HOUSE OF ASSEMBLY

Wednesday 15 February 1989

The SPEAKER (Hon. J.P. Trainer) took the Chair at 2 p.m. and read prayers.

MINISTERIAL STATEMENT: Mr TERRY CAMERON

The Hon. J.C. BANNON (Premier): I seek leave to make a statement.

Leave granted.

The Hon. J.C. BANNON: My statement concerns questions asked in this House relating to the activities of Mr T.G. Cameron. On 7 April 1988 I was asked a question seeking an investigation into alleged activities of Mr T.G. Cameron in the building industry. On 12 April 1988 the matter was referred to the commercial division of the Department of Public and Consumer Affairs for investigation through normal procedures by the Secretary to the Minister of Consumer Affairs. As no further report was made to me or to the Minister, a reasonable assumption was drawn that there was no need for further follow-up. I am now advised that the following action took place.

Mr K. Smith, an investigation officer with the department, was requested to conduct an investigation. On 27 May 1988 Mr Smith prepared an interim report to the Acting Senior Registrar giving details of information obtained to that date. Mr Smith requested that he be given more time to investigate the matter and prepare a full and comprehensive report. The Acting Senior Assistant Registrar undertook some further investigations and attempted to undertake a comprehensive search of all departmental records. As the information relating to the matter was not readily available, delays occurred.

The matter of the report was raised with the Acting Senior Assistant Registrar on occasions by normal reviewing procedures. At no stage was the Minister of Consumer Affairs, the Commissioner for Consumer Affairs or the manager of the division made aware of the issue or of the delays which had occurred in the preparation of the report.

Members interjecting:

The SPEAKER Order!

The Hon. J.C. BANNON: The Commissioner regrets these delays and has instituted measures to ensure that all matters will be fully investigated immediately. I have also asked the Commissioner for Public Employment to undertake an investigation into the procedures followed by the commercial division of the Department of Public and Consumer Affairs and any reason for the delay in following up the interim report of the investigating officer and failure to notify the manager of the division, the Commissioner for Consumer Affairs and the Minister of Consumer Affairs.

QUESTION TIME

EQUITICORP INTERNATIONAL

The Hon. J.L. CASHMORE (Coles): My question is to the Premier. Has Beneficial Finance Limited also made loans to Equiticorp which take the State Bank group's total exposure to $105 million, as reported in this morning's *Sydney Morning Herald* and Melbourne *Age*? What currently is the total provision for loan losses in the group's accounts, and what increase has there been in this provision since the end of the last financial year?

The Hon. J.C. BANNON: It is a relevant question; it is one which in fact my colleague the member for Adelaide had indicated that he intended to ask, so obviously the—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: Obviously the member for Coles is on the same track, and I can understand her asking the question. I, too, saw the headline in this morning's *Age* 'Equiticorp owes SA State Bank more than $100 million'. In fact, as I stated yesterday, it would be improper for me to expose the nature or extent of the bank's relationship with its customers. That has been made quite clear by the bank itself, and the bank is well able to defend itself in that respect against the attacks of the Opposition. However, I did—

The Hon. J.L. Cashmore interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: I did indicate that the exposure was significantly less than the figure of $100 million which had been put about, and repeated again in this article. The story this morning, of course, made the mistake of treating as lending transactions what were in fact quite legitimate asset purchasing transactions of Southstate and, to a lesser degree, Beneficial Finance. In both cases, Southstate and Beneficial, as the articles note, purchased a package of loans which Equiticorp had made to various companies and individuals. These, in fact, were productive assets of Equiticorp which were disposed of prior to the receivership of Equiticorp. Southstate and Beneficial, therefore, have a direct recourse to the companies and the individuals involved. In other words, the situation is as if they had made the loans themselves—no relationship with Equiticorp is involved, nor is Equiticorp's receivership a relevant factor in its relationship to its clients.

The Hon. J.L. Cashmore interjecting:

The Hon. J.C. BANNON: The transactions referred to by the various bank officials this morning related to that purchase of assets in the same way as if they purchased a building or any other tangible asset. Those assets, as I understand it, are secured assets—

The Hon. J.L. Cashmore interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: —which, Mr Speaker, are an appropriate—

The SPEAKER: Order! The Premier will resume his seat. Interjections of the repeated nature of those coming from the member for Coles are particularly out of order. The honourable Premier.

The Hon. J.C. BANNON: The member for Coles is trying to draw me into debate, Mr Speaker. I am answering the question, and I wish she would listen. In her new capacity she obviously has quite a lot to learn—because, apparently, as her question indicates, for instance, she was not very clear. I would make the point that any of this information would have been made available by the bank if the honourable member had contacted the bank on it.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: And I am told by the bank that that invitation is open. I might revert to the point I was making yesterday, that in this whole area what we are concerned with is the bottom line—the profitable performance of an institution. Certainly, if a totally conservative lending policy is maintained, we probably do not get as high a level of bad debt because the risk is lower, but we also get far less profit. The fact is that, providing there is

prudent provision for risk—in other words, anticipated loss—the viability of the institution is in no way affected.

I draw the attention of the House to the fact that the State Bank yesterday announced a half-yearly profit of $50 million—an increase of 33 per cent on its performance last year. External auditors to the bank have assured the bank that its management of the group's loan loss provisions are more than adequate to cover any loss that may occur. I refer the honourable member to the remarks I made yesterday when I pointed out that, as a ratio to profit, the State Bank's record in relation to debt is far superior to that of any of the other major trading banks.

Members interjecting:

The SPEAKER: Order!

ROADWORKS

Mr DUIGAN (Adelaide): Will the Minister of Transport say what is the reason for the delay on the construction of the railway overpass on Park Terrace? The Minister would be aware of the continuing—

Members interjecting:

The SPEAKER: Order! The Chair is having a great deal of difficulty in hearing the question of the member for Adelaide because of interjections coming from my left. The honourable member for Adelaide.

Mr DUIGAN: The Minister would be aware of the continuing representations I and others have made to him about the completion of the Adelaide ring route. Part of that route on the western side includes Park Terrace. For some years now two huge mounds of soil have been sitting on either side of the proposed bridge. Barton Terrace has been closed, Railway Terrace has been realigned, and allocations have been made in the past two budgets all in anticipation of the bridge being built. However, nothing appears to have happened and there is now increasing local residents' concern which has been fuelled by press speculation that the project has been either dropped or postponed.

The Hon. G.F. KENEALLY: I can assure the honourable member that the project has been neither delayed nor abandoned. Some problems have arisen because of the complex technicalities involved in the planning of the bridge construction itself. Those matters have been resolved and I am happy to give the honourable member and the House an update on the whole project. Regarding stage 1, Main North Road to Hawker Street, the conversion of Park Terrace/Fitzroy Terrace to a four lane dual carriageway with service roads was completed during 1986-87. I can understand the anxiety of the honourable member's constituents as to when that whole project will be completed.

Stage 2, from Hawker Street to Port Road, involves the elimination of the North Adelaide railway crossing by the construction of a bridge over the main north railway lines. A contract for the supply and delivery of 161 prestressed concrete piles for the bridge foundations was awarded in February 1988 and deliveries were completed in July 1988. The contract for the bridge was awarded to McConnell Dowell Constructors (Australia) Pty Ltd in January 1989, and bridge works are expected to be completed by April 1990. It is intended to complete the roadworks, using departmental resources, by June 1990.

The overall cost of the project is estimated at $9.8 million, with funds from both State and Federal sources. There will be a third stage, and that will be from Port Road to Manton Street. The planning work is proceeding on the upgrading of Adam Street from Port Road to Manton Street. This work is included in the north-west ring route project, which involves the upgrading of Fitzroy Terrace and Park Terrace, Bowden. The improvement of Adam Street to four lanes with additional lanes provided for turning movements at both Port Road and Manton Street will require land from the site set aside for the development of an entertainment centre at Hindmarsh, recently announced by the Premier—and welcomed, I must say, by the electorate of South Australia.

Negotiations are in progress with the Lands Department to acquire the necessary land. The proposed roadworks have been discussed with the Thebarton and Hindmarsh councils and it is intended to display a plan of the work during 1989. My colleagues, the members for Peake and Spence, will be happy that the work in their electorates is now well and truly on the planning board.

The road improvements will facilitate access between Grange Road and the city and allow the reintroduction of right turning from both Park Terrace and Adam Street into Port Road. This has been complex and important road construction work that will provide ready access to the western, eastern and northern suburbs and enable some traffic to by-pass the city of Adelaide. It will thus bring welcome relief to the many commuters who use the network of roads and be a welcome acquisition to that network in Adelaide.

EQUITICORP INTERNATIONAL

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): Was the Managing Director of the State Bank (Mr Marcus Clark) a director of Equiticorp when the bank made loans to the failed group and, if he was, what action did he take to avoid any potential for a conflict of interest? This question is raised in view of continuing press and media speculation about links between the State Bank and Equiticorp. In the *Financial Review* of 24 January, Chanticleer quoted Mr Marcus Clark as saying that he had resigned as a director of Equiticorp last year because the State Bank had started doing business in New Zealand and he considered that there was a conflict of interest.

As recently as this morning, on ABC Radio's Keith Conlon program, Mr Trevor Sykes (Editor in Chief of *Australian Business Magazine*) said that State Bank loans to Equiticorp had not been prudent. He described Equiticorp as a 'paper-castle' which he had never been able to understand, and he said this of Mr Marcus Clarke: 'He had been something of an admirer of Alan Hawkins, the man who created Equiticorp, way back in the days when Tim was at the Commercial Bank of Australia, and had followed him, so it is no great surprise to find that the State Bank did have some money there with Equiticorp.'

The Hon. J.C. BANNON: I know that the Opposition has been feeling around the edges of this question and I am glad that it has finally brought it out into the open and made clear that among other things its target is Mr Marcus Clark. I am sure that South Australians will be delighted to hear that.

Members interjecting:

The SPEAKER: Order! I call the House to order. The honourable Premier.

The Hon. J.C. BANNON: I did not hear the interview referred to and I hope that the Deputy Leader is quoting it accurately and in context, although I sincerely doubt it. Many people are wise after the event in relation to Equiticorp. It is all very well to say that the State Bank in being involved was not being prudent. In that case, one is pointing the finger at just about every other major bank in the

country that has some involvement or other, especially the ANZ and the Bank of New Zealand. The State Bank of South Australia is not using taxpayers' money: it is using the money of its clients. There is a total lack of understanding on this matter. We, the people of South Australia, own the State Bank. Its funds have been contributed by its client base. It is using its commercial clients' funds in order to make more money. In doing that it is doing nothing different from what is being done by the ANZ Bank or any other bank in that respect.

Let us come back to the issue. It is all very well to be wise after the event concerning Equiticorp. True, Mr Clark himself has told me that, dating back to his period as Managing Director of the Commercial Bank of Australia, he was the person who effected the amalgamation arrangements between the CBA and the Bank of New South Wales to create Westpac, and he came to South Australia with those credentials. Incidentally, he is also a man with a record in retailing, banking and business generally which is regarded as among the top in this country and which has been recognised in all sorts of ways.

It was announced quite recently that Mr Clark had been appointed Chairman of the combined General Motors/Toyota car exercise, an appointment which emanated from the boards in Tokyo and Detroit respectively in recognition of Mr Clark's prominence as a leading businessman in this country. It is an interesting target that the Opposition has chosen, but it is an unsatisfactory one.

Let me go back. At the time that Mr Clark was with CBA he did have business dealings with Mr Hawkins of Equiticorp. In fact, he developed a high regard for Mr Hawkins and he was involved with boards in Mr Hawkins' company, including Equiticorp. When the State Bank made any decisions about initial loans to that corporation—and it would have been approached in the normal banking way (as a number of banks were) by part of the consortia as a regular commercial dealing—as Managing Director of the State Bank and at that time a director of Equiticorp, Mr Clark, in order to avoid any conflict of interest, took no part in any of those situations. He withdrew his chair, as is the appropriate way.

As that relationship developed and when the purchase of Southstate took place—a matter which I covered a minute ago—Mr Clark felt that, despite his quite legitimate course of declaring an interest, it had reached a point where he believed it would be better for him to withdraw totally from the board of Equiticorp. In the middle of last year, Mr Clark decided that the conflict of interest had reached the stage where he should not continue as an Equiticorp director and he resigned. He has no further connection with that company.

HOSPICE CARE

Mr RANN (Briggs): Will the Minister of Health say whether the State Government believes that hospice care beds should be made available in the northern suburbs? Will the Minister advise the House on the progress to improve hospice care in the Salisbury and Elizabeth areas?

The Hon. F.T. BLEVINS: I am very happy to do so.

Members interjecting:

The SPEAKER: Order! The honourable Minister.

The Hon. F.T. BLEVINS: Thank you, Mr Speaker. I thank the member for Briggs for his question. It is certainly an area of medicine that is enjoying increasing interest in the community. It is an area where the Government has had a very good record since it came to office, and I am pleased to be part of improving that record. Certainly, in that region it is an issue of interest to not only the member for Briggs because it has also been an issue for the member for Elizabeth. However, before both those members get swelled heads, let me say that it has pre-eminently and most effectively been an issue involving the Minister of Housing and Construction.

The Minister of Housing and Construction consistently made my predecessor and I aware of the needs of the northern region—on this issue and others. Indeed, he has kept Cabinet constantly informed of the needs of this region on this issue. There was an interjection from one of what I suppose we could call the three wise monkeys on the front bench opposite. Of course, none of them is a member of shadow Cabinet any longer but, rather patronisingly I suppose, the Leader has allowed them to keep their chairs on the front bench as some kind of consolation prize. One of them interjected, 'What about Kalyra?' I am happy to debate Kalyra, but I suggest that anyone with an interest in this matter—other than yelling interjections across the floor—ought to make an appointment to see Daw House, which is the replacement for Kalyra. If members did that, I think they would all be impressed. It is a very good facility; not only is the facility first class but the atmosphere and staff do credit to that difficult area of medicine.

Also, I was very pleased, when opening that facility, to talk to Professor Ian Maddocks whom this Government has assisted in appointing to the Chair of Palliative Care at Flinders University. I am advised that we are in the forefront in this area in Australia.

There is no doubt that further facilities are required in the north. As a cooperative venture between the Lyell McEwin and the Modbury Hospitals a team was established comprising a full-time coordinator, a full-time secretary, three visiting medical sessions at the Lyell McEwin Hospital, three visiting medical sessions at the Modbury Hospital, and a full-time palliative care sister at both the Modbury and Lyell McEwin Hospitals.

The Government has also made available $100 000 in a full year for the appointment of a half-time speech pathologist, a half-time dietician and two paramedical aides to extend the northern palliative care team. Incidentally, funds have also been provided for a couple of motor vehicles. The specific number of hospice care beds in the north is difficult to establish at present, although terminally ill patients are taken care of at both the Modbury and Lyell McEwin Hospitals. A major building program is being undertaken at the Lyell McEwin Hospital, as all members would know. It is a superb building program. When stage 2 is completed there will be additional beds in the hospital, and it is the Government's intention that some of those beds be dedicated for hospice patients. It is not possible to do that before the completion of stage 2, but discussions are taking place to ensure that that is done.

I hope that the member for Briggs and other members who have an interest in the area will relay to their constituents the Government's concern for the provision of hospice services and the Government's appreciation of the way in which various members have constantly brought this matter to its attention.

So that members do not think we are in any way stalling, I now inform the House of some dates. The establishment of the four to six dedicated beds is to be considered by the Lyell McEwin Patient Care Committee tomorrow, that is, 16 February. Also, I understand it will be considered by the board of directors at its next meeting on 2 March 1989. In summary, people in the northern areas of Adelaide can rest

assured that the Government is doing everything possible to meet their hospice needs.

Mr TERRY CAMERON

Mr OLSEN (Leader of the Opposition): I direct my question to the Premier. Will the Government accept responsibility and ensure that there is a full investigation of direct evidence that Mr Cameron was involved in illegal practices in the building industry? The Premier told the House yesterday there was no basis for these allegations that we had put before the House. However, within the last 24 hours the Opposition has been provided with further evidence to prove them.

For example, I refer to an application for approval of building work in the Willunga district council area. It is council reference number 6638 and was for the construction of a dwelling at Lot 237 Hamilton Road, Aldinga Beach. The application nominates Mr Cameron of 6 Kent Avenue, Hawthorn, as the owner-builder of the house. For Mr Cameron to have complied with the provisions of the Builders Licensing Act applying at the time this house was constructed, he would have had to build it for his own use and occupation. There is no evidence to support that.

This morning the Opposition also has seen other building applications which demonstrate a systematic evasion of building laws by Mr Cameron. This is evidence that the Government could and should have investigated when this matter was first raised almost a year ago, but it has failed to do so.

The Hon. J.C. BANNON: I refer the Leader of the Opposition to the statement I made at the commencement of Question Time. His question is asked as though that statement had not been made, because it covers precisely—

Mr Olsen: Twelve months ago you said you'd investigate it and nothing happened.

The SPEAKER: Order!

The Hon. J.C. BANNON: —and exactly the issues he has raised. I can only restate that the Commissioner for Consumer Affairs has advised that the matter is being followed up as a matter of urgency.

Members interjecting:

The SPEAKER: Order!

THIRD PARTY APPEALS

Mr HAMILTON (Albert Park): Will the Minister of Marine advise what measure the Government has taken and will be taking, and the expected timetable, to introduce and pass the appropriate legislation to ensure that West Lakes residents are provided with third party rights of appeal entitlements? I have been approached by West Lakes residents and members of Lakespeace Incorporated on the question of third party rights of appeal for West Lakes residents. The Minister would be aware that on 13 January I wrote to him, stating in part:

> In supporting Lakespeace Incorporated's request for appeal rights, I believe that this matter should be urgently addressed given that other matters which may impact directly upon West Lakes residents can occur.
>
> Therefore until such times as amending legislation comes into effect, my West Lakes constituents are still being effectively denied third party rights of appeal. Whilst appreciating the need for consultation with other groups in the community, I believe that the Government should act promptly even if it means calling together the appropriate interested bodies so as to bring this to a speedy and final conclusion.

It is this correspondence as well as recent events at West Lakes that has prompted West Lakes residents and Lakespeace Incorporated to again contact me on this matter, hence my raising this question in this place today.

The Hon. R.J. GREGORY: I thank the member for Albert Park for his question, as the matter raised by him is of some interest and concern to the residents of West Lakes. A meeting has been held between officers of the Department of Marine and Harbors, Delfin Realty and the Woodville council regarding the future of the West Lakes indenture and the application of third party appeal rights in planning processes. The first meeting has been held, a tentative timetable has been agreed and further work is being done to ensure that, when this right is given, unintended consequences do not occur. It is anticipated that these rights of appeal should be available by 1 July this year.

Mr TERRY CAMERON

Mr S.J. BAKER (Mitcham): Will the Premier ensure that the Department of Public and Consumer Affairs investigates further evidence that the ALP State Secretary, far from not being involved with the building industry for four or five years (as he has suggested to the media during the past 24 hours), was as recently as a year ago involved in the sale of homes built in the Port Willunga area? The Opposition has received confirmation that a Cameron built home at Port Willunga was sold within the past 12 months, with proceeds from the sale going to Mr Cameron. The address of the property is 20 Belair Avenue, Port Willunga. We also have been informed that other Cameron built homes sold much more recently than four or five years ago are located at Zephyr Terrace and Butterworth Road in the same region. Will the Premier investigate?

The Hon. J.C. BANNON: I suggest that any of these matters or allegations of the Opposition be forwarded to the Commissioner for Consumer Affairs and they will be drawn into the investigation. The invitation is there. I suggest that it be done as soon as possible as it is in everyone's interest that the matter be cleared up.

Members interjecting:

The SPEAKER: Order!

Mr Lewis interjecting:

The SPEAKER: Order! For a member to interject half a second after the Chair has called the House to order is very close to defiance of the Chair. The honourable member for Mitchell.

SOUTH AUSTRALIAN YOUTH TRAINING CENTRE

The Hon. R.G. PAYNE (Mitchell): Will the Minister of Community Welfare explain the situation regarding the industrial dispute at the South Australian Youth Training Centre? There has been some press coverage of what has been described as a problem of an industrial nature at the South Australian Youth Training Centre, and some fairly erroneous and inaccurate comments on this matter have been made by one of the grab bag of shadow Ministers in another place.

Members interjecting:

Mr GUNN: On a point of order, Mr Speaker. In asking his question, the member for Mitchell has reflected on members of another place. That is unparliamentary and, therefore, no doubt the question is out of order.

Members interjecting:

The SPEAKER: Order! In order that the matter can be clarified, will the honourable member for Mitchell repeat his question?

Members interjecting:

The SPEAKER: Order! The Chair has asked the honourable member for Mitchell to repeat his question. The Chair has not asked for interjections from the honourable Deputy Leader.

The Hon. R.G. PAYNE: My question was: will the Minister of Community Welfare explain the situation regarding the industrial dispute at the South Australian Youth Training Centre? Recently there has been some comment and coverage in the press that there is a problem or an industrial dispute at the South Australian Youth Training Centre, and there has also been comment by one of the grab bag of shadow Ministers in the other place, erroneously, on this matter.

Members interjecting:

The SPEAKER: Order! It may be possible by consulting with *Hansard* tomorrow to establish exactly what was said or what was not said. I think it is a complete waste of the time of the House, and I call upon the Minister to reply.

The Hon. S.M. LENEHAN: There have been and there continue to be bans placed at the South Australian Youth Training Centre. With respect to these bans, I understand that this afternoon a compulsory conference will be heard between the parties in the Industrial Commission. However, I want to take this opportunity to set the record straight about just exactly what is involved. People may well have read in the media that the shadow Minister of my portfolio has made certain claims about one of the inmates of the South Australian Youth Training Centre. I want to put on the record what we are talking about.

We are talking about a 15-year-old boy who is very small in stature and who has been assessed, like every other young offender admitted to SAYTC. The assessment was done by a departmental supervisor, and a further assessment was undertaken by a professional assessment panel. I understand that the boy's needs were assessed in the same way that all boys of similar needs and similar problems have been assessed on their admission to SAYTC. This boy has been labelled in the community and throughout the institution as being extremely violent. I find it quite offensive that this young person, without any opportunity to defend himself, has been labelled by the shadow Minister. However, what has happened is that a small number of staff have decided that they want this young person placed in unit 4. I acknowledge that the community and this Parliament may not understand what unit 4 is. Unit 4 is the most secure unit. However, I might say that he is now in unit 2.

Members interjecting:

The Hon. S.M. LENEHAN: Well, I just want to make sure that everyone understands what the circumstances are. Unit 4 is the most secure unit, with a program designed for older, tougher and more violent juvenile offenders. There is absolutely nothing in this boy's behaviour or in the assessment to warrant his placement in this unit. In fact, what would be happening is that we would be fast tracking this 15-year-old to the end, if you like, of the youth detention system. Because of the comments which have been made publicly in the media and which have introduced racial overtones into this whole discussion, I can only make the assumption—and it has been put to me by a number of sources, including the media—that Party political motivation has been involved in this issue.

I am concerned to get this on the public record. I want to make very clear that this young man will not be treated any differently from anyone else in the centre because of the colour of his skin, and I think that it is grossly inappropriate that the shadow Minister should start to talk to the media about differential treatment for detainees in these youth detention centres on the basis of their colour or their race. I call on the Opposition to adopt a bipartisan approach to the proper—

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: —detention for these young people. I will not be browbeaten into forcing this child into a particular unit which is not appropriate for him and which I believe would be detrimental to him, and I will not be stood over by a small number of residential care workers who have engendered fear about this young person throughout the institution. I will not be party to the labelling of a 15-year-old who is in my care and custody.

Mr TERRY CAMERON

The Hon. B.C. EASTICK (Light): I direct my question to the Premier. As the person who promised to this House on 7 April last to look into allegations against Mr Cameron, does he accept personal responsibility for the failures revealed in his ministerial statement this afternoon or does he hold public servants responsible? Further evidence that this was a public issue is contained in a prominent report in the *Advertiser* of 18 January, under the heading 'Union offer puts ALP secretary on the spot,' under Deborah Cornwall's byline. It refers to commitments by a key left union to rejoin the ALP if Mr Cameron agreed to answer allegations made in State Parliament that he abused his position as a former union official. The report quoted a union official, Mr Carslake, as saying:

> Ten months have gone by and neither Mr Bannon nor Mr Cameron has seen fit to reply despite the fact that Mr Cameron holds one of the most powerful positions in the State Labor Party.

The Hon. J.C. BANNON: I did not see the article referred to, as I was on leave at the time.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: I am not aware of any approach from Mr Carslake or anyone else asking what had happened; so, if 10 months had gone by and Mr Carslake was so concerned about it, he should have approached my office and asked what was going on. True, I said in my ministerial statement, when I responded on 7 April, that I would look at that issue. I did not promise a report back to the House: if I had done so and the time had gone by, I think it would be quite fair to level strictures at me. I said I would look at it.

The Hon. J.L. Cashmore interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: Yes, I was careful not to say that, because I did not know whether there was any basis in the matter. In my ministerial statement I said, 'As no further report was made to me from the Minister, a reasonable assumption was drawn that there was no need for further follow-up.' As it turned out, however, there should have been follow-up.

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat for a moment. It is reasonable for the Chair to surmise from the number of questions on this subject that the House has an interest in hearing replies on this matter. I therefore ask the House to come to order and extend courtesy to the Premier while he is making his reply. The honourable Premier.

The Hon. J.C. BANNON: To the extent that the follow-up procedures in my office did not provide an updated report, I have to take some responsibility. Let me again quote from my ministerial statement:

> I have asked the Commissioner for Public Employment to undertake an investigation into the procedures followed by the Commercial Division of the department ... and the failure to notify either the Manager of the commission or the Minister of Consumer Affairs of the matters under investigation.

That covers all matters. I suggest that they were adequately covered in my ministerial statement. Indeed, none of the questions asked have raised new material: they have simply raised opportunities to put into the *Hansard* record further allegations and, if the Opposition wishes to use that tactic, that is fine. I hope that any of these matters would be forwarded as rapidly as possible to the Commissioner to be added to the investigation that is taking place at this very moment.

LAND AVAILABILITY

Ms GAYLER (Newland): Will the Minister for Environment and Planning say whether metropolitan Adelaide is experiencing problems concerning the supply of residential land comparable with those of other capital cities and, if such problems are not being experienced, why not? The Prime Minister's summit meeting with the Premiers will be held on 3 March to consider the issues of housing and urban land supply. Recent media reports suggest that the metropolitan Adelaide situation is vastly different from that on the eastern seaboard.

The Hon. D.J. HOPGOOD: There is never room for complacency regarding land availability, but the short answer to the question is 'No, we appear not to be suffering from the same problems of land availability as have occurred in the Eastern States.' That also seems to reflect the fact that the downturn and problems in the building industry experienced recently in the Eastern States do not appear at this stage to be biting too deeply in South Australia, and I hope that that situation can continue. Perhaps I should take this opportunity to indicate to members what is the position concerning the supply of allotments and the performance of the Urban Land Trust and the private building sector in this area.

True, the supply of serviced allotments has remained relatively tight since 1987 and I have been drawing to the attention of developers the need to produce more allotments. The stock of allotments available comprises about 2 000 held by developers and another 12 000 allotments held by private individuals. However, it is always difficult to ascertain what percentage of such allotments is immediately available for house building.

Developers produced 3 444 lots in 1987-88, but that production increased substantially in the September and December quarters of 1988. During the last six months of 1988, about 2 500 lots were produced and this has resulted in production keeping up with the increased rate of use for home building. Recently, the Government has endorsed an increase in the land development program for Golden Grove from 700 to 900 lots a year. We are looking for the early release of blocks in other areas, and in some cases this has already occurred. Indeed, at Craigmore 110 hectares was sold in 1988 and this will eventually accommodate 1 200 blocks. An application to divide part of this land into 99 allotments has already been received.

At Seaford, 900 hectares of proposed residential land is to be released to accommodate about 10 000 dwellings. At Northfield, 110 hectares of land proposed for residential use will accommodate 5 000 dwellings. Of course, there is the continuing problem of ensuring that the instrumentalities are properly geared up so that the servicing of this land is possible. We have regular meetings with them and with private developers to ensure that they can keep up with the demand.

ATTORNEY-GENERAL'S DEPARTMENT

The Hon. D.C. WOTTON (Heysen): Will the Premier say why there is to be a major restructuring at the senior officer level in the Attorney-General's Department and what will be the additional costs associated with that restructuring? The Crown Solicitor, Ms Branson, is soon to be moved to a new position. I understand it will be called 'Crown Counsel'. The current Deputy Crown Solicitor, Mr Kelly, then will become Chief Executive Officer of the department. The Opposition has been told that these moves have been made necessary as a result of serious dissatisfaction relating to poor administration of the department. This culminated in six senior lawyers threatening to resign—a threat averted only with the offer of significant salary increases at the expense of blowing the department's budget. Over the past four years, recurrent spending—

Members interjecting:

The SPEAKER: Order! The member for Heysen should be allowed to ask his question in relative silence.

The Hon. D.C. WOTTON: Over the past four years, recurrent spending by the department has increased by 97 per cent and the events I am now revealing to the House will place an even greater burden on taxpayers because the Government has failed to ensure that the department is effectively administered. Over the past four years the department also has grown in size by 60 positions, but even with these extra resources the department has been unable to handle all of its responsibilities. The Opposition also has been made aware of continuing concerns about a massive blow-out in the cost of implementing the justice information system. Initially, the approved cost of the JIS system was $14 million, but the Auditor-General has raised the possibility that its final cost may exceed $50 million.

The SPEAKER: Order! I remind the journalists in the Gallery that certain guidelines have been laid down as to what may and may not be filmed. The honourable Premier.

The Hon. J.C. BANNON: Thank you, Mr Speaker. I found the honourable member's explanation to be somewhat curious: he asked whether this move will involve extra cost, but in his explanation he assured us that there would be massive increases in cost, and so on. Either he is asking a question or he is not. I do not think that he is the shadow Attorney-General's helper. Obviously, the information was supplied by Mr Griffin and, therefore, I am not surprised at some of the innuendo contained in it. The situation is a simple one indeed. The present structure of the Attorney-General's Department has the Crown Solicitor acting as not only Crown Solicitor in the sense of providing and supervising legal opinions on matters for the Government but also as Chief Executive Officer of the department.

The honourable member would be fully aware of the provisions of the new Government Management Act and the way in which it operates in relation to CEOs and their particular responsibilities. Of course, this has been in operation since 1985. The Crown Solicitor currently holds both of those positions. In previous times there was some division of administrative responsibilities in the department so that the position of Crown Solicitor and the legal opinion work were not mixed up, as it were, with the administrative load.

The current situation is that Ms Branson is both the Crown Solicitor and the CEO of the department. The proposal is that Ms Branson will remain Crown Solicitor and not be transferred, her position renamed or anything of that nature. That is her substantive position and that is the role that she will carry out. However, in order to have more time to concentrate on the ever more complex legal advice in various areas, she will not be required to actually administer the department. A CEO will be appointed to that position. In fact, the present Deputy Crown Solicitor will become the Chief Executive Officer of the department. Effectively, no new position has been created and, therefore, no major cost can possibly be incurred. So, the honourable member is wrong in those assumptions.

It is believed that the new arrangements will be very beneficial in terms of the advice on legal matters that the Government receives and in relation to the organisation of the Attorney-General's Department. Such dissatisfaction as there is may well relate to salary matters because it is quite clear, as again the honourable member might be aware, that the present market for lawyers is very tight indeed. People just out of law school are commanding quite amazing salaries at the moment, whereas only five years ago one was struggling to get articles when one graduated from law school. There has been a complete turnaround in terms of demand for lawyers. That means that in fact—

An honourable member interjecting:

The Hon. J.C. BANNON: Well, the former teacher asks about the outside world.

The SPEAKER: Order!

The Hon. J.C. BANNON: It means that there is very severe competition from the private sector for legal resources which, in some way, the Government must have some regard to. It is a problem not only in South Australia but Australia-wide and at Federal Government level. In fact, we have an extremely professional, highly skilled Crown Law Department in South Australia, and I certainly hope that we will retain the people that we have advising us.

As to the increase in resources that has been provided over the years, I invite the honourable member to track back through proceedings of the Estimates Committees where he will see at each point an explanation, which allows him to use those crude figures, of why and how the reorganisation has taken place. Finally, a word of warning: don't rely on your colleague, Trevor Griffin. Check a few things out yourself.

The SPEAKER: Order! Members in the other place should be referred to as the 'honourable'.

The Hon. J.C. BANNON: Sorry, the Hon. Trevor Griffin.

FLAGSTAFF ROAD

Mr TYLER (Fisher): Will the Minister of Transport inform the House of the success of the reverse flow lane trial that was conducted on Flagstaff Road? Will the Minister inform the House whether the Government has any plans to upgrade this important road? As members will be aware, reverse flow lanes started operating on Flagstaff Road on a trial basis in the last quarter of 1988. Constituents have inundated me with support for this traffic management scheme and they have asked that it be made permanent. Also, my constituents argue that, now that this important road has been taken from the Happy Valley council by the Highways Department, the department should upgrade it.

The Hon. G.F. KENEALLY: I thank the honourable member for his question and compliment him on the role that he and his colleagues who represent that part of the South Australian electorate are playing in terms of transport facilities for the southern region. I will give the House and the honourable member a report on Flagstaff Road and on the reverse flow lane trial that occurred on that road.

The supplementary development plan of metropolitan Adelaide authorised in 1985 included Flagstaff Road as a proposed arterial road. This section of road was subsequently included in the southern region transport plan for upgrading in the first stage of that plan. Survey work has been undertaken and planning work commenced to define the works required.

A preliminary design for the southern section (that is, Salvador Street to Black Road) to identify in detail the impacts of upgrading this section has almost been completed. Two options for improvement have been identified—first, a four lane median-divided road and, secondly, an upgraded undivided road.

The reverse flow lane trial, which the honourable member was so instrumental in having put in place and to which he has referred, for the section between Bonneyview Road and South Road, has been completed. The trial used the three existing lanes, with the centre one being used in the morning peak period as a second downhill or northbound lane, reverting to its current use as an uphill lane outside that period. The trial has proven that the use of reverse flow lanes on this road is successful in reducing peak period travel times. Work is currently in hand to make this a permanent arrangement by the installation of overhead lane control signals on gantries.

I have asked the Highways Department to look at other heavy traffic roads within the metropolitan area to identify those on which reverse flow would be an advantage to commuters. Negotiations to acquire land on the north-eastern corner of the intersection of South Road and Flagstaff Road—that is, the Darlington intersection—have commenced to provide an additional lane. The Government remains concerned and committed to improving the traffic flow through that bottleneck at the Darlington intersection for the people who live in the southern areas of metropolitan Adelaide.

DROUGHT RELIEF

Mr BLACKER (Flinders): Will the Minister of Agriculture outline to the House the effect of the Government's reluctance to declare Eyre Peninsula a drought affected area with respect to the tax deductibility of proceeds of stock required to be sold because of the drought conditions? It has been raised publicly that stock required to be sold by persons affected by the drought are not to be considered as tax deductible on the basis that the area is not a declared drought area. This question was raised recently on radio when it was inplied that, unless the area is declared a drought area, all stock sold for humanitarian reasons and for the protection of the land will be considered as income and therefore will not be tax deductible.

The Hon. M.K. MAYES: It is probably up to each State Commissioner of Taxation to make a ruling. I am happy to take up the matter and have it clarified with regard to the rulings being adopted in each State and by Canberra. Certainly if there is a problem I will be more than happy to reinforce the statements I made earlier and to pursue the matter with both the Taxation Department and the Federal Minister to ascertain what can be done to sort out the situation.

Financial assistance is available under the terms of the agreement that exists between the Commonwealth and the

States, but they would be better helped under the arrangements for rural assistance because of the flexibility. If the people of Eyre Peninsula are being confronted with this problem, I will take up the matter urgently. I thank the member for Flinders for raising it today. I will pursue it immediately to see what can be done with respect to the taxation issue, and how it is being interpreted locally, nationally and in the other States.

GLENELG SANDBAR

Mr ROBERTSON (Bright): Will the Minister of Marine advise whether the Department of Marine and Harbors is responsible for the removal of the sandbar at Glenelg? Recent publicity, generated by the member for Morphett and a small number of boatowners, called on the Government to remove the sandbar. However, it has been put to me that the sandbar is the responsibility of the Glenelg council. It has also been put to me by former members of the Glenelg residents group, formerly known as 'I Rate', that the publicity stunt carried out by the member for Morphett was originally dreamed up by members of I Rate in 1979 and carried out by its members in the summer of 1978-79—10 years ago.

The Hon. R.J. GREGORY: I thank the member for Bright for his question. The sandbar is not something new. In all probability Captain Hindmarsh ran into it in 1836. The member for Hanson in 1972 persuaded his secretary to don a very brief bathing suit and appear with him on the sandbar while he consulted constituents. I admired the honourable member's choice of secretary at that time. I am sure that she could type. However, the sandbar has been there for a long time.

Members interjecting:

The Hon. R.J. GREGORY: Do members want me to start again? Glenelg corporation sought from the Department of Marine and Harbors (then known as the Harbors Board) control of the lock, the weir, the boat harbor and the charge for moorings in the Patawalonga itself. Glenelg corporation was to meet the cost of operation and maintenance without further cost to the Government. In 1958 the South Australian Harbors Board resolved to divest itself of the Patawalonga Creek and foreshore, at the mouth of the creek, as defined in the *Government Gazette* of 24 September 1958 at pages 707 and 708. On 12 November 1959 the Governor signed the withdrawal.

To all intents and purposes the Patawalonga boat haven and boat ramp is operated by a private corporation. It is not operated by the Department of Marine and Harbors. As such the organisation that is providing the facility is responsible for removing any sandbar or obstruction. The department is unable to request the removal of the sandbar as it is not within a natural harbor or a 'harbor' as defined by the Act. However, we can erect warning devices to indicate the depth at the sandbar. It is a problem only when the sea is running in at low tide. The department is considering what can be done to remove the sandbar.

Members interjecting:

The SPEAKER: Order!

The Hon. R.J. GREGORY: It will advise me shortly on methods that the Glenelg corporation could undertake to remove the sandbar if it so wishes. It is not the responsibility of the Department of Marine and Harbors, because it is not operating the facility; it is a private facility. So, that private organisation ought to remove the sandbar if it is creating a problem for its customers.

STAMP DUTIES ACT AMENDMENT BILL

The Hon. T.H. HEMMINGS (Minister of Housing and Construction) obtained leave and introduced a Bill for an Act to amend the Stamp Duties Act 1923. Read a first time.

The Hon. T.H. HEMMINGS: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The Government has concerns regarding two situations in which tenants of the South Australian Housing Trust wishing to purchase either full or part equity of the home they are residing in and as a consequence take advantage of the concessions that apply to all first home buyers, are in fact discriminated against under the current terms of section 71c of the Stamp Duties Act 1923.

The first situation occurs within the Rental Purchase Scheme. This scheme forms part of the South Australian Government's Home Ownership Made Easier Program. The scheme is jointly administered by the South Australian Housing Trust and the State Bank and is designed to assist low income earners to purchase a home. It is a low deposit program (minimum $500) that enables the most marginal low income earners to enter home ownership.

Under the Rental Purchase Scheme, the Housing Trust purchases an approved property on behalf of the purchaser. The purchaser then enters into an Agreement for Sale and Purchase with the Housing Trust. The title of the property remains in the name of the Housing Trust until the purchaser makes the final payment. This reduces costs in times of default and avoids lengthy processes in foreclosing a mortgage.

The Housing Trust has the first option to buy at current market value should the purchaser wish to sell the property at any time. In cases where the Housing Trust does not wish to exercise its options, purchasers may sell the property on the open market.

When property is sold on the open market a double transfer of title occurs, from the Housing Trust to the original purchaser and then to the new purchaser. Under this arrangement, the original purchaser is required to pay the costs associated with the preparation, execution, stamping and registration of the initial memorandum of transfer.

Section 71c of the Stamp Duties Act deals with concessional rates of duty in respect of the purchase of a first home. This section provides for the concessional duty applicant to occupy the dwelling house, the subject of the transfer, as their principal place of residence within 12 months of the date of conveyance. Hence, this section currently precludes those Housing Trust rental purchase clients, selling their properties on the open market, from receiving any concession on stamp duty payments, even though the property in question may have been their principal place of residence for a considerable period of time. These clients are also ineligible for any concession in the future, as they can no longer be classified as first home buyers.

An amendment to section 71c of the Stamp Duties Act is required to ensure that first home buyers purchasing and selling homes on the open market, under the Rental Purchase Scheme, are eligible for stamp duty concession. Such an amendment would be effective from the first day of February 1988, in order to rectify the status of applications rejected since this time.

The second situation occurs within the HOME Trust Shared Ownership Scheme which was established in August 1986. The scheme assists trust tenants to purchase part and eventually all of their trust home in affordable stages. Under this scheme tenants may purchase an initial 25 per cent share of their home at the current house value. Subsequent tenant purchases must be a further minimum 10 per cent of current house value.

Purchasing tenants are able to sell a part or full share in the house at any time. First option to repurchase is currently held by the trust on properties which, due to their design or location, would be difficult to replace. As section 71c of the Stamp Duties Act allows only one exemption for first home buyers up to $50 000, tenants participating in HOME Trust Shared Ownership are eligible for concessions on stamp duty on only the first purchased share as are other first home buyers.

As most purchases under HOME Trust Shared Ownership are less than $50 000, tenants purchasing subsequent shares are disadvantaged by comparison with normal first home buyers purchasing full titles. Tenants participating in this scheme will receive less benefit from stamp duty exemptions than higher income purchasers in the open market. This clearly is not the intention of the Act. Change to the Stamp Duties Act to allow HOME Trust Shared Ownership purchases the same overall benefits as full purchases would add to the scheme's attractiveness and marketability.

Clause 1 is formal.

Clause 2 provides that the measure will be taken to have come into operation on 1 February 1988.

Clause 3 sets out various amendments to section 71c of the principal Act. The first amendment will allow applicants to be in occupation of the dwelling house at the date of the conveyance, instead of the present requirement that they must intend to move into the house. The existing provision has caused difficulties when Housing Trust tenants are selling their interest in the house and moving out. The amendment is of general application as the same problem arises whenever a tenant purchases the house that he or she has been occupying. The second amendment ensures that an interest under an agreement with the Housing Trust relating to the purchase of the particular dwelling house is not considered to be a relevant interest under subsection (1) *(b)*. The third amendment will allow the concession to apply to a series of conveyances under the one agreement for the purchase of a Housing Trust home.

Clause 4 provides that the amendments effected by the measure apply to conveyances lodged with the Commissioner of Stamps on or after 1 February 1988.

Mr BECKER secured the adjournment of the debate.

SUPERANNUATION ACT AMENDMENT BILL

The Hon. F.T. BLEVINS (Minister Assisting the Treasurer) obtained leave and introduced a Bill for an Act to amend the Superannuation Act 1988. Read a first time.

The Hon. F.T. BLEVINS: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The purpose of this Bill is to make a series of technical amendments to the Superannuation Act 1988. The Superannuation Act continues the South Australian Superannuation Fund established for the purpose of providing superannuation benefits to employees of the Government and a large number of the public authorities.

Since the Superannuation Act 1988 came into operation on 1 July 1988, several minor problems have become apparent. The amendments contained in the Bill will ensure the smooth operation of the superannuation schemes. Some clarification is also introduced into certain provisions of the Act.

As well as the amendments dealing with calculations and providing clarification under the Act, there are several others that deal with technical problems associated with more general issues.

It has been recognised that the provisions of the Act do not adequately cater for a situation where an employee under the Government Management and Employment Act resigns to take up employment with, say, the Country Fire Service Board. An amendment is to be made which will enable the contributor to the scheme to remain a member where there is a break in Government service of not more than one month. This will allow a sensible continuation of the employee's membership.

Similarly, the Act does not adequately cater for school teachers who are on a contract for a whole school year and have their contract expire in December. Often these teachers are re-employed on another contract for the school year starting in the following February. An amendment is to be made that will prevent these school teachers being forced to leave the superannuation scheme just because the school year finishes. The intention of the Act is that if you apply to become a member of the scheme and your only employer remains the Government, you shall remain a contributor to the scheme.

An amendment is to be made to section 45 of the Act to enable persons in receipt of an invalidity or retrenchment pension to earn a limited amount of income from outside the Government. The total amount of pension plus other income earned from remunerative activities will be restricted to the amount of salary applicable to the pensioner's position before ceasing duty. This was the situation under the repealed Superannuation Act and the Government believes that a similar provision should apply under the new Act. The amendment will encourage rehabilitation and re-establishment.

The provision under section 46 dealing with the payment of benefits to a lawful and putative spouse is to be amended to make it clear that the Superannuation Board cannot be required to make payment to a spouse where the board has already made payments to another spouse on the basis that that person was the only surviving spouse of the deceased contributor. The provisions will ensure that the board is not liable for two sets of spouse benefits in respect of one contributor.

The Bill introduces a provision to the Act which provides for the appropriation from revenue of the money required to meet the employer costs of the benefits provided under the scheme set up by the Act. The repealed Act had a similar provision to ensure the automatic supply of moneys required to meet the promised benefits under the Act.

Clauses 1 and 2 are formal.

Clause 3 amends section 4 of the principal Act. Paragraph *(a)* amends the definition of 'notional salary' to cater for contributors who are employed part-time or on a casual basis. The amendment made by paragraph *(b)* will allow for exceptions to be made by regulation to the exclusion of accommodation expenses, etc., from the definition of 'salary'. Paragraph *(c)* amends paragraph *(e)* of the definition

of 'salary'. This amendment will allow a contributor who has received higher duties allowance for more than 12 months to have benefits calculated on salary including the higher benefits even though the higher benefits had not been included in salary for the purposes of calculating contributions. This will maintain the position that existed under the repealed Act. Paragraph *(d)* inserts two new subsections into section 4. Subsection (5) sets out a formula for calculating the amount that would be credited to a contributor's account if the contributor had contributed at the standard rate. Without this formula interest accruing on notional contributions over a period of, say, 30 years would have to be calculated. This task, if not impossible, would be far too difficult and time consuming. Subsection (6) ensures that a person who changes jobs from one employer to another in the public sector does not lose his status as a contributor to the fund. It also caters for teachers on contract from year to year. These contracts expire with the school year in December and the contract for the next year does not commence until the commencement of the new school year.

Clause 4 is consequential on the amendment made by clause 12.

Clause 5 tightens section 23 (7). The intention is that before contributions cease a contributor must have accrued contribution points equal to the number of months between entering the scheme and his age of retirement. He must also have at least 360 points. The change affects contributors who joined before the age of 30.

Clause 6 will prevent disability pension and recreation leave or long service leave being paid simultaneously.

Clause 7 adds brackets to the formula in section 34 (2) *(c)*.

Clause 8 makes it clear that a temporary disability pension cannot be paid to a contributor after reaching the age of retirement.

Clause 9 provides for the rate of indexation in section 39 of the principal Act.

Clause 10 will allow a pensioner to earn other income to a level that together with the pension does not exceed his salary before cessation of employment.

Clause 11 clarifies section 46 of the principal Act.

Clause 12 amends section 48 of the principal Act which provides for refunds to a contributor or his estate in certain circumstances. New subsection (1) applies where the original subsection applied but provides also for the case of a contributor who resigned and preserved his entitlement to a pension but dies before the age of retirement leaving no spouse or dependent children. New subsection (3) ensures that where a contributor has contributed at a rate exceeding the standard contribution rate the excess will not be charged with any pension or lump sum previously paid to or on account of the contributor pursuant to subsection (2).

Clause 13 provides for appropriation.

Clause 14 amends clause 6 of schedule 1 to the principal Act.

Clause 15 amends clause 9 of schedule 1.

Clause 16 replaces clause 10 of schedule 1. The new clause provides for the continuation of pensions that commenced under pre-1974 legislation.

The Hon. J.L. CASHMORE secured the adjournment of the debate.

BUSINESS FRANCHISE (PETROLEUM PRODUCTS) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 23 August. Page 446.)

The Hon. J.L. CASHMORE (Coles): After consultation with the industry, the Opposition gives its support to this measure. However, either in his reply to the second reading debate or in Committee we ask that the Premier or, as it appears, the Minister representing the Premier, to indicate the Government's intentions in relation to the future of this Business Franchise (Petroleum Products) Act. In his second reading explanation the Premier referred to the Government's consideration of the repeal of the Act. The industry and the Opposition are looking to the Premier to put some timeframe on when this may occur. It is also seeking an assurance that the $100 licence fee proposed in this Bill will be reduced to $50 when the Act is repealed and the administration costs associated with it consequently are no longer incurred.

There is one other matter that the Opposition wants to raise in considering the doubling of the fee. As the cost is passed on this fee will become another component of motoring costs in South Australia. A detailed analysis shows that the current State Government charges cost the owner of a four cylinder car $344.35 a year, or $6.62 a week, which is a pretty big whack out of an ordinary household budget. This sum of $6.62 a week compares with $3.76 a week in 1982. The rise, which amounts to a 76 per cent increase, is well ahead of the CPI increase over the same period, which is 54 per cent. The components of these costs are third party insurance, which, notwithstanding the undertaking to reduce the fees, currently costs an annual $207 for a four-cylinder car; petrol tax of $70.35 for an average distance travelled in a year; registration, amounting to $49; a driver's licence, costing $15; and stamp duty of $3. That is a fairly big whack out of the ordinary wage earner's pay packet to the Government simply for owning, operating and driving a car over a 12 month period.

The Government's attitude to motoring costs is markedly different from that which applies in Victoria. There, the cost of a driver's licence is $9.50 a year, and motor car registration fees will be abolished from 1 July next year. The annual cost of running a four-cylinder vehicle will therefore be at least $55 less in Victoria than it is in South Australia from the middle of next year. While the Government will claim that per capita taxation in South Australia is less than in Victoria, the gap has narrowed in recent years, and rises associated with imposts on motorists have been one reason for this. When a Government puts up a fee by 100 per cent, one has to look at that 100 per cent increase in the context of other increases, and the fact is that the State Government takes a very hefty percentage of the cost of running a vehicle for the ordinary family every year. This is one small and comparatively simple component; it will be passed on. Every little bit adds a little more to the straws that are starting to break the backs of South Australians when it comes to State taxation and charges. It is with concern that these remarks are made. The Opposition, nevertheless, supports the Bill. We repeat our questions about the repeal of the Act and the undertaking given by the Government to reduce the fee when the Act is repealed.

The Hon. R.J. GREGORY (Minister of Labour): I thank the Opposition for its support. I am very pleased that I am not playing in a football team with members of the Opposition, as I think they would kick the ball in the opposite direction. The continuation of the board and the licence fee is the result of my predecessor wanting to abolish the board. The industry did not want that to happen, and my predecessor indicated that it should be operated without any cost to the Government. The industry agreed to the current fee. I will give no undertaking on anything we are going to do

in respect of this matter. It is something that is desired by the industry. The Government is facilitating that desire, and it will operate with no cost to the Government.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. R.J. GREGORY: I move:

Page 1, line 15—Leave out '1988' and insert '1989'.

Amendment carried.

The Hon. J.L. CASHMORE: I refer the Minister to the Premier's statement in the second reading explanation:

'As the main purpose of the Act has now been completed, and in line with the Government's policy on deregulation, the operation of the Act was reviewed with a view to repealing the legislation.'

Acknowledging the support for the Act to be retained, the industry is looking for an indication from the Government as to when its repeal is envisaged.

The Hon. R.J. GREGORY: The Minister who has responsibility for the Act is not envisaging it at the moment.

The Hon. J.L. CASHMORE: Well, it is one thing for the Premier to indicate in the second reading explanation that repeal is envisaged but the Minister representing the Premier has now simply made the bald statement that that is not envisaged at the moment. That is really not good enough. It will not satisfy the industry. There must have been a reason for the Premier's indicating in the second reading explanation that repeal is envisaged. When that kind of plan is adopted and announced by a Government—and there was an announcement—there must be a timeframe involved. I ask the Minister to give somewhat more of an assurance than 'not at the moment'. That could mean not this year, not next year, but perhaps in 1993 or 1994. What does the Government have in mind? If the Minister does not know, can he find out from the Premier and assure the House that the advice will be given in another place when the Bill is debated there?

The Hon. R.J. GREGORY: I have already answered the question.

Clause as amended passed.

Clause 3 and title passed.

Bill read a third time and passed.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 30 November. Page 1774.)

Mr INGERSON (Bragg): On behalf of the Opposition I wish to make a few comments on this Bill. In principle, in most areas we agree with the changes being put forward by the Government, but we have some concerns in relation to the three month period of residency which would grant permanent status for licence holders coming from interstate. We would like the Minister to answer those concerns for us. If the reply is satisfactory, we will not propose amendments in another place.

I understand that these recommendations were made after consideration by ATAC. They are national considerations and will bring this legislation into line in a national sense. We would support that move very strongly, because there is no doubt that if we can get some consistency in all our legislation the community and our Australian Commonwealth will be much better off.

The first question relates to the time period. Obviously, the three month period has been plucked out of the air, and it is also obvious that it has been agreed to nationally. From our point of view, it is a fairly short period of time. Many people move into and out of this State, not only, as the relevant new section notes, defence personnel (who have been exempted) but also many business people who could be here for anything up to six months at a time but would be continually moving to and fro.

It seems to me that this three month period will create problems for a wide range of business executives as they move around. In his second reading explanation the Minister referred to legal difficulties with the status of permanent residency. In his reply I would like him to explain to the Parliament what these legal difficulties are, how they came about and why that change is required. We see a difficulty regarding enforcement, and we would like to know how this move to three months is to be enforced. When people remain in this State for a fourth month, how will they know that there is a requirement that they change their licence to a South Australian driver's licence? I suppose the overall question in this whole exercise is: why, within Australia, do we need this change at all? If someone who has a valid licence moves from one State to another, provided that it is within a prescribed period, that person can use that licence. This really questions the whole exercise.

We recognise that the Victorian licence has a five year limit, and other States apply varying limits, so why should we be concerned about a residential status of three months? It seems to me that that is the crux of this issue. I could understand the imposition of a time limit if residential status was required but why do we need it in any case? Victorian, New South Wales and Queensland licences are all valid, provided people comply with the conditions that apply in the particular States. As we all know, it is one Commonwealth and not a series of seven States, but this measure seems to be perpetuating separatism; we are virtually guaranteeing separatism by enforcing this sort of system.

The transferability of existing rights runs hand in hand with that comment. Victoria applies a five year licence term. Under this measure, if my Victorian licence has run for only one year and if I then transfer to South Australia, in three months I must obtain a South Australian licence. What will happen in terms of transferability of the money I have paid? Will it be transferred, will it be picked up by this State and paid to me, or will the Victorian Government pay the costs? That is an issue.

Of course, going the other way it will also be an issue. What happens if I go to another State? Do the same rules apply? It is not mentioned in the Bill. I assume that there will be no testing procedures under this requirement to change the licence within three months, even though the rules are significantly different.

It seems to me that in this exercise a fairly massive computer linkage will be required to sort out the whole process, and I suppose that at the end of that is the question of cost. What is the purpose of all this? If a licence runs out, it is very simple, but transferability in mid-term seems to be a lot of bureaucratic gobbledegook and I wonder what the Government is attempting to achieve. As I noted earlier, we support the exemption of defence personnel but, as I also said, there is a difficulty in that many executives and staff members who are transferred from one State to another will encounter these problems as well.

The second area of the Bill relates to the learner's permit. We support the Bill in this regard. A person who gains a learner's permit in another State and comes here with his or her parents, whether on holidays or on a permanent basis, ought to be able to drive. We recognise that that is

not provided in the existing Act, and we support this change. We understand that people from interstate must drive under the rules that apply in South Australia.

The third section of the Bill deals with a person having one licence which is issued in one State but which can be used all around Australia. That person may not hold another licence in his or her name in any other State. I suppose that that brings up the same question: why is it necessary? What is the problem with a person having a licence in two States?

I know that there are many anecdotes about people, especially in the heavy road transport industry, holding four or five licences, and most of us would know why they hold that number. But what is wrong with that? Why should not an individual have the right to choose to hold a driving licence in more than one State? We are talking about the Commonwealtlh of Australia and this concept of taking away the right of the individual to hold more than one driving licence is interesting.

Let us not kid ourselves: if I wanted to get another driving licence, I would be a fool to take it out under my own name and address. In fact, that is the present situation. What sort of computer linkage and what sort of identification will enable the Minister to identify cases of more than one licence being held by the same person in varying States? Although the principle of limiting the driver to one licence and saying to that individual, 'You cannot get a licence in another State', is valid, this legislation does not in any way say that a person cannot have a dual or triple personality and thus hold two or three driving licences under various names. That occurs now.

How will the Minister suddenly be able to identify, under this legislation, the person holding three licences in various States under three names and addresses? Unless the Minister can do that, the whole purpose of this exercise is a waste of time. Can the Minister show members that it is not a waste of time? I will appreciate hearing him do so. This all comes about because of problems that have been experienced in the heavy road transport industry and, if other areas are causing problems, the Minister should identify them, if not in his second reading reply then in Committee.

That brings up the whole demerit points system. One of the problems of a driver losing his or her driving licence, especially as it relates to the road transport industry, concerns the fact that our demerit points system recognises some of the minor penalties that are incurred by drivers over a long period. I am sure that the Minister is aware, as I am aware, because I have often been challenged by the industry on this matter, of the need to consider a graduated scale of demerit points. Indeed, this may be a reason why we are moving towards the provision that would restrict a driver to holding a driving licence in only one State. The need to police this matter is the key and, if the Minister will show members how this can be policed, support will be gained for this move.

My last question to the Minister relates to the schedule to the Bill and some of the changes being made in that schedule. In this regard, I refer especially to section 102 (2) on page 5 and to section 124 (5) on page 6 of the Bill. It may be that these changes are merely changes of verbiage, such as those that have been made previously, as I do not see why the wording of these provisions should be changed. Indeed, I understand that these changes are merely administrative in nature, but I would appreciate the Minister's advising Opposition members whether that is so.

Mr S.G. EVANS (Davenport): I am not enthusiastic about certain parts of the Bill and the member for Bragg has raised some points on which I lack enthusiasm. I refer especially to persons, not being service personnel, who are employed for a limited number of years in a State where a driving licence is issued for five years (in Queensland I understand that the duration of a licence may be 15 years). We say to those people, 'Because you hold a driving licence in another State and have been transferred to this State, you must pay for another licence.'

As far as I can see, neither the Bill nor the Minister's second reading explanation refers to a refund of the unexpired part of the current licence. If the licence holder is a business executive, this may not mean much because the company will pay for the new licence, but the case of a veterinary science student who cannot pursue the necessary studies in this State is different. Such a person must now pay the tertiary fee because the Federal Government has applied it and he must transfer to Perth, Melbourne or some other place outside South Australia to complete the necessary course. That person might hold a current driver's licence, costing $70 for five years, in this State. Not being rich, the student cannot afford to come home to mum and dad at the end of each term and must become a permanent resident of another State. Indeed, in accordance with the electoral laws, the student must change his or her place of address on the electoral roll.

So, the wise Ministers at the conference have said, 'Let us all get together and achieve uniformity in this area.' They did not worry about the individuals. Indeed, between discussions they probably went out for a nice lunch and it would not matter if that lunch cost as much as a five-year licence cost the individual in South Australia. Where is the justice in that?

What is the purpose of the licence? It identifies an individual who has passed the necessary test in a State or Territory of Australia or any other country in order to be qualified to drive a motor vehicle of a certain class according to the conditions of the licence. It is issued for the sake of insurance in the case of an accident or to identify the person who may break traffic laws wherever that person may be driving at the time.

To my knowledge, all Australian States and Territories have accepted the licence issued by another State or Territory. There is no argument about that, so the driving licence is good enough for that purpose. I do not care what some other State has done or what the Ministers sitting around a table have done in their wisdom. I do not take this decision of theirs because it is an unjust decision. The thing that entered the Ministers' minds was money, not road safety, identification of the individual, or the recording of the issue of the licence on a computer system.

If the Minister tells members that a refund will be payable to the holder of a current driving licence who takes out a driving licence in another State, I ask why we were not told that in his second reading explanation. One of the most important things to the individual in the community is that that should be so. When we hear that another State has made the change and will not allow two driving licences to be held by the one person, we do not have to follow that State.

I would hope that we would be wise enough to say that anyone holding a current driving licence that has not been endorsed as invalid could use that licence anywhere in Australia until it expired. Then, the driver would have to take out another licence in the State or Territory to which he or she had been transferred. Surely, that is a fair enough system. I can go tomorrow and get an international licence issued on my licence and drive anywhere in the world, just

as I believe anyone coming to Australia can obtain a similar licence for 12 months.

The Hon. G.F. Keneally interjecting:

Mr S.G. EVANS: The Minister says it is three months. I do not believe that is the case. I know of some Dutch people in Australia at the moment, and that is not their belief.

The Hon. G.F. Keneally: They probably have a Dutch licence.

Mr S.G. EVANS: I am saying that people can come to Australia with an international licence and drive around for, I believe, up to three years. We do not say to them, 'You are in Australia and should get an appropriate licence if you stop in South Australia.' What happens if they have a permit to work here for two years and they have an international licence? Would we not recognise that? Would they have to get a South Australian licence?

The Hon. G.F. Keneally: If they are domiciled here for two years, they should contribute.

Mr S.G. EVANS: The Minister has confirmed that the purpose of the licence is to raise funds. I do not mind that, as long we tell these people that the purpose of the driving licence in these circumstances is to raise funds. Another area that concerns me was raised by the member for Bragg, that is, where people take out more than one licence, particularly in the heavy haulage industry when they are fearful that they will lose their licence in a State for breaking the law in respect of which demerit points apply. Unfortunately, in Australia we have allowed people with huge financial interests to take control of the road transport industry and they are exploiting people who are nothing more than slaves to such companies. They are merely working agents for those who finance their rigs and power units.

Such operators do not own the pantec or containers: big companies own them and they set the time schedules and weights. Some of the problem involves unions, although not to a great extent, in terms of loading, with workers saying that they will stop for lunch even though they may be within 10 minutes of final loading or stopping for the evening break, and this throws out the schedule. However, in the main it seems to be the companies which I believe are pirates in the way they operate in exploiting people who buy a rig and who think that they will make a living in heavy haulage.

They break the law to try to conform to the rules set by the principal contractors in terms of weights and time schedules. I do not know the answer to the problem, but we should recognise that in many cases people attempting to be owner operators break the law as badly as they do in order to survive. I hope that one day Australia recognises the driving licence as a right to drive and that we issue it to people for life. Therefore, if people driving wear out roads, we should apply the tax to the motor cars through fuel or tyres and put the funds raised back into the roads and not into Treasury coffers.

The licence to drive is nothing more than a recognition of the skills and ability of people to drive. Therefore, it should be issued for life. Certainly, it would save many people's employment, it would save cost to the taxpayer and it would make the situation much easier for everyone. Only people who lost their licence would need to go back for driving tests. My concern about the Bill is that it does not consider individuals at all.

The Ministers and their advisers obviously sat around a table and said, 'We want uniformity. We think this is the simplest way to do it. Let us get on and do it.' They have not thought of the person who got a licence a month before the transfer occurred with over four years to go. From my reading of the Bill, there is no suggestion of a refund, the person's money is down the drain. Is that a responsible approach? Is that just that someone can enter into a contract for five years and cancel part of it, and the purchaser, who in no way broke the contract, cannot obtain a refund? If I did that in business the Consumer Affairs Commission, with the Minister's backing, would be attacking me immediately. It now appears as if the Government might be able to do that without having to worry about it.

The Hon. G.F. KENEALLY (Minister of Transport): I thank members who have contributed to this debate for their support of the Bill. I note that they will be asking questions in Committee to clarify some of the matters raised in the second reading debate. I draw a distinction between what I interpret to be a responsible contribution to the debate by the shadow spokesperson, the member for Bragg, and the quite emotional contribution by the member for Davenport. Just before I respond to the queries raised by the member for Bragg I will comment briefly on the style of the member for Davenport.

Most members of Parliament who have seen this legislation would wait until the Committee stage and ask the Minister whether or not people relinquishing their licence would be refunded, and how they would be refunded. Then, if the Minister's response was not as the member would have wished, he can take the matter further. The member for Davenport has assumed a set of circumstances which is completely wrong. He has built a whole speech on that and made some outrageous and emotional statements, including quite incorrect statements, and he has tried to assume a cloak of responsibility.

Let me tell the member for Davenport and the House what will be the process. Any person who is to be domiciled in South Australia or any other State for more than three months will be required to take a licence in the State in which they are domiciled. They will go to the Registrar's office and hand in their licence. The Registrar will return the licence to the issuing State. The Registrar in the new State will forward the appropriate unused funds to the individual and there will not be any loss of funds.

The member for Davenport said that the Minister acknowledged that this is a money making concern. I point out to him that, if a driver moves from New South Wales (where licence fees are considerably higher than here) to South Australia after seven months of a four or five year term, the driver will make a profit on it because our licence fees are lower. It is not a money making concern, as the member for Davenport suggests. True, people using the roads in South Australia who are living here should pay the taxes and charges that apply in South Australia. The Ministers, when we discussed this matter, did not sit around a cup of tea in a rather frivolous manner, as the member for Davenport suggests. Australian Transport Advisory Council (ATAC) meetings are professional meetings. They are not just a group of Ministers wanting to have a good time.

Matters on the agenda are considered at length, having come from senior officers of the various Government departments involved. Before being put on the agenda those matters have to be accepted as being worthy to be on it. The agenda items are dealt with, in my experience, in a most efficient and professional manner. So, it is not Ministers trying to have a bit of a shot at individual Australians.

The honourable member has been in this place a long time and it is significant that he has never been to a ministerial conference. My expectation is that he never will, and it is because he is probably miffed by that that he suggests to members of this place and to people elsewhere

that Ministers conferences are nothing more than playing games.

An honourable member interjecting:

The Hon. G.F. KENEALLY: The reasons he has never been to a Ministers conference are many and varied, and I will not go into them. I do not give great credence to the contribution he made.

However, the member for Bragg raised a number of issues to which I will respond. It is true that ATAC, which is the meeting of the Ministers of all the States and Territories in the Commonwealth, has agreed that there should be a requirement that after being domiciled for three months in a State or Territory one should be required to take a driver's licence of that State or Territory, unless one is a member or a dependant of a member of the Armed Forces because, as everyone knows, these people are moved from State to State almost overnight and have absolutely no control over their movements. If a business person is domiciled in Melbourne and, having to work for three months in this State, is moving between Victoria and South Australia it is, of course, quite clear that that person is permanently domiciled in Victoria and temporarily domiciled in this State. In that case there will not be the requirement.

Commonsense is always to be applied in dealing with these issues. Anyone transferred by an employer from Victoria to South Australia and to be domiciled here for more than three months should obtain a South Australian licence. The member for Bragg asked why the period of three months applies. That period has applied in Victoria since, I think, November 1987 and has worked effectively there. It is the period determined by the authorities—the policing authorities as well as the transport authorities—as being appropriate to enable people to determine how long they would be domiciled within the State and to take the necessary action to have their licence transferred. It was not a figure plucked out of the air, as was suggested; it is a functional length of time that enables people to act responsibly and to effect the transfer of their licence.

I was asked about the legal difficulties in defining 'domicile', and we may be able to follow that up further during the Committee stage. There is no current requirement for three months and while there has not been this requirement we have not needed to police it. Until legislation is in place, 'domicile' will always be a matter of argument. As the honourable member knows, the Parliament legislates and the courts interpret. The courts will understand the will and intent of the Parliament and interpret the legislation and if there are difficulties in policing this particular provision which we are presently not aware of but which may turn up as a result of decisions of the courts, Parliament will be required to make the necessary amendments.

The member for Bragg wanted to know why it is necessary for each jurisdiction to have its own driver's licence and why we cannot have an Australia-wide licence. I acknowledge the honourable member's commitment to a centralist system and his questions about the Federal system. I remind him that we live in a Federal system; each State has its own statutory powers and responsibilities and the Federal Government does not have the power to implement an Australia-wide driver's licence.

Mr Ingerson interjecting:

The Hon. G.F. KENEALLY: The honourable member says that that is not what he said, and I accept that. However, I understand what the honourable member is driving at and I have some sympathy for that. Before we reach a situation where the various jurisdictions acknowledge drivers licences to be fully operational Australia-wide we must have complete uniformity in relation to their conditions, costs, penalties, and so on.

This is the first step towards uniformity, and I think it is one that all members should support because I believe that motorists in general want a uniform set of rules applying on roads throughout Australia. ATAC is moving towards that, and this provision is a step in that direction. The honourable member asked whether there would be a requirement for holders of drivers licences to undergo a new test when transferring to a South Australian licence, and the answer to that question is 'No'. These people will have their licences honoured in South Australia the moment they apply and relinquish their existing licence.

The honourable member pointed to some difficulties, the first involving a person having a licence in one State and then requesting and receiving a licence in another State. The easiest and most convenient method would be for such a person to show his or her existing driver's licence and ask for it to be transferred.

As to why people should want licences in more than one State, maybe such people are licence collectors and like to have a number of them on their wall! It is true that some dangers are involved even if no drivers take advantage of the multiplicity of drivers licences available in Australia. There is a danger that a person wanting to come to South Australia and to change identity for one reason or another might apply for a driver's licence, and we try to make that as difficult as possible, because one has to prove identity before getting a licence. On the other hand, a person may want more than one licence in order to even out the demerit points around Australia. A person with only one licence who finishes up with 15 demerit points will lose it, but someone with six drivers' licences has the potential to lose more than 15 demerit points and still hold a licence. That person could lose 10 in South Australia, nine in Western Australia and some in Victoria—it all depends which driver's licence is produced at the time. We have to overcome that if, in fact, it happens but, even if it does not happen, we should not allow that possibility. That is a very serious road safety matter. People who drive in breach of the law should expect to pay the penalty.

I agree with the member for Bragg, and I think the member for Davenport also said this, that there should be one rule across the board for everyone. If the member for Davenport did not say that he should have because that would have been the best part of his speech. There ought to be consistency in the law for everyone. There should not be a different set of rules for driving trucks as opposed to driving cars, in relation to road safety. The member for Bragg mentioned that there should be a sliding scale of penalties, particularly in relation to speed. ATAC is considering that matter, and the Ministers will be required to debate that at its next meeting on 10 March. It is very likely at this stage that the Minister of Marine (a member of ATAC) will have to represent me at that August meeting.

Mr Ingerson: Are you retiring?

The Hon. G.F. KENEALLY: No, I am certainly a long way from retiring but, as the honourable member knows, decisions of that nature rest with people more powerful than me. In the meantime, be assured that I will continue to administer the portfolios under my responsibility with a great deal of energy and commitment. We will be looking at that very pertinent question as it needs to be addressed. We need to have uniformity, as far as we are able to achieve it, in the demerit systems throughout Australia. In achieving any uniformity I am not prepared to reduce the effectiveness of the demerit system in South Australia, but I am prepared to accept that there is a question as to whether one should

lose the same number of demerit points for being 10 kilometres over the speed limit as for being 80 kilometres over the speed limit. One argument is that there should be a sliding scale to take account of the severity of the offence. We will certainly look at that point.

The member for Bragg also asked about amendments contained in the schedule, particularly the quite extensive amendment to section 102. I am advised by people of much greater competence in writing legislation than I have or ever will have that we have not changed the law at all. It has been written in a form that takes account of current language. So, they are the same provisions, but written in more appropriate language. I give an assurance that we are not trying to make changes without drawing them to the attention of the House in the second reading explanation. If I have not covered some of the questions asked by members in their contributions, I will be happy to do so in Committee. This is an important and desirable measure which brings consistency and uniformity to the area of licensing provisions around Australia. I look forward to this House supporting the legislation so that it can be dealt with expeditiously in the other place.

Bill read a second time.

In Committee.

Clause 1—'Short title.'

Mr INGERSON: During the second reading debate the major thrust of Opposition contributions dealt with questions not completely explained in the Bill. Will the Minister guarantee that the sort of conditions that he said will apply will in fact apply given that they are not contained in the Bill? I refer, for example, to the transferability of the balance of a licence. The Minister has given the Committee a guarantee (which I accept), but we are talking about the law outside this Committee. How will it be done? Will it be by regulation? For example, a person moving to this State from Victoria may have four years left on his licence. If he presents it within three months, he qualifies for transferability and can obtain a refund. That provision is not contained in the Bill, so how will it happen?

The Hon. G.F. KENEALLY: It is not in the Bill because it is in the Act. In South Australia we refund the unused portion of a driver's licence. That is contained in the Act currently. However, South Australia cannot enact a provision that ties other States. My advice is that other States have the same provision within their Acts. If they have not, they will be required to do so. We cannot legislate for Victoria or Queensland; we can legislate only for our own State. If one hands in a driver's licence in South Australia, one qualifies for a refund on the unused portion.

Mr INGERSON: I understand that, but what happens if a State does not agree, as sometimes happens? Is the Minister saying that as a State we will pick it up? Is the Minister telling the Committee that we will pick it up and that there will be no disadvantage?

The Hon. G.F. KENEALLY: No, I am not telling the Committee that we would pick it up automatically at all. I am saying that there is agreement between all State and Federal Ministers that that will be the system. It has been my experience that Ministers honour those commitments. Incoming Governments normally honour commitments made by the previous Government. There has been no change of Government since these agreements were made, although I am not sure about New South Wales. I would expect that the honourable member's colleagues in other States would act in an honourable way. I can assure the honourable member that my colleagues interstate would do so on coming to Government. I have no reason to believe that the agreement would be broken, so as far as is reasonable I can give the honourable member the assurance he is looking for.

Mr S.G. EVANS: I wish that the Minister had said that in the second reading explanation, because anyone reading it could rightly believe that from 30 November no compensation will apply.

The Hon. G.F. Keneally: Read the Act.

Mr S.G. EVANS: That may be so, and I will check it later to ensure that it covers full reimbursement.

The Hon. G.F. Keneally: It is in the regulations.

Mr S.G. EVANS: Thank you. Is it full reimbursement for the period lost or is there a penalty? In other words, if three years 11 months remain, does one receive the exact amount or is it discounted in any way?

The Hon. G.F. KENEALLY: In South Australia it is the full amount for each three-month period, so it is not worked out to the day.

Mr BLACKER: I seek information on how the amendment would affect persons on an extended caravan tour around Australia over, say, two years where they may be in one State for more than three months. Will they be caught up in this? Some senior citizens in my area are keen bowlers who spend our winter in Queensland and return for our summer—spending six months in each State. Will they be caught up in this amendment?

The Hon. G.F. KENEALLY: That is a very good question. I hope to be one of those people, so I am very anxious to ensure that every circumstance is accommodated before I leave. It will be widely known throughout Australia because every State will introduce similar legislation—and some have already done so, including Victoria, New South Wales and Queensland. So if someone stays in, say, Queensland for three months, they will be required by the Queensland Government to acquire a Queensland driver's licence. The easy way, if on holiday in Queensland, would be to take a trip down through New South Wales and then go back up into Queensland, after which the three months start again.

Mr INGERSON: The Minister cannot really be serious when he says that. The situation that the members for Flinders and Davenport are concerned about does exist, namely the matter of casual tripping. This is why I brought up initially the matter of the three month period. A period of six months would be much more realistic. It would involve far less people who are moving around. The shorter period would present a difficult problem, particularly with retirees and as there become more and more of them—those that play bowls, and all that sort of thing. I hope that when I retire I can play plenty of golf interstate. But it is a real problem. The Minister suggested—and I hope that he was only being flippant about it—that one could cross a State border and come back again within a day, and thus avoid the problem. This would create a problem. I have said all I want to say on that matter, and members of the Opposition will consider where we stand on the matter before the legislation goes to the other place.

Another issue involves the legal issue which the Minister specifically mentioned in his second reading explanation but which, again, is not covered by any particular clause. The Minister specifically mentioned the difficulty in establishing a permanency of residence and the legality of that. The question really, of course, is why it was needed before, and if there was difficulty with it previously I can see Governments having tremendous difficulty with this three month provision in the future. I just do not believe that people in this country will know that every time they shift interstate and stay there for three months they will have to change their licence. I do not believe that that will be the case.

There are many examples of rules and regulations which are commonplace that people do not take any notice of, and yet here is one which will be very significant. It seems to me that this whole legality thing will be a major problem for the Government. Will the Government pick up people every time right on that three month limit? To do that the Government would have to have more police on the road, although we know that the Government does not have the resources for that—or that is what it keeps telling us. The Government will have tremendous difficulties with this whole area. The first part of this question concerns the legality of this and why we need it and, further, how will it be policed?

The Hon. G.F. KENEALLY: In response to the first part of the honourable member's query, I point out that I have stayed in caravan parks in Queensland and I know, as everyone knows, that there are people permanently domiciled in caravan parks in Queensland who come from Victoria, New South Wales, and South Australia and who spend more than three or six months there, or whatever. The same problem would occur if the stipulation were three months, six months, or whatever the period. The registrars in each State will have the power to exempt from the legislation certain people or people driving certain classes of vehicle, and so on. That is provided for in the legislation and, of course, that will enable registrars to take account of legitimate queries about whether or not individuals can be exempted from this provision. However, the provision will apply unless there is reason to grant an exemption.

As to the matter of policing these provisions, it is pretty difficult to police them now. One does not expect that the police will be rushing around stopping every driver to see whether or not they have a Victorian, New South Wales or Queensland driver's licence. It is possible that the police might stop someone seen driving around with New South Wales, Queensland or Victorian registration who has come to the attention of the police on a number of occasions over a period of time. However, in relation to normal policing practice, if the police come across people who have been domiciled in South Australia for longer than three months they will be required to explain why they have not changed their licence. As everyone knows, there are times when the police, for very good reasons, do licence checks. Of course, we have our RBTs, and on a number of other occasions the police have legitimate reasons for asking for a person's driver's licence.

I do not anticipate that the situation will be any easier, but it certainly will not be any more difficult. Why were we having problems before? It was because the Act provided that a person who came to South Australia needed to change their licence as soon as practicable. It is necessary to define 'as soon as practicable', and to define the domicile of a person. We have not had a base line against which to judge the actions of these people. We have that now, and I expect it will be easier to define 'domicile' than it was previously. I am not suggesting that it is going to be easy. I believe that it will evolve as a result of actions taken against individuals that will be tested in the courts over a period as to the best way to manage this.

I point out to the Committee that my experience over a great many years—which I am sure is reflected in the experience of other members—is that many of these measures brought in by Parliament, by the Government, need to be tested as to the most appropriate way to effect what Parliament intends, and I expect that that will be the case here. We have to start somewhere, and I think this is the most appropriate starting place. I urge members to support what the Government is trying to achieve. If there are bugs in this measure, they will arise and we will eradicate them by legislative or regulatory measures. However, we need to introduce this system so that we can start effecting the ATAC decision, one which we believe involves a sensible provision for motorists and all road users in Australia.

Mr BLACKER: Assuming that this legislation passes the Parliament and becomes law, does ATAC intend to use this as a stepping stone to implement a similar law to apply to registration of vehicles of people domiciled in another State?

The Hon. G.F. KENEALLY: We are trying to achieve uniformity in registration and in the methods of registration, classes of registration, etc. Here again, a common set of rules would apply across Australia to motorists and people in the heavy transport industry, etc. I can tell the honourable member that uniformity, desirable as it is, is not always easily achievable. We do have a committee that is looking at our part of this at the moment. Reports that come back to me, as they will to Ministers in other States, will be discussed at a meeting of ATAC. I assure the Committee that ATAC will not try to do things that are in any way detrimental to either the industry or the motoring public. We are trying to achieve uniformity, which should be of benefit to the industry and to the motoring public. The answer to the honourable member's question is that this is not necessarily a first step in achieving uniformity in registration. Uniformity in registration is desirable, and we will be looking for that. Both registration and licensing, as always, are dealt with separately. However, the underlying desire is for consistency.

Clause passed.

Clause 2 passed.

Clause 3—'Only one licence to be held at any time.'

Mr INGERSON: Our principal concern is not, in itself, in the area of one licence but in relation to how this will actually be policed. I gave an example earlier, and I know the Minister also gave an example, relating to the fact that there does not seem to be any way that a person cannot take out a licence in another State using another name and address and identification, if a person wants to do that. It seems to me that that is the major issue. How will the Minister cut out that practice? Whilst it is anecdotal, we all accept that there is some evidence that people obtain licences under many different names.

The Hon. G.F. KENEALLY: The honourable member is correct—it is not easy, particularly with respect to people who apply for licences under different names. Even if one were able to establish a computing system (at great expense, I might say) into which one could feed all the information and have total linkages around the country, the only way one could control it would be by requiring the taking of fingerprints. I do not think that anyone would want to go that far. So it will be difficult to deter those people who wish to evade the new provision that one shall have only one licence anywhere in Australia. However, we will make it a great deal harder for people to obtain more than one licence.

I agree that it would be desirable to have an interstate linkage of computing facilities into which one could feed the information, as we will be doing with the Vehicle Inspection Number system. However, until we have such a system, which would require a lot of work and expense, we will have some difficulty and we do not deny that. However, it will be much more difficult for people to obtain more than one licence under the proposed system than it is under the existing system. Until a computing system is available throughout Australia we will have some difficulty.

I should point out that, even with a computing system, short of circulating fingerprints around the nation we will

not easily stop those people who are prepared, for whatever reason, to go to great risk trying to obtain more than one driver's licence. However, there will be penalties for doing that, and when these people come to the attention of the law, as the majority invariably will, action will be taken.

Clause passed.

Clause 4—'Visiting motorists.'

Mr INGERSON: Section 97a (3) requires interstate motorists to carry their licences with them at all times. I assume that this clause will apply only to visiting motorists and that it is not intended that South Australian motorists will be required to carry their licences with them at all times.

The Hon. G.F. KENEALLY: That is correct. This provision applies only to visiting motorists. Later this session another measure will be introduced which will require holders of L and P plates to carry their permits. This provision does not make it mandatory for South Australian motorists. At the moment, if required to do so, they must produce their licence at a police station within 48 hours—that provision will continue to apply. Visiting motorists will be required to carry their licence with them.

Mr S.G. EVANS: I wish to clarify the position with respect to a person who neglects to obtain a South Australian licence even though he or she had been permanently resident here for six months. Is that person deemed to be driving without a licence?

The Hon. G.F. KENEALLY: If this Bill becomes law, anyone domiciled in South Australia permanently for six months who does not take the trouble to transfer his licence from his previous State will be deemed to be driving without a licence.

Mr S.G. EVANS: That concerns me a little because I do not know how we can ensure that people know that that will be the case. There could be a problem with third party insurance if a person deemed to be driving without a licence had an accident. I believe that third party insurance still applies, but there may be a risk if the driver has absolutely nothing in the world. Turning to another point, as I read the Bill a person with a foreign licence or a member of the armed forces does not need to conform with this three month provision if he is living in this State indefinitely.

I refer to a person with a foreign licence—and in some countries they are issued for life. Clause 4 provides:

> Foreign licence means a licence issued under the law of another country that corresponds to a driver's licence issued under this Act.

Does the word 'corresponds' refer to the standard required to obtain a licence or the duration of a licence? In other words, a foreign country might issue a 10 year licence whereas this State issues a five year licence. Does the licence of a person from that foreign country expire after five years or after 10 years, or does the three month period still apply?

The Hon. G.F. KENEALLY: In response to the honourable member's first question as to whether or not a person whose licence is deemed to have lapsed because he has not transferred it to South Australia is still covered by insurance, the answer is 'yes'. The insurance cover will not have lapsed because the person will have paid for that in the other State.

The second question related to members of the armed forces and people from another country. I point out that we are only talking about the Australian armed forces and no other. People who come from other countries and are domiciled in Australia for longer than three months will need to obtain a South Australian licence and will need to write to the country whence they came to make whatever arrangements are appropriate within that country regarding their existing licence.

We will do it within Australia, but we really cannot be expected to take up the question of a licence with the country of origin of these people. If they come here for work, an extended stay or as migrants, they will be required to conform with the licensing procedures in force in this State and, after three months, will be required to obtain a licence. In fact, they will need to have some sort of licence. I do not know whether it would be necessarily a defence if they left South Australia after two months and three weeks and went to stay in Victoria for two months and three weeks. They will have been in Australia for an extended period and should obtain a licence. My advice is that, if they are moving around Australia in that way, they will not be required to obtain a licence as long as they do not stay in one State for more than three months. If that is acceptable to all the authorities, it is acceptable to South Australia.

Mr S.G. EVANS: I am concerned about the overseas holder of an international driving licence who stays with relatives or friends in South Australia for six months or 12 months. If such a person must take out a South Australian licence three months after arrival, the Commonwealth authorities must be asked to ensure that all immigrants and tourists are made aware of that provision, otherwise we could get a bad name overseas if the holder of an international driving licence came to this State believing that he or she would be covered by that licence for the whole of the 12-month stay. It would be a blot on tourism if we did not ensure that such people were told that they must take out a South Australian licence for five years with the opportunity to apply for a refund on leaving Australia to return home. Will the Minister ensure that this request is complied with?

The Hon. G.F. KENEALLY: The honourable member has raised an important matter. Certainly, neither I nor my colleague would want to give this nation a bad name because of our driving licence requirements. I will take up this matter with my colleague and with the Federal Government to see whether a regulation can be drafted to allow the holder of an international driving licence and a visitor's visa to drive for a limited period without complying with the requirements of this legislation.

I am presently advised that all the States have agreed on criteria that does not allow for such a practice. However, the honourable member having raised this important matter, I will take it up with the relevant authorities so that, if possible, it can be referred to the ATAC conference to be held on 10 March. Such a provision could be enacted by regulation. I thank the honourable member for his suggestion, which I believe would have merit if it were consistent with the provision in other States.

Clause passed.

Schedule and title passed.

Bill read a third time and passed.

ADJOURNMENT

The Hon. G.F. KENEALLY (Minister of Transport): I move:

> That the House do now adjourn.

Mr HAMILTON (Albert Park): In the few minutes at my disposal I wish to refer to my recent walk from Adelaide to Port Pirie for the purpose of raising money for the treatment of heart disease and breast cancer. About $7 500 has been collected so far and, without wishing to refer to my efforts, I shall put on public record the contribution made by so many other people to this worthy cause.

First, I express my gratitude to Dr David Coombe of the Queen Elizabeth Hospital and to Mary Beasley, Chairperson of the QEH Board. I should be remiss if I did not mention the Westfield Shopping Centre at Kilkenny, especially the assistance given by Mr Nick DeBrun (Manager-in-charge) and Mrs Melisa Prinz, who was particularly helpful with her valuable ideas and suggestions. Over $2 047 was raised in the week during which information was handed out regarding the importance of heart disease and breast cancer screening programs.

I also appreciated the support given by Mr Don Ferguson (not the member for Henley Beach, but a resident of Amanda Avenue, Findon). Don has been a friend of mine for a long time and his support and help in collecting materials, making telephone calls and generally organising matters that needed to be finalised, especially while I was in another State, were extremely valuable. I thank him and I believe that all South Australians should recognise his efforts.

Similarly, at the other end of the walk, another long-time friend of mine (Des Condor), who is involved in Heartbeat at Port Pirie, rendered most invaluable assistance in Port Pirie by organising that end of the walk. In Adelaide, I had the support of many organisations, including the Lions Clubs at Virginia and Crystal Brook. The Two Wells Rotary Club was most supportive in raising money. Along the way we received tremendous help from many hoteliers and I thank them very much for their assistance. At Lower Light, Mr Petros and his wife Mary assisted and at Lochiel Wendy and her husband Boof, as he is affectionately known, gave more help. At Red Hill, Barry and Leonie Wakefield contributed towards the cause.

At the Westfield Shopping Centre, in Adelaide, I was ably assisted by people from Heartbeat not only from the central organisation but also from the Woodville branch, and I sincerely thank those people for their assistance. These results would not have been possible without strong support from the media, especially the television stations and specifically Channel 7. The South Australian radio stations and the metropolitan and country newspapers also gave strong support.

It is worth while placing some of the sponsorship efforts on public record in this place. I received contributions of over $100 from Westpac Banking Corporation, Ivon Limb and Jim Kennedy, a close friend who works with me in the western suburbs. I acknowledge the Woodville Hotel for its strong support, Mr M.L. Menadue, Architectural Products of Royal Park, Dr John Watson, the Waterside Workers Federation and many other unions for their strong support. I also acknowledge Dr Horowitz from the cardiology unit of the Queen Elizabeth Hospital, Seven Nightly News, the Lions Club of Two Wells, Gioi Grocery, ETU at Port Pirie, the Eureka Hotel social club, the Redhill Development Board and the people of Redhill, who certainly put their money where their mouth is in providing donations for this worthwhile cause.

In a matter of three hours at the Redhill hotel on a very hot Friday night local people raised more than $250 and the Queen Elizabeth Hospital and the people of South Australia should congratulate those people for their contribution and assistance. Also, I acknowledge that the Seaton Park RSL was another group which came to the aid of this worthwhile cause. Many of my colleagues certainly assisted me and I would like to place on record the assistance by Rod Sawford, Rosemary Crowley, Senator Graham McGuire, Anne Levy, Mick Young (a long-time friend), Carolyn Pickles, Susan Lenehan, Senator Dominic Foreman and, of course, my colleague, Murray DeLaine. Their contributions added to what I consider is a worthwhile cause.

I must mention Coca Cola and its organisation, Diverse Products, which also assisted me. I refer also to the Port Pirie and District Greyhound Club for its assistance on the Monday and the Port Pirie sub-branch of the Electrical Trades Union, as they contributed to this walkathon. There were many people, including those at Crystal Brook and Port Pirie and others along the way who gave unstintingly in terms of the money which combined to comprise the amount mentioned.

It was a most enjoyable time for me. I got much out of it in terms of friendships and contacts made. I found out how country people feel and saw the way that they reacted to the information distributed to them as a consequence of this trip. One view that had been expressed by country people for many years—and I have lived in the country for a long time—was that city people forget about people living in the country. Country people were thankful for the information supplied to them about services available not only at the Queen Elizabeth Hospital but in Adelaide hospitals generally. All in all, I hope that I have not missed anyone. If I have, I apologise. There is always a danger that that will happen. Also, I wish to thank Angels Shoe Stores, Mobil Oil and Train Tour Promotions, and I understand that the Mayor of Woodville will contribute.

Last but not least I want to thank on the record two people for their support: my past secretary, Mrs Pauline Tropeano, and my daughter, Dianne, who drove the backup vehicle. Without their support, especially during stinking hot weather, I know I would not have survived. With their support and the support of the Queen Elizabeth Hospital, Westfield Kilkenny and many other sponsors I hope that I will be able to do this again next year. I believe that if the cause is right and if it is brought to the attention of South Australians people will support it. Certainly, 35 per cent of women and 36 per cent of men die from heart disease and breast cancer screening sees one in 16 women die from this disease.

Members interjecting:

The ACTING SPEAKER (Mr Robertson): Order! The member for Victoria.

Mr D.S. BAKER (Victoria): I would like to say a few words about the Woods and Forests Department and statements put out by the Hon. John Klunder, who recently seems to have become an economic expert on how the department should be run.

The Hon. G.F. KENEALLY: Mr Acting Speaker, I rise on a point of order. The Minister of Mines and Energy is the Minister of Mines and Energy, not John Klunder.

The ACTING SPEAKER: The appropriate title should be used by the member for Victoria.

Mr D.S. BAKER: Thank you, Mr Acting Speaker. The Minister of Forests claimed on radio earlier this week that there was a terrible to-do because the department was started by the then Premier (Mr Playford). He said that, because there were milling operations in the department, they were a good thing. The Minister went on in this House the other day to quote at length statements by the Hon. Ted Chapman as the then Minister.

Mr TYLER: On a point of order, Mr Acting Speaker. For the second time in his speech the honourable member has named a member in this place by name and not by district.

The ACTING SPEAKER: I suspect the error was inadvertent, but I again draw the attention of the member of Victoria to Standing Orders.

Mr D.S. BAKER: Obviously, members do not want to hear how badly the department has been run under this

Administration. They do not want to hear that. It is very interesting that the glowing reports—

Mrs APPLEBY: I rise on a point of order, Mr Acting Speaker. I object to the honourable member's last remark. Standing Orders apply in this Chamber and one of them specifically relates to members being called by their district and not by their name, and I object to the honourable member's last comment.

The ACTING SPEAKER: I did not hear anything that I regarded as flouting my last ruling. I ask the member for Victoria to continue.

Mr D.S. BAKER: Thank you very much indeed, Mr Acting Speaker. I can see that this is really a sore point with members opposite, so I will get down to the nitty-gritty of it all. When the Hon. Ted Chapman, the member for Alexandra, was Minister of Forests and was running the department, it made a profit of $9 million. Obviously, the former Minister was being congratulated on that effort. The situation under the present Minister is that, although the department has assets of $600 million, of taxpayers' money, it made a loss in commercial operations of $1 million, despite an increased turnover of $12 million.

Surely the Minister does not expect the member for Alexandra to take that without comment, and he will comment on that matter when he gets a chance. Under this incompetent Administration we have seen the profit in 1981 diminish from $9 million in 1980-81 dollars to a loss on commercial operations of $1 million today. Of course, they doctored the balance sheet by having an asset revaluation and by revaluation of the forests by another $30.2 million. The next excuse for inefficiency in the department is the Ash Wednesday fire, but that is now old and hackneyed, because members who understand what happened on Ash Wednesday know that many hectares of forest were burnt.

An interest-free grant was allocated by the Federal Government—more than this Government will do for the people on the West Coast—to harvest that timber. After Ash Wednesday the commercial sawmilling operations of the Woods and Forests Department in South Australia had the best timber available to its sawmills that it has ever had in the history of its operations. Having that available, it managed to then make a commercial loss.

On many occasions the Minister and the Premier have blamed Ash Wednesday for the problems. The Premier and the former Minister have blamed Ash Wednesday for getting into the New Zealand timber venture, which proved to be such a disaster. It appears to me that this Government has had a most unusual relationship with New Zealanders. First, it was 'conned'—and there is no other word for it—in New Zealand by a company which took it to the cleaners, and now we have the 'people's bank' being conned for up to $100 million by another New Zealander in Equiticorp. It is about time that the Government started to look at these operations and be more careful about its risk management.

As the Premier said today, things were pretty tight when he was just out of university. He could not get into the Attorney-General's Department so he had to get into politics, and now he is the Treasurer of the State. We can see the problems we have with his being the Treasurer of this State. He has to be more careful about risk management of taxpayers' dollars in this State. That is very hard to do, I admit, with the material he has behind him. The only member—the Minister of Transport—who has some expertise has been dying to retire for the past six months, but the Premier will not let him off the hook.

An honourable member: The statesman.

Mr D.S. BAKER: The statesman. This Ash Wednesday nonsense—that there was no timber available—is, to coin a phrase, just pulling a smokescreen over the eyes of the people of South Australia, because it is absolutely not valid. The other information that the Minister keeps coming up with is how viable the three timber mills of the South-East are. The member for Mount Gambier and I would be very pleased if they were viable because we care for our electorates and the people who work the mills. One can see by the increased margin, especially in the Mount Gambier electorate, how well that electorate is cared for.

A couple of years ago, with private enterprise, the people who ran the Mount Burr mill went to West Germany to look at the latest technology in sawmilling equipment. They were told that, to handle the log size growing in the Mount Burr district and going through the mill, they needed a Linck V40 sawmill machine; that that was the only way to go because that machine would handle the large diameter logs that were grown in that area, which is a very good area for growing pine trees—and the Woods and Forests Department do it very well, I might add.

However, when they returned there was some sort of financial constriction—$200 000 was the figure they were short on—and they were told that they could not have the Linck V40. So, they installed a V25 in the mill. What happens now is that when sawlog is milled it is graded; the larger diameter logs are carted to another mill which can handle them and the smaller diameter logs come to Mount Burr to be processed. With financial decisions like that it is no wonder that the Woods and Forests Department makes a trading loss of $1 million.

Last year we were told by the department that it was the worst year there has been for trading in the industry. However, people in private enterprise sawmilling operations in South Australia state categorically that last year evidenced the best trading conditions ever known in the history of sawmilling operations in South Australia and Victoria. In that time the Woods and Forests Department commercial operations in South Australia, with an asset of $600 million commercially, lost $1 million. Under those circumstances is it not about time that we examined the situation and evaluated each commercial operation?

Mr FERGUSON (Henley Beach): During this debate I will refer to the Liberal Party's policy on industrial relations, both federally and in the State. I understand that the member for Mitcham, during the Christmas break, enthusiastically issued a press release endorsing the policy but, at that time, he was shadow Minister of Industrial Relations and now he has been dropped from the inner sanctum. So, I am not quite sure where the Liberal Party in this State stands so far as its industrial policy is concerned, but I assume that he issued the press release in good faith and that its industrial policy is the same as the Federal policy.

Under the new policy the guarantees provided by the award structure will disappear. Instead, each employer will set conditions of employment. The Liberals propose that employment conditions will be set by individual contracts of employment between the employer and the employee. Award conditions will be replaced by whatever conditions the employer considers appropriate.

These policies are nothing more than an attempt to abandon trade unionism in Australia. The two main reasons why a person joins a union are for collective protection and collective bargaining. The policies proposed by the Liberal Party, both federally and as far as I can see in this State, would destroy the current protections and bargaining that are available to union members either through the awards

which are registered in the Arbitration Commission or in the Industrial Commission or the agreements which are registered in both these jurisdictions.

As the law stands today, each employer is bound to pay the minimum rates of the particular award under which the person concerned is working. Under the Liberal's policy the minimum requirements of the awards would go to the wall and the minimum requirements would rely on whatever is the result of the individual contracts between employer and employee.

When one considers how these individual contracts would be arrived at one can see how unfair this situation would be. Negotiations would not take place on a level playing field because all the advantages would be with the employer. Under the new set of rules the employer would have the right to hire and fire without giving appropriate notice, as well as the right of establishing what the wage rates might be and the rights of promotion and demotion, and he has every advantage in the bargaining situation so far as it is conceived. I know that members opposite would love to see this situation, which would put the employer in an absolutely commanding position.

If we are unlucky enough to see a Liberal regime in Australia and the industrial conditions are changed to the extent that the Liberal Party would like to see, one can imagine a 16-year-old applying for his or her first job. The person would enter the employer's office and would be told that they are the second last of 10 applicants being interviewed for the position and that the other applicants have agreed to be employed on conditions less than those in the award, and the new employee would be asked whether he or she would be prepared to work for the same low award conditions. What would be the answer? The person concerned would be forced to accept inferior wages and conditions as this would be their first job and they have no experience with negotiating.

On the other hand, what about a person who is aged, say, 50 years and had been made redundant after 12 years service and was desperately seeking work? Each advertisement attracts many applicants with similar qualifications. Finally, after managing to obtain an interview and being offered a job that pays less than the award, what would be the answer of that person to the employers? Of course, he or she would have to accept wage rates lower than the award conditions.

It has been asserted by the Liberal Party that direct negotiations between the employer and the employee will improve productivity. How this is to be achieved, however, nobody has ever been able to explain. The impression created is that the new system will allow valued and productive employees to be paid more. This, of course, is nothing new. Under the award system which operates today, employers have the right to pay employees more than the award rate if they are considered particularly valuable.

In a similar vein, some promote the policies on the basis that it will automatically guarantee that workers receive higher incomes if productivity improves. This impression is quite false. Nothing in the policy requires the employer to share with workers any productivity improvements. The claim that the employer/employee relationship will improve under the system has to be tested against other evidence. Surveys undertaken on employee satisfaction rate show a range of variables that affect that relationship. These include matters such as job security, promotional prospects, work organisation, superannuation, the work environment and more. Certainly nothing suggests that the guarantees provided by the award structure mitigate against the successful employee/employer relationship.

It may be true that some employees believe they are worth more than the award provides and hence are attracted to the idea of individual contracts. However, such employees are permitted under existing award arrangements to try to negotiate higher wage rates with their employer and, if they are able to achieve this at present, there is no guarantee it will be achieved when the award structures are removed.

It is not particularly well understood that awards provide a safety net for most of the work force. Employees are guaranteed by the law the award provisions. It is illegal for employees to pay less than the award. This does not mean that over-award payments cannot be made and, indeed, in some industries this is quite common. The debate over the industrial relations system is not one which relates to whether there should be individual employment contracts. The fact is that each person employed has an individual contract with their employer. The debate is over whether awards should underpin that employment contract by providing a safety net below which working conditions cannot fall. The Liberals want to remove the safety net. Most workers want to keep it. Removing minimum conditions of employment contained in awards holds significant implications for employees and employers.

Employers in highly competitive businesses may find themselves being undercut by others prepared to employ people on much less than the award provides. An employer in this position will be faced with the choice of having to go out of business or taking the razor to conditions of employment enjoyed by employees in his business. Workers caught in this position will have virtually no bargaining power.

Although those already employed will be required to renegotiate their contracts from time to time, greater competition for jobs and the capacity of the employer to set below-award conditions will mean loss of security of employment for many workers. Many workers will also lose regular national wage rises granted at present. Put bluntly, it will be everyone for themselves. It is claimed that unreasonable employment conditions will not be able to be introduced as individual contracts require negotiation between the employer and the employee. What is not explained is that the negotiations may consist of the employer simply stipulating the conditions and advising the worker that these are the conditions—take it or leave it.

Legislation to be introduced by the Liberals does not require the employer to negotiate with employees or prospective employees. Those who support the policy change say that it will not lead to a wholesale cut in employment conditions, but this is not realistic. About $20 million per annum is stolen from workers in underpayment of wages. If the award minimums disappear, this theft would no longer be illegal.

Employer groups such as the Business Council of Australia and the Confederation of Australian Industry have called for the removal of employment conditions, such as a reduction of annual leave and cuts in junior pay rates. To suggest that these powerful groups would not implement these changes is unrealistic.

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

Motion carried.

At 5.5 p.m. the House adjourned until Thursday 16 February at 11 a.m.