that institutions would be licenced. I point out that, as a result of the Bede Report, major teaching institutions and hospitals have established animal ethics committees to approve and oversee research. This Bill formalises what occurs now by making it mandatory for all such institutions to have ethics committees, as well as laying down the balance of skills to be represented, which includes animal welfare representation. Ethics committees will have power to examine all proposals for research using animals and only proposed research that has been approved can proceed. There are provisions in the Bill dealing with the various appeals.

The Hon. P.B. Arnold: What about schools?

The Hon. R.K. ABBOTT: The Department of Education will need only one licence and will have to set up one central ethics committee, as per clause 23 of the Bill, to oversee the use of animals in all schools. The member for Light referred to a lot of history on this matter and to the many personalities involved with the issue in the past. Obviously, as an active member himself in animal welfare and as a member of the RSPCA board, he has a vital interest in this legislation and can certainly go back much further than I can in some of that earlier work that has been done. I thank him for his support.

He did refer, as did several members of the Opposition, to the steel jaw traps. Clause 13 (2) *(j)* of the Bill prohibits the trapping of animals in a manner contrary to the regulations, and it will be possible to ban the use of steel jaw traps in any area where it is not necessary to use them. The Vertebrate Pests Authority does not recommend that they be used as a method of vermin control. South Australia is different from Victoria in that steel jaw traps are still needed as a back-up to the dog fence to control vermin, such as dingoes. It will not be until the fence has been fully electrified that traps can be eliminated. Victoria uses a snare trap. That type was used in the arid zones. It is certain that greater cruelty would be caused to any animal caught. The animal would be left unable to move, to seek shade or water in the heat of the desert until the trap was checked. The Vertebrate Pests Authority recommends that the jaws of traps be coated with strychnine to ensure that animals caught die as quickly as possible.

The member for Flinders made a query as to whether one can still go rabbiting. The simple answer is 'Yes'. He then referred to the code of practices. Clauses 44 and 45 (3) allow the incorporation of animal welfare codes of practice. At present there are a number of codes that have been formulated by an all States subcommittee and approved by all States. Many animal welfare organisations believe that these codes do not go far enough, but they are a start and a baseline for farmers to follow. Until this Bill is passed there is no way they can be enforced. The Department of Agriculture can only advise the farmer to follow the code, but the department and the United Farmers and Stockowners Association of South Australia are pleased to be in a position to enforce compliance with the code.

If I can give an example, the egg producers professional body has always told members that it will not support them if they do not follow the code of practice relating to poultry. The association actually paid for the printing and distribution of the code to its members rather than wait for the Commonwealth to print and distribute it.

Codes are examined and approved by the Animal Welfare Advisory Committee before they are recommended to the Minister for inclusion in the regulations. As changes in recommended practices occur, it will be easy to incorporate them in the approved code. It will also be possible to incorporate codes other than for husbandry of animals (for example, codes to be followed by pet shop traders; by breeders, when animals are used in entertainment; or in fact by any other activity that uses animals), thus ensuring that animals are protected whenever they come into contact with man.

Quite a number of questions were raised, many of which can be answered in the Committee stage of the Bill. In conclusion, I want again to thank members of both sides who have spoken to this important measure. I commend the Bill to the House.

Bill read a second time.

In Committee.

Clauses 1 to 13 passed.

Clause 14—'Use any form of electrical device unless banned by regulations.'

The Hon. P.B. ARNOLD: I take it that the regulations will provide for the normal provision of electric fences in an agricultural situation for the maintenance of domestic livestock and so forth?

The Hon. R.K. ABBOTT: This is a matter that will be dealt with in the regulations.

The Hon. P.B. Arnold: Will the regulations provide it?

The Hon. R.K. ABBOTT: The Act allows the use of all electrical devices except those that will be prohibited by regulation.

Clause passed.

Clause 15 passed.

Clause 16—'Prohibition of use of animals for teaching or research unless licensed.'

Mr MEIER: It is provided that one needs a licence for teaching or research involving animals, and the Minister said in his second reading speech that Education Department schools would simply require one licence for all experimentation carried out. What will the licensing system be for private schools and will a cost be involved for such licences?

The Hon. R.K. ABBOTT: An institution will be required to obtain a licence from me as Minister. It can be revoked if the institution breaches the licence conditions. The Bill provides for those parts of institutions in which animals are used to be inspected to determine their suitability. Clause 18 provides that inspections will be carried out by people experienced in the animal welfare field.

Mr MEIER: Will private schools require a licence?

The Hon. R.K. ABBOTT: It will be possible to license individual schools.

Mr MEIER: The Minister said the departmental schools would be licensed as a block. I take it he probably meant they would be issued with one licence through the Minister of Education, but will each private school have to apply separately? Will they have to pay an annual fee? If so, does the Minister know what that will be.

The Hon. R.K. ABBOTT: Individual private schools will possibly have to apply. That matter could be referred to the advisory committee for advice from me as Minister. It will be possible to license the Independent Schools Board if it oversees use of animals in schools. The cost will be minimal to cover administration only.

Mr MEIER: The minimal cost worries me a little. One could say that $30 for a driver's licence for three years is minimal. I express reservations about licensing for schools. Traditionally, schools have had to perform experiments. This could have been covered just as adequately by a declaration from schools rather than having a specific licence. To any school that did not wish to sign the declaration form the authority could say, 'We will not let you practise.' Why do we need more regulations when the key word 'deregulation' seems current? I am sorry that licences will be so regulated.

Clause passed.

Clauses 17 to 28 passed.

Clause 29—'Powers of inspectors.'

Ms LENEHAN: A constituent asked whether I could clarify whether the Bill would cover a particular case. He contacted the RSPCA to complain that a large dog belonging to a neighbour was chained up for 24 hours a day. This information was corroborated by another neighbour, but, when the RSPCA inspector investigated the situation and asked the owner of the dog whether the information was correct, the owner, of course, said that it was not correct and that the dog was not on a chain for 24 hours a day.

Will such a situation be resolved under clause 29? In other words, will inspectors be able to exercise greater power or authority to ensure that animals are not ill treated, as indeed this animal was by being chained up for 24 hours a day? Under the present Act there is not very much that inspectors can do: they themselves must observe the animal for 12 hours. It is fairly onerous for an inspector to sit and watch a dog for 12 hours to see whether allegations are correct. I seek clarification from the Minister.

The Hon. R.K. ABBOTT: Clause 13(2)*(l)* allows regulations to be made to control methods and duration of confining or caging animals. These regulations will be addressed as soon as the Bill is passed. At present an RSPCA inspector must have an animal under observation for 12 hours to bring an action to the court with a chance of success.

Clause passed.

Remaining clauses (30 to 44) and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 10.48 p.m. the House adjourned until Wednesday 30 October at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 29 October 1985

QUESTIONS ON NOTICE

PINNAROO AREA SCHOOL

134. Mr LEWIS (on notice) asked the Minister of Education: When does the Minister expect that the Pinnaroo school building program, stage 2 will be restored to the capital works schedule where the previous Government had it positioned?

The Hon. LYNN ARNOLD: The Pinnaroo Area School building program, stage 2, remains on the capital works schedule, but is not included in the current three year program.

HEARING IMPAIRED TEACHER TRAINING

172. Mr S.G. EVANS (on notice) asked the Minister of Education: What was the result of the Minister's approach to the South Australian College of Advanced Education regarding continued provision to train people for teaching the hearing impaired?

The Hon. LYNN ARNOLD: At my direction the Tertiary Education Authority consulted with the South Australian College of Advanced Education, the Education Department and the community groups concerned with the hearing impaired. The college has advised that it does not intend to end its preparation of teachers of the hearing impaired, but needs to consider the most appropriate arrangements for delivering and teaching such a course. The college has also advised that it expects that an intake into the course will again be possible in 1987, although the course is likely to be in a different form from that of the past.

UNLEY HIGH SCHOOL STAFF

229. Mr BAKER (on notice) asked the Minister of Education: What teaching resources have been allocated, or are intended to be allocated, to Unley High School in 1986 to maintain its English as a second language program?

The Hon. LYNN ARNOLD: Final allocations of staff for the English as a second language (ESL) program in 1986 have not yet been completed. However, it is anticipated that there will be no significant change to the present ESL staff provision for Unley High School.

ISDE ENDURO

233. **Mr BECKER** (on notice) asked the Minister of Recreation and Sport:

1. What are the terms and conditions set out for Government support to the Six Day ISDE Enduro World Championships for 1988?

2. What objections does the Government have with the involvement of Eric White and Associates and what is the basis for those objections?

The Hon. J. W. SLATER: The replies are as follows:

1. The terms and conditions set out by the Government include a grant of $25 000 which is subject to the Auto Cycle Council of Australia winning the event for South Australia in 1988. Other conditions relate to areas of responsibility of the Auto Cycle Council including management, marketing and promotion and environmental rehabilitation of the area affected by the Enduro. These conditions have been sent to the Auto Cycle Council of Australia and a written response is not expected until the World Council of Auto Cycling meets in Portugal later this month to formally resolve the matter.

In addition, to assist with the coordination of Government services, monitor organisation/planning aspects and provide advice to the Auto Cycle Council an interdepartmental coordinating committee involving the Departments of Recreation and Sport, Tourism, Environment and Planning, State Development, Police Department, and a representative from the Barossa Community Services Board will be established.

2. Responsibility for organising and conducting the Six Day Enduro rests with the Auto Cycle Council for Australia. The Government had reservations about a feasibility study undertaken by Eric White and Associates for the Auto Cycle Council. The reservations centred on the strategies proposed and the financial presentation.

In view of the magnitude and significance of the event and before committing Government support the Premier established a working party to examine costs, economic benefits, overall feasibility, the proposed locations and whether a six day event could produce adverse reactions from environmental and tourist sources. The working party highlighted the need for the development of comprehensive and adequately costed strategies to achieve maximum economic benefits and achieve satisfactory environmental rehabilitations.

Ms GAYLER

237. **Mr BECKER** (on notice) asked the Deputy Premier: In relation to Ms Gayler's employment on the Deputy Premier's staff—

(a) is she employed in accordance with Public Service guidelines and, if not, why not;

(b) is she employed part-time or full-time and what are her weekly hours;

(c) is she paid an allowance in lieu of overtime and, if so, how much and what are the conditions of this allowance; and

(d) is she eligible for 'flexi-time' in accordance with Public Service guidelines and, if so, what are these guidelines and what records are maintained on a daily and weekly basis of the time taken and, if records are not maintained, why not?

2. Is Ms Gayler allowed to use the telephone number of the office of the Deputy Premier on electoral material issued by her as the endorsed ALP candidate for Newland and, if so—

(a) why; and

(b) is a record maintained of the number of telephone calls received during the hours of 9.00 a.m. to 5.00 p.m. Monday to Friday as a result of her using the telephone number of the office of the Deputy Premier on electoral material and, if not, why not and, if so, how many inward telephone calls have been recorded since 1 September 1984?

3. Is a record maintained of how time Ms Gayler has spent during accepted working hours (9.00 a.m.-5.00 p.m. Monday to Friday) answering queries as a result of using the telephone number of the office of the Deputy Premier on electoral material and, if not, why not and, if so, what are the details since 1 September 1984?

4. Is a record maintained of how many phone calls Ms Gayler has made from Government paid telephones directly or indirectly concerning her position as the endorsed ALP candidate for Newland and, if not, why not and, if so, what are the details since 1 September 1984 and is Ms Gayler

required to reimburse the Government for the cost of those calls and, if not, why not and, if so, how much has she paid the Government since 1 September 1984?

5. Has the Deputy Premier given permission to Ms Gayler to attend functions in the electorate of Newland between the hours of 9.00 a.m. and 5.00 p.m. on any Monday to Friday since 1 September 1984 and if so, when, where, for what times and for what reasons was permission granted?

6. On the following dates, was Ms Gayler on duty at the times and functions shown—

1 Nov. 1984	12.00-1.30 p.m.	Community luncheon with Newland Electorate
6 Nov. 1984	11.00-1.00 p.m.	Child care function
11 Dec. 1984	1.00-2.30 p.m.	Senior Citizens meeting
12 Dec. 1984	9.00-10.30 a.m.	Opening of Tea Tree Gully Community Welfare Centre
29 March 1985	1.45-3.00 p.m.	Meeting within the electorate
3 April 1985	9.00-5.30 p.m.	Public meeting organised at the Tea Tree Gully T.A.F.E.
3 April 1985	during afternoon	Function at the Tea Tree Gully council chambers
23 April 1985	during afternoon	Within electorate of Newland on campaign activities?
2 May 1985	3.45 p.m. on	Public meeting at DCW hall at Modbury
19 June 1985	3.00 p.m. on	Led deputation of local residents to Minister of Water Resources
21 June 1985	9.15-11.30 a.m.	North-East Education and Welfare team meeting
11 July 1985	9.00-11.15 a.m.	Attended local Early Childrens Services meeting
24 July 1985	all day	Extended O-Bahn inspection with Minister of Transport
2 Sept. 1985	all afternoon	Senior Citizens function
3 Sept. 1985	all day	Tea Tree Gully T.A.F.E. conference
20 Sept. 1985	all day	With Premier and other Ministers in the electorate visiting various areas

and if not, was she on recreation leave on those days or was she on flexi-time and, if on flexi-time, what were the reasons for every occasion she was not at work for the approved core periods (i.e. 10.00 a.m. to 12.00 noon and 2.00 p.m. to 4.00 p.m.) as required under Public Service flexi-time guidelines and are specific records available for each occasion listed and if not, why not and if so, what are the details?

7. How did Ms Gayler travel to each function listed in part 6 and if a Government vehicle was used, who authorised its use and if a taxi was used, were Cab Charge vouchers used and if so, what are the details and how much was charged to the Government and if not, who paid?

8. On every occasion listed in part 6, what are the detailed costs incurred by the Government in the form of travel and time spent by Ms Gayler and if any such costs were incurred as a result of her actions as the endorsed ALP candidate for Newland, will any effort be made to obtain reimbursement from Ms Gayler and if not, why not and if so, what action will be taken?

9. On 20 September 1985 who gave Ms Gayler permission to travel in a Government vehicle, in what capacity was she travelling and who gave her permission to use another Government vehicle to carry a separate dress so that she could change before a luncheon function with the Premier?

10. How many recreation leave days is Ms Gayler entitled to in a financial year and how many recreation leave days has she taken since 1 September 1984?

11. Will the Deputy Premier take positive action to ensure that a member of his personal staff does not engage in electioneering during the hours of 9.00 a.m.-5.00 p.m. Monday to Friday, except in strict accordance with Public Service guidelines including the working of core hours for flexi-time requirements and if not, why not and if so, what controls will be implemented and what written records will be maintained?

The Hon. D.J. HOPGOOD: The replies are as follows:

1. Along with other ministerial officers, Ms Dianne Gayler is not employed under the Public Service Act. I am satisfied, in relation to questions that Ms Gayler has not operated differently from the manner of operation of Ms Laidlaw and Messrs Nichols, Crosby and Worth, all of whom, under the former Tonkin Government, were Liberal Party candidates.

2-4. See 1 above

5. Along with all employees, Ms Gayler has various leave entitlements, which in her case, she has chosen to use in campaigning to win the State electorate of Newland.

6. Details regarding Ms Gayler's leave entitlements and various campaigning activities are on the public record in the *Hansard* reply to Estimates Committee.

7. The question implies that Ms Gayler uses Government vehicles, or Government Cab Charge vouchers for her extensive campaigning activities. She does not engage in either practice. Ms Gayler owns and uses a 1969 Datsun 1600 which she is hoping will be able to keep up with her and last the distance through to election day. Ms Gayler is happy that I divulge, to those who wish to follow her progress, that her car registration number is RCJ-669.

8. See 7 above.

9. Again, the honourable member or any other person who provided the alleged information to the Member for Hanson has proven to be badly mistaken. On 20 September 1985, Ms Gayler had a day's recreation leave, to which she was entitled, and spent the day with Premier John Bannon at a wide range of functions in the Tea Tree Gully area. It is alleged that someone gave her permission to use another Government vehicle to carry a separate dress so that she could change before a luncheon function with the Premier. The facts tell a rather different story.

I am advised that Ms Gayler did not have a spare dress for the event. The Premier's wife, Angela Bannon, had an evening function to attend on that day, and may well have had a speparate dress with her. I cannot and do not pretend to know. Ms Gayler, on the other hand, arranged for a friend and campaign supporter to transport a fresh blouse which, in the event, was not needed, Ms Gayler looking as fresh and alert at 4.00 p.m. as she had at 9.00 a.m. The friend and the blouse travelled in a 17-year old Chrysler motor vehicle. The friend is not a Government driver and the vehicle would not be acceptable in the Government fleet. As I recall, Government vehicles are replaced after some two years or 40 000 km, whichever is the earlier.

10. Ms Gayler's leave entitlements equate to those of public servants. See also 6 above.

11. See 1-10 above.