HOUSE OF ASSEMBLY

Thursday 26 November 1992

The SPEAKER (Hon. N.T. Peterson) took the Chair at 10.30 a.m. and read prayers.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I move:

That the sitting of the House be continued during the conference.

Motion carried.

SELECT COMMITTEE ON JUVENILE JUSTICE

The Hon. T.R. GROOM (Minister of Primary Industries) brought up the interim report of the select committee, together with the minutes of proceedings and evidence.

Report received.

The Hon. T.R. GROOM: I move:

That the report be noted.

The Hon. T.R. GROOM: I move:

That the time for bringing up the final report of the select committee be extended until Tuesday 9 February 1993.

Motion carried.

ECONOMIC DEVELOPMENT BILL

The Hon. LYNN ARNOLD (Premier) obtained leave and introduced a Bill for an Act to promote the economic development of the State; and for other purposes. Read a first time.

The Hon. LYNN ARNOLD: I move:

That this Bill be now read a second time.

The South Australian Government is committed to major changes to transform the State's economy. The need for action to rebuild our economy was highlighted in the Arthur D. Little report released by the Government on 21 August. The report recognised that there are significant changes occurring in the international economy and that, while our industry base had served us well in the past, we needed to make significant changes if we are to maintain our standard and quality of life in the future.

The Government has moved swiftly to implement a program of reforms outlined in the report. This included a $40 million package of programs to modernise manufacturing, create new economic infrastructure and develop new industries of the future. The establishment of an Economic Development Board (EDB) is a key recommendation of the Arthur D. Little Report. The recommendation was founded on the need for a strong partnership between the private and public sectors, and recognised that, while the Government will continue to exercise leadership in some areas, the private sector must ultimately be the driver of the economy with the Government taking a broader, facilitatory and coordinative role. The Economic Development Bill 1992 provides for the establishment of the EDB as the State's primary agency for coordinating and overseeing economic development. It recognises the need to draw the public and private sectors closely together in planning our economic future. The concept of the Economic Development Board has been drawn from successful international models. The board will be supported by the Economic Development Authority, which will be formed from some of the existing functions and staff—

The Hon. JENNIFER CASHMORE: Mr Speaker, I rise on a point or order. It is difficult to hear the Premier's second reading explanation of what is obviously an important Bill because of the audible conversation in the House.

The SPEAKER: I uphold the point of order. Members will resume their seats. If they wish to conduct conversations, they will please leave the Chamber. This is an important Bill. The member for Coles has a right, as every other member has, to hear the contribution by the Premier.

The Hon. LYNN ARNOLD: The Economic Development Board will be supported by the Economic Development Authority, which will be formed from some of the existing functions and staff of the Department of Industry, Trade and Technology. The department will be abolished following the establishment of the Economic Development Board. Some staff and functions from the department have been transferred to the Centre for Manufacturing, which will play a major role in the revitalisation of manufacturing industry. Other staff and functions have been transferred to other agencies such as the Department of Mines and Energy and the Department of Primary Industries.

The Government intends appointing interim members to the Economic Development Board pending passage of this Bill to allow the board's important work to begin. Members will be drawn from business, Government and trade unions, and will be selected on their ability to make a major contribution to the development of the State. The Economic Development Board will oversee the development of strategies and plans for economic development, encourage and facilitate investment, and develop collaborative arrangements between the public and private sectors. It will have no power to raise money and strong provisions will ensure its public accountability.

While the Economic Development Board will play a vital role in restructuring our economy, we must all recognise that the challenges we face are also for the community as a whole. In a rapidly changing world it is important for us all to move positively and to recognise our strengths so that the business climate in South Australia is conducive to and supportive of increased investment. We need to become more outward looking and recognise that our future depends on international linkages and a healthy manufacturing and tradeable services sector. I commend the Bill to the House. As the remainder of the second reading explanation is formal, I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal.

Clause 3 sets out the objects of the proposed new Act.

Clause 4 contains definitions required for the purposes of the new Act.

Clause 5 provides that the board, the CEO and the other staff may be collectively referred to as the Economic Development Authority.

Clause 6 establishes the Economic Development Board.

Clause 7 deals with ministerial control of the board. Any ministerial direction to the board and the annual performance agreements with the board must be published in the board's annual report.

Clause 8 establishes the office of Chief Executive of the board and deals with the CEO's responsibilities.

Clause 9 deals with the composition of the board.

Clause 10 sets out the conditions of membership of the board.

Clause 11 provides for the remuneration of the members of the board.

Clause 12 requires members of the board to disclose direct or indirect financial interests that may conflict with the proper discharge of their official functions.

Clause 13 sets out the members' duties of honesty, care and diligence.

Clause 14 exempts members of the board from civil liability for honest acts done in the performance or purported performance of official functions.

Clause 15 deals with the procedures of the board.

Clauses 16 and 17 set out the functions and powers of the board.

Clause 18 provides for the making of an annual report and deals with the contents of the report.

Clause 19 provides the control of expenditure by the board through a system of approved budgets.

Clause 20 deals with banking and investment.

Clause 21 deals with accounts and audit.

Clause 22 is a regulation making power.

Mr OLSEN secured the adjournment of the debate.

The Hon. DEAN BROWN: Mr Speaker, I rise on a point of order. The Premier has just given a second reading explanation and we do not have the Bill in relation to it. It is pretty important under the procedures of this Parliament—

The SPEAKER: Order! Bills are being distributed and the Leader will certainly receive one as soon as possible. I am advised that Standing Orders have been fulfilled as the Premier *h*as tabled a copy, which is all that is required under Standing Orders.

CONSENT TO MEDICAL TREATMENT AND PALLIATIVE CARE BILL

The Hon. M.J. EVANS (Minister of Health, Family and Community Services) obtained leave and introduced a Bill for an Act to deal with consent to medical treatment; to regulate medical practice so far as it affects the care of the dying; to repeal the Natural Death Act 1983 and the Consent to Medical and Dental Procedures Act 1984; and for other purposes. Read a first time.

The Hon. DEAN BROWN: On a point of order, Mr Speaker, it was indicated that the Economic Development Bill was being circulated, but there is no Bill. I highlight the fact that we have had the introduction of a Bill and a second reading explanation, but there is no Bill.

The SPEAKER: Leader, I understand the point of order. I have explained it and I will run through it again. Standing Orders require that the Bill be tabled. The distribution of the Bill is then subject to the ability—

The Hon. Dean Brown: Has it been tabled?

The SPEAKER: The Bill has been tabled, and that complies with Standing Orders. I have clearly explained that. Advance copies are not at hand. We cannot distribute them if they are not here. We will comply with the Standing Orders. Advance copies are a courtesy; they are not required under the procedures of the House.

The Hon. M.J. EVANS: I move:

That this Bill be now read a second time.

This Bill seeks to implement the legislative recommendation of the Select Committee into the Law and Practice Relating to Death and Dying.

The objects of the Bill are threefold:

(a) to make certain reforms to the law relating to consent to medical treatment and to provide for the administration of emergency medical treatment, in certain circumstances, without consent;

(b) to provide for medical powers of attorney under which those who wish to do so may appoint agents to make decisions about their medical treatment when they are unable to make such decisions for themselves;

(c) to allow for the provision of palliative care, in accordance with proper standards, to the dying and to protect the dying from medical procedures that are intrusive, burdensome and futile.

It is within this framework that the law will operate. As members would be aware, spectacular advances in science and medicine have introduced an era in health care which a short time ago would have been characterised as science fiction. Nonetheless we must all confront our mortality. Healthy lifestyles and modem medicine can do much to postpone death and improve physical well-being during life, but neither exempt us from the inevitable. While we are concerned about dying, we are equally, if not more, concerned with the manner of our dying.

How we die is now very influenced by modem technology and patient management. Terminally ill people can be kept alive for long periods, even though there may be no prospect of returning to a reasonable quality of life or even, in some cases, consciousness. Such technology can be highly invasive and inconsistent with our beliefs in human dignity. In these circumstances, the family and friends of the patient, and society in general, are faced with a moral dilemma:

- Should every known technique be used to maintain life, whether recovery is possible or not, and at considerable discomfort to the patient and anguish to the friends and relatives of the patient?
- Should there be agreement to a request from the patient that life be terminated painlessly and prematurely so as to avoid the suffering and loss of

dignity which can be associated with a slow, lingering death?

- Should the above options be rejected, but every opportunity be taken to maintain the comfort and dignity of the patient as the inevitable approaches?

The select committee found virtually no support in the health professions, among theologians, ethicists and carers, or indeed in the wider community, for highly invasive procedures to keep the patient alive, come what may and at any cost to human dignity. Clearly, moral and legal codes which reflect such practices are inappropriate.

However, at the other end of the spectrum, the select committee firmly rejected the proposition that the law should be changed to provide the option of medical assistance in dying, or 'voluntary euthanasia'. Its report deals at some length with the reasons why it believes the concept of intent, and distinctions based on intent, should be maintained in the law.

The select committee endorsed the widely supported concept of good palliative care—that is, measures aimed at maintaining or improving the comfort and dignity of a dying patient, rather than extraordinary or heroic measures, such as medical procedures which the patient finds intrusive, burdensome and futile.

A fundamental principle inherent in such an approach, and indeed an underlying tenet of the Bill before members, is patient autonomy. The concept of the dignity of the individual requires acceptance of the principle that patients can reject unwanted treatment. In this respect, the wishes of the patient should be paramount and conclusive even where some would find their choice personally unacceptable.

The Bill deals with this matter in several ways. First, it essentially restates the provisions of the Consent to Medical and Dental Procedures Act 1984 since that Act is to be repealed. That Act provides for the emergency treatment of children (who are defined as any person under 16 years of age) and adults and those provisions are repeated in identical terms except that the format has been modified to make it more understandable to those who are not legally trained.

The Bill also enshrines the requirement that a medical practitioner must explain the nature and consequences of a proposed medical procedure; the consequences of not undertaking the procedure; and the alternatives. In other words, the important notion of 'informed consent' is maintained. Obviously, this process occurs now as a matter of good medical practice. However, the committee believed an issue of such importance should be prominently canvassed in the Bill, and provision is made accordingly.

The Bill introduces the concept of a medical power of attorney. Clause 6 provides that a person over 16 years of age may appoint a person, by medical power of attorney, to act as his or her agent with power to consent or refuse to consent to a medical procedure on his or her behalf where he or she is unable to act. An appointment may be made subject to conditions stated in the medical power of attorney. The agent must be 18 years old and no person is eligible for appointment if he or she is responsible for any aspect of the person's medical care or treatment in a professional capacity. A medical power of attorney may provide that, if an agent is unable to act, the power may be exercised by another nominated person. However, a medical power of attorney cannot provide for the joint exercise of power.

Clause 7 makes it an offence to induce another to execute a medical power of attorney through the exercise of dishonest or undue influence. A person who is convicted or found guilty of such an offence forfeits any interest in the estate of the person who has been improperly induced to execute the power of attorney. Members will recall the Natural Death Act 1983. That was pioneering legislation for its time. It confirmed the common law right to refuse treatment, and expanded upon it. It enabled adults of sound mind to determine in advance (by declaration) that they would not consent to the use of extraordinary measures to prolong life in the event of suffering a terminal illness.

The medical agent provisions of this Bill seek to build on to those foundations and to move beyond the limitations of the current Act, in light of experience over time. For example, advances in medical science mean that decisions a person took at the time of completing a Natural Death Act declaration may no longer be relevant. Indeed, the person's wishes may have changed over time and he or she may have neglected to change the declaration. The Bill enables a person to appoint an agent who can make decisions regarding medical treatment on behalf of that person. Clearly, a person will choose to appoint as an agent someone with whom there is a close, continuing, personal relationship. People will choose agents who understand their attitudes and preferences and in whom they place trust and confidence. The medical agent can act only if the person who grants the power is unable to make a decision on his or her own behalf. However, the circumstances are not restricted to terminal illness—the patient may, for instance, be unconscious; the patient may be temporarily or permanently legally unable to make decisions for himself or herself. The medical agent simply stands in the place of the patient and is empowered to consent in much the same terms as can the patient.

Obviously, the person one selects to be one's agent will be a person in whom substantial trust and confidence resides. It will most likely be a person with whom one moves through life, sharing common experiences and like responses to medical questions. The whole purpose of the medical agent provisions is to give the patient whatever lfexibility he or she requires and chooses to take. An agent can be appointed for a specified period; can be given specific instructions; or can be left with a free hand, perhaps, with personal or private instructions. The agent must agree to act in accordance with the wishes of the patient insofar as they are known and act at all times in accordance with genuine belief of what is in the best interests of the patient. One action the agent cannot take, however, is to authorise refusal of palliative care—food, water and pain—relieving drugs. The committee believed such a refusal requires a level of self-determination which can only be exercised by individuals acting consciously, in all the circumstances, on their own behalf.

The appointment of an agent also removes the uncertainty which can be created by a family situation where several people claim to represent the true wishes of the patient. To whom is the doctor to turn? Such situations are resolved by medical practitioners every day, and will continue to be even after this Bill becomes law,

but, where an agent is available, the choice is in effect made by the patient, which is the only certain solution. There is no legal mechanism available against the decision of a patient who grants or refuses consent to medical treatment. In the interests of certainty and good medical practice, it is appropriate that the same situation should apply where an agent is involved. This is not an area in which the law, through the courts, should have a significant role.

These are quality of life decisions, not financial or legal issues, and the best person to determine who should resolve those matters is the person on whose behalf they are being made, that is, the patient. The agent after all only acts through the medical practitioner, unlike a legal power of attorney where agents act as they see fit and therefore are properly and necessarily subject to greater review.

The Bill contains specific provisions which deal with the care of the dying. It should be noted that the prohibition against assisted suicide remains in the Criminal Law Consolidation Act (section 13a). Nothing in this Bill reduces the force either of that prohibition or of the law against homicide.

What the Bill does seek to ensure is that a medical practitioner will not incur liability by administering a medical procedure for the relief of pain or distress if he or she acts with the appropriate consent, in good faith and without negligence, and in accordance with proper standards of palliative care, even though an incidental and unintended effect of the treatment is to hasten the death of the patient.

The select committee was made aware of the broad community acceptance of measures taken to provide for the comfort of the patient. Drugs designed to relieve pain and distress commonly prolong life, but they may have the incidental effect of accelerating death. The medical profession is understandably concerned about the risk of prosecution, however small that risk may be. The hallmark of a humane society is one which recognises the right to die with dignity, in circumstances which are not needlessly distressing, and as free of pain as medical and scientific knowledge permits. The law should reflect that community attitude.

It should be emphasised, however, that the protection afforded by clause 12 applies if, and only if, the conditions set out in the clause are satisfied. The Bill needs to be read in the context of the general criminal law of the State. If the acceleration of death is the intended consequence of the 'treatment', then the Bill offers no protection and the person administering the procedure would face prosecution for homicide or assisted suicide depending upon the circumstances.

The Bill also makes it clear that where a patient is suffering from a terminal illness, with no real prospect of recovery, a medical practitioner is not under a duty to use medical procedures that are intrusive, burdensome and futile in order to preserve life at any cost. Where the patient is unable to make decisions, a medical agent can give such a direction. If no such medical agent is available, an appointed guardian, or a parent in the case of a child, can give such directions.

The non-application of extraordinary measures or the withdrawal of life support equipment from a terminally ill person in the circumstances defined in the Bill is not a cause of death under the law of the State. This provision ensures that the true cause of death is recorded. For example, a person who is dying from a gun shot would must be recorded as having died from the gun shot and not from the withdrawal of the ventilator that was artificially keeping him or her alive. The Bill simply ensures that the real cause of death (that is, the underlying cause of the person's terminal illness) is shown as the actual cause of death. It does not provide medical practitioners with a legal device to avoid the consequences of their negligent actions or with a means to implement euthanasia legally. Any such attempt would lead to prosecution under the criminal law.

The select committee has in a sense been both a pathfinder and trailblazer. The scope and complexity of issues before it required consultation with the community in the boradest sense. The law must move at a pace which reflects community attitudes, but it should not be allowed to gather speed and overtake the clearly expressed opinion of the community. It is a matter of balance and the select committee believes it has struck the right balance. The committee's report lays the foundations for South Australia to be at the forefront of care of the dying. The Bill will help to enhance and protect the dignity of people who are dying and will clarify the responsibilities of doctors who look after them. I commend the Bill to the House. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 provides that the short title of the measure is to be the Consent to Medical Treatment and Palliative Care Act 1992.

Clause 2 provides for the commencement of the measure.

Clause 3 sets out the objects of the Act.

Clause 4 includes various definitions that are necessary for the purposes of the measure. The term 'extraordinary measures', in relation to a person who is suffering a terminal illness, will be taken to mean medical procedures that supplant or maintain the operation of vital bodily functions, but will not include medical treatment that forms part of the conventional treatment of an illness and is not significantly intrusive or burdensome. 'Terminal illness' is defined as an illness or condition that is likely to result in death and from which there is no real prospect of recovery. (It is noted that the Natural Death Act 1983 also contains definitions of 'extraordinary measures' and 'terminal illness'.)

Clause 5 provides that a person over 16 years of age may consent to a medical treatment as validly and effectively as an adult. The provision is similar in effect to section 6 (1) of the Consent to Medical and Dental Procedures Act 1985.

Clause 6 provides that a person over 16 years of age may appoint a person, by medical power of attorney, to act as his or her agent with power to consent or refuse to consent to a medical procedure on his or her behalf where he or she is unable to act himself or herself. An appointment may be made subject

to conditions stated in the medical power of attorney. A person is not eligible to be appointed as an agent if he or she has not attained the age of 18 years, or if he or she is responsible for any aspect of the person's medical care or treatment in a professional capacity. A medical power of attorney may provide that if an agent is unable to act, it may be exercised by another nominated person. However, a medical power of attorney cannot provide for the joint exercise of power.

Clause 7 makes it an offence to induce another to execute a medical power of attorney through the exercise of dishonest or undue influence. A person who is convicted or found guilty of such an offence forfeits any interest that the person might otherwise have in the estate of the relevant person.

Clause 8 relates to the medical treatment of children. Provisions of similar effect appear in the Consent to Medical and Dental Procedures Act 1985.

Clause 9 relates to the performance of emergency medical treatment. A provision of similar effect appears in the Consent to Medical and Dental Procedures Act 1985. If a medical agent has been appointed and is available, a medical procedure cannot be carried out without that agent's consent. If no such medical agent is available but an appointed guardian is available, the guardian's consent is required. Subsection (5) relates to the situation where a parent or guardian refuses consent to medical procedure to be carried out on a child. A comparison may be drawn with section 6 (6) *(b)* of the Consent to Medical and Dental Procedures Act 1985. In such a case the child's health and well-being are paramount.

Clause 10 places a duty on a medical practitioner to give a proper explanation in relation to the carrying out of a proposed medical procedure. This clause sets out the principles of 'informed consent'.

Clause 11 provides immunity for a medical practitioner who has acted in accordance with an appropriate consent or authority, in good faith and without negligence, and in accordance with proper professional standards. A similar provision appears in the Consent to Medical and Dental Procedures Act 1985.

Clause 12 relates to the care of the dying. A medical practitioner will not incur liability b administering a medical procedure for the relief of pain or distress if he or she acts with the consent of the patient or of some other person empowered by law to consent, in good faith and without negligence, and in accordance with proper standards of palliative care, even through an incidental effect is to hasten the death of the patient. Furthermore, in the absence of an express direction to the contrary, a medical practitioner is under no duty to use extraordinary measures to treat a patient if to do so would only prolong life in a moribund state without any real prospect of recovery. A medical practitioner will be required to withdraw extraordinary measures if directed to do so. Subclause (4), relating to the identification of a cause of death, is modelled on a provision of the Natural Death Act 1983. Directions as to taking, or not taking, extraordinary measures can only be given by the patient or the patient's medical agent or, if no medical agent is available, by a guardian or, in the case of a child, by a parent.

Schedule 1 sets out the form for a medical power of attorney. The appointed agent will be required to endorse his or her acceptance of the power to undertake to exercise the power honestly, in accordance with any desires of the principal, and in the best interests of the principal. The attorney must be witnessed by an authorised witness (as defined).

Schedule 2 provides for the repeal of the Natural Death Act 1983 and the Consent to Medical and Dental Procedures Act 1985. A direction under the Natural Death Act 1983 will continue to have effect. Enduring powers of attorney granted before the new measure and purporting to confer relevant powers on the agent can have effect under the new legislation.

The Hon. JENNIFER CASHMORE secured the adjournment of the debate.

STATUTES AMENDMENT (CHIEF INSPECTOR) BILL

Adjourned debate on second reading.

(Continued from 12 November. Page 1416.)

Mr INGERSON (Deputy Leader of the Opposition): The Opposition supports this Bill. It seeks to delete references to the 'Chief Inspector' in various Acts relating to safety and to replace them with 'Director, Department of Labour', conferring power on the Director to delegate specific responsibilities to the appropriate officers. We recognise that this delegation process is in line with modem practice as it relates to the running of departments and to the administration of Acts by the particular Ministers and, consequently, by their Chief Executive Officers.

The Bill also seeks to amend membership of the Mining and Quarrying Occupational Health and Safety Committee following the transfer of the regulation of occupational health and safety in the mining and petroleum industries from the Department of Mines and Energy to the Department of Labour. We recognise again that this is a very important and relevant issue, and the Opposition supports that amendment.

There are some questions that we would like the Minister to consider in his reply and they relate to clause 4, which provides an expanded definition of 'Director'. We would like the Minister to explain why that change is to be made and why the definition of 'inspector' is to be amended. Clause 9 relates to certificates of inspection; we would like the Minister to explain why inspectors need identity cards and so on.

Finally, regarding the amendment of the Occupational Health, Safety and Welfare Act, we would like to know why the 'designated person' means the Chief Inspector of Mines or the Director-General of Mines whereas in other cases the designated person is the Director. I hope that the Minister will answer those questions in his second reading reply. The Opposition supports the Bill.

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I will attempt to assist the Opposition in this matter. The Government, in reorganising the Department of Labour, has seen a number of occupational health and safety matters brought within the scope of the department itself. The most notable was the transfer of safety inspectors from the Department of Mines to the Department of Labour and the transfer of the Occupational Health Section from the Health Commission to the Department of Labour; for the time being, that is the extent of the transfers relating to the Department of Labour.

The previous Chief Inspector has resigned as an employee of the department. With the expansion of the role of the department, it was no longer thought to be appropriate to have a position of Chief Inspector who would have limited knowledge in respect of lifts, cranes, the Occupational Health, Safety and Welfare Act and a couple of other matters. It is the Government's intention, as codes of practice and regulations are developed in line with the decision of the Chief Ministers Conferences, which will culminate in December 1993, to move to uniformity of these matters throughout the whole of the Australia. We will see the Explosives Act finally disappear, the provisions coming under the Occupational Health, Safety and Welfare Act. The Dangerous Substances Act will disappear, as will the Lifts and Cranes Act and the Boilers and Pressure Vessels Act.

It is deemed appropriate that the person who actually manages the department—the Director or the Chief Executive Officer, or whatever that position is called—is the person who has that absolute authority. It is also important that those people have the ability to delegate specific authority to employees of the department who have more expertise in that matter. The department has a considerable number of highly qualified professional people who are expert in specific matters. It is my view and that of the Government that it is far better for them

to make pronouncements instead of providing advice to the Chief Inspector. That is a hangover from the old days and, with modem management techniques, we think it is a better way of doing it.

As to why the definitions are in their present form, all I can assume is that, in respect of the broad principle of deleting the position of Chief Inspector and transferring the powers of that position to the Director, Parliamentary Counsel has stated clearly who the Director is: it is the person acting in that office, because the Director might not be present for a period of time and another person might be appointed to act in the Director's place. If I, as Minister, am directed to administer the Act, power will need to be given to me through the Director to delegate that authority. I think that is appropriate and it is stated in the Bill.

The definition of 'inspector' is clear. From time to time, under the terms of the Act, people are appointed as inspectors and from time to time those appointments are revoked. A reader of the *Gazette* would notice that those appointments have changed. The Deputy Leader asked a question about identification requirements. Under the Occupational Health, Safety and Welfare Act inspectors have extensive powers, for instance, to enter premises and to require people to answer questions. I think it is appropriate, when people present themselves at a place, that they can prove who they are. That needs to be done. Once they have proved who they are, any person who attempts to stop them exercising their powers under the Act can be guilty of an offence. Because there are obligations on both sides, I think it is appropriate that inspectors be properly appointed, that they be referred to in the *Gazette* and that they carry appropriate identification, because I would not want to see any person turning up at a factory without identification, claiming to be an inspector and then doing weird and wonderful things, with employers being embarrassed later. I think it is an appropriate way in which to conduct.

Bill read a second time and taken through its remaining stages.

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 November. Page 1489.)

The Hon. B.C. EASTICK (Light): I say at the outset that the Opposition supports the Bill, but it wants to place some comments on the record—I am sure that the responsible Minister will visit us soon. Mr Deputy Speaker, I draw your attention to the state of the House.

A quorum having been formed:

The Hon. B.C. EASTICK: I welcome the Minister of Housing, Urban Development and Local Government Relations to the Chamber; visitation has commenced. Discussions initiated by the Local Government Association on behalf of the Government have taken place and, albeit a grant having been made, there has been wide consultation. However, somewhere along the line something has happened to suggest that only two professional accounting bodies exist in Australia, when in fact there are three. Indeed, two members of our Chamber (the member for Stuart and the Minister of Primary Industries) happen to be members of that third professional body.

I grant that the method of training members of the third body has not been quite at tertiary level, yet some very eminent members of the accounting profession have made their way through the national body. A number of them have fulfilled roles for local government and for very important industry bodies in the community and would be denied the opportunity to be registered by this Bill.

I believe the matter requires further attention, and that attention will be given to it in due course. Notwithstanding that, I will not hold up the passage of this Bill at the moment, because we recognise that it is intended that the new scheme of arrangement comes into effect on 1 July 1993 and, in preparing for that scheme of arrangement involving the auditing and presentation of accounts, it is necessary to prepare regulations and forms and to give some instruction to those council officers who will have responsibility for this matter.

I want to place on notice that I know that other members in this Chamber are not satisfied with the apparent snobbery that appears to have been applied in the membership of a third professional body being frozen out of consideration for appointment to local government. The matter was discussed on an earlier occasion and indeed led to discussions with representatives of the Local Government Association—more particularly, one of its senior research officers—when, to the best of my knowledge, those discussions found common ground which could have been introduced into this measure and the Local Government Act itself (through the Local Government (Miscellaneous) Bill passed in May of this year) and which would have prescribed for the inclusion of that third body, comprising persons with professional expertise and commercial responsibility.

Action has been taken to put in a clause which will guarantee the continued employment of a person who has not only been a chief executive officer in local government and a graduate of the national accounting body but who is 'fortunately' a member of the body of auditors. That will give him the right to continue a practice that he has provided for local government in South Australia for 17 years into the future and not, as it were, chop him off at the knees in 1996 as the traditional component of the Local Government Act would otherwise do. The Minister is to be congratulated on accepting that alteration, but I repeat that the Minister, the department and the Local Government Association are on notice to take a more balanced approach to the recognition of responsible professional people than has been exhibited in legislation over the past 12 months.

The second point is that it is a good move to try to determine a better financial representation to members of councils and to ratepayers. If this formula will provide that information, all well and good. However, a circumstance is developing in some areas of local government whereby senior staff are not providing—I believe quite intentionally—proper information to councillors who, after all, are the elected representatives of people in council areas. If this be taken as a slight against some members of the municipal association, I regret that it is necessary to be said, but a number of

examples can be cited of members of councils and ratepayers generally being kept in the dark, albeit that the CEO may have been fulfilling a role as laid down in the Local Government Act and the various regulations that apply.

Questions have been raised in this House on a number of occasions about the failure of some staff adequately to inform ratepayers and members of councils. The member for Price and you, Mr Speaker, would well know the number of questions that have been raised about the Port Adelaide council. Questions have been raised and evidence has been given in this and the other place over an extended period which bring into serious consideration the raising of loans and the activities of the hierarchy of the staff of that council. In the most recent discussions relating to amalgamation, the clear reason why there is not an amalgamation to include Port Adelaide is that neither Woodville nor Hindmarsh can entertain the unacceptable accounting procedures portrayed publicly by the Port Adelaide council. I do not nominate any person, but I have had a clear indication from the nods of members on both sides of the House as to the validity of the comment I am making.

There are dangers, and it is not only the local government body at Port Adelaide. One can go back some years to the serious circumstances that arose in respect of Thebarton council. That council sought to bring into existence a set of rules and regulations for a development board which put the members of the council who were to serve on that board above their responsibilities to the council itself.

One of the great pities of that argument at the time was that the course of action which had been developed, and the documentation which had been put into place and put up to the Minister, and which was unfortunately overturned by the Minister after there had been an early indication that it would be approved, had been put forward by a group of people who offer professional legal advice to local government broadly across South Australia. On the one hand, they were telling councils what they could not do and, on the other hand, they were party to a series of documents that circumvented the requirements of the Act. These are matters which had been previously aired and which are still in the background and in the memory of people who have been closely associated with local government.

What I am saying is that, if the set of circumstances outlined in this piece of legislation are going to provide a full and accountable set of records, not only for the Government and local government body but if they are going to deliver information in an acceptable and understandable form, not only to councillors but also to ratepayers, we ought to support it with all endeavour. Indeed, we do support it, but it needs to be monitored. The snobbery that I spoke about previously in another sense also has to be taken into account.

I now pick up a couple of points that were drawn to the attention of another place by my colleague the Hon. Di Laidlaw, when she said, 'This has made it difficult to compare between councils and between States'. She refers to the fact that the course of action taken with individual States and as between councils did not give apples to compare with apples and there are all sorts of problems. It raises yet another problem that has been forced upon local government as it is being forced upon industry, that is, the seemingly incessant demand on local governing bodies, as on industry, to provide statistical detail to higher authorities. In fact, staff are spending a tremendous amount of time, funds and resources providing ever-increasing amounts of information to a higher authority. Any member of local government or a statutory body having any contact at all with the Commonwealth will clearly identify the difficulties that they have in keeping up with the plethora of information that is demanded of them, and it is often demanded the day after the receipt of the information.

Councils and industry have all complained to members on both sides of the House (certainly to members on this side) of the non-productive and wasteful expenditure of precious resources whilst all sorts of documentation are completed. If what has been formulated on this occasion will bring to reality a more easily but effectively delivered set of detail, we are certainly for it. Taking up the point just made, the Minister in introducing the measure to the House made this point:

> Further, the nature of local government reporting in Australia has been influenced more by the need to provide statistical information to other bodies than by the need to convey meaningful financial information to the local community.

The Minister has said it all himself in fewer words than it took me to draw attention to the problems that local government, along with industry, has experienced. The Minister also made the following statement:

> It will help to make councils more accountable to their ratepayers, an important issue given the discussions which are taking place concerning the devolution of powers and responsibilities from the State to the local government sector.

The Opposition has no argument with that. We want accountability. I have drawn attention to the problems that have existed in the past, some of which are still with us and need to be addressed. I hope that this measure will work in that direction. While the Bill's provisions are technical in one sense, I do not want to go over them because they have been adequately analysed elsewhere. However, as a representative of ratepayers involved with local government in my own electorate and as a former Liberal Party spokesperson on local government over a long period, I did want to place my concerns on the record and draw attention to those matters that need to be addressed consistently.

I would like to say to those involved in local government and industry that it is necessary to review continuously what is being done and to draw to the attention of those chief executive officers who are over-zealous and who pull the wool over the eyes of not only ratepayers but more particularly their elected councillors that enough is enough, and we need to get back to true representation of the people by those who are elected on their behalf.

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I thank the Opposition for its indication of support for the measure. I appreciate the interest that the member for Light takes in local government affairs and the work that he does on behalf of the Opposition in this place in ensuring that the legislation that comes before us is well considered and appropriate for the purposes for

which it is intended. In fact, this small amendment Bill, as the member for Light—

The SPEAKER: Order! The member for Victoria and the Deputy Leader, first, should not turn their backs to the Chair; secondly, they should resume their seats; and, thirdly, if they are going to converse they should do so at a lower level.

The Hon. G.J. CRAFTER: Thank you, Mr Speaker. I indicate that this measure is important in the message that it sends to local government in the broader community about the emerging role that local government is playing and intends to play in our community. Obviously, public confidence in the affairs of local government is paramount to that enhanced role for local government. This measure will help in providing that public confidence in that important tier of Government. Local government is the recipient of substantial Commonwealth and State funding, and that funding and its expenditure need to be properly accounted for. There needs to be a capacity within the accounting systems of local government across this country for appropriate comparisons to be made. It is for this reason that this measure has been brought in.

It was prompted by the following concerns: first, the insufficient consideration being given to the objectives that financial reports should aspire to achieve in respect of the users for whom those reports are prepared and their information needs; secondly, the lack of a common approach to the resolution of similar accounting problems in each State and Territory; and, thirdly, the reporting of excessive details and the preparation of financial reports that are difficult to understand and interpret. In a nutshell, they are the reasons why this measure is before us, and the member for Light has expanded on them and given some interesting examples. With respect to the status of the various professional associations associated with the accounting profession, I must say that the concerns expressed by sections of our community about the provisions contained in the Bill as it was introduced in another place have been addressed by way of amendment, and those concerns have been overcome.

The points made by the honourable member need to be put into context. In this State there is no statutory requirement for there to be registration of an accountant. Indeed, any person is able to use the title 'accountant' and practise in the community. I was involved in a court action, as counsel for the Crown, with respect to a body that wanted to establish an educational institution to train accountants and certify the graduates of that institution. That intention was challenged by the major professional associations, but the court held that there were no barriers to organisations wanting to hold themselves out to train accountants and for that title to be given to those persons in the community who hold themselves out to be accountants.

So, the issues raised in the other place, and the resulting amendment, really touch on a much deeper issue about the accounting profession, how it might be secured in the eyes of the community, how its members are disciplined and how the community might determine who is an appropriate person to consult in this area and who may not be appropriately qualified or who may be operating in a way that is not in the interests of the community. That still remains an issue of concern for our community.

I must say that the two major associations involved with the accounting profession do an excellent job with respect to gaining maximum membership, providing discipline within that membership, maintaining ongoing professional standards, and providing continuing education for their members and their own internal sanctions. As we live in a climate of deregulation and minimum intervention by Government in areas such as the professions, we still need to be mindful of the effect that statutory controls over the various professions can have in the eyes of the community, and that we have a special responsibility in this place to protect. It is not appropriate for me to go over the details provided by the member for Light with respect to the implications of this measure. This is an important measure symbolically in terms of where the State Government sees local government moving and the place that we want to see it assume in the eyes of the overall community.

Bill read a second time and taken through its remaining stages.

PARLIAMENTARY COMMITTEES (PUBLICATION OF REPORTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 19 November. Page 1598.)

Mr INGERSON (Deputy Leader of the Opposition): The Opposition supports this Bill. In essence, the Bill enables the parliamentary committees to report, when Parliament is not sitting, any position that they may have taken in an interim report. This is an important issue for the committees. I will use the Electricity Trust investigation as probably the best example. If the Parliament had not been in session when the committee was investigating the position of the General Manager, even though the committee had reported publicly that it did not see any problems with respect to the current position of the General Manager, there was an inference that there may have been problems. If that committee did not have the opportunity to report, the General Manager's position could have been in jeopardy for some two or three months, and that would have been untenable, particularly because the committee found that the General Manager had not misled the committee and had not breached any part of his contract. In those circumstances, the committee needed that opportunity to report.

The Opposition supports very strongly the present committee structure. Some areas within that structure need modification from time to time, and this is a very good amendment in terms of allowing that structure to work. On behalf of the Liberal Party, I support the Bill and hope that the committee structure will be enhanced as a result. We note a protection in the Bill that provides that the report needs to be made to the Presiding Officer. We respect that position of Parliament and note that, if there is any need for the Presiding Officer to make public that report, that can be done very quickly. We support the Bill.

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I thank the Opposition for its indication of support for this measure. As the Deputy Leader has indicated, it does improve the workings of the Parliament, particularly with respect to the committee system. In fact, as a result of a legislative change to the committee system some time ago the role of parliamentary committees has been enhanced, and their relationship with the community has grown substantially in importance. It seems that the provisions contained in this Bill will further add to that role of the committees in their effectiveness, and will overcome the difficulties alluded to by the Deputy Leader. In conclusion, I indicate the Government's appreciation of the interest by the member for Napier in this measure and his urging that the amendment be brought before the House at the earliest possible opportunity. I commend the measure to all members.

Bill read a second time and taken through its remaining stages.

Mr FERGUSON: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

SELECT COMMITTEE ON JUVENILE JUSTICE

Adjourned debate on motion of Hon. T.R. Groom:

That the report be noted.

(Continued from page 1729.)

The Hon. T.R. GROOM (Minister of Primary Industries): This committee was set up on 28 August 1991 and reported today. It has been a very significant effort on the part of the members of Parliament who comprised that select committee. I want to place on the record my thanks to all members of the select committee for their positive contributions during this most arduous task. This select committee had the widest possible community participation. From the time it was set up in August 1991 until it reported, we took oral evidence from 250 individuals and 32 organisations, and we received 187 written submissions; 14 public meetings were held in metropolitan and country council areas, more than 100 people attended a public meeting for the Aboriginal community at Port Adelaide and, of necessity, the committee went to New Zealand to look at the family group conference scheme.

The recommendations represent the first major overhaul of the juvenile justice system since 1979. Members should recall that the present Act was as a result of the 1976 royal commission. I think it is very important for members of the community to comprehend that members of Parliament have undertaken this task—and I think they have done it very well—on a shoestring budget, so to speak. A royal commission would have cost millions of dollars, with parties being represented. This is a good example of the Parliament working as the public would expect the Parliament to work on an issue such as this and arriving at a consensus report.

As I said, the report is the first major overhaul since 1979. Some of the major recommendations include a system of formal police cautioning. This is particularly important, because the police will be returned to a central role in the system. By virtue of the abolition of children's aid panels and screening panels, the police will determine which matters go forward and how to deal with them. However, at the early stage of the police cautioning system, the police will have the ability to give either an informal street warning in relation to a very minor matter or a more formal caution, which would involve not only the offender but the offender's parents. They can go to see the victim and arrange reparations by agreement and punishments. At the cautioning level, the police will be able to impose up to 75 hours of community service work.

The abolition of the children's aid panels and screening panels means that the select committee had to look at another more viable substitute. That substitute was the family group conference scheme, which we saw operating in New Zealand. At the family group conference, not only is the offender required to be present with his or her family but the victim, in appropriate cases, will be present. The victim does have a very significant and enhanced role in the family group conferences. The victim therefore, by virtue of his or her presence, confronts the offender with the consequences of the offender's action. It is a very powerful weapon.

That family group conference will take in cultural diversity and family responsibility. I observed in New Zealand that the parents, when they participated in the setting of punishments, were actually much tougher than the courts. These conferences are a very good way of returning to the system parental authority, responsibility and discipline as well as cultural values. In an appropriate case, for example, with the Aboriginal community, an Aboriginal offender will be able to have present his or her parents, extended family and tribal elders where necessary.

The conference can be innovative with regard to the range of punishments that it can mete out. Indeed, we saw this operating in New Zealand. However, the two fundamental issues are that the police will be returned to a central role and that parents and families will be empowered by virtue of the legislation. The most serious matters will end up in the youth court. The select committee has recommended separating off the two Acts and having a Children's Protection Act and a Young Offenders' Act, and renaming the Children's Court the Youth Court. The Children's Protection Act would deal with care and protection and control matters; the Youth Court would be responsible for the justice model. The committee recommends that the Minister of Health, Family and Community Services be responsible for the Children's Protection Act and that the Attorney-General be responsible for the Young Offenders' Act.

There is a further significant feature in relation to truancy. The select committee recommends that, where a child is not committing an offence but is simply absent from school—truanting—that should be treated as a care and control matter and be dealt with under the Children's Protection Act. It will actually give wider powers to principals. We put the responsibilities fairly and squarely on principals. They must report truancy or absenteeism immediately and they must keep proper records. However, the prevailing view of the select committee was

that, where a child is doing nothing more than being absent from school, that child should not in the first instance be treated as a criminal, because it is a symptom of underlying behavioural problems. Indeed, in most of the cases of repeat offenders who come before the courts, truancy and repeat offending is tied up. When a child is outside the school yard, not going to school, one finds they do get into trouble, even if it is disorderly or offensive behaviour, wilful damage, or whatever. Most of the offences committed by young people who are absent from school are in that scenario—truancy combined with an offence.

The committee recommends—and quite properly—that, where a child is truanting and commits an offence, that child should be dealt with under the justice system. However, this is a significant change. Parents will be liable for a truanting child. An offence will be committed by parents, as is the case under the present Act, but a child who is simply truanting will not be committing an offence *per se* unless another offence is committed in conjunction with the absenteeism.

The family group conference system will be under the control of the Senior Judge of the Youth Court. There must be a person presiding over the family group conference. The Senior Judge will have a delegated power to appoint a range of people, who might be police officers, former correctional services officers, officers from the Department for Family and Community Services or magistrates, in appropriate cases.

However, one of the features of the New Zealand system that I did not like was that the youth coordinator was essentially employed by the family and community services authority. A hierarchy was developing throughout New Zealand; in other words, there was another bureaucracy around the position of coordinator. In many ways this report is cost neutral and it is far better to utilise existing resources. So, the standards to be adhered to by youth justice coordinators, the training and the appointment of those officers can all be dealt with by the judiciary, which I think will be a much less costly option.

Another recommendation relates to parental liability. There are appropriate checks and balances. This is not simply a matter of the parent suddenly being caught with a huge bill. However, this system is in existence in New Zealand and it does work well. Members of the committee saw family group conferences where parents did pay damages and reach agreement. At the end of the day, parents are really first in the queue. We are not dealing with the Minister's children; they are not society's children. Parents are first in the queue and should take responsibility for their children. However, there are appropriate checks and balances so that the system does not work oppressively.

There is a recommendation that penalties be increased. The committee has recommended that, for example, the maximum period of detention be increased from two years to three years; with regard to community service orders, that the police can impose at the cautioning level a penalty of up to 75 hours work; that, at the family group conference, about 300 hours of community service can be imposed; and that at the upper echelon—in the Youth Court—500 hours of community service can be imposed. We have not changed the fines, because they re really quite useless; young people do not have the money to pay fines in any event.

Regarding a breach of bond by a child, usually a bond is signed for, say, $100 or up to $200. If the child breaches the conditions of the bond, it is estreated and the child has to pay money. That is quite useless in many regards, because the child does not have any money. The committee has recommended that a separate offence of breaching the bond be created so that the child can be dealt with again and further punishment imposed. So, there will be wider sentencing options.

Private resources can be utilised. As we saw in New Zealand, private organisations have sprung up where children have been required to live with a family, undergo training and work. I think one child was working as a mechanic in a garage. So, there will be wider sentencing options but increased penalties, and that is particularly important with regard to recidivists and repeat offenders, because repeat offenders are seen as the problem in the community.

I propose to enable other members to have an opportunity to participate in this debate, but I simply wanted to set out the major recommendations of the select committee. Under the new processes, the victim will be entitled to attend the Youth Court and the family group conference. The recommendations are a mechanism for the imposition of family and cultural disciplines and responsibility through the family group conference; they return police to a central role, and I think basically they provide a recipe that the community wants regarding the way in which juvenile justice should be dealt with. If the recommendations are implemented, South Australia will, once again, be seen as a leader in this field throughout Australia. I know that other Australian States are awaiting the release of this report.

This is a very balanced report and it is a credit to the members of Parliament who have participated, because as I have said it has been dealt with essentially as a cross-Party/independent matter. We have been able to reach a consensus on all issues. Obviously, there has been debate on one or two issues, but I think the report represents a cross-Party/independent position, one which I think will do this Parliament credit, because this job has been done by Parliamentarians. We have been able to undertake these tasks at a very sophisticated level. I pay tribute to Joy Wundersitz, who has done outstanding research work for the select committee—we are extremely grateful for her advice. However, the committee has done the job. It has not been necessary for the job to be done by a royal commission, which would have cost millions of dollars. We have shown as a Parliament that we can put together recommendations that are in the best interests of the community, and I think it will do this Parliament credit.

Mr OSWALD (Morphett): I believe that this select committee has been the most productive select committee that this House has authorised to proceed for many years. Indeed, it will probably go down around Australia as a benchmark for future reform in the juvenile justice system. As the previous speaker said, there is no doubt that interstate departments are keenly awaiting the result of this inquiry. Many States have had the same basic problems as we have had, but no other State has gone

into it with such enthusiasm and bipartisan support as has South Australia.

Over the years, South Australia has not been slow to lead reform in the juvenile justice system. Two years ago I visited Canada and the United States and I presented a paper in San Francisco to a group of officers of the local justice department. At the conclusion of that paper, which was provided to me by a local Adelaide department, an officer from Vancouver came forward with a paper delivered by another South Australian. We discussed the western Canadian system and found that, basically, the South Australian system had been adopted. My contacts in San Francisco are keen to obtain a copy of this report to look at, as will be people in Vancouver. It is a credit to us that in this area of juvenile justice South Australia has been the trail blazer. But the system went wrong, and it was up to us to correct it.

Perhaps the system went wrong because society has changed over the past 15 years. Certainly, as far as parental responsibility was concerned, there was a revolution. In the late 1970s and early 1980s we went through an era where parents started to feel insecure in their disciplining of their children. I think that flowed into the community, and even the courts and the police became a little insecure and unsure of how to handle young offenders. It did not take very long for that to flow down to the youths themselves. We had a situation in this State where children and youths were running loose in the community without any fear of consequence for their behaviour.

In this report, we have set out directions for the police, the courts and the community in general, and we should also set down a few directions for the education system to the effect that we place a lot of importance on parental responsibility and that youths who offend will have to suffer the consequences of their actions. One of the things I looked at very carefully when we went into the evidence was the interface between the Department for Family and Community Services, the courts and young people. We have heard stories of young offenders getting a slap on their wrist and being sent on their way and of bonds being imposed by the courts where the magistrate or judge thought that supervision was involved but there was none. We have heard stories of truancy, that young people were not reporting for school and that no-one seemed to want to accept responsibility. Once they left the school grounds, the teachers said that it was not their problem and FACS said it was not its problem. We had this slow breakdown of supervision, and that extended into homes.

We are all acutely aware of the social structure of Adelaide and the number of single parent homes and the difficulties single parents have in supervising and looking after their children. On many occasions, mothers in particular, in a single parent situation and working, with all the goodwill in the world, are not able to supervise their children. Those children then run off the rails. I hope that the academics, when considering the report, will look at it in totality. I would be disappointed if the academics, the lawyers and, indeed, any member in this Chamber decided to take one aspect of the report and criticise it on its own. For example, they might decide that one or two paragraphs are soft or weak. But it is a total system, a system which starts by getting rid of the screening and aid panels, because it has been established that they were ineffective. They might have been suitable for 80 per cent of mild offenders, but they were ineffective in stopping recidivism.

The court system turned out to be ineffective. Even the Senior Judge wrote to us to tell us that he was unable to be effective in his role. We had the interface between FACS and the courts where it seemed that FACS was driving the system by means of recommendations to the courts and the courts were obliged to take those recommendations into consideration. We had the problem with the police who said, 'It is not worth apprehending a young person nowadays because, if we do, that person will only get a slap on the wrist. Therefore, we are just wasting our time and valuable police resources.' We have changed the system quite dramatically from the bottom to the top. It recognises the social consequences in Adelaide, the impact of single parent families and the difficulties of parenting.

If parents are not able to attend a family group conference because of the circumstances of the young person involved, others will be available to attend the conference to play the role of parent and to supervise that child afterwards. It all gets back to the police and the motivation to make the system work. In consultation and cooperation with the courts, the police are driving the system. It was put to me several times by very qualified people that, sadly, we had reached the stage in this State where FACS had contaminated the system, that the system was not working as it should and as it was originally designed as a result of the commission in the 1970s, and that indeed it was counterproductive.

I will not go through the report chapter by chapter: it is there for members to read. However, I appeal to members, as I said a few seconds ago, to treat it in its totality, because they will find that the family group conferencing system is designed for a purpose, namely, to bring these young people back into a group of people who are there to help them. The parents are there and the victim is there. The observation was that on many occasions the victim ended up being of great assistance in bringing that young person back into the community. In fact, we found that on one occasion in New Zealand a victim had taken such a personal interest in a young offender that she paid the air fare for that person to go across to Sydney to see relatives he had never seen before, which was part of the process of bringing that lad back into the community.

Certainly, in that conferencing system, the police are paramount. They have the power of veto, which is so essential in making sure that the standards and objectives of justice are maintained and, at the end of the day, the supervision of the family group conferencing is now in the hands of the senior court judge. No longer can Family and Community Services dominate the proceedings but, rather, they will be there in their professional role to assist in the family group conferencing. They have highly skilled social workers in the department who are trained to do a specific job. They will be doing it by way of counselling and attendance upon the young offenders through the conferencing; the police will be there in their professional role for which they are trained in the apprehension and follow-up stage; and the judiciary will be there in its professional role. Put the three together,

properly orchestrated, properly supervised and with everyone fulfilling their roles, and there is no reason why the system will not work.

In conclusion, I would like to commend the input from the other members of the committee. There were very few occasions when we were caught up on matters of policy and philosophy, because I think all members had one common desire, namely, to make sure that we clean up this juvenile crime problem in South Australia and ensure that these young people feel some consequence of their actions. Once they have felt a consequence of their actions, society can help them. The family group conferencing is one place now where we can bring them together with the parents so that they can work out what they will do in the future. They can work out the penalty that is to be paid, we can bring in various youth workers to help them and *we c*an help them with their employment, so it becomes a very powerful tool indeed to bring that young person back onto the straight and narrow.

A lot of youths will slip though the youth conferencing system and eventually become offenders and reoffenders, and of course they will go straight to the courts; that is acknowledged, but the New Zealand experience has been that the numbers going through the courts are vastly reduced, which reduces the workloads in the courts, and the courts can then devote themselves to other matters such as in need of care orders, etc., and also concentrate on the serious offences. It also gives the Supreme Court judge the opportunity to be more responsible for the ongoing care and supervision of young offenders, and we will not ever have the situation where a judge gives out bonds for supervision, only to fmd that, unbeknown to the judge, the supervision never took place.

I commend the Bill to the House and to the solicitors and academics who will no doubt go through it line by line. It is a landmark report and, when the legislation is introduced, I guess there will be some vigorous debates on certain matters involved in it, including matters of philosophy, but let us not get away from the total overview that we have provided for the consideration of this State, and that is a totally new justice system which, if allowed to be trialled, we would fmd in three to five years has been a major step forward in bringing juvenile crime under control in this State. I commend the Bill to the House.

Mr FERGUSON (Henley Beach): As a member of this committee, I support 90 per cent of the recommendations now before us, as I believe they will provide a better juvenile justice system for South Australia. I am committed to a conference and I will not be able to take the full time that I have available to me, so I must express my concerns about this report in the time that I have available. In the first place, I would like to say that this committee is completely different from any select committee of which I have previously been a member.

Usually, the members of a select committee sit down and discuss at length the evidence and more particularly the regulations that will be proceeded with. When there is disagreement within the committee, there is usually a long and protracted discussion until there is a meeting of minds and, when there is a meeting of minds, recommendations are made and suitable compromises are reached from time to time. Unfortunately, that process did not take place in this committee, and I would hope that, if there is another select committee and for the remainder of this select committee, we get a better organised way of doing things. As a member of the committee I thought from time to time that I was actually in the witness box and that I was not part and parcel of the committee.

Mr Matthew: It sounds like you didn't get your own way.

Mr FERGUSON: I most certainly did not get my own way, and I will elaborate on that in due course. I felt from time to time that I was in the witness box and that I had to justify in 'Yes' or 'No' answers the stand I was taking on certain issues. In my view, that is not the way committees ought to be run: they ought to be run in such a way that every form of input is accommodated and, when a solution cannot be found, in due course the matters should be voted on. That did not occur on this occasion; there were times when decisions were made in very short order and they were taken as a majority decision of the committee rather than a consensus view. I believe that in every committee established by this Parliament there should at all times be an attempt to get a consensus view of the committee itself and, on occasions, this did not happen.

I got the impression that there had been conferences outside the committee, that agreement had been reached outside the committee and that those agreements were then put to the committee and forced through on a majority vote. That was the impression I got as a member of this committee, and I say that it is no way to run a committee. Indeed, it is a disgraceful way of running a committee.

I thought long and hard about telling the House my views on the way the committee was run, because it may in some sense degrade the report we are now considering. However, I thought it was so important that select committees of this House be run in a right and proper way that I decided to take this matter to the House and explain exactly my views on the way this was done. I do not believe that there should be a little coterie in a committee that goes away and makes a decision and comes back and forces that decision on the committee as a whole. I believe that every view should be taken into consideration on a committee, due consideration should then be given to that view and, no matter how long it takes, every course of action should be examined until such time as a decision is made.

I did not think much of the idea of majority decisions being forced on the committee in very short order. That is one of the problems that we had within this committee. I am not telling the House anything that I have not already told the Chairman of the committee. I expressed to him my view on the way that the committee was being run and I explained that I would be forced to bring this matter before the House if I did not think that the committee was being conducted in what I thought was the proper way; hence the reason for bringing it before the House, and it pains me to do so.

There is no indication in the report when a minority view has been taken. I believe that when a minority view has been taken on important subjects that minority view

ought to be recorded, or at least it should be recorded that it is not the unanimous view of the committee, because the name of every person on the committee goes on the report and the impression is that the report has been accepted unanimously. I can assure the House that it has not.

I turn now to my complaints about the report. I refer particularly to the truancy provisions that have been inserted. I say with all due modesty that it was at my insistence that we looked at truancy. Normally I do not disclose what happens in the committees on which I serve, but it was at my insistence and persistence that the committee looked at truancy as part of its brief. I believed it was important, in relation to juvenile justice, to look at truancy, because the evidence was that there is a definite connection between truancy and youth crime. It is all in the report, and the report on truancy is an excellent report.

My bone of contention is with the recommendations. My specific bone of contention relates to recommendation 2, which states that, as a central cause and resolution of truancy issues set within social and educational parameters, truancy be no longer deemed an offence under section 79 of the Education Act 1972. That is where I believe the committee has gone wrong. If that recommendation is accepted—and I most sincerely hope it is not; I hope that the Government will take a deep long look at this—it will take the responsibility for truancy away from the Education Department, the principals and teachers, the administration and in certain senses parents and the school community. There ought at all times to be a reference to truancy within the Education Act. I believe—and I have been through all the meetings—that the Education Department has made an absolute botch of a job with regard to truancy. I could not think of a worse record of any department in any area than that of the Education Department in this respect.

As we went from school to school—I am sure that the member for Mount Gambier who is a former Minister would understand what I am talking about—there was complete indifference in some areas to the problems of truancy. The students who have been truanting and the parents have been getting away with it without having anything drawn to their attention. One of the biggest problems with truancy is parents who encourage their children to stay at home. I can understand that there are some aspects of truancy that ought to go to care and control, and I have no problem with that. I can see no reason why the Education Act should not be amended to make sure that where truancy relates to care and control that matter is and can be referred to the appropriate place in due course. This takes responsibility for truancy out of the Education Act.

There are some pious statements in the recommendation, one being that the school principal be directly responsible for truants and behaviourally difficult students. Another recommendation is that where parents without good reason fail to ensure that their child attends school on all days that the school is open they can be prosecuted. However, to put in a pious statement that school principals be directly responsible for truants and then this Parliament does not insist that there be legislative power to make sure that the principals carry out that duty is the height of stupidity.

There is no way that this Parliament can guarantee that principals carry out that recommendation if it does not provide the legislative power to make sure that they do. Merely to take truancy out and to put it under the Children's Protection Act, relieving education for all time of taking any action on truancy, will be a problem in the future and that is something I cannot really understand.

In relation to all the recommendations, I again say with due modesty that I had a lot to do with them. In conference with the officer assigned to the committee, I had something to do with putting the remainder of these recommendations together. I hope that action will be taken on them with regard to truancy. I would have hoped that the committee would take more time and give more and deeper consideration to the recommendations that it made. I was very disappointed when it appeared to me that collusion had occurred with other people, both inside and outside the committee, and that recommendations were made without due consideration being given to them. I certainly hope that we never see another select committee run in this way. I have other concerns about this matter. I was of the opinion that we should keep the solicitors out of family conferences. I believe that if they ever get into a family conference they will make sure that matters do not proceed as they should. However, I was defeated on that proposition. I do not have a great problem about being defeated on it, but it is a point that I would have wanted to take up.

Another point that I believe the Government should insist upon relates to the recommendation on specialist youth aide officers. I believe these officers should be involved in every aspect of the juvenile justice system, particularly the screening process. This was also a majority decision but, so far as I am concerned, specialist youth aid officers, whom I have seen doing an excellent job in New Zealand, should be involved in the screening process. I do not want to let it appear that this is a total whingeing and carping criticism because, in total, this is a good report. I believe that it was as a result of my insistence that the committee went to New Zealand. I had some assistance on that from other members of the committee, but I believe it was through my insistence that we went to New Zealand. I do not believe the committee could have brought down—

Mr S.G. EVANS: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr FERGUSON: It is most unfortunate that the Opposition tends to call for a quorum when there is limited time in an extremely important debate, and I hope that it does not happen again.

Mr S.J. Baker interjecting:

Mr FERGUSON: If it happens to me, it will happen to you—make no mistake about that. So far as I am concerned, it is a good report. Overall, the report was produced on a budget, which is a tribute to you, Mr Speaker, because you kept your hand on the finances and, if it had not been for your stewardship, this report, which will change the future of juvenile justice in South Australia, would not have been produced at anywhere near such a low cost. I appreciated the help and cooperation of other members of the committee. It has been a pleasure to work with members on both sides of the House as they contributed well to the committee.

There has been much goodwill involved in producing the report. Nevertheless, I still maintain that the criticisms that I alluded to earlier need to be attended to. I do not intend to stay silent when I believe that I have not been treated as well as I should have been treated in respect of select committees, and that is one area of my concern. As this is an interim report, I hope that from now on change can be made because it is certainly required, and I hope that in the future we see better conduct in respect of this committee. I thank the House for the time to debate this matter.

The SPEAKER: Order! The member for Newland.

Mrs KOTZ (Newland): It also gives me much pleasure to speak to this interim report of the Select Committee on Juvenile Justice which, as the House is aware, started about 15 months ago. This is a complex issue. The whole juvenile justice system is an extension of many different complexities and I believe that the committee has tackled probably every area that will have an impact on the juvenile justice system. First, I would like to compliment members of the committee for the hard work and effort that was obviously a major input over the past 15 months. I refer to the research officer and Secretary of the committee who contributed a great deal of background work necessary for the committee to consider. I also refer to the substantial input from members of the public.

Some of the public meetings were somewhat disappointing because they were meant to give members of the public in South Australia an opportunity to express their opinion on this extremely important subject. This was highlighted in the past by many constituents who indicated that this subject is of considerable concern.

Although the numbers may have been slightly down at public meetings, the input from the general public was substantial through individual submissions and Government and community organisations which presented evidence. I would also thank the *Hansard* staff who supported our travels throughout the State and put up with trying and often difficult and different situations.

The Hon. B.C. Eastick interjecting:

Mrs KOTZ: Yes, especially a couple of aeroplane rides, as the member for Light mentions in a storm somewhere out of Whyalla. I do extend my deep thanks to the people from *Hansard,* whose professionalism always outweighed any of the difficult situations under which they were placed. I wish to make only a few comments about the report. I do not wish to debate any of the subject matter, other than to agree and support the thrust of the major change within the report. It has been recognised by the community at large, by the police and by this Parliament that the present juvenile justice system has certainly not lived up to the expectations of its conception when it was initially put into place. Members of the public and young offenders in particular have presented the most damaging evidence against the present system. The system has been treated with contempt by the very people who should be deterred by such a system.

One of the major changes of extreme importance is from what had been a welfare model of juvenile justice to the specific justice area itself. There is a separation of powers between the welfare and the justice models, and this shift in policy is definitely designed to reduce the ower of welfare bureaucracies that had been vested with substantial discretionary authority in the past to deal with juveniles. I believe a great deal of the evidence indicated that that is part of the juvenile system problem as it exists today. The major thrust of the recommendations have come from the point that people in the community and Government agencies have strongly suggested that the current system has not allowed children to participate in the court system—the deterrents have not been there.

It is stated clearly that children have misunderstood and misconstrued much of what occurs in the court system; for example, the processes and structures during and subsequent to court and prior to court acted to prevent children participating in the court process. It was also found that children's experiences and understanding of the court had little or nothing to do with the offences that they actually committed. In moving to the major change promoted by the recommendations of the report, in looking to family group conferences, it is intended that families of young offenders be given the power to participate in decision making. It is a recognition that families are important. The support of the family in the community must be given more resources and must be a major contender in any of the decisions made in relation to children. That responsibility must be placed within the family connection.

The family group conferences indicated in the report will ensure that the young offenders are more effectively confronted with the consequences of their own actions. Equally importantly, victims of whatever offences have been committed are more likely to be effectively compensated. That area has been sadly lacking in the present system. It is correct to say that the aims of the new system are to increase the emphasis on diversion; to emphasise accountability rather than the area of welfare issues; to involve families, offenders and victims in decisions and their outcomes; and to be responsive to another area that includes the indigenous cultural traditions of our Aboriginal people.

All of us, including me, need to look at ways to improve our role as parents. I pick this up as the family trend which is very inherent in these recommendations. We need to examine the characteristics of nurturing, and that might include the whole question of affection for children, the consistency of discipline, self-confidence of parents in understanding their role, the question of esteem that parents hold for each other and other members of the family, the reasonableness of the demands that we place on our children, their supervision—recognising the need to help them deal with powerful influences of peer pressure—and remembering from our own experience the turbulence of adolescence.

I have some concerns, as has the member for Henley Beach, with other aspects of the report that need to be further discussed. I agree with his concerns in the area of truancy. I believe also that the Education Department needs to take a more effective role, and that will occur only by retaining truancy as an offence in this area. I am very pleased that, in the major background of looking at the different complexities, part of the report picked up the linkage between illiteracy and crime. Recommendations within the report direct the Education Department to implement programs and resources at identifying illiteracy and behavioural problems that appear to be the

links in non-achievers, and to direct those resources into the junior primary and primary school areas of the education system.

I hope that these recommendations will be supported by all members of the House, because I feel very strongly about the fact that these areas are at the very base of the formative growth of our youngsters. These problems must be isolated, identified and worked with at those stages if we are to do anything successfully at the top end of the scale, when we consider that there are juveniles sitting in our detention centres because of a life of crime that has come about through many different reasons that were not detected early in their life. I have a concern about one other area, and I refer to one of the major contentions of the recommendations in separating the judicial area from the welfare system. I note the recommendation within the report where the Department for Family and Community Services will retain its administrative control over juvenile centres. I have great concern with that, and I will discuss those matters in later debates on this report as we reach the final stages.

I am extremely pleased with the report as a whole. Although I have identified some concerns, I believe that the input and hard work of the committee will result in major changes within our juvenile justice system. I believe it will start to bring the shame and deterrence factor back into the system, and provide our youth with a much more substantial base than we have seen in the past. I commend the report to the House.

Mrs HUTCHISON (Stuart): It gives me great pleasure to support the noting of the interim report of the Select Committee on Juvenile Justice and, in doing so, to make some personal observations on the recommendations of the committee. The investigation into the juvenile justice system in South Australia was extremely lengthy and extensive, which highlights the importance placed both by this Parliament and the community on the issue of juvenile justice. No one would realise that more than you, Mr Acting Speaker, because you have indicated in the past a very keen interest in this area. It was very good to be part of a committee that carried out such extensive investigations.

The Chairperson of the committee has already indicated the number of submissions that we received; the number of public meetings held; and the breadth of information given to the committee. The member for Henley Beach has mentioned the fact that the committee visited New Zealand. Prior to the committee's visit, I had already visited New Zealand to look at the system and was most impressed by the way it worked and, in particular, the family group conference. I am extremely pleased to see that that has been adapted, although in a different form to the New Zealand system. Quite significant changes have been recommended in this lengthy report. There is a recommendation for the one Act to be split into two Acts, one for which the Minister of Health, Family and Community Services would be responsible, and the other for which the Attorney-General would be responsible.

A total of 17 recommendations have been made with regard to education; six with regard to the causes and prevention of juvenile offending; 17 that highlight the very large proportion of Aboriginal offenders in the system, given the percentage of Aboriginal people in the community as a whole; five with respect to philosophy and practice; three with respect to general policing issues; 15 with respect to the formal cautioning system that has been introduced; and 27 with respect to post cautionary procedures. In total, it can be seen that a vast number of recommendations have been made with respect to policing issues. With regard to the screening panels and their abolishment, three recommendations have been made; there are 24 recommendations in respect of the Children's Court, which will have a change of emphasis; and a further 10 recommendations in regard to detention centres.

I point out that in the past South Australia has had national and world recognition as a leader in the area of juvenile justice. In 1895 the State Children's Act was passed, and South Australia was the first State in Australia, with Australia being one of the first countries in the world, to actually deal with that issue. It was very obvious during our negotiations and meetings that there was a community perception that juvenile justice was 'out of control'. From my own personal observations, that did not appear to be the case, although I will admit there has been an increase in the number of juvenile offences. The number is on a par with the 1982-83 offence list. Notwithstanding that, it was extremely important that this committee looked seriously at whether the juvenile justice system, as it was legislated, was actually working. That was the crux of the whole matter.

During our investigations and the sittings of the select committee, a number of Government recommendations, on an ongoing basis, dealt with the problem of juvenile offenders. Some of those recommendations related to increased penalties. You, Sir, would be aware of some of those in terms of an increase in some of the penalties in relation to graffiti, for example, which was an issue you followed up extensively. Some of the reasons we discovered for juvenile offending were not new and I am sure people everywhere would realise what some of them are. The economic conditions generally played a large part. Unemployment played a major and significant role, particularly in terms of the very young who were going through their schooling and seeing no point in continuing schooling because there were no jobs available when they left.

There is also the drugs and alcohol abuse problem and the peer group pressure put on young people to conform to what was considered to be the norm in the school environment. Physical abuse was also an issue. Truancy also played a large part, and that tied in with the unemployment problem: children considered that it was not worthwhile going to school because there were no jobs at the end of the exercise. Part and parcel of that also was the fact that they were not learning, and illiteracy was playing a major role as well. I think that the members for Newland and Henley Beach touched on those issues. By and large, a large number of factors are involved in juvenile offending in South Australia. It was a large task for this committee to look at all those areas and to make some sensible recommendations which could be carried out by the Government.

The major area of concern for me—and obviously it would be, because of the makeup of my electorate—was the issue of Aboriginal offending and what we needed to

do to try to cut back the number of Aboriginal offenders in the system. I have personally had a meeting with a number of Aboriginal women at Enfield. One of the big things that they were concerned about was that the educational standard of Aboriginal people was lacking. They were also concerned about the lack of involvement of Aboriginal parents in things to do with their children as well as a lack of assistance for them in order to try to intervene and to stop their children's offending patterns. I consider those to be issues of major importance to the committee. I think the committee also indicated its concern about that as well, in that there were 17 recommendations made in relation to that area. I totally support those recommendations, because I think they will help us in the long term in dealing with what is a significant problem in the community in South Australia and, indeed, nationally with regard to offending by that group of the people.

I have touched on the New Zealand system. As I said, I was very keen to see the implementation of a system similar to that in New Zealand for the simple reason that it dealt with the Maori population and took into account the extended family concept, which is similar to the concept of the extended family in the Aboriginal population. It also took into account the rights of victims, which currently does not occur in Australia and which is a very important aspect. It also empowered families in the decision-making process. It involved them in the process and made them take responsibility for the implementation of the decisions made at those family group conferences.

One of the things that concerned me initially—although I have now come to accept the recommendation as it stands—is that I considered that we should have taken the family group conference out of the formal system, as it was in New Zealand. I think one of the reasons it worked so well there was that it was not a totally formal type of meeting or conference. However, the recommendation which came forward was that the family group conference would be under the control of the Children's Court judge, although independent youth justice coordinators would convene and facilitate those conferences. One of the reasons I did not want to see a totally formal system with magistrates chairing those conferences was that it would have made it too formal. I do not think they could have acted as facilitators in the true sense of the word and allowed the people at that conference to make the decisions, as occurs in New Zealand—to empower them and encourage them to take part in that decision making and then to ensure that the decisions were implemented. However, I have to say that, in the long run, I am happy with the recommendation that has been made and look forward to its being implemented as soon as possible.

The other area I want touch on now was also referred to by the member for Henley Beach, that is, the method of police cautioning and screening at the early stages as well as further on in the police cautioning process. I supported the establishment of a youth aide section in the Police Department because, again, this is what happens in New Zealand. Although some concerns were expressed about the fact that it may be perceived to be just a specialist area which might not be accepted by the police generally, I do not believe that that would be the case. I think by and large the police generally would fit in very well with that in Australia. I know there were some problems initially in New Zealand, but I think that, with full consultation with the police in this State, we could have done that quite well. I still would support the establishment of a specialist unit with regard to youth aide police officers who, having been specially trained, would be able to deal with the problems confronting young people in these times.

There were some very good services being provided by the police here in South Australia, I have to say. I think it was a learning exercise for all members of the committee in that we were able to find out about a lot of things which were already in place in this State and which were working very well. Some of those things were actually being done in the Police Department at that time.

I think that by and large I would have to say that, given the length of time and the consultation which took place, the committee members worked very hard and diligently to ensure that the report we brought down was one of which we could feel proud. We were very conscious of the fact that most States in Australia were looking to us to see what we were going to recommend. I think the member for Morphett mentioned that other countries were looking with a very great deal of interest to see what we were doing and to see whether they could adapt to their country what we were doing in South Australia. Certainly, there was a great deal of interest around Australia as to the recommendations of the South Australian select committee. I think we can feel justifiably proud of the report, and I support the thrust of the select committee.

Finally, I would like to pay tribute to Miss Joy Wundersitz, whose special expertise in the area of juvenile justice was of great benefit to the committee. She has quite a reputation in the area of juvenile justice and has written a number of very good papers which have been regarded with a great deal of respect by world leaders in this area. I think we were extremely lucky to be able to get someone of her expertise as our research officer on the committee. I would also like to thank our secretary, Rennie Gay, the chairperson and the other members of committee for their long suffering attendances at meetings when we spent a great deal of time going through the recommendations—which became very time consuming and frustrating but, nevertheless, we got there in the end. I would also like to thank the *Hansard* staff, who followed us on our rounds of public meetings at great risk to life and limb. I am sure the *Hansard* reporter in the Chamber will agree that some of the flights around the State were hair raising. I would like to thank everyone for their input into what I feel has been one of the major select committees of this Parliament and one which can have a major impact on what happens here and, indeed, nationally and even internationally, in the area of juvenile justice.

The Hon. B.C. EASTICK (Light): I, too, support the thrust of the report that is before the House. I point out to all members that the recommendations and the content of the report must be taken as a whole and that no part can be taken in isolation of the others, albeit that there are a number of areas of interest and activity which

compartmentalise themselves to a degree. It is necessary to look at the total of the doughnut and not just the hole in the middle. I say that against the background of the criticism that the member for Henley Beach made. I recognise his criticism and the reason for it. It was a strange select committee insofar as the manner in which it was managed, but it was managed for a purpose—perhaps there was a hidden agenda, but I will not go into that—and the important thing is that it has met a community expectation that there would be the least possible continuing delay in at least putting out for public consumption the summation of the committee's deliberations.

That is extremely important. Never to my knowledge has there been such community interest in and expectation of what a committee would eventually bring down. It will not satisfy everyone. Indeed, I make the point that this is an interim report. However, I doubt there will be a great deal of difference in the recommendations. There may be some fine tuning or one or two additional recommendations. It is the prerogative of the committee and of the membership to require additional recommendations to go into the final report, albeit that someone might not want to see them there. It is a matter of numbers stacking up to give an eventual result.

The report was democratically arrived at with sufficient numbers on every issue—indeed, through unanimity of thought, wording and thrust by the whole of the committee, except in one or two philosophically different areas. My colleagues the member for Henley Beach and the member for Newland have raised concerns about truancy. In fact, although I have not listened intently to the total of the contributions by other members of the committee—the member for Stuart and the Minister, who commenced the operation as the member for Hartley and who is now the Minister of Primary Industries, and my colleague the member for Morphett—I believe that each member contributed fully and according to their conscience on a number of issues.

I do not believe that any one member could lay claim to having been the author of any one single particular in the report. Someone might have put up their hand and said, 'Yes, truancy; that is the first import.' Someone else might have said, 'I am particularly interested in the nature of a correctional institution.' Someone else might have said that they were interested in the attitude of the police or the involvement of FACS, and so on, but every member addressed each of those individual issues at some stage during the deliberations. They came at them from different angles, and I genuinely believe that, although the report that is now before the public was arrived at in a rather strange fashion chairwise—and the Minister will know precisely what I mean by that statement—and in a slightly different way, it is worthy of consideration. I repeat: it is worthy of consideration as a whole. If anyone picks it up and takes one part of it and says that the report rises or falls on that one issue, they do a great disservice to the activities of the committee and to the whole problem of juvenile crime, which is very much on the mind of every person in the community.

Having said that, I want to pick up one or two other aspects. In the past there has been a lack of cooperation between some instrumentalities. A great deal of the problem that exists at present is a result of the 'guard my patch at all costs' mentality of some people within the system. I hope that that will be destroyed and will change through the recommendations and the changes that will follow the report. We cannot permit the empire building that has been allowed to occur over time to persist—some of the real indifference at the coalface to the requirements of the family. I do not refer to indifference to the child because, in many cases, I believe that an effort has been made to provide some assistance to the child, although the child is part of the family and it is important that the whole family situation and the community surrounding the individual be considered and put into proper context.

I lead on to what I believe is an essential commitment that is required here and now by the Government through the mouth of the Premier, and that is that there be a resolve on the part of Government to provide the best juvenile system in South Australia that can be evolved—that there can be no withdrawal of resources or refusal to relocate resources to deliver the result that is crying out for implementation in the community which we all represent.

Mention has been made of the time involved in preparing this document. I do not begrudge one second of the time that has been put into it; I would like to think that by way of an interim report at an earlier stage we could have achieved guidelines for the community that would have alerted it before we got into the silly season of the year, when nothing will happen for a period. I would like to believe that with this report we might have been able to bring down legislation necessary to put into effect the decisions it contains. That did not happen, for a whole series of reasons. We cannot cry over spilt milk, but the House must demand of the Government a positive response that will inform the public that we are not giving an open cheque—we are not saying 'Yes' to everything that is being said, but it is the resolve of the Government, directed by the Parliament, that positive action be taken to correct the deficiencies that exist out there at present and to fulfil the genuine expectation of the public on this issue.

To fool around, to find technical reasons why commitments cannot be given and to withhold a genuine indication that all the talk will be replaced by action is to do a great disservice to the community and to inflame and increase the problems directly associated with juvenile crime. I seriously assert that, yes, there will be a need for resource reallocation; yes, there will be a need for rethinking by a number of agencies that up until now thought they were supreme, but we really want to know that the persons in the middle of it all—the whole community and more particularly the child who has a future that can be blighted by lack of attention or lack of purpose—are given the opportunity of having the best possible guidance and the best possible future environment. There is an expectation that the concern of the community will be heard, not forced aside or pushed into the background as the system has allowed until now.

I bring to the attention of the House a very vital but simple and single point involving one of the recommendations. To go into the Children's Court in South Australia at present is like going back into the dim

dark ages. It may be that those people hearing these matters do not have gowns and wigs any longer—and I am not sure that it is necessarily a good thing that there is not a degree of decorum and a degree of recognition of the importance of setting the scene—but to push defendants off to one side and leave them like stunned goslings when people are talking over and around them and not with them is entirely wrong.

I laud the experience that we encountered in New Zealand, where we found that the defendant was central to the action, eyeball to eyeball, straight down the middle, from the official, judge, magistrate or whoever. That is important—that the defendants find that they are the centre of the proceedings and that those around them have particular purposes but are not seen to be in one another's pockets, elbow to elbow, in a collusive sort of environment. It has been stated very clearly to us by a number of juveniles that they felt as if they just were not there and that they had no idea of what the results were after they had been there.

The other point that is extremely important in this whole area is that we reduce the delay that has occurred in the system previously. Prior to the commencement of this committee I was somewhat sold on the proposition that had been put to the South Australian public through papers by Senior Judge Newman relating to the French experiment—the *bonne maison* system. It had a lot of appeal, most particularly that it would put all the directly associated problems and all the difficulties confronting the individuals concerned—whether it was at Colonnades one day, Elizabeth the next and at Murray Bridge the day after—in the hands of one person, and that there was some element of intimacy and immediacy about this system which overcame the difficulty of people being unaware of their situation. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

[Sitting suspended from 1 to 2 p.m.]

PETITION

PANALATINGA ROAD

A petition signed by 563 residents of South Australia requesting that the House urge the Government to reconstruct and repair Panalatinga Road from Pimpala Road to Wheatsheaf Road was presented by the Hon. Dean Brown.

Petition received.

QUESTION

The SPEAKER: I direct that the following answer to a question without notice be distributed and printed in *Hansard.*

PINDARI DAM

In reply to **Hon. P.B. ARNOLD (Chaffey)** 27 October.

The Hon. J.H.C. KLUNDER: I refer to the Hon. P.B. Arnold's question asked of the Minister of Environment and Land Management, Hon. M.I. Mayes, MP, on 27 October 1992 concerning the Pindari Dam. As the lead Minister for South Australia on the Murray-Darling Basin Ministerial Council it is appropriate that I respond on this matter.

The Government does not share the anxieties of the Murray-Darling Association as the Pindari Dam proposal does not have a big impact on South Australian water resources. The impact on users of the Darling and other downstream users in New South Wales is much more marked. To that extent it is an internal New South Wales issue.

The environmental impacts of the enlargement of Pindari have been addressed within the New South Wales Environmental Impact Statement (EIS) process. The impact on South Australia, in terms of water quality and quantity, has been assessed by the Murray-Darling Basin Commission under clause 29 of the current Murray-Darling Basin Agreement.

The environmental impact of enlarging Pindari will be felt in New South Wales, and not in South Australia. It has therefore been a matter for the New South Wales Government to weigh up the costs and benefits, as they have done. South Australia has little ground for concern now that the impacts of the project have been assessed by the Murray-Darling Basin Commission and have been found to be negligible.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Mineral Resources (Hon. Frank Blevins)—

Department of Mines and Energy—Report 1991-92

By the Minister of Housing, Urban Development and Local Government Relations (Hon. G.J. Crafter)-

Commissioner for Equal Opportunity—Report 1991-92

South Australian Local Government Grants Commission—Report 1991-92

Local Government Superannuation Board—Report 1991-92

National Crime Authority—Report 1991-92

Planning Appeal Tribunal—Report 1991-92

Court Services Department—Report 1991-92—Erratum

Statutes Repeal Amendment (Development) Bill

Development Bill and an explanation of clauses.

By the Minister of Environment and Land Management (Hon. M.K. Mayes)—

Coast Protection Board—Report 1991-92

Department of Lands—Report 1991-92

Outback Areas Community Development Trust—Report 1991-92

South Australian Waste Management Commission—Report 1991-92

By the Minister of Emergency Services (Hon. M.K. Mayes)—

Aboriginal Lands Trust—Report 1992

By the Minister of Education, Employment and Training (Hon. S.M. Lenehan)—

Department of Employment and Technical and Further Education—Corporate Review and Report 1991

By the Minister of Business and Regional Development (Hon. M.D. Rann)—

The National Road Safety Strategy—Report 1991-92

By the Minister of Health, Family and Community Services (Hon. M.J. Evans)—

Occupational Therapists Registration Board—Report 1991-92
South Australian Psychological Board—Report 1991-92

LOTTERIES COMMISSION

The Hon. FRANK BLEVINS (Deputy Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. FRANK BLEVINS: During the Estimates Committee hearings the member for Hayward asked me a question about the Lotteries Commission and its insurance. I have previously provided an answer to *Hansard* and publicly announced that I would table all correspondence relating to this matter once I have received advice from both the Auditor-General and the Lotteries Commission. I am now in a position to table that correspondence. Before doing so I want to comment on some of the matters covered in the correspondence.

In his question to the Estimates Committee the honourable member referred only to correspondence relating to insurance. In fact that is only one of the issues which have been raised by the Auditor-General in his interim audit for 1991-92. The Auditor-General identified 10 issues which fall into the following areas: conflict of interest; operating practices; insurance; capital expenditure; and internal audit.

The details of the issues are as follows. The first issue covers conflict of interest. The audit indicates potential conflicts of interest by the General Manager in relation to the commission's insurance and the purchase of a property. In both cases there were people involved who were related by marriage to the General Manager.

The next group of issues covers operating practices. First, the employment of members of the families of the commission's management. Secondly, the entertainment expense claims by the commission Chairman and the General Manager not fully supported by details of the purpose for which the expenditure was incurred. Thirdly, the personal accident insurance cover for the General Manager not approved by the commission. Fourthly, the General Manager has accrued annual leave valued at $54 000 in contravention of commission policy.

The next group of issues covers insurance. First, competitive quotes have not been sought for the commission's insurance risks since 1989-90. Secondly, the payment of administrative fees to the insurance broker (up to the end of the 1990-91 insurance year) in addition to a brokerage commission. There is no evidence that such fees were subject to negotiation between the client and the broker as is generally expected in the industry. Thirdly, there is no evidence that the commission approved the renewal of the commission's 1991-92 insurance policies with SGIC as had been past practice.

The next issue is capital expenditure. The absence of detailed business cases to support approved expenditure of a capital nature amounting to $2.3 million. Lastly, internal audit. Reporting responsibilities and duties of the Internal Auditor. Having detailed the issues I want to indicate what action has been taken. There has been extensive consultation between the Auditor-General, his office and the Chairman and the General Manager of the Lotteries Commission. The commission has formally considered the issues raised by the Auditor-General and has determined appropriate action in each case. Details are contained in the correspondence and the reports I am tabling. The Auditor-General states:

> ...the primary issue arising from the audit is one of disclosure to the commission. The overriding consideration is the need for instances of potential conflict of interest to be declared to members of the commission for their consideration to curtail any inferences that an advantage has been taken by virtue of a person's position. This position extends to the public sector, in particular, to people who are members of boards and other public offices. This point is focussed on in the Audit Scope and Findings section of the report. In short, the issue is one of protection.

The Auditor-General has indicated in his letter of 19 October that he is satisfied with the response of the commission and further that he did not consider it necessary to form a report on these matters to me as the responsible Minister and/or the Parliament. However, although both the commission and the Auditor-General have expressed their satisfaction, I have referred all the correspondence to the Attorney-General. I will keep the House informed as to his response. I now table a schedule and 17 letters, reports and extracts from commission minutes.

VOCATIONAL EDUCATION AND TRAINING

The Hon. S.M. LENEHAN (Minister of Education, Employment and Training): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.M. LENEHAN: I am announcing today the Government's intention to undertake a significant change to the organisation of vocational education and training in South Australia, leading to the establishment of a Vocational Education and Training Authority for South Australia in mid-1993. During the past two years South Australia has been the leading participant in creating a national agenda of reform in vocational education and training.

Besides cooperation in joint national activities such as the Australian Committee for Training Curriculum and the Competency Based Training Secretariat, the State has accepted two formal obligations which require legislative change. The first arises from the national framework for the recognition of training which requires States to establish procedures for implementation of the framework including the accreditation of courses and registration of training providers. The national framework enables training in both the private sector and industry to be given the same recognition as that available to the public TAFE system.

The second is consequential on our participation as a member system of the Australian National Training Authority (ANTA). ANTA itself will be a Commonwealth statutory authority and the ANTA agreement requires each State to designate a State training authority as its State counterpart. While it would be possible to designate an existing agency for this purpose, for a number of reasons the Government believes it is timely to move towards the creation of a

special purpose authority. A major factor in the Government's decision to move to a specialist authority is its desire to ensure that the State's TAFE and training system becomes even more responsive to the requirements of industry and commerce. It is the Government's intention that the majority of places on the authority's board will be occupied by people actively engaged in industry and commerce, as employers or in employee bodies.

The Government intends to strengthen the industry contribution to vocational education and training policy in other ways, especially by incorporating industry advice and plans into the State training profiles which will be the basis for the receipt of funds from ANTA. An important source of training advice currently available to the Government, linking employer and employee representatives with the public sector, is the Industrial and Commercial Training Commission (ICTC). The commission has responsibilities both for making recommendations on the general direction of training policy and also in the specific area of contracts of training. The reforms now being developed consequent to the Carmichael report are likely to increase responsibilities in this area. The Government envisages that the proposed Vocational Education and Training Authority will continue the policy role of the commission and that, in addition, special arrangements will be developed to continue the tripartite management of contracts of training.

The Government also acknowledges that the community-based provision of vocational education and community adult education are increasing elements in a diverse vocational education and training environment. A State Vocational Education and Training Authority will include community adult education within the ambit of its functions to build study pathways and linkages for the benefit of the broader community. Finally, the Government is concerned to establish its relations with the State's universities on a firm foundation, following the change to direct Federal funding and the closure of the State Office of Tertiary Education. The establishment of the authority will not affect industrial and employment conditions within TAPE and will not create an additional bureaucracy—the authority will be serviced from within the existing resources of the Department of Employment and TAFE.

It is not expected that significant change will be required to the TAFE Act, and the legislation creating the authority will in effect be an adoption and expansion of relevant areas of industrial and commercial training and tertiary education legislation. Preliminary consultations on the broad direction of the Government's intentions have occurred with industry and the unions and within the TAFE system. More detailed consultation will follow the release of a discussion paper. I expect to present legislation to the House in the autumn sitting.

WATER MAIN

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.H.C. KLUNDER: Yesterday severe damage was caused to the De Corso home in Gorge Road, Newton, following a burst water main. This incident was caused by a horizontal split in a 525mm water main opposite the house. Water pressure caused a flat of steel to lift causing a cascade of water to hit the home. I am advised that the E&WS considers this to be a most unusual failure. The Chief Executive Officer of the E&WS has already instructed the 'material sciences group' within the department to undertake a comprehensive investigation to establish, with as much certainty as possible, the cause of the failure. That investigation has commenced and E&WS personnel are already on site. E&WS advises that the expected life of most mains in South Australia is in the region of 80 to 100 years.

The main involved in this incident was laid only in 1966 and is therefore only in the first third of its expected life. There have been only two previous bursts in this particular main, in 1983 and 1986, one of which was a 'pin hole' type failure. When the burst first occurred, it was reported initially not to the E&WS but to Campbelltown council. The council in turn reported the matter to the E&WS and a crew was on site within 10 minutes. They then proceeded to shut down the damaged main—a process that required the shutting down of eight feeder valves. I am advised that an insurance adjuster visited the site yesterday and that the usual insurance processes will be followed.

The Economic and Finance Committee has already acknowledged the leadership of the E&WS in asset management in its report of earlier this year, as did its predecessor, the Public Accounts Committee, in the mid 1980s. I have been advised by the department that these asset management procedures have brought some reductions in the number of mains bursts in recent years. Finally, I appreciate that this incident has caused the De Corso family great distress. I can assure them, as I can assure all South Australians, that everything possible is being done to establish the cause of this unfortunate incident.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

The Hon. T.H. HEMMINGS (Napier): I bring up the third report of the committee on supplementary development plans and move:

That the report be received.

Motion carried.

WORKCOVER JOINT COMMITTEE

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I bring up the second interim report of the committee, together with minutes of proceedings and evidence, and move:

That the report be received.

Motion carried.

PUBLIC CORPORATIONS BILL

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

QUESTION TIME

REMM-MYER

The Hon. DEAN BROWN (Leader of the Opposition): My question is directed to the Premier. Will he and the Treasurer accept some of the responsibility for the blow-out in the cost of the Remm-Myer project, given that they were well aware, more than a year before the construction of the project began, of the potential for union disruption to increase construction costs? Will he explain why the Government failed to prevent the cost of this project escalating to the point where it remains the bank's largest single exposure and on present day values threatens to cost South Australian taxpayers over $400 million?

I have in my possession a briefing note prepared for the former Premier (the member for Ross Smith) dated 4 May 1987. This was more than a year before work began on the Remm-Myer site. The memorandum was prepared by Dr Lindner of the Premier's Cabinet Office to provide advice on Government involvement in the project. It states:

> Remm claim we have a poor record on large construction sites and that they believe a 20 per cent cost loading for construction may be applicable here. Unpublished ABS figures tend to confirm our industrial situation has deteriorated in 1986. Clearly, ASER publicity has contributed to the perception of industrial difficulties in South Australia.

A memorandum to the Premier states:

> You had a meeting recently with Ministers Blevins, Hemmings and Arnold regarding this issue and the questions of Government involvement in setting up site agreements with unions. Based on advice previously given by Department of Labour it had been indicated to Remm that Government could get involved in the site agreement process.

These agreements and union disruptions added well over $100 million to the cost of the project. The Royal Commissioner has reported that the Government was keeping information of the escalation in costs and also that 'the magnitude of the risks in this case should have been seen at the time to be a too risky and unjustifiable use of what were, in essence, public [taxpayers'] funds.'

The Hon. LYNN ARNOLD: I am interested to know exactly what the Liberal Party's view on the Remm project has been over various years. It had been my recollection that members opposite were very supportive of this project and wanted it to go ahead in South Australia. We must remember, of course, that the private sector was responsible for the construction of this project, and the arrangement it made with its own work force was something for it to determine.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: I cannot recall the meeting referred to in the minute quoted by the Leader taking place. I do recall that there were, during the process of ongoing meetings of Government, references at various stages to different projects. For example, one of our Cabinet committees often has an update report on the status of various projects considered by that committee, and it may be that that is what the minute refers to, but I cannot recall a specific meeting on this matter, although I will check my diary to see whether or not such a meeting might have taken place. In that context, I am saying that the substance of the issues raised certainly did not have the broad attention given to them that the Leader is indicating.

The Hon. Dean Brown interjecting:

The Hon. LYNN ARNOLD: Well, listen. What is important is that at that time this project was being discussed by Government, because it had an interest in projects taking place in South Australia, and it still does. I would have hoped that other members of this place have an interest in projects taking place. There seems to be a bit of a history: if a project takes place, initially it is supported, then it is opposed, and ultimately it is subjected to ongoing cross-examination at all points along the way. I will bring back a more detailed report on this matter when I have had it further investigated.

WORKERS' RALLY

Mr HAMILTON (Albert Park): Is the Premier aware of a planned rally by South Australian workers who are concerned about the Liberal Party's industrial relations agenda, and can he give an assurance to these workers that such drastic measures will not be implemented by this Government?

Members interjecting:

Mr HAMILTON: Well may they laugh!

An honourable member interjecting:

Mr HAMILTON: All right, slippery, you'll get your turn.

Members interjecting:

The SPEAKER: Order! The member for Albert Park.

Mr HAMILTON: I have in my possession a leaflet entitled 'United we bargain, divided we beg' authorised by the United Trades and Labor Council of South Australia promoting a rally in Adelaide on Monday 30 November. The leaflet refers to the draconian measures introduced by the Kennett Government in Victoria and states:

> Do not think that Dean Brown won't do the same.

Hence, my question.

The Hon. LYNN ARNOLD: It is very important that this matter be properly understood, because the issues involved in Victoria are not just issues pertaining to Victoria: they are issues that would be very much at the heart of the policy of the Liberal members opposite. By his own indications, the Leader of the Opposition says that the broad philosophy of the Liberal Party around the country is the philosophy that he adheres to and, while there may be some differences on minor points between different States, and he may choose to use such minor differences as an area where he would say, 'Well, that doesn't really mean us', he cannot get away with that,

because the reality is that the policies members opposite have supported—by the Leader's own statements when some time ago, on the Keith Conlon program, he was talking about a 15 to 25 per cent cut in wages and budgets of departments—indicate that that is very much the direction in which the Leader wants to go.

More importantly, the Deputy Leader has really blown the gaff on the Leader because, while the Leader may be wanting to have this half-hearted approach to different things, while he may be wanting to say it is neither black nor white but it is brown and while he may be wanting to have a kind of flip-flop approach on different things, his own Deputy Leader is much more open and honest about the situation. I refer to an article that appeared on 25 August this year in the *Advertiser,* quoting the Deputy Leader as follows:

The State Opposition has pledged a Victorian style overhaul of South Australia's industrial relations system.

The article goes on to state:

Mr Ingerson said yesterday that the Opposition supported the proposals in principle and would release its own radical pre-election statements on industry and WorkCover before Christmas. Nobody would have guessed just how radical things could be until Jeff Kennett came along and did his own little exercises in Victoria. So, now we have a promise by Deputy Leader that at long last a policy is coming out—and not only is a policy coming out but also we have a time. We have been waiting for so long for policies from the Opposition on these matters, and not only do we have a time but we also have an intent, and the intent is that it will be a radical policy.

I think it would be a golden opportunity for the Deputy Leader to take advantage of this 30 November rally, because here he would have an audience very attentive to what he wanted to say in launching his radical policy. However, whatever the case, whether or not he chooses to take up that opportunity (and I am reasonably certain he would not have the courage to do so), it is important that he tell South Australians exactly what these policies will be. What is this radical policy? When will it be released? The Deputy Leader has promised that it will be released before Christmas, and South Australians deserve to have this information, especially in the light of what has actually happened in Victoria—a clear-cut statement, not a wishy-washy or two-bob-each-way statement—on whether or not Kennett's policies in Victoria will be adopted in the radical policies that the Leader will adopt in this State.

STATE BANK

Mr S.J. BAKER (Mitcham): Has the Treasurer now analysed the evidence in the Royal Commissioner's report critical of the role of Mr Emery, and will he be reviewing the position of his Under Treasurer in the light of this evidence? The evidence of the royal commission is critical of the role of Mr Emery through: not closely monitoring the bank from its first year; not analysing the bank's plans for international expansion; using the bank as a cash cow and advancing hundreds of millions of dollars of capital on onerous terms and taking dividends contrary to the State Bank Act; not fulfilling the obligation under the SAFA Act to monitor the investment in the bank; helping to approve the REMM deal, despite knowing there were grave concerns about its commercial viability; participating in the meeting that agreed to the surreptitious freeze of interest rates before the 1989 election; not taking decisive action from mid-1990, when he knew the bank could lose up to $200 million and Beneficial Finance was a disaster; not implementing closer Treasury monitoring arrangements until November 1990; and not following up serious Reserve Bank concerns.

The Hon. FRANK BLEVINS: I have very little to add to the statement I made a week or so ago. The position is clear. Mr Emery was not the Under Treasurer during these critical periods.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: If the document from which the member for Mitcham is reading suggests anything other than that, it is wrong. Mr Prowse was the Under Treasurer. Mr Emery was a Deputy Under Treasurer at the time, not the Under Treasurer. I repeat what I said a couple of weeks ago: since Mr Emery has been Under Treasurer, he has worked tirelessly to remedy some of the State Bank's problems, and every South Australian owes a great debt to Mr Emery for his efforts and achievements since he became Under Treasurer. It is pretty poor to imply that Mr Emery was in any way responsible for the losses of the State Bank.

Mr Prowse was the Under Treasurer. As I have stated in a ministerial statement, Mr Prowse has accepted his responsibilities, even though he retired in mid-1990, and has relinquished his position on the State Bank board as well as the SGIC board. Despite that, everybody—both management and other board members—would agree that on those boards Mr Prowse made a very large contribution.

There are two more reports to come from the royal commission and there is the Auditor-General's report, and I have absolutely no doubt that topic will be debated in this Parliament for some time to come. I notice that the Deputy Leader nods. All I can say to the Deputy Leader is that I hope he gets it better the second time around because he did not do too well this time.

PUBLIC SECTOR SALARIES

The Hon. D.J. HOPGOOD (Baudin): Will the Minister of Education, Employment and Training outline to the House the probable impact on the education system if cuts of between 15 and 25 per cent were made to expenditure on cleaning and maintenance? My attention has been drawn to the November edition of the *Public Service Review,* which reports that the Leader of the Opposition had issued a press release denying that the Opposition would cut Public Service salaries by up to 25 per cent, but instead would reach its goals through targeted areas, including cleaning, catering and maintenance.

The Hon. S.M. LENEHAN: Obviously some figures are not adding up in this whole scenario. It is interesting that the Leader of the Opposition now has a different position on cutting Government expenditure from the statement that he made on 7 October. In that statement the Leader said that with enterprise bargaining throughout

the Government they could save, still with exactly the same work force, between 15 and 25 per cent of labour costs, particularly in the hospitals and the education system. The Leader of the Opposition has now said that the 15 to 25 per cent savings will come from areas such as cleaning and maintenance.

Given the size of the whole education area and the size of the budget, I thought it important that we should look at what that might mean. Looking at the amount spent on cleaning in the budget last year, if we take the total budget of $990 million for this year and remove $700 million for salaries, we find that this includes $26 million for cleaning. That $26 million is $3 million less than last year because we have cut back on cleaning expenditure because of competitive tendering.

Members interjecting:

The Hon. S.M. LENEHAN: I will ignore the interjections, because I know that this is an issue that they do not like to hear about. We have achieved this $3 million reduction in our cleaning costs because of competitive tendering. It is interesting to note that with respect to maintenance the Government in its budget this year will be spending $44 million, which is an increase of $14 million in maintenance expenditure.

That money indeed has gone to maintenance and minor works and reflects the need to maintain the assets within the department and address occupational health and safety issues. The Leader of the Opposition, who is obviously a man of great honour, has said quite publicly that he will cut 15 to 25 per cent off the recurrent budget. In fact, in a press release he said that he will cut it from the areas of cleaning and maintenance within education and health. What does that mean for cleaning and maintenance in these portfolios? If the Leader of the Opposition were to remove all moneys that went to maintenance and cleaning, he would save only 7 per cent of the education budget and not 15 to 25 per cent.

Members interjecting:

The Hon. S.M. LENEHAN: I know that this is a great embarrassment to members of the Opposition, because every person in the South Australian community and, I would hope, the media, must be asking, 'What is the policy of the Leader of the Opposition? What is he going to do?' We have had two different positions. We know that he probably very seriously intends to cut staff or reduce their salaries. If he is going to remove cleaning and maintenance, he will have to find some other area in which he can do his slashing and burning. In other words, the Kennett clone approach, which is to ensure that he destroys the education system in this State.

LOTTERIES COMMISSION

Mr BRINDAL (Hayward): Mr Speaker—

Members interjecting:

The SPEAKER: Order!

Mr BRINDAL: My question is directed to the Treasurer.

Mr Hamilton interjecting:

The SPEAKER: Order!

Mr BRINDAL: Has the Treasurer considered whether the Chairman of the Lotteries Commission, Mr Jack Wright, and the General Manager, Mr Fioravanti, should stand aside from their positions pending the Attorney-General's consideration of the matters disclosed in the correspondence he tabled in the House this afternoon? The correspondence reveals concern by the Auditor-General about expenditure for entertainment incurred by Mr Wright and Mr Fioravanti not being adequately supported with details. The expenditure investigated totalled $3 800 for a six month period to January 1992. The correspondence also refers to other payments including, 'a gourmet basket sent to Mr J.D. Wright', which cost the commission $53. The Attorney-General is also asked to investigate conflicts of interest which may have arisen involving the commission's insurance business and the purchase of a warehouse at Stepney at a cost of $635 000, about which I have previously raised questions in this House.

The Hon. FRANK BLEVINS: Of course, it occurred to me when I first found out about some of these actions by the General Manager, in particular, of the commission that perhaps there was something here that warranted strong action. What I discovered was that there was some correspondence with the Auditor-General who, the member for Hayward would concede, has written that he is satisfied. It is not really for me—

Mr S.J. Baker: That is not the way it comes out.

The Hon. FRANK BLEVINS: It is clearly there in black and white that the Auditor-General is satisfied.

Members interjecting:

The Hon. FRANK BLEVINS: I doubt—

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS:—that I would get a gourmet basket or anything else from the General Manager or the Chairman of the Lotteries Commission. I doubt that very much indeed. As I was saying before I was interrupted, it did occur to me that perhaps this was a case where they should stand down but, in the light of the Auditor-General's saying that he was satisfied and, further, that he saw no reason to report to Parliament or me on the incidents, it dissuaded me from taking any action. In effect, I would have to say that the Auditor-General is wrong and I am right. In regard to the case of the gourmet basket, I am not prepared to do that. However, so that eyes more skilled than mine can examine the issue, I have forwarded all the papers to the Attorney-General to see whether he, his officers or investigators are satisfied with the outcome of these incidents. I am not prepared to say to the Auditor-General, 'You are wrong and I am right.' The consequences of that, I am quite sure, would probably finish up in the courts.

BUSHFIRES

The Hon. T.H. HEMMINGS (Napier): Can the Minister of Emergency Services please explain what action has been taken to enhance the management of the 1992-93 bushfire season? In past years South Australia has suffered many summer fires, some of which have been disastrous. It is largely the CFS that battles these blazes. What precautions have been taken in the lead-up to this summer?

The Hon. M.K. MAYES: I thank the member for Napier for his question, because it is a very important issue, particularly this year, given the long winter and record rains, and the level of growth throughout the State in terms of grasses and potential fire hazards, particularly in the Adelaide Hills. Vegetation is lush throughout the State. Most of us have had the opportunity to visit various parts of South Australia. From the western-most comer to the southern-most comer of the State it has been an excellent year from the point of view of agriculture but, unfortunately, as a result of the record rains we have had substantial growth in the fuel, which could be an enormous hazard for the coming summer, if summer ever arrives.

We do need to put in place the best possible administrative structure for the Country Fire Service. I have taken steps to appoint temporarily a Chief Officer to strengthen the CFS executive. I refer to the appointment of Mr Alan Ferris, previously Chief Officer and Director of the Northern Territory Fire Service from 1981 to 1986. Mr Ferris comes with good experience in fire service delivery and also as the senior officer in the Northern Territory service. With that experience, I am sure he will be able to offer the leadership needed in the CFS in preparation for the summer season.

This now means there are three key executives in the CFS: the Chief Executive Officer (Mr MacArthur), the Chief Officer (Mr Alan Ferris) and the Director of Corporate Services (Mr Tony Crichton). This latest appointment has been welcomed by both Mr MacArthur and the Chairman of the volunteers, Mr John Forster. Whilst I have this opportunity on the last sitting day before the summer season, I plead with the people in the Adelaide Hills particularly to provide protection for their homes by seeing that grasses, trees and shrubs are cleared away from their homes, sheds and other valuable assets. They should ensure that they have a water supply that is available during periods of bushfire threat, so there can be protection, and they can support those officers who risk their lives in endeavouring to save and protect the community as a whole.

I make a plea to people who live in regional or country areas that now is the time to prepare for the bushfire season. I plead with them not only for the safety of themselves, their families and their property but for the members of the emergency services who risk their lives and equipment endeavouring to protect and save property and human life.

STATE BANK

Mr INGERSON (Deputy Leader of the Opposition): Is the Treasurer satisfied with the employment of Mr Stephen Paddison as head of the State Bank in New Zealand? Mr Paddison is the only member of the State Bank's executive committee prior to February 1991 who is still employed by the bank. Mr Paddison was involved in key management committees approving the bank's disastrous loans and other exposures for at least five years. Mr Paddison was Mr Marcus Clark's closest adviser and right-hand man. Mr Paddison was also responsible for drafting deliberately misleading answers to questions asked in Parliament and concealing poor results by releasing them when the media was preoccupied by the Federal and State budgets. According to the 1992 State Bank annual report, Mr Paddison remains a very senior State Bank executive with the title 'Mead of New Zealand'.

The Hon. FRANK BLEVINS: Mr Paddison is a contract employee. I understand his contract expires early next year. It would, of course, be a decision for the new bank board as to whether a renewal of that contract would take place, even if Mr Paddison—

The Hon. Jennifer Cashmore interjecting:

The Hon. FRANK BLEVINS: —decided he wanted to continue to pursue a career with the State Bank.

Nevertheless, those issues will be resolved early in the new year. I suppose the alternative, as the member for Coles said, is that under the indemnity I can order that he be dismissed. I repeat: he is a contract employee. Even the member for Coles would understand that, if one wished to dismiss a contract employee, it would cost. I would not look favourably on paying out anyone's contract when it is—

Members interjecting:

The Hon. FRANK BLEVINS: Early in the new year. But, as I say, it is a matter for the board, and I am quite sure that the new board will be able to resolve that matter at the appropriate time.

HIGH COURT JUDGMENT

The Hon. J.P. TRAINER (Walsh): Can the Premier advise the House of any implications for this Parliament and its members arising from yesterday's High Court decision in relation to a successful challenge to the validity of the election of Mr Phil Cleary? As someone who had to resign from the Education Department of South Australia in 1979 in order legally to contest an election without the encumbrance of holding an office of profit under the Crown, I have a particular interest in the barrier that has existed for nearly 20 per cent of the work force, inhibiting them from exercising their democratic right to stand for Parliament. Of even greater concern may be any implications for naturalised citizens exercising their full rights in their adopted homeland.

The Hon. LYNN ARNOLD: I thank the honourable member for his question. Dealing with the latter matter first, I think there certainly is a great deal of concern at the High Court's judgment on the question of dual citizenship. An initial reading of our own Constitution Act does indicate that similar things might apply in South Australia. I believe that that is something we should be examining. I have had a discussion with the Attorney-General about that matter in terms of the best way of addressing that. It may be that enabling legislation should be arranged.

Members interjecting:

The Hon. LYNN ARNOLD: How many have I got? I am not a dual citizen. The point I want to make is that I do not really see that there is much merit in going through the members of the House one by one. I should expect that, if there are any implications for members of this Parliament, it might apply on both sides of the House. The real issue is the opportunities for Australians to be fully enfranchised in this democracy. If we have a

situation where a High Court ruling has determined that someone in a passive situation is a dual citizen, where they might have thought they had renounced citizenship of another country or where they might have thought that, having been born here, in some cases, they were automatically Australian and Australian alone, then fording that they are dual citizens because another country has not renounced, so to speak, their citizenship, that means that that particular group of the population, Australians though they are, cannot be regarded as fully enfranchised.

While they may be able to vote, by the High Court judgment they cannot stand for Parliament. That is a situation I am sure no person would want to support. We would want to say that in any situation where someone is an Australian by citizenship, if they have come to this country, or by birth, they should be able to exercise all the rights of that citizenship, and that should include their being able to stand for Parliament. If the High Court has made this judgment upon a reading of the Federal legislation in this matter and if the same applies to ours, surely the most democratic and reasonable thing to do is to seek to change that legislation to take account of that. So, we will pursue that matter further.

The substantive finding from the Cleary case, if we can call it that, concerns the matter of when a person resigns from their employment. I was in a not dissimilar position to Phil Cleary, because I was on leave from the Education Department and working in another position at the time of the calling of the 1979 election. I resigned from the Education Department immediately, notwithstanding the fact that I was on leave without pay from that department. So, I am quite certain that in my own case there was no transgression of the Act, but obviously in Phil Cleary's case he did not think it was necessary to resign from a position of leave without pay, and that is what has got him into a lot of bother.

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: That is right, but it highlights a very important point: any member who chooses to stand for Parliament should consider very carefully indeed all the ramifications and make sure they are operating on the very best advice. I know that the member for Kavel has recently come back into this Parliament after having been a member of another Parliament. As members know, section 47(1) of our own Constitution Act prohibits members of this Parliament from also being a member of another Parliament.

Mr Hamilton interjecting:

The Hon. LYNN ARNOLD: He was a very good senator—sometimes, for a bit of the time. The question then is: what is the point at which someone should resign from another Parliament if choosing to stand for this Parliament? We raised this matter on one occasion in this House. I remember that the former Deputy Premier (the member for Baudin) made a comment on this matter in the light of the fact that the current member for Kavel, according to his own press release, resigned his seat on Monday 4 May, only five days before the by-election.

Members interjecting:

The SPEAKER: Order!

Mr Becker interjecting:

The SPEAKER: Order! The member for Hanson is out of order.

The Hon. LYNN ARNOLD: I recall comments made by the then Deputy Premier, who said that there is an arguable case as to what is the date at which such a resignation should have taken place—whether it should have been on the occasion of the issuing of the writs, the closure of nominations, the counting of the vote or the declaration of the ballot. When a question was raised about this matter, the member for Kavel, before he became a member of this place, said it was simply unmitigated rubbish.

The SPEAKER: Order! There is a point of order.

The Hon. JENNIFER CASHMORE: On a point of order, Mr Speaker, I call your attention to the question of relevance. I see no relationship between dual citizenship and the election to this House of the member for Kavel.

Members interjecting:

The SPEAKER: Order! Relevance is not a point of order here. What is relevant under Standing Orders relating to Question Time is the amount of time being taken. I ask the Premier to draw his response to a close. If he wishes to make a statement elsewhere, he can do so.

The Hon. LYNN ARNOLD: I will quickly draw my statement to a close. The point I want to make is that the member for Kavel said it was unmitigated rubbish that we raised this question. The High Court has now warned all members of Parliament and all who would be members of Parliament to seek the very best advice, because it might not be unmitigated rubbish in terms of the points that were being made—and some very genuine concerns just to look after the interests of the member for Kavel. I am very concerned for the interests of the member for Kavel, who has had such a bad year in so many ways. The judgment obviously will have profound implications on all Parliaments and on all who would be a member of Parliament, so clearly we should look at it carefully to ensure that the democratic rights are preserved.

STATE BANK

Mrs KOTZ (Newland): Will the Treasurer tell the House whether the 90 State Bank Group executives currently earning over $100 000 per year will receive a Christmas bonus?

The Hon. FRANK BLEVINS: I would suspect that the answer is 'No'. However, being relatively new to this job, but quite a quick learner, I have learned to wait until I have it in writing from the bank as to what the—

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Even then, when I have seen it in writing, as in the annual report—

Members interjecting:

The Hon. FRANK BLEVINS: Doubly: once it is in writing, that alerts me to check it twice. I certainly have not heard of any Christmas bonuses for the executives of the bank, but I will ask, and I will ask in a form that refers to this Christmas. We have to be very specific with the question. I really want to congratulate the present board and management of the State Bank on what they have done over the past 12 months or so to put the bank back on its feet. It has been a herculean task, and I think

everybody in the House, irrespective of the side on which they sit, would want to acknowledge the amount of time and effort these people have put in and the success they have achieved. I did say at the time of the resignation of Nobby Clark that it really was a herculean task, and they ought to be commended. I wish them a very merry Christmas and I wish all of us, with their assistance, a very prosperous new year.

DENTAL SERVICE

Mr HAMILTON (Albert Park): Will the Minister of Health, Family and Community Services provide the House with information on the improvements in dental services for pensioners and low income earners through the new emergency dental scheme? Following a newspaper article at the weekend, my constituents have contacted my electorate office seeking further information on the manner in which this scheme will assist pensioners.

The Hon. M.J. EVANS: As the honourable member has indicated, I did make an announcement last week about the new Adelaide emergency dental scheme, which is aimed at ensuring that pensioners and unemployed people who have a dental emergency will be able to receive timely and appropriate restorative dental treatment rather than opting for an extraction because of the cost. They will be eligible if they are recipients of a health care card, a health benefits card or a pensioner health benefits card or if they are an adult dependant of a card holder.

Eligible adults will be able to contact one of the public dental clinics in Adelaide, and it is quite possible indeed that treatment and assistance can be provided without delay. However, if the public dental clinic cannot arrange for treatment to be provided within a reasonable time, which is generally on the day of presentation, the patient will be offered the option of receiving the treatment through a participating private dentist under the new scheme. The patient will have to contribute only 15 per cent of the cost of the treatment, up to a maximum of $14, with the dental service paying the remainder of the agreed fee to the private dentist.

It is part of a $1 million program aimed at improving the dental health of South Australians, and it will mean that an extra 8 000 pensioners and other low income earners will receive basic dental care this financial year. In addition, five dentists will be employed in Adelaide's public dental clinics. Of course, in these difficult economic times, obviously, it has been a matter of examining and redirecting priorities, and a number of aspects of our dental service have been able to contribute towards the cost of this scheme and ensure that people from disadvantaged backgrounds are able to receive the dental care which they expect and should receive from our State.

STATE BANK

Mr MATTHEW (Bright): Can the Treasurer confirm that seven employees in the State Bank's New York office have a remuneration package of more than $100 000, including three above $150 000 and one in excess of $200 000? If so, how can this be justified following the 30 per cent reduction in the bank's New York corporate loan portfolio in the past 12 months and the intention to close this office by June 1994?

The Hon. FRANK BLEVINS: I cannot confirm it. The list of employees has been forwarded to the Chairperson of the Economic and Finance Committee. It will be easy to get that information. I suspect that, if the figures given by the member for Bright are correct, these are contract employees. I will also ascertain for the honourable member the length of time of those contracts and when they expire.

WOMEN'S MEMORIAL PLAYING FIELDS

Mr HOLLOWAY (Mitchell): Will the Minister of Recreation and Sport advise the House of any proposed developments at the Women's Memorial Playing Fields at St Marys? I am aware that members of the Women's Memorial Playing Fields Trust have been discussing the future management of the playing fields with the Department of Recreation and Sport. It is important that these playing fields are maintained and developed as a valuable community sporting and recreational resource and also to ensure that they continue to commemorate the front line Australian nurses who lost their lives during the Second World War.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and interest in these sporting facilities at St Marys. Indeed, they serve not only the local community but the wider community of Adelaide. The trust has had the responsibility of managing the playing fields—

The SPEAKER: Order! The Minister will resume his seat.

Mr S.J. BAKER: On a point of order, Mr Speaker, the member for Playford has his back to you.

The SPEAKER: That is correct, and I uphold the point of order. The honourable member has now sat down. Members should not turn their backs on the Chair. The honourable Minister.

The Hon. G.J. CRAFTER: The trust has had the responsibility of managing the playing fields since May 1967. During those 25 years the trust has always had to rely on outside financial assistance to maintain the playing fields even to the minimum standard for use. The playing fields are now in the name of the Minister of Recreation and Sport, and therefore it is an opportune time for the State Government, via the Department of Recreation and Sport, to have greater control over the future management of the playing fields.

Officers from the Department of Recreation and Sport have been meeting members of the Women's Memorial Playing Fields Trust to review the operations of the trust and the future management of the playing fields. The setting up of a new advisory board has been thoroughly discussed with the executive members of the trust and the proposal has been accepted by the full membership of the trust at its last annual general meeting.

On 6 November I formally approved the setting up of an advisory board for the playing fields which is due to have its first meeting in early December 1992. The advisory board will be responsible to the Minister of

Recreation and Sport and will comprise two representatives of the Department of Recreation and Sport, one of whom shall be the chairperson, and six representatives of the South Australian Women's Memorial Playing Fields Trust. An amount of $150 000 has been set aside in the department's capital works budget for 1992-93 to be allocated to the upgrading of these playing fields.

The Department of Recreation and Sport and the trust are aware of the urgent need to address maintenance and security problems at the playing fields. Indiscriminate dumping and vandalism have taken place on the ovals and the surrounding facilities. The Women's Memorial Playing Fields Trust, the Department of Recreation and Sport and community sporting organisations are enthusiastically addressing the need to develop a long-term maintenance and upgrading strategy for these significant recreational fields. I shall be pleased to inform the House early next year of the progress made and of proposals put to me as Minister of Recreation and Sport by the advisory board for the continued development of the Women's Memorial Playing Fields.

STATE BANK

Mr BECKER (Hanson): My question is directed to the Premier. Who will be the next chairman of the State Bank board; when will the appointment be announced; what is the reason for the delay; and when will the vacancy caused by the resignation of Mr Bert Prowse be filled?

The Hon. FRANK BLEVINS: Shortly.

FIREARMS INFORMATION SYSTEM

Mr De LAINE (Price): Can the Minister of Emergency Services inform the House on progress of the national firearms information interchange system? I understand that the Australasian Police Ministers' Council last week considered the extension of the currently approved national names index to incorporate details of firearms users under a national firearms information interchange system. What was the outcome of those deliberations?

The Hon. M.K. MAYES: The honourable member's question is certainly important in terms of a measure recently considered in this place. Although it is ancillary to that matter, it nevertheless has important ramifications for people in the community who possess firearms. The Federal Justice Department came forward with a recommendation to the Australasian Police Ministers' Council that a total national index of all licensees should be kept to which all Police Forces should have access. I do not support that position. I do not believe that every person who is registered to hold a firearm in this country should be on a national register. I believe it is important that we have a register of all those people who have committed some form of offence, who may have a domestic violence order against them or other misuse of a firearm recorded. I believe that that information should be part of a national index. That information should be available to all Police Forces throughout the country so that, if a person applies for a permit in one State and has a record or a history of abuse or misuse of a firearm in another State, that can be accessed by the registration unit or division of a Police Force in another State. That is the position I have taken and it was the position that was generally accepted, in my opinion, by Ministers last Friday afternoon in Melbourne.

I think the Federal Minister, Senator Tate, originally favoured a full index of all licensees, but the end result—and we have resolved as a group of Ministers to bring this to a quick conclusion before the next meeting of Ministers, out of session—will be a national index. As I have said, that index will set out information pertaining to those people who should be on it. If someone has a domestic violence order recorded against their name, that information should be available to other registries throughout the country so that a decision can be made by the registrar, officer or committee responsible in regard to that information so that there may be a restriction on the licence or perhaps no licence issued at all. It is an important point to make: if we look at a full index of all licensees, in my opinion it adversely reflects on people who hold firearms. For legitimate users of firearms, a full index would reflect on responsible people in this community, and that is one reason why I do not support a national index of all licensees.

I believe it should be exclusively for those people who have some history that needs to be accessed by the registrar, the division or the community. So, there is a general public safety issue flowing through it and I believe that that will satisfy public safety as a whole. I thank the member for Price for his question. That is the position I have taken as Minister. I believe it is the position that will come out of the Police Ministers' Conference at the end of January or February when we resolve it. It will provide greater community safety throughout Australia.

GOVERNMENT'S POSITION

The Hon. D.C. WOTTON (Heysen): My question is directed to the Premier. What reply can he give to South Australians who have written to him, pleading that the future of this State depends on a change of Government? The Leader's office has received a steady stream—

Members interjecting:

The SPEAKER: Order!

The Hon. D.C. WOTTON:—of phone calls and letters calling urgently for an early election. I refer to one letter sent by a woman who lives in Hamley Street, Adelaide. She wrote separate letters to the Premier and to you, Mr Speaker. The letter to the Leader states that she is an independent member of the public with no vested interest other than a love of this State and the democratic principles by which it is governed. She is a 24-year-old secondary school teacher and she and her husband attended several sessions of the royal commission. In her letter to the Premier she says that the way the State is being governed is a farce, ruled by political expediency and, unless the Premier calls an election immediately, irreparable damage to the reputation of the Labor Party in this State and this country will be caused. In her letter to you, Mr Speaker, she says.

Your responsibility to the people of South Australia is immense. Surely a crisis of this magnitude since the last election calls for a major reassessment by whom we are governed—before it is too late.

The Hon. LYNN ARNOLD: Mr Speaker—

Members interjecting:

The SPEAKER: Order! The member for Walsh is out of order. The member for Heysen is out of order.

The Hon. LYNN ARNOLD: I have received that letter and I have read it. A few letters have come into my office over recent days on both sides of the issue as to the views people want to express in respect of what the Government should do. I will reply to all of those that have an address. Sometimes we receive letters that do not have a return address, but I will reply to those that have an address. I will go through the points made in the letters and point out the gist of the arguments I have put in this place as to how this Government is in fact behaving responsibly by being determined to get on with the job of governing this State; by being determined to indicate the directions needed in this State as we come out of a recession and face the economic challenges of the 1990s; and about the other important issues of the State that have to be addressed, and not the side circuses that the Opposition has been attempting to raise.

I will have no problems raising these issues with the correspondents. I do not know what the reaction of correspondents will be. It is not unusual sometimes for people to identify themselves as an independent member of the public when in fact they may have some quite firm views on the matter. One thing I will point out in the letter that I write to the person mentioned by the honourable member is our view on maintaining a good quality education system in this State. I note that the author of the letter—

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD:—is a schoolteacher. I think the letter was probably written just a day or two before Jeff Kennett went through the education system in Victoria with an axe. I would not mind betting that there is a touch of chagrin in the mind of the writer now. I can hear her saying, 'Goodness, I have blown it now by writing that letter because I did not realise what was actually at the heart of Liberal Party policy.' If she was not aware of it, she soon will be, because I will point that out in my response to her.

I will indicate that, whilst I respect the right of everyone to have their own view on current matters—and I certainly respect their right to have opinions about what they believe I, as Premier, or the Government should do—nevertheless, I have my own view about what is in the best interests of all South Australians. I refer to the maintenance of stable Government, the setting of directions, a determination to take on challenges, and having the capacity to do that. Therefore, whilst I respect her opinion, it is very much a misguided opinion, and I can well understand why the member for Heysen would so easily share such a misguided opinion.

SCHOOLS, NON-GOVERNMENT

Mrs HUTCHISON (Stuart): Will the Minister of Education, Employment and Training advise the House of the proportion of students attending non-Government schools in South Australia, and how does this compare with other States and the national average? There is a perception, particularly in my electorate, that there has been a drift of students from Government to non-Government schools.

The Hon. S.M. LENEHAN: I consider it extremely important to continue to promote the excellent relationship that exists in South Australia between the Government and the non-Government school sectors. This is not the case in all other States throughout Australia. We are very fortunate that we have a very close and positive working relationship at a whole range of levels between the two sectors. In 1991, the proportion of full time students in non-Government schools in South Australia was 24.3 per cent, compared with the national average of almost 28 per cent.

Mr QUIRKE: On a point of order, Mr Speaker; I am sorry to interrupt the proceedings. The member for Heysen had his back to the Chair.

Members interjecting:

The SPEAKER: Order! The Minister.

The Hon. S.M. LENEHAN: Thank you, Mr Speaker, it was almost a back-to-back argument.

Members interjecting:

The Hon. S.M. LENEHAN: I am trying to outdo our Whip in this department. It is the last Question Time of this session, so I can be forgiven for my slight quip. South Australia has a lower proportion of full-time enrolments in non-Government schools than all other mainland States, except for the Northern territory. There has been a gradual increase from 1990 when that proportion was 23.8 per cent. The non-Government sector does provide a fairly significant proportion of the education program in South Australia.

I have a program to meet with groups associated with non-Government schools, including the South Australian Independent Schools Board and the South Australian Commission of Catholic Schools. I intend to maintain the close relationship which my precedessor established with the non-Government sector, because I think it is, as I said initially, important to maintain that close and positive working relationship not only with the Minister of Education but also with the private and public sectors working together to deliver an education system which is second to none in this country.

CHRISTMAS GREETINGS

The Hon. DEAN BROWN (Leader of the Opposition): My question is directed to you, Mr Speaker. Will you join the Liberal Party in wishing all South Australians a very happy Christmas and, for the sake of the people, a more successful year of economic management by the Government?

The SPEAKER: Obviously this is not a question that I have responsibility to the House to answer, but I will take the opportunity to wish every South Australian, on behalf of every member of Parliament and everyone who works

in this place, the very best for Christmas. May they have a happy and joyous family Christmas. I sincerely wish every South Australian a better 1993; for whatever reason 1992 was what it was, I pray that 1993, for all South Australians, will be a better year.

SUPERDROME

Mr QUIRKE (Playford): My question is directed to the Minister of Recreation and Sport. At what stage of construction is the track of the velodrome, Sports Park, Gepps Cross? Early this month the Minister advised the House that the track would be completed by the end of November 1992. 1 understand that a formal assessment of the track has now taken place in order that an international accreditation process can be put in train. Further, some anecdotal evidence is available about the quality of this track in my electorate.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and indeed his interest in this very exciting development that is occurring in his electorate at Sports Park. Indeed, the timber track at the velodrome was completed last week—Friday 20 November—and in line with the requirements of the sports international controlling body—the Union Cycliste International (UCI)—the track was inspected and measured by a class A commissionaire. Mr George Nelson, who is one of only two Australians eligible to officiate at world championships and Olympic and Commonwealth Games, inspected and measured the track at a perfect 250 metres.

Four of Australia's Olympic cyclists—Brett Aitken, Stuart O'Grady, Shane Kelly and former Olympic cyclist Mike Turtur—then cycled the track to give their opinion of the velodrome. They were all very enthusiastic about the quality of the track and excited at the future prospect of producing world class times on this superb velodrome. I was present when this occurred and can attest to the enthusiastic response and the testimony that those cyclists gave of their first ride around the track. The track of the velodrome is similar to that recently constructed in Athens, no doubt as part of the bid of that city for the Olympic Games that were awarded to Atlanta. I am told that the times at the Athens track have been world class.

With all reports being more than positive, Mr Nelson then signed the commissioning documents which, when approved by the international organisation in Geneva, Switzerland, will permit the velodrome to stage international events and will no doubt ensure that the record times ridden on the track will stand. I would like to take this opportunity to thank Mr Ron Webb, who is renowned as the best international cycle track builder, and his team of carpenters for the fabulous job they have done in laying the cycle track at the Superdrome. Everyone from Mr Webb himself to Australia's national coach, Mr Charlie Walsh, and our Olympic cyclists believe that this track is indeed one of if not the best in the world. All South Australians can look forward to an exciting era of cycling competition at the Superdrome, with the first competition cycle events being scheduled for March of next year.

HIGH COURT DECISION

The Hon. LYNN ARNOLD (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. LYNN ARNOLD: I wish to inform members about the implications of the decision handed down by the High Court yesterday in the case of *Sykes v Cleary and Ors* on members of this Parliament who may have dual citizenship. A statement was made a little while ago in another place by the Attorney-General. The High Court was asked to determine whether two candidates, both naturalised Australian citizens, were capable of being elected as members of the House of Representatives while, by operation of the law of Switzerland and Greece, they remained citizens of Switzerland and Greece respectively.

On a preliminary view, the High Court's decision does not appear to apply to the South Australian Parliament. Section 44 of the Commonwealth Constitution provides:

> Any person who:
>
> (i) Is under any acknowledgment of allegiance, obedience, or adherence to a foreign power, or is a subject or citizen or entitled to the rights or privileges of a subject or a citizen of a foreign power

shall be incapable of being chosen or of sitting as a senator or a member of the House of Representatives.

The High Court interpreted this provision as requiring a candidate who is an Australian citizen and also a citizen of a foreign country by operation of the law of the foreign country to take reasonable steps to renounce that foreign nationality.

What amounts to taking reasonable steps, said the High Court, will depend upon the circumstances of the particular case. What is reasonable will turn on the situation of the individual, the requirements of the foreign law and the extent of the connection between the individual and the foreign State of which he or she is alleged to be a subject or citizen.

There is nothing in the South Australian Constitution which directly parallels section 44(i) of the Commonwealth Constitution. Section 2a of the Electoral Act provides that a person is entitled to be enrolled as an elector if he or she:

(a) has attained the age of 18 years;
(b) is an Australian citizen (or British subject enrolled in 1983);
(c) lives in a subdivision; and
(d) is not of unsound mind.

Section 52(1) provides that a person is not qualified to be a candidate for election as a member of the House of Assembly or the Legislative Council unless he is an elector.

Section 31 of the Constitution Act 1934 provides:

> If any member of the House of Assembly ...
>
> (b) takes any oath or makes any declaration or act of acknowledgment or allegiance to any foreign prince or power,
>
> (c) does, concurs in, or adopts any act whereby he may become a subject or citizen of any foreign State or power; or
>
> (d) becomes entitled to the rights, privileges or immunities of a subject or citizen of any foreign State or power...

his seat in the House of Assembly shall thereby become vacant.

Section 17 similarly provides for vacation of Legislative Council seats but section 31(d) for some reason does not apply to the Legislative Council.

Members will note the difference between these provisions and section 44(i) of the Commonwealth Constitution. That section provides that any person who is under foreign allegiance is incapable of being chosen or of sitting as a senator or a member of the House of Representatives. I stress that that section applies to a person who is under foreign allegiance. In contrast, the South Australian provisions apply only to persons who are members of the Legislative Council or House of Assembly, and a member's seat becomes vacant only if the person while a member—I stress 'while a member'—pledges allegiance to a foreign power or does, concurs in or adopts any act whereby he may become a subject or citizen of any foreign State or power or becomes entitled to the rights, privileges or immunities of a citizen of a foreign State. The member must take some positive action.

As I have said, on this preliminary view of the matter, the High Court decision does not apply to this Parliament. However, the Attorney-General is undertaking further examination of the issues and, should it be necessary, the Government will introduce a Bill to ensure that the seats of Australian citizens in this Parliament are not in jeopardy. It would be wrong that, because of the laws of another nation, the rights of Australian citizens to represent their fellow citizens in this Parliament could be put in doubt.

PLANNING AND DEVELOPMENT

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I seek leave to make a ministerial statement.

Leave granted.

The Hon. G.J. CRAFTER: I table two Bills for community comment: the Development Bill 1992 and the Statutes Repeal Amendment (Development) Bill. The Development Bill is one of the Government's most important initiatives. It is the outcome of the planning review, which was an exhaustive process of community consultation designed to come up with a shared community vision for Adelaide's development future. The planning review in its final report of June 1992 recommended that the Government adopt an integrated system of planning and development control based on long-term vision for metropolitan Adelaide, set out in a planning strategy.

Planning for the State has progressively become confused with and subordinate to the regulation and control of private development. The Planning Act has tended to reinforce this trend at both State and local levels. The Government has adopted the review's recommendations, which call on the Government to maintain, extend and update, if necessary, the planning strategy for the State, to use that drive to coordinate all Government's multitudinous interests in development, and to introduce a new, integrated and simplified system of legislative control to the benefit of the development industry and those who depend upon the control system to protect their interests. This is a major step forward, an initiative being watched closely around the nation.

Just as the State should focus its energy on the future, so too should local government accept the challenge of giving due emphasis to the setting of strategic directions. I would like to commend Mr Brian Hayes QC, Professor Stephen Hamnett and Dr Graeme Bethune for their work throughout the review. The time and commitment of reference group members is also greatly appreciated. I wish also to thank Professor Peter Hall, Professor Leonie Sandercock and Professor John Friedman for contributing expert advice and international perspective to the work of the review. Most important of all, the people of South Australia are to be commended for their extraordinary interest and the valuable contributions made by many individuals and organisations in the development of this draft Bill.

The purpose of the Development Bill is to remove legislative barriers to sensible development and to provide a framework that can gradually incorporate all the justifiable controls on development that now exist in other pieces of legislation. The new system is less complex and therefore easier to understand and use. It will bring greater certainty to those who wish to undertake development and to the broader community. This Bill will open the way to better administration of development control practices and offer opportunities for multiskilling of the professions in this field. I expect that the tabling of this, the Government's first draft of this most significant Bill, will spark a fresh round of discussion on its effects and its relationship with other legislation.

This is, of course, complex legislation that covers a large area of the community's relationship with, and effect on, the physical environment. As such, various parts of the Bill have been carefully thought through by the best expertise available within and outside Government. These Bills are a large step towards implementation of the planning review's recommendations. The recent changes in ministerial arrangements provide the administrative means of quickly progressing the reforms. I will introduce these Bills with provisions at the commencement of the autumn session next year. These Bills will be debated in conjunction with the proposed Heritage Bill and the Environmental Protection Authority Bill.

NATIONAL ROAD SAFETY STRATEGY

The Hon. M.D. RANN (Minister of Business and Regional Development): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: In September of this year, the Federal Minister for Land Transport released the national road safety strategy in Canberra. This strategy was developed by the road safety group and endorsed by the Australian Transport Advisory Council (ATAC) at its meeting in April 1992. The strategy, which is aimed at reducing the number of lives lost and the extent of serious injuries on Australia's roads, gives a nationally unified sense of direction in road safety and provides a framework into which the strategic road safety plans of

Federal and State Governments and local government, as well as those of other major stakeholders, will fit. It does not include a list of specific actions but rather seeks to be an umbrella document facilitating the development of road safety programs. It establishes goals, identifies priority areas, seeks coordination and involvement and enables stakeholders to address their own issues and priorities.

The Minister of Transport Development has requested the Road Safety Advisory Council, the Road Safety Management and Coordination (ROSMAC) Group and the Department of Road Transport to review the document. She has also requested the Department of Road Transport to distribute the document to local councils, the Royal Automobile Association and other appropriate bodies for information. It certainly gives me great pleasure on her behalf to table this document.

HIGH COURT DECISION

The Hon. T.H. HEMMINGS (Napier): I seek leave to make a personal explanation.

Leave granted.

The Hon. T.H. HEMMINGS: I wish to correct a rumour that is circulating within Parliament as a result of the High Court decision in relation to the Wills by-election. I was not born in Wagga but I respond to the name 'Blue'.

Mr INGERSON: On a point of order as to relevance, Mr Speaker, I do not believe that this is a personal explanation: it is frivolous.

The SPEAKER: Order! The Chair is not aware of the rumour. As far as relevance is concerned, surely a personal explanation is relevant to whatever it is about. I really have no idea what the honourable member will contribute. I will listen and if I believe it is frivolous I will rule the explanation out of order. I am sure the member for Napier has something to tell the House.

The Hon. T.H. HEMMINGS: Yes, Sir; I certainly have something to tell the House, and I feel offended that for the first time in my career in this Parliament somebody has denied me the right to make a personal explanation.

The SPEAKER: Order! If the member for Napier wants the call he will get the call; however, he will get the call to make a personal explanation, not to debate his feelings.

The Hon. T.H. HEMMINGS: Thank you, Sir. I wish to correct a rumour that is circulating in Parliament as a result of the High Court decision in relation to the Wills by-election. The correction is that I was not born in Wagga, but I do respond to the name of 'Blue'.

STANDING ORDERS SUSPENSION

Mr BRINDAL (Hayward): I move:

That Standing Orders be so far suspended as to enable me to present a petition. to the House.

The SPEAKER: Before the honourable member speaks, I assume that the matter is the one that he has raised. The honourable member did have the courtesy to seek advice before he raised this matter in the House but, before calling on the honourable member to speak to his motion, I would like to take what I know is an unusual step of cautioning the House about agreeing to this suspension. Standing Order 82 provides in part that a petition may be lodged only if it makes no reference to any member's contribution to a debate in Parliament.

Quite rightly, after consultation with me, the Clerk has not certified the petition as being in conformity with Standing Orders, because the petition criticises a member's contribution to a debate and asks the House to correct the public record. If the House agrees to a suspension of the Standing Orders, it will have the effect of providing for more than 47 contributors (as the petition would be a contributor) to the debate and may open a Pandora's box in the future. I also make the point that the honourable member has several other avenues open to him for expressing his views to the House, and the Chair did go through those fairly extensively yesterday.

Mr BRINDAL: In speaking to the reasons for the suspension, I would first like to acknowledge your courtesy and that of the Clerk and the fullness and frankness of the advice which you have just mentioned you gave me. However, I seek the suspension because I believe that it is a matter that quite properly should be determined by the House. It is not a matter that I take lightly, because the petition involved seriously questions the misrepresentation of a group in an Estimates Committee of this Parliament. It is not a petition of any individuals: it is a petition under the seal of the Corporation of the City of Unley. So, it is a petition that comes into this place signed and sealed by the Corporation of the City of Unley, and it claims a serious misrepresentation by a Minister in this House before the Estimates Committee on 24 September 1992.

The Hon. D.J. HOPGOOD: On a point of order, Mr Speaker: I have no desire to be a spoilsport in this matter, but is the honourable member in order in canvassing the content of the notice at this stage, rather than simply the reasons for seeking to introduce it in this way rather than by some other form of the House that would be open to him?

The SPEAKER: I uphold the point of order. A motion was moved to suspend Standing Orders to enable the honourable member to present a petition. Until permission has been given to present the petition, the honourable member may speak only to his reasons for wishing to present the petition in this way, and not to the contents of the petition.

Mr BRINDAL: Mr Speaker, as to the reason for asking to present the petition in this way, you quite accurately covered that matter—that the petition was drawn up in good faith by the people who wish it to be presented. It cannot be presented in the normal forms of the House for reasons which you have given quite clearly from the Chair and with which I can find no disagreement at all. That is what makes it a special case. I believe it is a special case for this reason: every Standing Order and every tradition of this House is to protect the right of the people who are elected in this place to speak on their behalf without fear or favour.

I believe that that right, which is important, in effect carries down to the people and, if the people do not have a right because of some quirk in our Standing Orders to

say what they want to say and have it presented before this House, I think something is wrong. For that reason, I do not disagree with your ruling. In fact, I publicly state that I think your ruling is fair and correct, but also, for that reason, I think it is an issue—because it comes from a body corporate and a very important tier of government within our society, because it was not done lightly and because, as you have pointed out, they seek natural justice—that should be seriously considered by the House. When another tier of government comes to us and asks for natural justice you, Sir, rightly ruled that it cannot be admitted in the normal way, but I think I am rightly submitting it to the House for its determination as to whether in this case an exception will be made and the petition of a council to this Parliament seeking redress should be presented before this House.

The Hon. FRANK BLEVINS (Deputy Premier): I oppose the motion for suspension. The member for Hayward is merely attempting to circumvent the Standing Orders on petitions for political purposes. I do not believe the Standing Orders of this Parliament are meant to be manipulated in that way. There is no impediment whatsoever to any member standing up here on behalf of local councils, individuals or any other group at the appropriate time. There is nothing to stop the member for Hayward talking to the people who prepared the petition, discussing the problems with them and attempting to put the petition in a proper form that could be accepted by the House. None of those things at all is preventing any right of any individual or group from having their case heard in this Parliament. If the member for Hayward has some complaint against Standing Orders, there is machinery to change the Standing Orders, and the honourable member ought to do that.

I will say one other thing: it is almost certain that the Government's cooperation was required for this motion to go through and, had the member for Hayward had the courtesy to come to see me prior to moving this motion, it may have saved this debate. I strongly urge the House to reject this motion for suspension, for the reasons I have given, and I would urge that, during grievances, when the member for Hayward would have five minutes right of way, he take the opportunity to do whatever he has to do; provided it is in order, that is fine by me. I am sure the people who are being criticised are big enough to look after themselves and again, in accordance with the forms of the House, they can respond if they choose to do so. I think it would be quite wrong to suspend the Standing Orders to allow a petition to be presented; that is quite clearly contrary to the Standing Orders on petitions.

Mr BRINDAL: I apologise to the manager of Government business for not consulting him. It was an error on my part. I did not realise that I had to do that, but I will make sure that I do so next time.

The House divided on the motion:

Ayes (22)—H. Allison, M.H. Armitage, P.B. Arnold, S.J. Baker, H. Becker, P.D. Blacker, M.K. Brindal (teller), D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (22)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins (teller), G.J. Crafter, M.R. De Laine, M.J. Evans, D.M. Ferguson, R.J. Gregory, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, S.M. Lenehan, C.D.T. McKee, M.K. Mayes, J.A. Quirke, M.D. Rann, J.P. Trainer,

The SPEAKER: There being 22 Ayes and 22 Noes, I cast my vote for the 'Noes' and I will explain why. It is clearly the responsibility and duty of the Chair to uphold the Standing Orders that are decided upon by the House and established by the traditions of Parliaments over the years. Although I fully appreciate the member for Hayward's point of view, it is my duty to uphold the Standing Orders, and I therefore cast my vote for the 'Noes'.

Motion thus negatived.

GRIEVANCE DEBATE

The SPEAKER: The proposal before the Chair is that the House note grievances.

Mr S.J. BAKER (Mitcham): I asked a question of the Treasurer today about the performance of Mr Emery. Of course, the Treasurer happened to have a memory lapse, and I should like to follow up the issues that I raised in that question. Mr Emery was Acting Under Treasurer between November 1984 and March 1985 following the retirement of Mr Barnes and Deputy Under Treasurer thereafter until June 1990, when he became the Under Treasurer. I ask members to note the comments made on page 48 of the royal commission report in relation to the lack of a searching role played by the Treasury in the early formation period of the State Bank. More pertinently, however, I refer members to the royal commission report at pages 62 and 63, as follows:

> The bank's plans to expand internationally...were notified to the Under Treasurer by letter from Mr Clark on 31 January 1985—

when Mr Emery was the Acting Under Treasurer—

> enclosing the relevant board paper, which was a very lengthy and detailed document...There is no evidence of any analysis of the plan or advice to Mr Bannon by Treasury...What is not acceptable is to observe the Government in the comfort zone it had chosen by its policy of non-awareness, with none of the questions arising on the face of the documents having been addressed...The stated prospect of profit seems to have displaced or prevailed over any careful consideration of financial viability or the bank's charter.

Mr Emery was the chief executive responsible for Treasury at the relevant times. Mr Emery's own statement tendered to the royal commission, at page 6, states:

> I was quite closely involved in most of the matters which arose in relation to provision of capital funds to the bank and associated funding restructurings and related matters.

The Royal Commissioner criticised Treasury and SAFA's focus on using the bank as a cash cow through the terms

attached to the capital provided and specifically found at page 153:

The agreement to pay the SAFA dividend from profits before calculating tax was inconsistent with the Act...The agreement that the return to SAFA would also be deducted from operating profits before the calculation of a dividend under section 22 (which artificially inflated reported profit) was also inconsistent with the Act.

Mr Emery was responsible for proposing the terms of those capital arrangements to the Government. Mr Emery also admits in his statement to the royal commission at page 41:

The capital provided to the bank was one of the factors which enabled the bank to adopt a strong growth profile.

We all know what happened as a result of that. At page 35 we read the following:

Peter Emery mentioned to me on the telephone that a further $500 million could be set aside to cover further capital requirements. As he wanted a substantial up-front fee for this, I declined the offer.

This is in relation to the bank. This extra capital could have enabled the bank to more than triple its growth from 1988 instead of the doubling that occurred, which could have led to even greater losses than $3.15 billion. I also mention the tier 1 capital issue on page 45 of the report.

Mr Emery was closely involved in the decisions which allowed the State Bank financing of the Remm project to proceed in mid-1988. He was on the SGIC board which approved a $485 million put option for the project following a $200 million underpin for a nominal fee as well as deputy chairman of the SAFA board which approved a $10 million facility for the project. This was despite the fact that he knew that SGIC property experts, SASFIT and Treasury officers had grave concerns about the commercial viability of the project. At page 194 the Royal Commissioner found:

...Mr Emery...was in any event less critical than he might otherwise have been...(and) Mr Emery became aware of the underpin in early August 1988 by virtue of his membership of the SAFA board. It is difficult to explain why he did not do more about it at that time.

Again, at page 349 of his report, the Royal Commissioner said that Mr Emery was told on 13 August 1990 that the State Bank's 1990-91 profit outcome could be a loss of up to $200 million. Yet no decisive action was taken until 1991. I note (page 356 of the report) the following:

...both the Treasurer and Treasury understood that BFC was a disaster. They had each been told that Price Waterhouse had made a report which showed that the cost of BFC financing its non performing assets was estimated for 1990-91 at some $109 million—

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

Mr HOLLOWAY (Mitchell): Last Friday I attended the annual general meeting of Hills Industries on behalf of the Premier. Hills Industries is a major employer and manufacturer in my electorate. The significance of this company can be shown by some of the annual report statistics presented at the meeting. The company has 1 610 employees, and it pays $2.319 million in payroll tax to this State. It also contributes $24.3 million in total taxes—Commonwealth and State. Fortunately, that company showed a 1.5 per cent increase in profit over the past year. I raise this matter because the Chairman of Directors of that company, Mr Bob Ling, will be retiring as Managing Director in the near future. Mr Ling will stay on as Chairman of Directors. Mr Ling has made a significant contribution to the South Australian economy over the nearly 40 years that he has been head of the company. The company has certainly been an important contributor to the economy of my electorate.

Mr Ling is a very forthright character and has certainly not been backward in criticising this Government where he felt the need to do so. Of course, he is also extremely outspoken on such matters as tariffs, and I am sure that most members would have seen his comments in the paper last weekend in respect of the Federal Opposition's policy on tariffs. I would like to wish Mr Ling well in his retirement and I take this opportunity to pay a tribute to his contribution over many years. There is another aspect of the Hills Industries annual report to which I draw attention. Under 'Executive salaries', about which there has been much discussion in recent days, especially in relation to the State Bank, it is interesting to note that the report states:

No executive officer of this company—

the House will remember that the company has over 1 600 employees—

or of any other controlled entity received or is due to receive remuneration equal to or greater than $100 000.

There is only one director whose remuneration exceeds the $100 000 limit. That makes the point that one of the great problems we have in the economy of Australia is the over valuation of paper shufflers—the lawyers and accountants—who really contribute nothing to wealth, whereas engineers and manufacturers who are creating the real wealth of our society are relatively poorly remunerated by comparison.

The other matter to which I refer comes from Mr Ling's address to the board meeting, where he referred to unemployment as follows:

My particular concern is the extent of the unemployment of our young people. In some areas this level is now approaching 30 per cent. Such a figure is socially and morally unacceptable in a progressive society. I believe that 3 per cent unemployment of the young is the trigger point in Japan for effective action. The Japanese believe, as we should, that this generation of young people are the life blood of society and enterprise and need to be equipped to be the leaders of tomorrow. So they must have the chance to learn and experience industrial and commercial life now to become capable of accepting the future responsibility for the well-being of their country and following generations.

I was pleased to attend the annual general meeting of such a significant company within my district. As well as its traditional activities of which most members would be aware in terms of consumer products—

Mr Hamilton interjecting:

Mr HOLLOWAY: No, I have no pecuniary interest. As well as the usual consumer products which this company makes and which I am sure most members are aware of, Hills Industries has also become involved in the new high technology areas, particularly communications, which is what we need for growth. I am pleased to have this opportunity to talk about one of the industrial organisations within my electorate which, in spite of what some members opposite like to claim, has actually increased its profits and employment over the past year.

With companies like this, the future of this State is bright, provided we encourage those in the community who are genuinely involved in manufacturing and industrial activity, and not the paper shufflers to whom I referred earlier.

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

Mr BRINDAL (Hayward): In this House today the Treasurer made a most important statement in respect of the Lotteries Commission, and I believe it will be only after the papers that were tabled in this House today are analysed that the true import of what was said will start to be examined by this House. I take the House back to 8 April 1992 when the then Premier, in answer to a question I asked on one of the matters that was canvassed today by the Treasurer, said:

It was an absolutely straight transaction which was appropriate commercially for the Lotteries Commission.

When I raised it on 16 September in the Estimates Committee, Mr Fioravanti said, 'The matter is closed.' However, it is apparent even from a cursory glance of the papers tabled today that neither answer reflected the true situation at that time. In addition, the report also raises a number of serious questions about the management and financial practices of the Lotteries Commission. For example, refurbishment of the Rundle Mall property, which originally had a tender price of $892 000 but which now has a current cost (and it is not a completed cost) of $1.6 million.

A question was asked in the House about entertainment expenses, and I note that the difficulty for the Treasurer is that the Auditor-General reports on auditing matters and not necessarily on the standards that the Government might expect. He reports on appropriate expenditure, rather than matters on which the Government might properly set down. Indeed, in that context I refer to a statement from the Auditor-General in those papers which says, in effect, that on the matter of conflict of interest the Auditor-General was satisfied when the conflict of interest was presented before the board.

Mr Fioravanti, having been questioned by the Auditor-General on this matter, clearly presented before the board those areas in which there may be a conflict of interest, and the board accepted that presentation of evidence. As far as the Auditor-General was concerned, that seemed to close the matter for him, but I suggest it does not close the matter for the Parliament. The Auditor-General might be satisfied that, if there is a conflict of interest, it must be laid carefully before the board and the board must make a determination. As a Parliament, I believe we have to be concerned with the standards. Clearly, the standards are that, if there was a conflict of interest, why did not the Managing Director lay it before the board at the time? He is a senior executive. He is paid a substantial salary and he is not paid to make mistakes, which I am sure, or I would hope, no member of this House would make.

Similarly, Mr Jack Wright, the Chairperson of the board, is a person of ministerial experience and many years in this place. He knows the propriety expected of somebody whose salary is paid by the public purse whilst dealing with public moneys. I believe that, whilst the Auditor-General may be satisfied, this Parliament has a right not to be satisfied and should further investigate this matter. In his last letter of 19 October 1992, the Auditor-General states:

This matter was deferred pending a check to be made on procedures normally associated within the public sector.

He further states that an audit follow-up review will be undertaken in 1992-93. I would submit that, as far as the Auditor-General is concerned, the matter is not yet closed. As I have said, Mr Wright has had several years of ministerial experience in this House. He should have been aware of the need to ensure proper practices in the Lotteries Commission. Mr Wright is also a member of the TAB board, which is also currently under investigation. We cannot afford to go on protecting people who need to be changed.

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

Mr HAMILTON (Albert Park): Today in Question Time I asked a question of the Premier in relation to the Victorian style industrial relations system. I have quite deliberately kept a press cutting from 25 August because I suspected there would be a change of Government in Victoria, and I took that very pragmatic approach. The reason I kept this *Advertiser* press cutting, headed 'SA Libs support the work plan', was quite obvious in the question that I directed to the Premier. The Deputy Leader of the Opposition, who is in the House, has indicated that he will release his Party's policy prior to Christmas. I look forward with great expectation to that policy.

The Deputy Leader and I have not seen eye to eye on many things, but I place on record my congratulations to him for his intestinal fortitude, because this article states that he will lay before the people of South Australia the industrial policy and network that his Party intends to implement, should it come into power. That will illustrate to the people of South Australia, the workers in the main, what a Liberal Government intends to do. It illustrates that he supports the Victorian style industrial relations system. I am very concerned about that because, to be quite blunt, workers in South Australia will be shafted by this Party opposite that is comprised mostly of silver tails.

Let us look at what Victorian workers have lost. They have lost their leave loading. From 1 March 1993, all State awards will be abolished. This means no protection for penalty rates; no protection for allowances; no protection for overtime; no protection for redundancy payments; and no protection in relation to meal breaks and the 38-hour week.

Mr Ferguson interjecting:

Mr HAMILTON: I will come to that in a moment, time permitting. Let us get on with some of the others. Employees face a tough time in Kennett's Victoria. Employees cannot strike or picket. Despite the fact that one of their mates might be injured or killed on the job, they are still not allowed to go out in support of their colleagues or industrial safety. Employers can fine an employee for being late or disobedient. We all know that disobedience can cover a whole range of things. Employees can be made to work any time of the day or night for any length of time at normal hourly rates. Employees can be unfairly sacked, and must lodge a $50

fee to appeal if he or she is sacked. It is quite clear that the Victorian WorkCare system will be abolished. They will tear the guts out of it and they will tear the guts out of the workers in that State, just as the Liberal Party in South Australia will tear the guts out of workers and their award conditions and provisions. That is what it will do.

Let me add a little more so that workers in this State understand what a Liberal Government would do. Let us look at the new taxes that Kennett has introduced in that State. Every property owner, be they pensioner or whoever, must pay $100, irrespective of their income. There will be a 10 per cent price hike on gas, electricity and water charges. Public transport fares will rise and 19 000 public servants will be sacked. As the member for Henley Beach indicated, and I only wish I had half an hour more, teachers in that State and the working class kids will be disadvantaged severely by the attitude of that Government. There will be no protection for aggrieved workers—none whatsoever.

If the Liberal Party believes that its policies will be supported by the overwhelming majority of South Australians, I challenge the Deputy Leader to stand on the steps of Parliament House on 30 November, if he has any guts at all, and address the workers. He should stand up like a man, not be a yellowback, and tell the workers what he intends to do. I challenge him to have the guts to get out there and tell the workers what he wants to do—how he wants to slash and rape their provisions—if he has any guts!

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

The Hon. D.C. WOTTON (Heysen): Yesterday, severe damage—in fact, virtual destruction—occurred to the home of the De Corso family in Gorge Road, Newton. Much publicity has been given to this serious situation, and a significant report was made of the disaster on the front page of today's *Advertiser*. We learn from that report that the damage bill could be as high as $200 000. As members would be aware, the Minister of Public Infrastructure this afternoon presented a ministerial statement to explain the work that was being carried out by the E&WS in regard to this matter. He said:

> The Chief Executive Officer of the E&WS has already instructed the material sciences group within the department to undertake a comprehensive investigation to establish with as much certainty as is possible the cause of the failure.

That is all very well, but the fact is that the damage has been caused. The fact is that there has been concern for some time, both within and outside the E&WS Department, about the state of that infrastructure and the lack of appropriate maintenance to ensure that these sorts of problems do not occur. The Minister further stated:

> I am advised that an insurance adjuster visited the site yesterday and that the usual insurance processes will be followed.

I have made an attempt today to find out just what that means. There is considerable speculation as to what is likely to come out of this situation regarding insurance or any form of compensation that might and (in my opinion) should be paid to the De Corso family.

I have been made aware of a similar situation that occurred earlier at Netherby where a house received significant damage as a result of a burst water main. I have been told that that family has suffered considerably. It has had significant losses and, as a result, has received no compensation at all from the E&WS. I believe that that is totally wrong. In the final paragraph of his statement, and referring to the De Corso family, the Minister said:

> I can assure them, as I can assure all South Australians, that everything possible is being done to establish the cause of this unfortunate incident.

That does a lot of good as far as this particular family is concerned. They are not so terribly interested in the cause but want to know what sort of compensation will be available—what will be done by the Government—to assist them. About three months ago I expressed concern with regard to the growing community concern about the state of the infrastructure of public utilities as the Government diverts funds to hide its mismanagement.

I have also expressed concern that again this year we have seen the creaming off of a significant amount of money from the E&WS into general revenue. This year it is about $19 million and last year it was $11 million. I believe that at least some of that money should be redirected into a special fund to ensure that adequate maintenance of underground pipes is carried out. It is a case of out of sight out of mind as far as this Government is concerned. It is a serious matter. I am concerned about the reduction in the staff of the E&WS and the impact that that will have on the monitoring of this major problem. It is a serious situation. I call on the Government to provide appropriate assistance to the De Corso family and also to provide appropriate resources to ensure that this problem, which is of major concern to a significant number of people in the metropolitan area, is rectified.

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

The Hon. J.C. BANNON (Ross Smith): On Armistice Day I took the opportunity to remark on the significance of that day but more particularly to focus on a heroic South Australian, the name of whom is borne by my electorate, and I refer to Sir Ross Smith. I would like to pick up the remarks made on that occasion, because next Friday, 4 December, is the centenary of the birth of Sir Ross Smith. It has been felt by a number of us that that should not go unnoticed. If anything, at this time, we certainly need some heroes to look up to, and the significance of Sir Ross Smith as a pioneer aviator emphasises, of course, the transport hub, the link with the rest of the world and the window into Australia that Adelaide and South Australia can provide.

So, largely due to the efforts of defence and technology journalist, Mr Greg Ferguson, a ceremony is being organised at the Adelaide Airport, where the Vickers-Vimy aircraft which Sir Ross Smith and his colleagues flew from England to Australia on that first occasion in 1919 is housed. Her Excellency the Governor will be gracing the occasion with her presence and will be unveiling a plaque commemorating the centenary of Sir Ross Smith's birth. It is hoped that, as part of the ceremony, there will be a fly past of aircraft, including craft from Qantas, the RAAF and the Australian Aviation College, which is based at Parafield and which is one of our biggest and fastest expanding new initiatives of the

past few years—again emphasising South Australia and its link with transport—and a number of private aircraft. It will be a short and simple ceremony, commencing at 11.30 a.m., but I think a most appropriate one.

Sir Ross Smith and his exploits are largely forgotten, unfortunately. His war record was extraordinary. He was awarded an MC and bar, a DFC and two bars and, after the war, he was awarded AFCs on two occasions. He was Lawrence of Arabia's personal pilot. He was the first airman to fly over the Holy Land as part of the theatre of war. He undertook the first flight between Egypt and India and, of course, there was his epic England to Australia flight. Unfortunately, in 1922, involved in aircraft testing with one of his companions in that historic flight—Lieutenant Bennett—he met his death. So, his life was short but extremely action packed.

It is hoped that, in commemorating this centenary, not only do we focus on Sir Ross Smith and his exploits and the significance of those aviation and transport links but also that we find a launching pad for a proposal to commemorate, in 1994, both the seventy-fifth anniversary of that historic flight and the sixtieth anniversary of the famous MacRobertson centenary air race by organising a major air race from two locations culminating in Australia. It will involve, first, retracing the route of Sir Ross Smith and his colleagues from England to Australia and, secondly, from the west coast of the United States, via Japan, flying a route to Australia which, if one computes the distance—and Mr Ferguson has done a considerable amount of research into this—is roughly the equivalent of the England to Australia flight.

There are extremely exciting possibilities in having craft coming from both the European and the American sectors to Australia culminating, we would hope, in Adelaide, perhaps around an event like the Grand Prix or something of that nature. A lot of work needs to be done, but I hope that the ceremony next Friday, in focusing attention on Sir Ross Smith, his achievements and his significance, will be an appropriate launching pad for the international flights.

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

SELECT COMMITTEE ON JUVENILE JUSTICE

Adjourned debate on motion of Hon. T.R. Groom:

That the report be noted.

(Continued from page .)

The Hon. B.C. EASTICK (Light): To recap very briefly the contribution I made leading up to the luncheon break, I indicated that it is important for everyone to recognise that this is an interim report; it is extremely important to recognise that one needs to look at the whole and not just single parts of the report. I then went on to say—and I genuinely believe this—that it is important for the Government, preferably the Premier, to give a clear indication to the people of this State that the results of the report will be processed as quickly and as effectively as possible, recognising that that requires some relocation of existing resources and possibly the injection of further resources.

When I refer to the injection of further resources, I make the point that there is a major public expectation built up by pronouncements by the Government, and, indeed, by members on both sides of the House and in both Houses, that we are genuinely interested in facing the problem of juvenile crime and that we are committed to doing something about it. That commitment needs to be ongoing and it needs to be fortified in the mind of the public at the earliest possible moment so that we do not fall into a hiatus or so that we do not have people becoming unduly cynical.

The requirements, the Bills which will need to be considered and passed, and the regulations which will follow will not happen in five minutes. It will take time for all that to be put in place. I know that members of the select committee will be giving their best endeavours between now and the commencement of the next session on 9 February to conclude the necessary matters so that, when we come back, the Bills will be laid on with a minimum of delay and action can be taken to give to the people of South Australia those additional safeguards, those additional directions, which have been promised for so long. Talk is cheap, and we have to make quite sure that we do not enter into a talkfest and finish up with no positive action.

I believe that the committee has given due diligence to the task placed before it. It has taken evidence widely across the State and it has identified a number of the problems. Members have identified to their own satisfaction, as a result of the visit to New Zealand, the benefits that will accrue from greater involvement of the family and the victim in group conferences. I look forward to an implementation of those measures before I leave this parliamentary scene.

I want to put on record my thanks to the two secretaries we have had during the course of the committee—initially Mr Malcolm Lehman and more recently Ms Rennie Gay—for the efforts they have undertaken on behalf of the committee and the Parliament. I would also like to express my appreciation for the special assistance that was given to the committee by Ms Joy Wundersitz, who is a specialist in this field and who was able to draw the committee's attention to a number of examples of difficulties that had been identified and action that is necessary in the future.

I acknowledge that a great deal of the work that we will need to do will be directed towards the Aboriginal community, working with them to bring about a number of changes that they have identified as important if the approach to juvenile justice is to be meaningful. I finish with the simple words: no-one in this Parliament must betray the public expectation that action will be taken, that there will be commitment by Government and the Parliament and that we mean business.

The Hon. M.J. EVANS (Minister of Health, Family and Community Services): I wish to contribute to this debate in my capacity as a member of the select committee. The report was tabled only today and, therefore, while I as a member have been very familiar with the contents of it as it has developed over a substantial period of time, the Government as such, in the

same way as the official Opposition in this place, has not yet had the opportunity to examine the report in detail, and the opportunity to comment officially from that perspective will arise over time. I expect that these matters will again be on the agenda of the Parliament in February when the committee will table appropriate legislation arising from the report. One would expect that the Government and the Opposition will then be in a position to respond officially to these documents and to provide more detail for the House and for the public.

Today, it is very important that I put on record my views in relation to these matters. As a member of the select committee, I have been very impressed by the nature of this process. As other members have said, we have followed an extensive period of public consultation with a detailed assessment of all these complex issues. The report of the committee is a substantial document, and it needs to be. It covers a complete reassessment of the way in which juvenile justice is handled in this State and it comes forward, I believe, with a number of innovative processes that will assist the community and the Government to deal with these very contentious issues of juvenile crime and children's protection.

On a number of occasions, the community has adopted almost paradigm shifts in relation to juvenile justice. We have had shifts in the community's attitude towards juvenile justice as society as a whole has gone through different periods of attitude towards these matters. Quite clearly, though, in the 1990s the community is shifting towards a view that there must be a consequence for every action. Just because a person is a child, is under 18, that does not mean that in today's climate they are not aware of the consequences of their actions or familiar with the fact that what they are doing is against the law or, at the very least, is contrary to the best expectations of the community and is contrary to good order in their local neighbourhood or that it can cause considerable harm and damage to people in the community in which they live. They must be prepared to face up to the consequences of their actions, and society must respond quickly and show in not a harsh or overly punitive way but very clearly that what they have done is wrong and that there will be some consequence from that action.

The committee has based its report on those clear principles. It has said that where a child offends some response to that offence should occur very quickly; there should be either an informal police response on the street with an officer reminding the young person that that conduct is not appropriate—perhaps some low key activity that can be dealt with by a simple quick caution from a police officer on the street—or, where it goes a bit beyond that, where the child's conduct is a little more serious, the police officer can respond with a formal caution which will go on the record. That record will be available to other police officers and to the Youth Court, as it will be known in the future. Where the child offends again, that formal caution that has been issued becomes known. Indeed, it goes beyond that, because the formal cautioning process can, as part of the package, involve some response by the community in the form of community service obligations, formal written apologies tor the victim (and that is a very important part), reparation for the victim to make good any damage or immediate punishment for the offence, even though it is not processed through the court.

That procedure will be followed provided the child admits the offence that is alleged. Often, a police officer will catch someone red handed in the act and is therefore able to get agreement from the child straightaway, involve the family and resolve the matter quickly while making it clear that there is a consequence from the action. The committee has provided for a response of family group conferences. If that fails, the committee has decided that a Youth Court response will be appropriate, and substantially increased penalties are available. The penalties are not just enhanced: they are broader in their approach and more imaginative, and they bring home to the child straightaway the consequence of their actions.

I think it is important that I should place on record today my concern for the way in which some people have viewed this report in relation to the Department for Family and Community Services, for which I am responsible. The report does not attack the department's previous role in any way which goes beyond commenting and drawing to attention the fact that the department has been required by the previous laws to become what the committee decided was over-involved in the judicial process. The previous regime which has existed and which will continue to exist until the committee's report is put into effect required the Department for Family and Community Services to adopt an active part in the judicial processes of the system. The department has an obvious and clear-cut role to play in assisting children and their family in terms of any hardship they might face or any treatment, counselling or supervision that the child might require. Those things are clear-cut matters and very much part of the department's role. I think everyone would accept that without hesitation.

However, the previous laws required the department to be involved in an area that is certainly not the obvious long-term role of the department. Indeed, they required the department to take an upfront role in the court system, actually to be present during the court proceedings and, at one stage, to make recommendations to the judge in relation to penalty and sentencing. Quite clearly, as the community's appreciation of juvenile justice has changed over time, so has the expectation of the department's role. I think it is acknowledged that that judicial function of the juvenile justice system should be separated from the role of FACS in juvenile justice. The judicial function is very much one for the courts, for judicial officers, for the Attorney-General and for those traditionally involved in the legal processes of the State.

On the other hand, the department should become involved when the court has made a determination on whether it requires expert advice. If it does require advice as to how best to handle a child, that advice would be most expertly available from the Department for Family and Community Services. On request, the department is able to put forward well researched and documented reports for the court to assist in the examination of a child's past behaviour, the reasons for it and what responses the court might best give to enhance the future prosects and development of that child.

However, that must be separated from the judicial consequences of the conduct of the child, and that is the important part that this report addresses. I think that all

responsible officers of the department will understand that this is not a sharp criticism of the department as such, but just a clarification of their role and function and an enhancement of the positive aspects of the department's work. By being involved in both aspects of this matter—in the management of the child after the offence and on an ongoing basis in the community, and in the judicial process—the department's role has been confused to that extent in the minds of clients and in the minds of members of the general community. I think it is very appropriate that the department should get back to its core role—its core activity in this matter—and deal directly with where it has the most expertise.

The court and the judiciary can call on the department under the scheme that the committee has put forward and request its assistance, and the department can respond expertly in that way. Once a child has been through the court system and, indeed, for those children with whom the department has contact, hopefully, it would be able to act in such a way that would prevent them from having any need for contact with the court system. That is the ideal role of the department in this context.

Post-court, the department will certainly have a very much enhanced role in terms of the custody of those children who end up in secure centres and in terms of the ongoing administration of what will be a more extensive community service order scheme. I think the community would like the community service order scheme to play a very much more positive and enhanced role in juvenile justice. I think the youth activity centres (one of which, for example, I recently opened as Minister in the Elizabeth area and I know they are planned for elsewhere) are very positive aspects of this development, and they show a very positive aspect that the department can play in the administration of the juvenile justice system.

It is important that the children involved in this area are able to see immediate consequences of their actions, and I believe that, by taking a step back from the judicial process, the department can then be much more effective in responding to court requests. Indeed, the court can hold the department accountable for the way in which it processes those supervision orders, and the division of responsibility will be much clearer. If as a community there is anything we have learnt from the 1980s which we can implement in the 1990s, it is that division of responsibility, the questions of accountability and the way in which our system must be structured to ensure that those who are responsible are held responsible, that those departments that have to play a particular role are given the necessary resources and that someone—in this case, under the committee's recommendations, the senior judge of the youth court—is then able to hold others accountable for the administration of those programs.

So, I think on balance this is a very positive report. It sets up a complete change in the juvenile justice system. It defines the roles of each of the groups in the system, be they the police, the judiciary or the Department for Family and Community Services, and gives each of them a very positive and enhanced role to play in what should be a more effective response to juvenile justice in the 1990s than we have been able to provide to date under a system that was designed many years ago to address (quite effectively, at the time) the problems the community had some decades ago. Times have changed substantially, as this House well knows, and as law-makers we must move with those times. I believe the select committee's report is an excellent foundation on which this House can base subsequent legislation and on which the House can give consideration to the many detailed recommendations of the report, to determine which of those can be implemented and how they can be implemented in the community. I agree with the member for Light: we must do this as quickly as we can, to give a clear lead to the community, and as Minister I will be taking a positive role in that aspect of it.

In conclusion, I would like to thank my fellow committee members for the work they have undertaken. I think the select committee system is very positive. It gives members of this House, regardless of their Party political affiliation (or lack of it) the opportunity to participate in the development of policy and appropriate legislative measures, and I think that this committee, like a number of others that have reported to this House recently, has given us the opportunity to show the general public that the Parliament has a very positive role in the development of policy and laws and that members of the public can use the parliamentary process very much to take part in that political development and to have a very strong input.

If this committee did one thing, it got out among members of the public to listen to them and to take on board the concerns they expressed. Apart from the useful report, which has come about as a result of this, it was also very much an important exercise in community consultation and in demonstrating the very appropriate role that the Parliament can play in that respect.

Mr S.G. EVANS (Davenport): I congratulate the committee on the effort it has put in. I cannot congratulate the committee on the report, because I have not read it, but I congratulate it. We received the report only today. I know there were some very dedicated persons on that committee who recognised some—I think most—of the difficulties we have within our community regarding family life and the effect it sometimes has on young people and also the adverse effect that some of their actions have on the rest of society. I have some difficulty with the report because, when I went to read it, I found that the list of contents appears to be at the back of the report and when I turned to the front of the report I found appendices 1 and 2. I thought that was strange but then, when I started to read it from the front, I found that it began at page 221. So, I assume I got the report because some people thought I was backward. That has increased the difficulty I have in reading the report, but I will sort it out some time later and take the opportunity to comment further.

There is no doubt in my mind that headlines can have an effect upon some people, more so young people if they are seeking identification and recognition. If the only way to achieve that sometimes is to steal of damage other people's property, a proportion of people will do that. The more publicity that is given to it, I believe (although I may be wrong) the greater will be the number of people who think, 'This is the in thing; let's give it a go.' Some day, somehow, we as Parliamentarians, the media, those who make comments on talk-back programs and others

will publicly acknowledge the good things done by so many adults and young people alike. There are so many young people out there doing great things for our society and for their fellow citizens, and they do it without seeking recognition. If we could publicise their efforts more, I think some of these people who seek recognition in other ways would seek it by doing some good. If only a tenth of those who take the wrong path took the other path it would mean a lot to our society. It would be an achievement.

I recognise the difficulty the committee would have had in making its recommendations. I recognise that one does not always get the evidence that should be available, because some people will not come forward. I recognise that heads of departments and people in high office will always want to put their theories on how they think it should be done, and I may be one of them, while quite often those who are slightly introverted or those who are lost in our society are the ones who are least likely to come forward. If we could get those people to come forward it would undoubtedly help committees such as the one you served on, Mr Deputy Speaker, a lot more.

I am not saying that the committee did not try to do that; I know it did, and that people in that category came forward. I know that from the travelling that took place to try to ascertain what was happening in different parts of the State. I think we all recognise that it will always be a problem to get people from all levels within the community to come forward, not just those who are articulate and have a particular barrow to push or who want to protect their jobs, increase their staff, and so on. I support the noting of the report and look forward to reading it after I sort out where I should start.

Mr HAMILTON (Albert Park): I welcome the opportunity to contribute to this debate on the interim report of the Select Committee on Juvenile Justice. As the member for Stuart indicated, I have a particularly keen interest in this area. I was disappointed that I did not have the opportunity to serve on the committee. I would have welcomed such an opportunity, because I believe that my input in this area over at least a decade, if not more, could have been useful. Nevertheless, that was not to be. You, Mr Deputy Speaker, will be aware that this select committee was not born easily. It was born out of discussion between you, me and one other member of our Caucus. We were very vocal about our desire to see this select committee set up. A number of members on this side of the House were very vocal and demanded of the Government that this select committee be set up because there were and are still problems in the community in relation to juvenile justice.

I have to put on record that when I, like you, Mr Deputy Speaker, first started talking about this subject there were those in the community who were saying that juvenile crime was not a problem in their areas. I do not know where they were living, but you, Sir, and I and the member for Price, who have a particular involvement in the western suburbs, were very vocal about the problems that we saw and were demanding that this matter should be addressed.

Mr Oswald: And in the Morphett area.

Mr HAMILTON: Certainly in the western suburbs. As members will know, my interest goes back to Neighbourhood Watch, which I requested the State Government to set up. I was also involved in the graffiti and vandalism legislation which came before the Parliament. Indeed, the Minister commended my contribution in bringing a lot of that information back from Western Australia.

I have such a keen interest in this area that when the committee took public evidence I ensured that my constituents were made aware of it. The numbers at the meeting were disappointing, but I believe it was important that I, as the local representative who had been and continues to be most vocal in this area, should be present at the meeting and make a submission to the committee.

There are a number of issues in the interim report on juvenile justice on which I should like to comment. I believe in reparation. There are those in the community who seemingly in the past thought that they could go around damaging things and get away with the proverbial smack on the wrist. I also strongly believe that victims of crime did not receive sufficient consideration with respect to the traumas they experienced. I vividly remember a constituent who lives in Alfred Avenue, Seaton, who had a car that was lovingly restored, only to have it taken out, set alight and completely destroyed. I hasten to add that he and his family were partly to blame for what was done by the juveniles concerned.

The anger and frustration in the community is easily detected by those who have the will or the wit to do a bit of survey work in their electorates. It came through to me time and again that people were saying, 'Enough is enough. We want this matter addressed.' It had to be addressed in terms not only of penalties, but in other ways. We had to ascertain why juveniles were becoming involved in petty and other sorts of crime. I do not believe that in the past the community has been prepared to give sufficient importance to that aspect. I believe that prevention is better than trying to address the results of those actions.

Be that as it may, I am a realist and I am aware that some parents seemingly do not have the parenting skills or the desire to look after their children or to instil discipline in them. Therefore, they and the community pay an enormous cost in that regard. It is very easy for parents to take the soft options and to say to the child, 'Don't do this, don't do that', but after a while children will ignore the parents, knowing that they will not be chastised, disciplined or penalised. It comes back to what I said about parenting skills. I am no expert in that area, although I believe that my wife and I in raising our three children instilled certain disciplines that have helped them in their adult life. Those skills have to be imparted to children virtually from the time they are born. Parents should be able to talk to children in an educative way rather than trying to force them in this respect.

The report, at page 59, recommends that the Education Department in junior primary and primary schools should adopt early intervention strategies to identify and address those students who are failing to develop appropriate literacy skills. I support that proposition, and I believe that you, Mr Deputy Speaker, also support it very strongly. If we do not address that problem, again, society will pay a price. We will pay a price in terms of having to take those children through the courts and later

building additional gaols and remand centres, as well as employing additional police officers. It is very important that we have those early intervention programs in schools so that we can address the problems of those children. If they have problems in school in terms of literacy or in their homes, we need skilled people with the ability, capacity and dedication to help them. I believe those are the sorts of programs that we need in our society to help those children; otherwise, we will pay one hell of a price.

I listened with considerable interest, Mr Deputy Speaker, to your contribution on truancy. You will no doubt recall the first report that I brought back from the city of Gosnells in Western Australia on how they had reduced the incidence of daytime breaking and entering. They found that, through truancy patrols in that city, they were able to reduce the incidence of daytime break and entering offences by more than a staggering 50 per cent. You, Mr Deputy Speaker, will also recall the discussions we had with people in the Education Department, because the initial discussion between the department and you, Sir, and me did not start off on the best footing. We correctly believed that truancy was not being addressed properly in our schools in South Australia. I understand that no records are kept of when a child is at school and that no records are kept of class movements so, if a child goes missing, the school is unaware of it. I refer to the video of my conversations with Western Australian police that I showed to my colleagues yesterday in which reference is made, among other things, to a program in schools where truancy has been detected through the stationing of full-time police officers in those schools at their request.

That is an excellent program and it is one that South Australia should look at seriously. Unfortunately, because of financial constraints, the committee did not go to Western Australia, as I had hoped. It is the committee's loss that it did not journey to Western Australia to see that program. The problem in Western Australia is being dealt with through programs such as this, and not only in the way in which they record student attendances but also through the truancy patrols of the Police Department that operate outside schools. If a patrol finds a student away from school, he or she can be detained while the trained truancy police officers contact the school to find out whether, say, little Kevin Hamilton is legitimately absent from school. The police have the power to take the child back to school and go through the appropriate channels.

I listened with some concern, Sir, to your contribution in which, as I understand it, you said that teaching staff in schools—and I note that you are nodding your head—will not have the authority that I believe they should have in terms of addressing truancy. If that is the case and the teaching profession will not have that power, I would like to know from the committee, perhaps when the Bill is introduced in Parliament, what will be the position. I will be addressing the matter further after reading the report and after speaking to you privately, Sir, about whether the committee has really addressed the problem in terms of taking away the authority of teaching staff in schools.

The Hon. B.C. Eastick interjecting:

Mr HAMILTON: The member for Light says, 'Not so.' I understood you to say in your contribution, Sir, that that was the case. I will find out later.

Mr Oswald interjecting:

Mr HAMILTON: I will make up my mind, as the member for Morphett knows only too well. I have strong views and I am yet to be convinced that taking away authority from the teaching fraternity, if that is the case, is appropriate. If that is the case, I would be extremely concerned.

The other matter about which I am supportive is the police cautioning system. Again, through my close ties with the Western Australian Police Force, I have been able to have many discussions with Assistant Police Commissioner Harry Riseborough, Detective Inspector Bob Kachura and many other officers about the programs in that State. I believe a formal warning by a senior officer is an important innovation. Certainly, a more expanded system in respect of intervention in the presence of parents or guardians is recommended.

In the past we have often found that juveniles, after being spoken to, have just walked away and laughed. I believe a warning from a police officer in front of their parents or guardian would be a lot more sobering experience for juveniles. I do not believe that fining people is the answer, and I do not believe that gaol is necessarily the answer, although in many cases that is required. I can recall an occasion many years ago when I was driving along Military Road on a stinking hot day and a young chap driving behind me tried to pass on the inside lane. He could not get through because the car with which I was driving parallel was doing the required 60km/h. Eventually this young pup passed on the inside and let out a mouthful of abusive and foul language to such an extent that I was enraged by it.

My initial reaction was to pull him over and thump him. In our job, we cannot do that, but I took the number of the vehicle and subsequently, with the assistance of the police, this young driver had to come around and apologise to my wife. There is no way in the world that he would tell his mates that he had to apologise to a woman but, if he had copped a penalty, I can imagine that he would have said, 'I got picked up by the coppers. I gave an old dear a bit of a Billy Graham and this is what I copped.' However, he had to come to my home and apologise for his indiscretion. In fact, he had to endure the embarrassment for a good 10 minutes. I suggest that that is a lesson that that young man will never forget. He will never forget using abusive language—

The Hon. B.C. Eastick interjecting:

Mr HAMILTON: I agree with the member for Light. Exactly. It is a sobering experience in more ways than one. Penalties are not necessarily the answer in terms of money. I believe that discipline is required from the time a child is born. If there are cases where parents have not the skills or do not have the desire, the community can impose a penalty and, in many cases, one of the most effective methods is through people in authority, particularly the police, who can take people aside and say, 'Either you do this, or your penalty will be more severe.'

Last but not least, I believe victims of crime for too long have not had the redress that they should have and, as I understand it, in New Zealand and many other places perpetrators of crime have to face the victim. I am advised that the attitude of the victims of crime and the

parents of the offender is more demanding in imposing penalties on the child or offender than would normally be the case in court. As I indicated before, I was disappointed that I could not serve on the committee, but I will view the legislation with great interest when it comes before the Parliament, and I will talk to the members of the committee about the recommendations that they have made in the report.

Motion carried.

STATE BANK OF SOUTH AUSTRALIA (INVESTIGATIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 25 November. Page 1728.)

Mr S.J. BAKER (Mitcham): This Parliament finds itself in an extraordinary position of having to rush through legislation at one minute to midnight in an attempt to place reasonable controls over the investigations of the Auditor-General. It is extraordinary from a number of points of view, and the House should reflect on the provisions contained in the Bill before us. The Bill gives the Auditor-General virtually the power of a Royal Commissioner, and it makes it retrospective to when the investigations of the Royal Commissioner commenced. In speaking to this Bill, I raise some very serious questions. First, why has it taken so long for the Attorney-General of this State to make up his mind? Secondly, what right has the Attorney to bring this matter before the House and expect its speedy carriage through the Parliament on the last day of sitting? Thirdly, in the haste to have the legislation drawn, are there any mistakes? Fourthly, in taking away retrospectively the rights of people to which they have been entitled, are we in danger of affecting the rights of such people to natural justice in its various forms?

This Bill must be viewed in the context of those remarks. It is one thing to say that a commission or an Auditor-General shall have such powers, but it is another thing to decide halfway through an investigation that you are going to dramatically change those powers. It is not good enough for the Attorney-General or anyone else in this Parliament to change the rules halfway through the ball game, and that is exactly what this Bill does. We can understand the reasons. We can have great sympathy for the reasons, but let us be quite clear: those reasons have to be balanced against the loss of rights contained within this Bill. Members who understand what has been going on in relation to the Auditor-General's investigations would clearly understand that a conflict has developed over time, and that conflict has reached the stage where it is seriously affecting the capacity of the Auditor-General to continue his investigations. It is seriously affecting the capacity of the Auditor-General to provide a timely report to the royal commission.

Further, I believe it is seriously affecting justice. In that context, we must be sure that the Bill is never seen as a precedent in this Parliament. We should also observe that the rights and powers we are giving under this legislation pertain only to the State Bank inquiry and have no relevance to the general powers contained under the Auditor-General's legislation—the Public Finance and Audit Act. In allowing the passage of this legislation, the Opposition does so under some protest, but understands quite clearly that, unless we do something, we will have protracted legal intervention in respect of the investigations of the Auditor-General. I am aware of the Auditor-General's frustration. I have read the transcript of proceedings from the Supreme Court. The legal people representing the directors have put up a very strong case to say that justice must be done and that it must be seen to be done, and they need every opportunity to scrutinise the evidence coming before the Auditor-General, including the witnesses, and of course they would like the right of cross-examination.

It should be remembered by all members that the Auditor-General is conducting his investigations behind closed doors. Most of the investigation takes the form of sorting through files, so there is this problem about how we translate those investigations and their likely outcome in relation to the overall construct of the royal commission. There is no doubt that, as soon as the Auditor-General reports, and if that report reflects on particular directors of the bank, the management of the bank or whoever, they will be in the spotlight. I might observe that, if there are serious problems relating to the conduct of any person associated with the State Bank or its subsidiaries, it is highly unlikely that the Auditor-General will be specific in his remarks about that person because to do so may well prejudice any future court case against that person or any number of individuals involved.

So, we can be assured that the Auditor-General will take up the issues in a way that will not prejudice any future court cases, if fraud, misrepresentation or other criminal matters come to his attention. That will be a matter for later prosecution. The Auditor-General will not be able to direct guilt in such circumstances. Of course, the Auditor-General can make a number of observations about the capacity, or lack of capacity, of particular individuals who made up the board or the management of the various entities within the State Bank. When we come to the powers that should be given to the Auditor-General, we realise that there has to be a greater power than exists at the moment under his own Act. There is certainly a need to strengthen his position. As I said earlier, I have read the Supreme Court transcripts. On the one hand, the lawyers say, 'We are not getting enough time.' On the other hand, the Auditor-General says, 'You are having too much time and you are frustrating my investigations.' I will rule in favour of the Auditor-General in this matter. Having read the evidence and understanding to a certain degree how the system works, I know that, for example, if a Bill comes before this House, and it is very complex, I am required to reach judgment on that Bill within a matter of perhaps seven days. I have to consult widely during that time. The system is not right, but I can say that I spend all hours of the night and every day, if it is a complex issue, in attempting to understand it and in obtaining a legal opinion.

In relation to the Auditor-General's inquiry, with lawyers dedicated to the protection of particular directors, I cannot sustain the argument that they need three months to go through transcripts or to review the position that has been laid down. The Auditor-General said that 14

days was enough, and I happen to concur, given the situation we face in this Parliament. However, the Supreme Court felt that two months was a more appropriate period. So, if justice is to be done, it has to be done in a timely fashion. It has to be done with a sense of purpose, and that does not mean that people can play fast and loose with the system. It does not mean that the lawyers can continue to prevaricate, obstruct or take undue time to review the evidence provided to them.

I am not accusing the lawyers of doing anything other than protecting the interests of their clients, because they would say—and quite rightly so—'The more we can delay this thing, the more time that elapses, the greater the loss of memory, and the greater the possibility that my client will not be affected in the findings of the Auditor-General.' It is in the best interests of the client. So, I can understand the legal profession saying that it needs three months or more. But the public good has to come first, and I believe it is absolutely imperative that that be the sole consideration in determining what steps we are taking here today. There is a number of important issues that have to be raised in relation to this Bill because, as I said very early in the piece, the legislation takes away rights that are in place. That is something that must be viewed very seriously.

The evidence that has been canvassed and the reasons for this action have been in the media. Of course, a conference was convened recently by the Attorney-General because we have reached the stage where we must be able to complete the Auditor-General's report within a reasonable amount of time. To allow the current conditions to continue is unconscionable. I note that, in relation to the Supreme Court findings, a very important point has been made. I will not read all the transcript; the debate has been well canvassed in another place. However, the transcript does state:

> I consider that the defendant's conduct of the investigation [and the defendant in this case is the Auditor-General] up to the time of delivering the draft chapter has been proper and reasonable and has not involved any infringement of the plaintiff's rights.

Of course, it is the point after that which has come into contention and where the court has ruled that there has to be a further period beyond, say, 14 days for the lawyers to mull over the evidence and to make further submissions to the Auditor-General.

It should be clearly understood that with the Auditor-General's investigations we are not talking about an open court or open hearings. There is not a right of cross-examination. So, a person who may feel aggrieved does not have the same right of representation to refute that allegation in an open arena or forum as they would have in the royal commission. However, of course, we know that, in the royal commission, once that person's name has been mentioned, automatically some assumptions are made, even after refutation. So, in my mind, there is the question whether natural justice prevails in a royal commission. However, it happens to be the most expedient way that this Parliament can devise of getting at the truth.

There are pluses and minuses from a closed hearing. The pluses are that the client does have certain rights, which are sometimes virtually expunged when the first witness is called before a royal commission. The person has a right of refutation through his or her representative, but the matter is already on the record. At least in this situation those people representing the defendants or their clients have a right to put further submissions to the Auditor-General to raise matters of principle of law and fact so that the Auditor-General can look at those further submissions and determine in his own mind whether he should continue with the same observations that he has made in the drafts or whether they should be modified in some form. That is a very powerful instrument.

It may well be that a number of people whose name should be up there in lights will be saved under the conditions that operate in relation to the Auditor-General. It might be said, 'I am not at court; I am not going to deliver judgment; I will not make this person's particulars known, because there is insufficient evidence available to me in the scope of my inquiry to draw those conclusions.' We would all be aware that we are talking not only about the State Bank and the conduct of the individuals concerned in that but it may have ramifications in a whole range of other areas which will not necessarily be linked up by the Auditor-General—it should not be so linked. Therefore, some people who I assume would carry some guilt will escape profound condemning statements by the Auditor-General.

The issue of retrospectivity is important. As I said previously, it should not be seen as a precedent. However, to leave it in doubt or to apply the provisions only from today or from the point at which the Bill is proclaimed is unconscionable. The new conditions have to be deemed to have been in operation from the point at which the Auditor-General commenced his proceedings. There must be no doubt what rights the Auditor-General might have in his investigations, and that is what the Bill does: it deals with the rights of investigation, the rights to summons and the rights to make a number of observations without fear or favour. So, this Bill does take away rights, but I also believe it gives some important protections to the public purse, which have not been evident today.

The matter of the how the legislation should be worded is one of serious contention. We are all aware that the conditions proposed in this legislation are draconian. Clause 4(3) provides:

> No decision, determination or other fact or proceeding of Auditor-General or an authorised person or act or omission or proposed act or omission by the Auditor-General or an authorised person may, in any manner whatsoever, be questioned or reviewed, or be restrained or removed by prohibition, injunction, *certiorari,* or in any other manner whatsoever.

The Auditor-General is given *carte blanche,* and we place a great deal of faith in the Auditor-General with that clause. I do not need to re-read it for people and members of this House to understand that the power of the Auditor-General is supreme, even when there are acts or omissions and even when the Auditor-General is making a mistake. We have considerable concern about that, but we understand the need for a powerful instrument to assist the Auditor-General through his proceedings.

The Auditor-General must get to the truth. He must not be swayed by threat of challenge or protracted legal argument. The process must not be put off course in any way or form. It must be completed as speedily as

possible, given that I understand that the bill for the royal commission in total will be well in excess of $20 million. At the same time, we must be sure that justice is done. So it will be my intention to pursue an amendment in Committee that will attempt to alleviate the concern caused by clause 4(3) to allow those people who have had some rights, who do feel wronged and who feel that their character is wrongly impugned by the findings of the Auditor-General to take action in order to protect their position.

That gives those persons the right to pursue the issue of justice. I will talk about that provision in Committee. As I said at the beginning, I am appalled by the way in which the Bill has been brought before us at the last minute. I have extreme reservations about the haste in which the legislation has been drawn up, because it might have to come back for further modification if we have not got it right. However, I sympathise with the dilemma faced by the Attorney-General, the Auditor-General and the taxpayers of this State. The Opposition will support the legislation but it will vigorously pursue the amendment.

Mr BECKER (Hanson): I support the remarks of the member for Mitcham and appreciate the manner in which he has presented the Opposition's point of view to the House. During the 1989 State election, in criticism of the then Leader of the Opposition, the Labor Party put out a pamphlet that asked, 'Where is the money coming from, Mr Olsen?' Today, some three years after that election, the people of South Australia are asking, 'Where has the money gone?'—$3 150 million. The legislation before us will assist the Auditor-General to provide some of those answers. We have had a long and great debate in relation to the Royal Commissioner's report into the State Bank, but I am annoyed to think that there have been efforts to frustrate the activities of the Auditor-General in relation to this inquiry. For the life of me, I cannot understand why the legal profession and certain people in banking today go to such lengths to curtail the activities of the Auditor-General.

I understand and appreciate the reason for natural justice, but there are so many unanswered questions. Many allegations were made to me long before anyone suspected what was going on, particularly regarding the involvement of Beneficial Finance. That information was given to me and I passed it on to the Premier. He took it as typical of bar-room rumours, but it was not. Naturally, the people of South Australia want to know where the money went, how and why. People are absolutely astounded to think that Beneficial had a system of forgiveness loans: the staff would borrow money to buy, say, a television set or an item of antique furniture, they would make a couple of repayments and the loan would be written off.

I have never heard of this type of benefit for an employee, but I would like to know whether it is legal. We want to know where and how financial deals were made with some of the largest companies in Australia whose activities and involvement were under question. We find in the Royal Commissioner's report that a proper financial assessment was never made. For goodness sake, any junior bank clerk would have asked for at least three balance sheets to make a comparison of the growth, development or activities of any organisation seeking to borrow money. They would then go out and value the security. That security would be discounted: it would not be added on to. They would look at the amount required to meet the repayments and the cash flow situation, but obviously that was not done,

The Auditor-General must have some concerns—and quite rightly so. He should be allowed to investigate those concerns and to report on them to Parliament without fear of intimidation. As we are constantly reminded by the legal profession, there must be natural justice. I do not see any natural justice in losing $3 150 million—the people and future generations of this State will have to pay again and again—particularly when 25 per cent of the money that was lent was borrowed from overseas tax havens and from all sorts of sources, and then on-lent with very low margins. At one stage, the bank was lending money at a loss. Huge bonuses were being paid to those who could organise the buying and selling of foreign exchange. What went on was unbelievable. And do not tell me that it goes on in large banks in Australia—it certainly did not until the 1970s. What they do in America and third world countries does not interest me one iota—they are disorganised and do not maintain the proper standards of banking.

We had one of the best banking systems in the world until it was deregulated, What fools the Federal Parliamentarians were to allow that to happen and what fools operated the banks in blind panic with the fear of overseas competition that led to these huge losses that we have seen not only in this State but in Victoria and Western Australia. We do not know what has happened in New South Wales, and we will not be told. No doubt, the Commonwealth Bank has a few problems, but the incompetence of management has brought this country almost to its knees. Now this management that was responsible for these huge debts wants to be protected by natural justice. If the Auditor-General can find these errors, let him report on them and let these people stand up and defend themselves. I can see only that what was proposed, and the actions and activities of the legal advisers to the bank, was to try to prevent this report from ever seeing the light of day.

When I first came into Parliament, the Auditor-General's Report was not read by anyone. I started to read the reports, and I found in the back of one a section dealing with fraud, loss and theft of Government property. It was quite a large section. When I questioned what was going on, when I asked questions about the poor control of Government stores and the poor management of the State's finances, suddenly that section was dropped; it was no longer contained in the Auditor-General's Report. When I questioned one of the Auditors-General privately and asked 'What is going on?', he said, 'We have to give the other side the opportunity to answer the allegations made by the Auditor-General.' That is not on, as far as I am concerned. The Auditor-General is a servant of the Parliament: he is responsible to this Chamber.

As I said very simply and clearly, we want to know the truth. I believe there were many deals within deals and many commissions paid. The allegations that have been made to me alone would almost fill a book. They will all be denied—and no doubt everything has been shredded.

But it does not matter. There was very poor and loose management, and people's money was being lent all over Australia by Beneficial Finance, by a senior management that had little or no experience whatsoever in real estate. That was the whole tragedy—the poor management and poor standard of executive and middle management level officers. That is where the bank was let down. It was not let down so much at board level. The board never knew how to ask middle management what was going on, and middle management was not going to tell in any case. It was a terrible reflection on financial institutions and banking in general.

The truth must come out. The people of South Australia are angry about what has happened to their bank, which originally was the Savings Bank of South Australia. It was never owned by the Government: the Government only guaranteed the depositors. It had no right to take it over. It took away the people's bank and destroyed it. If this legislation gives the Auditor-General all the protection he needs, if it helps him to unearth all the questions that the people are asking and if it can assist him in doing that as quickly and promptly as possible, I support it totally. Of course, there is always a deficiency. We have to protect this little section in the name of natural justice. I hope there is no natural justice for some of these people, because they have destroyed this State.

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I thank the Opposition for its qualified indication of support for this measure. I note the amendments which have been circulated in the name of the member for Mitcham and canvassed in another place, and the member for Mitcham has thoroughly traversed the thrust of this measure before us. The Government does not welcome the bringing on of legislation in these circumstances, and normally it does not do so. This is a rare occurrence, and we appreciate the accommodation that has been provided by the Opposition in another place and in this House for this measure to be dealt with speedily.

I think that all agree that the recent decisions of the Supreme Court and the concerns that have been expressed to the Government by the Auditor-General in this matter need to be addressed. As this is the last week of sittings of the Parliament, if it were to be addressed in a legislative form (and all the advice that the Government had was that this matter could be adequately addressed only in an amendment in the form that we have before us), we would require the cooperation of the parliament to do so. That is appreciated and it is regretted that it had to be brought in hastily and at the end of this tiring session of the Parliament.

As the member for Hanson has just indicated to the House, and as I think he has expressed very clearly, there is a great deal of concern in our community that we could see the vital work being done by the Auditor-General frustrated, delayed and indeed just not done—in fact, being denied to the community. It is in the public interest that this measure pass and that the Auditor-General be given the appropriate and responsible powers, indeed, the powers that were always envisaged for the Auditor-General to operate under so that his report can now be expeditiously presented to the Governor and the Parliament. It was always envisaged that the Auditor-General would make his report available to the Royal Commissioner to assist him in his deliberations in the totality of the terms of reference that he has before him.

I think it is with a sense of great disappointment that the Auditor-General's inquiry has taken so long and cost so much, and potentially it could cost a great deal more if this legislation is not passed. Indeed, if the provisions of this Bill were not accepted, the $10 million that has already been provided for the Auditor-General's inquiry could escalate to an amount that would certainly not be justified, we believe, if it was simply to respond to appeal or strategy after strategy designed to see the report not brought to this place. So, these provisions reflect the Government's commitment to giving the Auditor-General adequate and appropriate powers to conduct his investigation without the frustration of non-cooperation or the possibility of deliberate delay. That has been acknowledged by those who addressed it in this place and indeed very succinctly by all Parties represented in the other place. I think that some very interesting and apt comments were made across the political spectrum in another place in the debate on this measure. I will not detain the House but, once again, I indicate my appreciation of the support the Opposition has given to the passage of this important measure.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Investigations.'

Mr S.J. BAKER: I have read clause 3, which alters section 25 of the Act. I appreciate the Minister's direction as to how far these powers really do extend and whether the Auditor-General will have a right under the direction of the Governor of further investigation beyond his brief. According to my reading, he will.

The Hon. G.J. CRAFTER: This matter was canvassed in another place, and it will be necessary to amend the authority currently given to the Auditor-General so that his powers can be extended to include investigation into the function of auditors with respect to Beneficial Finance. So, an extension will be required and that instrument will follow the passage of this legislation.

Mr S.J. BAKER: I would like some further clarification on how and when that will happen, because I have looked at the proposed Public Finance and Audit Act, and of course there are no parallel powers contained within the amendments in that Bill, although it does provide that the Auditor-General should not be sued. However, the powers are significantly less than the powers contained in these amendments. It appears, at least on my preliminary and very quick reading in the time that I have had available, to confer far greater power in relation to the State Bank than it will give to the Auditor-General in relation to his general duties.

So, I would appreciate some clarification from the Minister as to whether it is intended to change the State Bank Act further to allow the investigation of Beneficial Finance or whether it is intended to bring further amendments forward in relation to the Auditor-General's powers and general responsibilities across the whole of the public sector, because quite frankly I have some reservations about whether some of the measures contained in here are appropriate in relation to his general

investigations. I do see the usefulness of such powers when he is in such a legal turmoil as he is in at the moment. So, I will appreciate the Minister's further clarification of those issues.

The Hon. G.J. CRAFTER: The subparagraphs contained in paragraph (f), relating to new subsection (7a), are taken from section 34 of the Public Finance and Audit Act as it currently stands, and then the text that follows paragraph (e) reads:

> the Supreme Court may order the person to take such action, or to refrain from taking such action, as is necessary in the court's opinion.
>
> (7b) Where, in the opinion of the investigator, a person has contravened, or failed to comply with, a requirement imposed by or under this section, the investigator must, if in his or her opinion the matter is sufficiently serious, prepare a report setting out details of the contravention or failure and deliver copies of the report to the Governor and the Economic and Finance Committee of the Parliament.

That is taken from the Bill which we will debate next in this place but which will not be passed until the autumn session. So, it is seen as appropriate that these powers be vested in the Auditor-General at present to facilitate expeditious conduct of his inquiries. There is that aggregation of existing powers in the Public Finance and Audit Act and the powers that we are proposing to put into that Act in another measure before this place. That will give the Auditor-General the required authority.

The Hon. JENNIFER CASHMORE: I wish to speak briefly in support of clause 3. I did not contribute to the second reading debate because the member for Mitcham, in my opinion, covered the issues so admirably that there was little that one could add without being repetitive. However, I wish particularly to refer to clause 3(a)(i) and (ii) which gives the Auditor-General the power to investigate 'any possible conflict of interest or breach of fiduciary duty or other unlawful, corrupt or improper activity on the part of a director or officer of the bank or a subsidiary officer of the bank; or any possible failure to exercise proper care and diligence'.

I am interested that the investigation should focus on Mr Marcus Clark's membership of the board of Equiticorp at the time the loan was made by the bank and on the loan by the State Bank to Health and Lifecare at a time when that company should have been in receivership, certainly not propped up by a Government guaranteed bank. I am also interested that the State Government Insurance Commission should have bought Health and Lifecare to save the State Bank, one assumes, from yet another loan that was going bad.

I raised those matters in the House at some length. I have not read all the evidence put before the commission, but I provided to the commission every bit of information that I had on those matters, and there has been little, if any, public reference to the Health and Lifecare issues that I raised in Parliament in respect of reporting of the royal commission.

When I canvassed those matters publicly on ABC radio, I received a letter from the then Chairman of the bank threatening legal action against me if I continued to say outside Parliament what I had said on radio, namely, that I believed there was collusion, if not corruption, in respect of those matters. At that time I wrote back immediately to Mr Simmons saying that I regarded such letters as intimidation of a member of Parliament in pursuit of his or her duty and that such a threat could amount to contempt of Parliament. I heard no more. However, I remain convinced that there is something wrong with the loan to Health and Lifecare and with the sale of Health and Lifecare to SGIC. I hope that and the Equiticorp arrangements will receive acute attention by the Auditor-General.

The Hon. G.J. CRAFTER: Given that the honourable member has already had some involvement with the inquiries into the State Bank and has transmitted information, I will undertake to ask the Attorney-General to convey a copy of *Hansard,* including the honourable member's comments, to the Auditor-General and the Royal Commissioner to take note of the matters that she has raised in this debate.

Clause passed.

Clause 4—'Validation and exclusion of judicial review.'

Mr S.J. BAKER: I move:

Page 4—

Line 13—Leave out 'No' and insert 'Subject to subsection (4), no'.

After Line 16—Insert subclauses as follows:

'(4) Subsection (3) does not prevent a person from exercising any rights in relation to a report of the Auditor-General on the results of the investigation—

(a) in the case of a report that is under section 25(5) of the State Bank of South Australia Act 1983 presented to the President of the Legislative Council and the Speaker of the House of Assembly—after the report is laid before either House of Parliament;

(b) in the case of any other report that is presented to the Governor—after the report is presented to the Governor.

(5) Without limiting the effect of subsection (3), it is the intention of Parliament that the Auditor-General and any other person on whom investigative powers have been conferred for the purposes of the investigation observe the rules of natural justice.

The reasons for this amendment were canvassed during the second reading debate. It is with some feeling that we have to put a safety net within these new provisions which, as I said previously, are quite draconian. It is not that we want thieves and vagabonds to get off, it is not that we want the facts to be hidden. Quite the contrary: we want to ensure that a person who has been wrongly named, or where the facts are fundamentally wrong, should have the right of redress. The Attorney-General argues that there is no right of redress in terms of the royal commission and its report. In that instance the Attorney-General is correct. However, as has been pointed out previously, all the proceedings of the royal commission are in open hearing. There is a right of challenge, and we know how much challenging has been done over the past few months in relation to the evidence that has been produced for the royal commission. We have seen this long line of lawyers, each acting for different parties before the royal commission—

Mr S.G. Evans: Not voluntarily.

Mr S.J. BAKER: Not voluntarily, as the member for Davenport points out, but at some considerable cost—in the pursuit of justice. Any remarks made before the royal commission can be challenged by the brief acting for the

former managing director, the brief acting for the Government, the brief acting for the directors and the brief acting for the management of the bank, and, of course, even the Opposition has a right of intervention. No such right of intervention naturally occurs in relation to the Auditor-General's proceedings.

We believe that, if a person has been aggrieved, that person should have a right immediately to take action to repair his or her damaged reputation. It is not a lot to ask. We know that there are many guilty people associated with the State Bank, and some people would quite wrongly suggest that the Opposition would try to protect the guilty or to provide them with another means of tying up taxpayers' funds or of muddying the waters.

In terms of appeals, who pays the bill? That question may need to be looked at should this provision prevail, because we do need to protect people's rights. Even when people have committed murder or any other heinous crime, they have some rights. One is that they are innocent until proven guilty. The parallel has been drawn that, once a person's name appears in the report, the guilt is established. We have a highly competent Auditor-General with the full force of the Government behind him, so there should be no mistakes whatsoever.

However, if there is a mistake, despite all the resources that have been provided to the Auditor-General, there is an immediate assumption that the Auditor-General is right, that everything laid out in the Auditor-General's report is fact and that there are no errors. What if the Auditor-General is wrong? It is important to provide that safety net and element of balance. I do not want to see the courts arguing technicalities for the next two, three or four years. That is not what the Bill provides. The amendment provides that, if someone is really aggrieved, there is some action that that person can take to repudiate allegations or observations that are made in the Auditor-General's report. I seek the Committee's support for my amendment.

The Hon. N.T. PETERSON: I was approached this morning by the Hon. Trevor Griffin, who apparently moved this amendment in the Upper House. He brought it to my attention for consideration, and I assume my support. I undertook to investigate its effect and I have done that. I suffer from the same problem as the member for Mitcham, having a lack of time and resources, but I undertook to investigate it and I did. The member for Hanson seemed to suggest that there should be no right of appeal, and I must say that I tend to agree with him. I did look at this matter and it seems that we should consider a couple of aspects. First, we gave the Auditor-General total responsibility, and I believe that we should trust him. As to an appeal, if we do not pass the amendment, the appeal goes back through the Auditor-General and, as I understand it, through this Parliament.

If someone is particularly aggrieved or wrongly done by, an appeal can be made through this Parliament. I think we should trust the Auditor-General. We have appointed him and put him in that position. I also spoke to the Australian Democrats in the Upper House and they indicated strongly that this amendment is not acceptable to them. Also, we would set a precedent with this sort of provision in legislation, even though it would die with the Act. I looked at the amendment as requested by the Hon. Mr Griffin and, although I cannot support the amendment, I respect him for asking me to consider it. I did undertake an investigation of the matter, but I cannot support the amendment.

The Hon. JENNIFER CASHMORE: No-one is more committed than the Liberal Party to ensuring that those who have done wrong and put South Australia in this appalling position of economic ruin should be brought to justice. Nevertheless, none of us—not even the Auditor-General—should be put above and beyond the law. That is the terrible conflict we face. It is certainly a political dilemma because out in the electorate South Australians are saying, as I knock on doors, 'Shooting is too good for them.' In that kind of atmosphere it is absolutely essential that the checks and balances, which are inherent in a just and democratic society, should not only prevail but should be seen to prevail. I believe that the amendment moved by the member for Mitcham satisfies both the desire for information and indeed retribution, if retribution is justified, as well as satisfying the laws of natural justice that all of us are sworn to uphold when we take the oath of membership of this Parliament. I believe that the amendment meets both of those goals and should be supported by the Committee.

Mr S.G. EVANS: Mr Chairman, I draw your attention to the state of the Committee.

A quorum having been formed:

Progress reported; Committee to sit again.

SITTINGS AND BUSINESS

The Hon. FRANK BLEVINS (Deputy Premier): I move:

That the motion for limitation adopted on Tuesday 24 November be rescinded.

Motion carried.

[Sitting suspended from 5.59 to 10 p.m.]

The Hon. LYNN ARNOLD (Premier): I move:

That the House at its rising adjourn until Tuesday 9 February 1993 at 2 p.m.

In moving this motion, I want to take this opportunity to present the traditional greetings to all members of the House and all staff of the Parliament for a very blessed and safe Christmas and new year season, a restful period and a period of renewal. It has been a very challenging year for all of us in this place, and in a sense one could say Her Majesty stole the phrase in her speech yesterday when she said that she does not look back on 1992 with undiluted pleasure. It is a feeling that in some circumstances and in different respects we might say the same about 1992 for this country, due to the recession and many other difficulties we have faced and the particular difficulties that may have been faced on each side of the house.

Certainly, it has been a year that has tested the fibre and fabric of our Parliament, and I hope the experience of that for all of us will be something that will lead us to an opportunity to reassess our collective commitments to the importance of this institution and what it does in terms of providing the democratic impetus and foundation for this State. We have seen a number of quite dramatic changes over the past 12 months. First, there have been some changes in membership in this place. We have seen

the retirement from the Parliament of the Hon. Roger Goldsworthy and the Hon. Ted Chapman, and in their place the return to Parliament of the now member for Alexandra (the Leader of the Opposition) and the now member for Kavel. Indeed, that has also highlighted the change of Leader of the Opposition and Deputy Leader during that period.

Likewise, we ourselves on this side of the House have not been without change. In September this year we saw the member for Ross Smith leave the position as Premier and Treasurer, a position that he held with distinction for nearly 10 years, being the second longest serving Premier in South Australia's history. Likewise, the member for Baudin resigned as Deputy Premier after a very lengthy period in the Cabinet, and I know that ranks among the very highest number of years of service in the Cabinet in South Australia's history.

We have also seen in this Parliament the implementation of a new committee system, which has resulted in a total overhaul of our past operations and a review of how Parliament can most effectively serve the community in various ways, and I believe that has been something to which all members, regardless of politics, have contributed significantly.

It is also the occasion to note with great appreciation the significant support and assistance we receive from the people who work in this building: in the House of Assembly, the table clerks; the attendants; those who work in the library; *Hansard,* the Parliamentary Reporting Division; the staff of the refreshment and catering rooms; the caretakers; those who work here as contractors; the cleaners in the building; the police who work in this building as well; and (it goes without saying) the press.

It also goes without saying that this building could not function—the Parliament could not function—without the dedicated support of all those people. We work long hours and we work in difficult conditions, but the pressure and stress of that is no less felt by those who serve us in the work we do, and I want to indicate appreciation for that.

While doing that, it is appropriate for me to acknowledge those who are no longer in the employ of the Parliament: Clive Mertin, who retired in August as Clerk of another place after 32 years service; and Iola Van Ristell, who retired in July as bar supervisor after 19 years service and who will be remembered with great fondness by many in this place. It is with regret that I note the death of Arthur Wilson in October. Arthur was a building attendant with nine years service to this House.

Coming back to the motion, we have a period of rest and of renewal available to us. I hope that all members are able to take that opportunity so that we can come back invigorated for a challenging and exciting 1993. We should always be thankful that we have opportunities in life; it is what we make of opportunities that is the test, not whether we like the calibre of the challenges that make up the opportunities. May Christmas be a blessed and restful period, and may the holiday period be safe for all members and the staff of the Parliament. I look forward to seeing members in the new year.

The Hon. DEAN BROWN (Leader of the Opposition): I overwhelmingly join the Premier in seconding his remarks. First, I congratulate him now as Premier of this State, also his new Deputy Premier and in particular the new members of the Cabinet. It has been a year of change. It has certainly been a year of change for me, and I know that it has been a year of change for others. Of course, change can be difficult for members: when there is change there are those who unfortunately lose out, and we think of those people particularly at this stage as we break for the Christmas holiday.

I wish the members of the Government and you, Mr Speaker, a very happy and holy Christmas from the members of the Liberal Party and, of course, from the member for Flinders, although, if he wishes, no doubt he will speak for himself. I pass on our best wishes to *Hansard,* to the various media reporters who play such an important pivotal role in communicating from this House to the broader community, to all of the staff of Parliament House, the unsung heroes who work so hard.

The Hon. Jennifer Cashmore: And heroines.

The Hon. DEAN BROWN: And heroines who work so hard. Few people realise the stresses and strains when Parliament sits for four or five months, as this Parliament has been sitting, and the work that goes on behind the scenes. I pass on my personal thanks to them, but also on behalf of all members on this side of the House. I also convey our best wishes to the families of those people involved, and particularly some of the people who work in this place, such as the caretakers, outside cleaners and others whom we often do not see in action but who are here early in the morning and clean up this place from a mess left over from one night to the point where it is suitable to be inhabited as a workplace the next day.

Christmas is a time of joy and happiness. Certainly with my three-year-old daughter and other children I look forward to that period where we can sit around as a family, even an extended family, and enjoy that happiness and giving. It is important that all of us should think of those within the community, especially those less well off compared to us here, and those who are having a difficult time at present. We wish them a special Christmas in their hour or period of need. It gives me great pleasure to wish everyone a very happy and holy Christmas.

Mr BLACKER (Flinders): I join the Premier and the Leader of the Opposition in extending my best wishes to each and every member of the House, all the staff members, *Hansard,* press and all the other staff, as the Leader of the Opposition has said, who are not seen in the limelight but who are necessary and play an important part in the conduct of the proceedings of this House. To the table staff and other staff who all go to make up the running of Parliament, I extend my greetings for Christmas and the new year and trust that every member has a happy Christmas. I trust that we can all return refreshed in the new year with a willingness to see that Parliament operates in a fair, proper and right way and in a way which we can uphold with dignity. I wish members all the best for Christmas and the new year.

Mr LEWIS (Murray-Mallee): I guess my reason for rising in this instance is particularly because of my involvement in the Joint Parliamentary Services Committee. I acknowledge the truth of the statements that

have been made to the House by the Premier and the Leader and I join in the expressions of goodwill they have made to the people who work here—not just those of us who sit in this Chamber and in another place but the people who make it all possible. I can run through them and shall do so in a minute, but I particularly want to thank and express my gratitude to you, Mr Speaker, for the support we have had during the course of the year in the changes that have had to be made in the difficult process of recording the proceedings of our Chambers and the committees of the Parliament to ensure that we have an accurate record for our own reference purposes and those of departments and members of the general public who are interested in what happens here, for whatever reason they may have for that interest.

It is vital that we are able to do that and do it at an acceptable cost. Sir, your support in that process is much appreciated, as is the help that was given by the then Chairman of Committees and the current Minister of Health, Family and Community Services, the member for Elizabeth. The hundreds of thousands of dollars that will now be saved in the Parliament could not have been saved annually were it not for the kinds of changes that have been willingly made by members of the *Hansard* staff in recent months. We gave them the resources quite late in the piece before the commencement of this session, but they battled on with a completely new *modus operandi* in respect of their new technology. They have not failed us at all, despite the fact that there has been an enormous increase in the workload in respect of keeping the record. As members will recall, we established a new system of standing committees, which have a wider and more powerful scrutiny of Executive Government, the functioning of departments and the way they relate to Executive Government and this place, the Parliament itself.

That has not been easy and *Hansard* has not had any significant increase in resources to do that. There has been a record number of select committees this year. The record has been kept and well kept. It has been done without rancour, and the people involved accepted and met the challenge with limited assistance. It is to their credit that they did so. Members sitting in the Chamber and participating in debate as we do, and on the various committees on which some of us are fortunate to serve, perhaps do not appreciate the great difficulties that are faced by the limited number of people in that resource.

In addition to that, there are others who have met the challenge during the course of this year—the challenge of change—and I refer to the table officers in this Chamber whose workload has increased in consequence of the establishment of the new committee system, and we should acknowledge that at this time. It will mean that the Parliament can function more effectively. Perhaps in this day and age we are entering a new era where Parliament takes control of its function and destiny—it is high time that was done. More needs to be done in that direction. So, I join with the Premier in acknowledging the people who look after our air-conditioning and the changes that have had to be made there, with equipment falling to pieces literally, yet we have hardly noticed it. I refer also to the people who have kept the place clean. If it were not cleaned and cleaned properly, it would be easy for disease of a variety of kinds to break out in this place, given the numbers of people who come in here—

The Hon. D.C. Wotton: It is supposed to be 'Happy Christmas'!

Mr LEWIS: It is 'Happy Christmas' indeed, and we all will have a happy Christmas because of the support we get from the people who serve us so well. That is why I acknowledge the contribution they make to our continuing capacity to function, and our personal health and welfare—

The Hon. Jennifer Cashmore: Don't forget the library!

Mr LEWIS: I have not forgotten the library. There have been great changes in the library, as you would know, Mr Speaker, the most recent of which was the introduction of yet another change in the computer programs this week. Those of us who sit in here may not have been aware of those changes taking place.

The Hon. J.P. Trainer: The telephone switchboard.

Mr LEWIS: Not to forget the telephone switchboard, but only after I have taken the trouble to mention the caretakers and something which members probably rarely notice: the regularity with which the troll, it seems to me, or at least the billy goats gruff, go trampling over the roof to change the flag between 5.30 and 6 o'clock at night. Everything is done according to arrangement, and we accept and respect their commitment to do their job without our needing to be bothered. It will be done, and it is done.

Dr Armitage: The education officer.

Mr LEWIS: Most certainly the education officer eases the burden on many of us by meeting school parties and other groups of adults from our electorates when we are otherwise occupied with our parliamentary duties and ensuring that they come to a clearer and better understanding of what Parliament is about and how it functions.

The Hon. H. Allison: And the police.

Mr LEWIS: Were it not for the fact that we had seconded to us police officers, we could not feel anywhere near as secure as we do, and I am sure that we take that too much for granted in this day and age when it seems to me that more and more people focus their attention, when frustrated, upon us as members of Parliament and upon this place. We do not know of the number of occasions upon which they have intercepted some prospective threat to our security. So, it makes it possible for us to stand here in comfort and wish each other, and them collectively, along with the building attendants and House attendants, a very merry Christmas. I am pleased to have had the opportunity to personally say my thanks and put on the record my best wishes not only for Christmas but also the coming year. I hope it brings in the changes that South Australia so richly deserves.

The SPEAKER: The Chair has a second bite. I was offered the opportunity earlier today by the Leader of the Opposition, which I did take, to wish everyone the best in our State. I do support everything that has been said this evening. With respect to the member for Murray-Mallee, I must say it is a long time since I have heard a reference to the billy goats gruff, and I was pleased to hear it. However, what he said has a lot of substance. We do have many services within this Parliament that we, as

members, ignore. We do not see them; they are invisible; they are subterranean. I acknowledge the service we receive from all the groups the honourable member has mentioned here tonight.

In particular, I would like to thank the table staff for their invaluable service, which is ignored by many members. Actually, they are not even recognised. It appears there are those who do not even know they exist. Thank you, table staff. Without your support, this place would not work. All members should realise that, because one day they might be in a position where they have to know what these officers do.

I thank all the ancillary services—and I do not use that term in any derogatory way—such as *Hansard,* the catering service, the Library and the JPSC services. Again, members do not realise the services that are provided to them. Whoever might have the purse strings in the future, I suggest that we must look at those services; we must provide them. I personally wish everyone in this Chamber and everyone who works in this House the very best. I even thank some of the press.

The Hon. J.P. Trainer: Name them! Name them!

The SPEAKER: I appreciate that they have a job to do, but I might not agree with the way they do it. The media also service this House for the public. The public would not know anything at all about this place without them. For that we must respect their role. Again, we might not like it, but we must respect it. I wish the very best to all members and their families and to the staff who service each member. We also have staff who are ignored. I appreciate the service that they provide. I know that, without my staff in this House and in my electorate office, I would not survive. There is no member in this place who could exist without that ancillary service.

We in this House are very close. We have all sorts of conflicts. The Leader and I have had our conflicts, but I wish him and his family the very best. I have no personal animosity. I want that on the record: I have no personal animosity. We have a role to play here and we play our game. I wish all other members and their families well. If the very best that I can wish them is the best they wish for themselves, I wish that for them.

The people of South Australia were mentioned in previous contributions. I stand here each day and say a prayer that we do the best for South Australia. I believe that we should do the best that we can. I will be just slightly political, which is not my role, of course, but I hope that next year we will all concentrate our efforts on making this State better, on giving people hope and on giving them something to aim for in the future. I hope that all our efforts are for the betterment of South Australia and the people we represent. We all represent people, each of us having about 20 000 constituents. Let us make it better for them. That is all I wish in terms of my own role and that of every member here. Let us come back next year determined to make South Australia better for the people we represent and to aim for the future—because we have a future. South Australia has fought on from adversity to adversity. We are facing adversity at the moment and all 47 of us—

Members interjecting:

The SPEAKER: If the member for Fisher is not listening, I will name him. All 47 of us should work together, notwithstanding our differences in policy and direction, to make South Australia better. May your Christmas be everything you wish for yourself and your family, and may we come back next year refreshed. May we all have some sort of common goal to make South Australia better. Merry Christmas, happy new year and let us hope that it is profitable for South Australia—not necessarily for us—and all the people we represent. Good luck to you all and may all our political futures be secure, and they will not be, but let us work together at least in some ways to make South Australia better for everyone.

Motion carried.

REMM-MYER

The Hon. LYNN ARNOLD (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. LYNN ARNOLD: At the outset, Sir, I make two apologies. First, I do not have a copy of this statement, because I have tried to get the information to the House as quickly as possible in answer to a question asked by the Leader today. Secondly, I apologise to the Deputy Premier for leaving him out of my encomium, but it is now too late, so I will have to resolve that problem over the Christmas period.

The Leader asked me a question earlier today about the Remm project. He referred to a meeting that he said took place between me, the former Premier, the now Deputy Premier and the former Minister of Housing, and I indicated at the time that I was not certain what meeting that might have been. I could not immediately recollect a particular meeting. I have gone through the diaries and I find that on Thursday 2 April 1987 at midday there was a meeting between that group of people that looked at the situation of industrial relations within the construction industry.

So, first, may I put on the record that there was such a meeting, which was referred to in the memo from Dr Lindner. The actual cause of that meeting was as identified in Mr Lindner's memo to the then Premier. I quote from that memo a piece that was not quoted this afternoon:

> Unpublished ABS figures tend to confirm our industrial situation has deteriorated in 1986—

That referred particularly to the construction industry—

> Clearly ASER publicity has contributed to the perception of industrial difficulties in South Australia.

As I now recall, the reason for the meeting was to discuss what Government might usefully be able to do. The connection with the Remm project is a very tenuous one, because at that stage there were only discussions about the Remm project proceeding: it certainly had not been committed. It is true that we were concerned, on behalf of South Australian business and the community, to put the best possible light on industrial relations in this State and to indicate that the Government was prepared to play a facilitating role in industrial arrangements. I believe it is fair to say that Dr Lindner's wording is somewhat loose in its phraseology in that the Government could not actually get involved in the site agreement process but certainly was prepared to play a facilitating role to enable people to meet and so on.

The connection with Remm is a tenuous one, because this meeting took place, as I have said, on 2 April 1987. In 1987 the Remm project had not been committed to. In fact, the State Bank became the lead financier in July 1988 and, as the *Advertiser* editorial to which we have sometimes referred acknowledged, it was in August 1988 that the project was actually committed. So, I wanted to give that information to members to provide them with an answer to the question asked earlier today given that we were not going to be meeting again until 9 February, and I thought that was too far away for that information to be made available.

STATE BANK OF SOUTH AUSTRALIA (INVESTIGATIONS) AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 1777.)

Clause 4—'Valuation and exclusion of judicial review.'

The Hon. G.J. CRAFTER: The amendment to clause 4 gives persons affected by the Auditor-General's reports the right to complain to the courts after the reports are tabled but not before. The Government opposes this amendment. Clause 3(3) is the same as section 9 of the Royal Commissions Act. One of the justifications of this amendment is that it simply makes the same provision in respect of the Auditor-General as is already made in respect of the Royal Commissioner. There is no issue of principle that would suggest that the two should be treated separately. Consequently, there is no reason for the extra restrictions in respect of this amendment.

The prime justification for the ouster clause is that this Parliament can trust that the Auditor-General will proceed in a fair and appropriate fashion to finalise his report. In doing so, the Auditor-General has the assistance of the Full Court's judgment in *Bakewell v MacPherson,* which explains in very clear terms what are the rights of the parties and what the Auditor-General must do to comply with those rights. In this context, one either trusts the Auditor-General to do his job properly or one does not. If one does not, then the ouster clause should not be passed. If one does, there seems no point in leaving this sort of minimalist protection.

The only rights that persons have to complain to the Supreme Court relate to procedural matters, that is, that the Auditor-General has not afforded natural justice or that he has exceeded his statutory powers. There is no right to have the Supreme Court review the inquiry as such. A limited right of review after the inquiry is completed, where the review relates to what are procedural rather than substantive matters, I would suggest serves little useful purpose. The ouster clause will not prevent the court reviewing the actions of the Auditor-General, where the actions do not involve a *bona fide* attempt to exercise the power, do not relate to the subject matter of the inquiry or are not capable of reference through the power given to him. I refer here to the case of *ABC v the Royal Commissioner,* a South Australian case.

There remain enforceable legal constraints on the actions of the Auditor-General. It is merely that those constraints involve broad determinations that he is not acting *bona fide* for the purposes of the Act. The ouster clause removes the potential for the Auditor-General to be delayed by continual technical objections, having no significant merit. There is no basis for permitting such objections to be raised at the end of the process when the reports have been tabled.

Mr S.J. BAKER: The argument has been well canvassed, so I do not intend to keep going on the same line. The Opposition does feel that there should be a further protection for the people who have been examined under the terms of the Auditor-General's inquiry and of course those who will feature ultimately in the report. We know that there are a number of safeguards; however, we believe that there is a need for a safety net in the system. I have already expressed that position very strongly, and of course I intend to divide on the issue.

The Committee divided on the amendment:

Ayes (22)—H. Allison, M.H. Armitage, P.B. Arnold, S.J. Baker (teller), H. Becker, P.D. Blacker, M.K. Brindal, D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, D.C. Kotz, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning, D.C. Wotton.

Noes (22)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins, G.J. Crafter (teller), M.R. De Laine, M.J. Evans, R.J. Gregory, T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, J.H.C. Klunder, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann, J.P. Trainer.

The CHAIRMAN: There being 22 Ayes and 22 Noes, I give my casting vote for the Noes.

Amendment thus negatived.

The Hon. J.P. TRAINER: On a point of order, Mr Chairman: can you verify what happened in the case of two members who were in the gallery and who entered after the bells had stopped ringing?

The CHAIRMAN: I understand that two members were in the gallery. The advice that has been tendered to me is that it has been the custom of the House to include members, even though they may be sitting in the gallery.

Clause passed.

Title passed.

Bill read a third time and passed.

AMBULANCE SERVICES BILL

The Legislative Council intimated that it did not insist on its amendments Nos 2 and 3 to which the House of Assembly had disagreed but had agreed to the alternative amendments made by the House of Assembly, and that it did not insist on its amendments Nos 4 and 5.

SUPPORTED RESIDENTIAL FACILITIES BILL

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

DAIRY INDUSTRY BILL

The Legislative Council intimated that it did not insist on its amendments Nos 3 and 4 to which the House of Assembly had disagreed.

STAMP DUTIES (PENALTIES, REASSESSMENTS AND SECURITIES) AMENDMENT BILL

Returned from the Legislative Council with suggested amendments:

No. 1 Page 3, line 24 (clause 6)—Leave out 'A statement affecting the liability of an instrument to duty' and substitute 'Any facts or circumstances affecting the liability of an instrument included in a statement under subsection (1)'.

No. 2 Page 5, line 11 (clause 10)—After 'mistake' insert 'of fact'.

No. 3 Page 5, line 27 (clause 10)—After 'overpaid duty' insert 'together with interest on that amount, from the date of payment of the duty, at the rate fixed under subsection (5a)'.

No. 4 Page 5 (clause 10)—After line 27 insert the following:

'(5a) The Minister may, by notice in the *Gazette:*

(a) fix a rate of interest for the purpose of subsection (5); or

(b) vary a rate of interest previously fixed under this subsection.'

Consideration in Committee.

The Hon. FRANK BLEVINS: I move

That the Legislative Council's suggested amendments be agreed to.

The suggested amendments are of a technical nature and I urge the Committee to accept them as they give additional clarity to the Bill.

Mr S.J. BAKER: I believe that these amendments enhance the quality of the Bill and I am pleased to accept them.

Motion carried.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council intimated that it had agreed to the recommendations of the conference.

Consideration in Committee of the recommendations of the conference:

As to amendment No. 1:

That the Legislative Council do not further insist on this amendment.

As to amendments Nos 2 and 3:

That the House of Assembly do not further insist on its disagreement to these amendments.

As to amendment No. 4:

That the Legislative Council do not further insist on this amendment and the House of Assembly makes the following amendment in lieu thereof—

Clause 6, page 4, line 26—Leave out subsection (5) and substitute new subsections as follows:

(5) The board is subject to direction by the Minister.

(6) A direction given by the Minister under subsection (5) must be in writing.

(7) The board must cause a direction given by the Minister to be published in its next annual report.

and that the Legislative Council agree thereto.

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

That the recommendations of the conference be agreed to.

The conference met on three occasions, and the discussion revolved mainly around the first amendment proposed by the Legislative Council, involving the definition of 'electrical work' within the building industry. We were unable to reach agreement on the clause proposed by the Legislative Council, which was intended to overcome an anomaly. It was felt by the Electrical Trades Union, which advised me that, with 1 437 financial members working within the industry and approximately 300 unfinancial members also working in the industry, about two-thirds of those members would be disfranchised from having long service leave if the amendment proposed by the Legislative Council were agreed to. There were numerous attempts to overcome the unintended consequences of the proposals, and the attempts themselves could also have unintended consequences.

In the last conference meeting I advised the members that I would undertake to have officers of the Department of Labour, Parliamentary Counsel and the social partners involved in the Long Service Leave (Building Industry) Act examine the matter and that, if they were able to overcome the problem without having unintended consequences for a large number of people within the industry, I would bring a Bill before the House in the autumn session to overcome that anomaly.

Mr INGERSON: I thank the Minister for his explanation. It is disappointing that it was not accepted, but there is a clarification by the Minister suggesting that, if there are any difficulties, they will be further considered. We note that there has been some change in clause 6, and I believe that will be to the advantage of the Bill. We support the motion.

Motion carried.

INDUSTRIAL RELATIONS (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

Consideration in Committee of the Legislative Council's amendments:

No. 1. Page 1, lines 18 to 25 and Page 2, lines 1 to 16 (clause 3) - Leave out paragraphs (a), (b), (c) and (d).

No. 2. Page 3, lines 7 to 31 and Page 4, lines 1 to 4 (clause 4) - Leave out the clause.

No. 3. Page 10, lines 5 to 7 (clause 14) - Leave out paragraph (d).

No. 4. Page 10 (clause 14) - After line 25 insert new subsection as follows:

(4a) In framing an order under this section, the commission must have regard to the principle that fair and reasonable remuneration should be paid for work but, despite this, the commission must also have regard to any difficulties that would be experienced by the principal because of serious or extreme economic adversity if the principal were required to make payments at or above a certain level.

No. 5. Page 10 (clause 14) - After line 28 insert new subsections as follow:

(6) A person must not—

(a) discriminate against another person;

or

(b) advise, encourage or incite any person to discriminate against another person,by virtue only of the fact that the other person—

(c) is a person who has made, or proposes, or has at any time proposed, to make,application to the commission under this section;

(d) is a person on whose behalf an application has been made, or is proposed, or has at any time been proposed, to be made, under this section;

or

(e) is a person who has received the benefit of an order under this section.

Penalty: Division 8 fine.

(7) If in proceedings for an offence against subsection (6) all the facts constituting the offence other than the ground of the defendant's act or omission are proved, the onus of proving that the act or omission was not based on the ground alleged in the charge lies on the defendant.

(8) A court by which a person is convicted of an offence against subsection (6) may, if it thinks fit, on application under this subsection, award compensation to the person against whom the offence was committed for loss resulting from the commission of the offence.

No. 6. Page 12 - After line 18 insert new clause as follows:

Insertion of s. 108b

25a. The following section is inserted after section 108a of the principal Act:

Conscientious objection

108b. A provision in an industrial agreement under this Division that requires a person to give preference to a member of a registered association will be taken not to require the person to give such preference over a person in respect of whom there is in force a certificate issued under section 144.

No. 7. Page 13, lines 30 to 32 (clause 30) - Leave out subsection (1) and insert new subsection as follows:

'(1) An industrial agreement under this Division may be made—

(a) between a single employee and his or her employer,

or

(b) between an association of employees and any other association, or any person, in relation to any industrial matter.'

No. 8. Page 14, line 8 (clause 30) - Leave out 'or'.

No. 9. Page 14 (clause 30) - After line 9 insert the following:

or

(d) in the case of an agreement between an employer and one or more of the employer's employees - the terms and conditions of their employment,

No. 10. Page 14, line 12 (clause 30) - Leave out 'be'.

No. 11. Page 14, line 13 (clause 30) - After '(a)' insert '(b)'.

No. 12. Page 14, line 14 (clause 30) - After '(b)' insert 'be'.

No. 13. Page 14 (clause 30) - After line 15 insert new paragraph as follows:-

'(ba) indicate the scope of operation of the agreement, specifying the employee or employees, or class or classes of employees, who are covered by the agreement;'.

No. 14. Page 14, line 17 (clause 30) - After '(c)' insert 'be'.

No. 15. Page 14 (clause 30) - After line 31 insert new subsection as follows:

'(a1) Subject to this Division, the commission must certify an agreement under this Division between an employee and an employer if, and must not certify an agreement unless, it is satisfied that—

(a) the employee has entered into the agreement freely and without the exertion of undue influence or pressure, or the use of unfair tactics;

and

(b) the agreement does not seriously jeopardise the interests of the employee.'

No. 16. Page 14, line 33 (clause 30) - After 'Division' insert 'to which an association of employees is a party'.

No. 17. Page 15, lines 16 to 22 (clause 30) - Leave out paragraph (e) and insert new paragraph as follows:

'(e) the parties to the agreement include each registered association of employees whose membership includes one or more employees who are covered by the agreement;'.

No. 18. Page 15 (clause 30) - After line 22 insert new paragraph as follows:

'(ea) if no registered association of employees is a party to the agreement and the agreement applies only to a single business, part of a business or a single place of work, the parties have entered into the agreement freely and without the exertion of undue influence or pressure, or the use of unfair tactics;'.

No. 19. Page 16, line 9 (clause 30) - Leave out '(i) or (ii) (as the case may be)'.

No. 20. Page 16, line 11 (clause 30) - Leave out 'relevant association of employees' and substitute 'registered association of employees whose membership includes one or more employees who are covered by the agreement'.

No. 21. Page 16, lines 25 to 32 and Page 17, lines 1 and 2 (clause 30) - Leave out paragraph (b)

No. 22. Page 18 (clause 30) - After line 2 insert new paragraph as follows:

'(aa) in the case of an agreement between an employee and an employer - the parties rescind the agreement by notice in writing to the commission;'.

No. 23. Page 18, lines 18 and 19 (clause 30) - Leave out paragraph (b) and insert new paragraph as follows:

'(b) if an association is a party to the agreement, all members for the time being of the association.'

No. 24. Page 18, line 21 (clause 30) - After 'as regards' insert 'the employer and employee or'.

No. 25. Page 19, line 5 (clause 30) - After 'unfair to" insert 'the employee or'.

No. 26. Page 20, line 2 (clause 30) - After 'under this Division' insert 'to which an association of employees is a party'.

No. 27. Page 20, line 31 (clause 30) - After 'association' insert 'insofar as the agreement has applied to those employees by virtue of their membership of that association'.

No. 28. Page 20 (clause 30) - After line 33 insert new section as follows:

'Conscientious objection

113ja. A provision in an industrial agreement under this Division that requires a person to give preference to a member of a registered association will be taken not to require the person to give such preference over a person in respect of whom there is in force a certificate issued under section 144.'

No. 29. Page 20 (clause 30) - After line 37 insert new subsection as follows:

'(2) If the parties to an agreement do not include at least one registered association of employees, the commission must not certify the agreement unless the commission is satisfied that the United Trades and Labor Council has been given a reasonable opportunity to consult with the parties to the agreement and the commission has taken into account any reasonable objection raised by the United Trades and Labor Council in relation to the agreement.'

No. 30. Page 20 - After line 38 insert new clause 30a. as follows:

Amendment of s . 144 - Conscientious objection

30a. Section 144 of the principal Act is amended by striking out subsection (3) and substituting the following subsection:

'(3) An employer or an association must not—

(a) discriminate against a person on the ground that the person is the holder of a certificate under this section;

or

(b) advise, encourage or incite any person to discriminate against another person on the ground that the other person is the holder of a certificate under this section.

Penalty: Division 8 fine.'

No. 31. Page 21, line 7 (clause 32) - After 'superannuation fund' insert 'of a prescribed kind'.

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

That the Legislative Council's amendments be disagreed to.

There are many amendments and they weaken the Bill as proposed by this Government, so I believe the Legislative Council should be advised that we disagree with the amendments.

Motion carried.

THE FLINDERS UNIVERSITY OF SOUTH AUSTRALIA (MISCELLANEOUS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

PUBLIC FINANCE AND AUDIT (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 November. Page 1369.)

Mr S.J. BAKER (Mitcham): I do not see any great merit in debating the Bill tonight, given that it will not pass the Parliament in this sitting. However, I will debate the Bill on the basis that it is set down on the program and we are required to do so under the bidding of the Government. However, I find myself in a difficult situation with the Bill. It has some merits and some demerits. I have difficulty with three clauses, but I recognise the value of other clauses in the Bill. I have already given notice of my intention in that area, and I will deal with that at the time. I will canvass briefly the major elements of the Bill so that the House has a clear understanding of what it contains. The first amendment with which I have extreme difficulty is that which allows the Treasurer at any time to move cash surpluses out of special deposit accounts, as distinct from clearing accounts, at the end of the financial year. I take grave exception to the summary provided in the second reading explanation, because it really says that they are not of much consequence and most of them are reported on in the annual accounts.

I take exception to that because huge sums are involved in these special deposit accounts—absolutely huge. In fact, I estimate that over $3 billion passes through them every year. They are not minor items but major items. We have some of the largest accounts for some of our Government trading enterprises contained therein. It is interesting to note that I put a question on notice about special deposit accounts and found that at the end of the last financial year, at 30 June 1992, there were liabilities worth $1.2 billion tied up in those accounts, and that is not counting the $3 billion that has flowed through those accounts over a period.

With the State in absolute chaos in terms of its finances, we should have greater accountability and not less accountability. Everything should be visible and not invisible. Everything should be transparent and not opaque. This measure will muddy the waters and we will not be able to see clearly the sort of accountability that I believe is absolutely imperative. A number of other measures are allied to this process, but I make the point strongly that we have a State budget which, in effect, involves expenditure of about $7.7 billion each year. To somehow reduce that as an item in the budget, net accounting has been introduced where, in the Consolidated Account, we see revenue, which derives from departments and instrumentalities, used as an offset against expenditures.

At the end of the financial year and when we are reporting for the new financial year in the budget, we talk about a budget expenditure of, for example, $4.5 billion, but of course the budget expenditure is much higher than that. In some ways it is dishonest. There are two sides to a ledger: the credits and the debits, and each should be distinct and accountable, and each of them should be scrutinised separately to ensure that, on the one hand, the moneys are actually being collected—so there is accountability—and, on the other hand, the gross expenditures are also accountable and properly signified in all the accounts. That is not the only problem. In relation to this matter one should observe that in the past financial year liabilities blew out from $11 billion to $13 billion. The Government is bankcarding on the budget and has not brought those sums to account in terms of the State debt.

Mr Atkinson interjecting:

Mr S.J. BAKER: The member for Spence has now got out the dictionary and I am sure that we will hear about it. If the member for Spence wants to make an active contribution to the debate, let him do so—let him look at the content of the Bill and comment upon it. Let us not have these flights from the sideline, these little darts that come across the floor when it takes the fancy of the member for Spence, because they add little to the tenor of the debate. The second item about which I have particular concerns is the removal of the responsibility to gazette the purposes for which special deposit accounts are established and the requirement that the details of the throughput of these accounts be reported. There are two areas that need to be debated strongly. One is the extent to which the Government can establish or remove special deposit accounts at will. The other is about the fact that it

is no longer a requirement that account details be reported.

Any person would be concerned I have sent this Bill out to accounting firms for comment, and comments have come back such as, 'Why would you want to reduce accountability when the Government is in so much financial strife?' If anything, greater detail should be reported instead of the rubbish we have at budget time with the special impacts on this and the special impacts on that. As a Parliament, we really deserve much better in terms of the transparency of expenditure items and the revenues received. This would mean that the scrutiny of those particular deposit accounts, which I have already said hide a number of potential evils, would be reduced.

I do not believe that this Government, or the next Liberal Government, should be a party to that at all. It might mean a little bit of work. It might require a bit more effort prior to the budget to live up to the responsibilities currently required under the Act. However, I believe that that effort is worth it because, as I have said, it is unconscionable that the liabilities of this State should blow out by $2 billion in one financial year. We know that a very large sum in that amount was for interest that had not been paid. It was not just the State Bank problem that was in there with deferred liabilities—there was a very large sum of money for interest that remained owing. I believe that every transaction of any consequence needs to be catered for in those accounts, and I refuse to believe that this Parliament is well served under the provisions of this legislation.

There is another cause for concern. The Treasurer now wants to top up or fund the imprest accounts from areas other than those signified in the Appropriation Bill. That is what the Treasurer wants to do: get the money from anywhere for the departments, and not worry about the budget. That becomes irrelevant. That is not on. The Opposition refuses to allow that change to take place. The next item which causes problems, and it should be seen in the terms of the package which I know the Treasurer is attempting to develop here, is the extent to which overdraft limits can be changed by other than the Appropriation Bill. It has been suggested in this proposal that the overdraft limits can be changed via the Supply Bills. I do not accept that, and it is only put in there because the special deposit accounts will be cleaned out, as the Treasurer suggests in his second reading explanation, and moved into other areas.

I refer members to the commitment to treat our Government trading enterprises (GTE) as corporations. We have heard already a very feeble announcement by the Government that it intends to introduce corporatisation into our GTEs. Part and parcel of that proposition must be the integrity of the funds that flow in and out of that corporation or Government trading enterprise. They have to be treated as funds of that organisation. That means that, if a GTE creates a cash surplus because of the way in which the money flows into that entity, it has a right as a corporation to invest that money at the highest possible rate of return. It should not be creamed off for other purposes. That GTE could declare a profit at the end of the year. That GTE, if it performs well, could provide a return on assets, but I will absolutely not tolerate the removal of funds during the year as surpluses are created.

The Treasurer wants the option of increasing the overdraft limits more often. To me, that is making the budget unworkable. It is reducing the level of accountability. I have signalled already that I have some problems with three clauses of the Bill. As I say, they are the bad items. They are the ones with which I cannot live, and which I will oppose. However, I would not like the Bill to fail on the basis of the items that I have just mentioned, because there are a number of issues that are dealt with in this Bill by amendment that are important. There is an upgrading of the capacity of financial instruments to be used by public authorities. We have a wider range canvassed within the proposition before us. As the Treasurer would recall, we have already dealt with the Stamp Duties Act. The number of different instruments that can be used now for financing and to find alternatives to the historic loans that obtain from banks and other institutions is remarkable.

So it is that the complexity of financing has increased dramatically. The variety of financing forms has increased in breadth and depth, and it is appropriate that the Government has the capacity to take advantage of these in all its public authorities, including its local government instruments. The Opposition sees that as a useful change to the Act to allow for a wider range of instruments to be used. There is a clarification of the issue in relation to Government guarantees for semi-Government authorities, and the protection of both parties should there be some mistake in the authority that is being provided in the raising of that money. There has been a suggestion that, if the instrumentality that is raising the money by whatever means has not been given that authority, the person providing the money could somehow be at risk because illegality has arisen. Therefore, a protection is provided in the Bill so we do not have a technical default and money raisings put at risk because of mistakes that have been made. Of course, there are some checks and balances to make sure it is a natural mistake and not a genuine desire to defraud the public purse.

There is provision to widen the scope of the Auditor-General's inquiries into corporations and bodies with significant public funding or shareholding and to examine their economic efficiency. That is a very important provision and I say at the outset that, in principle, the Opposition believes that the Government has a right to protect the money that it provides. However, the way the Bill is drafted, that right is quite unfettered, and I will be moving amendments to bring it back to a more reasonable situation. We believe that, if the Government is providing large sums of money, and it wants to check whether that money has been spent wisely, it should have a right to do so. Under the existing provisions in the Public Finance and Audit Act, the Auditor-General, under the instruction of, I think, the Chief Secretary—it is now probably the Treasurer—has a right to look at the use of the funds it provides.

Mr Ferguson: Not all of them.

Mr S.J. BAKER: But not all of them. Only the funds that the Government has provided—not the totality. I agree with the Auditor-General's comment, 'How can you actually look at a total budget and determine, for

example, where a body is deficit funded, that the $5 million of that deficit funding out of a total of $10 million has been spent wisely?' That organisation could say, 'Well, that $5 million that the Government provided went into these very worthwhile areas.' But they might exclude very large administrations. They might exclude special benefits that go to employees. They could hide a whole lot of ills.

Mr Ferguson: And large wages.

Mr S.J. BAKER: And large wages being paid, as the member for Henley Beach says. That is tying the Auditor-General's hands, but we do not believe that the Government should have a right to storm into these organisations and demand all this information unless there are further checks and balances and we have some amendments in relation to that matter. The further area of contention relates to those companies over which the Government or one of its authorities has a controlling interest. The entity which has been in the public spotlight of recent times, of course, is SAGASCO Holdings. I understand that the Government had a 57 per cent holding but it is now down to 51 per cent.

The extent to which the Government should have a right again to ensure that its investment is protected needs to be reinforced, but that right should not be unfettered. There should be good reasons given, and we will move amendments in relation to that matter. There is some conflict in the way in which the Bill is drawn in respect of the corporations law and amendments are also proposed on that issue.

The Bill also declares that the GAMD is a public authority, and there is some retrospectivity in the Bill in that proposition in that it will be related back to 1 July 1992. The Opposition understands the need for such a date of commencement and approves of the change. The Auditor-General's role, or perhaps rights, is further strengthened by a provision that will negate law suits against the Auditor-General. I have not proposed any amendments on that matter but we will ask questions in that regard in Committee.

These are the major items in the Bill. As I said at the outset, there are some good things and some bad things. There are items with which I have singular difficulty and there are other items which I believe will increase the Government's ability to ensure that these public authorities operate in the best interests of the taxpayers of South Australia and to ensure that its investments and public contributions to various bodies are protected.

So, with those few words, I point out that I would like to see the Bill divided so we can grapple with the better elements of the Bill as a separate item and I can repudiate the three clauses of the Bill with which I find particular difficulty. If that is not done, accountability must be on the top of the ledger and the Opposition will have to refuse the Bill.

Mr FERGUSON (Henley Beach): I will be very brief, but I would like to make a few comments on this Bill arising from my experience on the Public Accounts Committee and its successor, the Economic and Finance Committee. A lot of the recommendations under these amendments are based on recommendations of that committee, and I am pleased to see that they are included. From time to time members of the committee were stymied, to a certain extent, in investigating complaints put before the committee, because there was insufficient power in legislation for us to do what we wanted to do. This Bill so extends the legislative power that, if in the future complaints are made to that committee about particular organisations, the committee will have the power to investigate those areas.

The extension of the definition of 'publicly funded body' to include persons or organisations that carry out functions of public benefit is one matter to which I refer. This Government has been extremely generous in terms of social justice matters. Its largesse through the provision of grants or loans spreads across many organisations, although I would suggest there are more grants than loans. It came to the attention of the Economic and Finance Committee that certain practices were being undertaken by certain of these bodies that would need to be investigated. I think it is fair to say that, where public money is being used in a particular organisation and where allegations are made that some of that money is being wasted, there ought to be some redress in terms of investigating those problems. The expansion of the definitions under this Bill will provide that opportunity.

I disagree with the member for Mitcham in respect of the remarks he made about the intentions of the Bill to clarify the Auditor-General's powers in relation to the audit of companies which carry out the functions of a public authority or on which the Crown or a public authority is a sole or major shareholder. The Public Accounts Committee took upon itself to try to investigate, as far as was possible, the off balance sheet companies of the State Bank and Beneficial Finance. If my memory serves me correctly, the total number of off balance sheet companies under those two authorities was about 200.

An honourable member: The number changed every day.

Mr FERGUSON: Yes, but in a report of the Public Accounts Committee it named as many of the those companies as possible. Some of them were shelves, some were just business names, but some were engaged in activities that this Parliament ought to have known about—disgraceful activities and a waste of money, and we have yet to find the full extent of that. Had the Public Accounts Committee at that time had the authority, had this legislation been in operation, it would have been able to suggest to the Auditor-General that he investigate those activities, and I think we might have been better off more quickly in respect of the State Bank and Beneficial Finance than we have been thus far.

I have no qualms in giving the Auditor-General unfettered power in respect of this proposition so that he can move quickly as the case might be to investigate any rorts that he or the Economic and Finance Committee, or this Parliament, might believe are happening at particular times. My experience on that committee has opened my eyes to the practices which are occurring in various authorities connected to this Parliament and over which the Parliament had no power to do anything. I have absolutely no qualms at all in supporting the proposition that the Auditor-General's powers in this direction ought to be totally unfettered.

I conclude by saying that I am extremely pleased to see that the Bill will provide the Auditor-General with

additional powers to protect him from lawsuits for professional liability. The Auditor-General ought to have the power to step in, have a look and make recommendations and changes, in a hurry, if necessary, without being threatened by lawsuits. We can see what has been happening as far as the State Bank is concerned: people will use every ability under the law in order to frustrate and extend investigations into their affairs. I believe that this matter ought to be totally and absolutely supported. I commend the Minister for bringing in this proposition, and I hope it is supported.

The Hon. FRANK BLEVINS (Deputy Premier): I thank the member for Mitcham and the member for Henley Beach for the attention they have given to the Bill. In particular, I accept humbly the congratulations of the member for Henley Beach and, in part, of the member for Mitcham. I understand the points that the member for Mitcham has made in some of those areas of the Bill with which he has some difficulty. However, I disagree completely with the member for Mitcham's reasoning. It appears to me that the member for Mitcham, particularly in regard to a special deposit account or the removal of the necessity to constantly gazette issues in regard to imprest accounts and overdraft limits, appears to see these things as some kind of plot to keep information from the Parliament. That, of course, is not the case.

As regards special deposit accounts, we have had that debate before. It is a very sensible way for Government departments to handle their funds. It is far preferable to the old way, and I know that eventually the member for Mitcham will come to see that, particularly as most departments have special deposit accounts at their own request—and we are delighted to facilitate that. The old system of a big spend-up prior to the end of the year because anything that was left was returned to the Consolidated Account is a very unsatisfactory and undesirable way of dealing with Government funds—or, to be more precise, with taxpayers' funds. There is no requirement for that these days. Funds are retained in special deposit accounts and more sensibly spent.

The Bill essentially is a Committee Bill. A number of issues will be debated in Committee, so I do not see any point in going through them all again, although I advise the member for Mitcham that I cannot see the value of splitting the Bill. It is not unknown in this House for the Opposition to oppose certain clauses of a Bill and then to go on and make a decision as to whether it supports or opposes the Bill as it comes out of Committee. That is the normal practice, and I do not see any point in unnecessarily complicating issues by agreeing to the dividing of the Bill.

So, I urge the House to support the second reading of what is a Bill which essentially, tidies up and gives greater flexibility but which in no way reduces accountability; in fact, in many ways I believe it strengthens it. The Treasurer's statement at the end of the financial year is there for all to see, and there is nothing at all in this Bill that in any way takes away from the requirement and the desire of the Government to give the maximum amount of information to the parliament. Obviously, that will continue. It really ought not to need to be stated, because that is a requirement with which we are very happy to comply. So, I commend the second reading to the House and look forward to the debate in Committee, should the second reading be carried.

Bill read a second time.

Mr S.J. BAKER (Mitcham): I move:

That it be an instruction to the Committee of the whole House on the Bill that it have power to divide the Bill into two Bills—one Bill comprising clauses 1 to 3, 6, and 8 to 20, and the other comprising clauses 4, 5 and 7—and to report the two Bills separately.

The Hon. FRANK BLEVINS (Treasurer): I oppose the motion, as it unnecessarily complicates the issue. The Opposition is perfectly free to oppose or to amend certain clauses and to make a decision on the Bill as it comes out of Committee. That is the normal practice. There is no requirement to move away from the normal practice for this Bill. Therefore, as I have said, I oppose the motion.

Motion negatived.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: Will the Minister clarify the words in paragraph (c) 'or some other body'?

The Hon. FRANK BLEVINS: I cite as an example trusts and partnerships; the Government considers it important that we have the opportunity to go into those areas.

Mr S.J. BAKER: I would also like an explanation of the amendment involving paragraph (d), which extends the definition of 'publicly funded body' by striking out 'corporate' and inserting 'or person'.

The Hon. FRANK BLEVINS: The grants are made on occasion to other than publicly funded bodies. From time to time they are also made to persons.

Mr S.J. BAKER: I now address the clause *in toto*. The Minister would understand that the Opposition approves of the registration of the GARS under a public authority and it believes it is an appropriate change. In relation to the way in which the Auditor-General will have a right to intercede, given the answers we have just received, it will require further reflection. I do appreciate that if public moneys are provided the Government should have some right to have the expenditures explained. However, I have some reservations as to what level of investigation would take place.

We know, for example (and it is contained in later clauses as well, but I will deal with it now), that literally hundreds of bodies are funded by the public purse. When I first viewed this Act I looked at the major beneficiaries, for example, in terms of St John and Minda Home. One could go through the charitable organisations which provide a very fine service. Yesterday I provided a Government cheque to a pensioner group, and I understand a number of members of this Chamber have been undertaking similar visits to senior citizens and aged pensioner groups who have applied for some public funding to assist in keeping their clubs running.

We have a wide variety at one end of the spectrum with possibly many millions of dollars involved, while at the other end it may involve only a few hundred dollars and in some cases perhaps even less, if we are talking about recreation and sport grants. So, whilst we recognise

the need for Government to have control over its funding, it has to be tempered with the reality that chasing small amounts of money can be quite counterproductive and serve no useful purpose. The Opposition recognises the right of the Government in this area but does note the huge number of entities that will now be subject to public scrutiny, should the Treasurer deem it appropriate. I would like to put on the record that I cannot think of any instruction that should go into the Bill to direct the Treasurer further to concentrate on the main game and forget about the little fish—

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: I am sure the Auditor-General does not have a lot of staff at the moment. I note that he has been working very diligently on other matters in recent times.

The Hon. Frank Blevins: He has additional staff.

Mr S.J. BAKER: He has additional staff, as the Minister points out, but I am sure his resources are being stretched to the limit as a result of the royal commission and this inquiry into the affairs of the State Bank. I know that the Auditor-General's staff do perform a very valid service to the State and have produced a number of very important reports reflecting on the efficiency of departments and the way they spend their money. It is a pity sometimes that those reports are not actually acted upon, as we know with respect to school bus operations and cleaning services that come up time after time in Auditor-General's reports.

We can look at the area of computers and automatic data processing, an area which comes up in lights many times—a huge, massive wasting of funds pointed out by the Auditor-General, but it is all too hard for Government. Whilst I appreciate that the Auditor-General reports fearlessly, it is a pity that the Government does not follow up his suggestions. So, the Opposition supports the clause but notes the breadth of right that is now being given to the Auditor-General to intercede in the affairs and examine the books of hundreds of organisations throughout the State.

The Hon. FRANK BLEVINS: There was not really a question there but, just to respond very briefly to the comments, I am pleased that the member for Mitcham has indicated his support for broadening the area in which the Auditor-General can move of his or her own volition. The suggestion that the Government does not follow up suggestions made by the Auditor-General is, of course, incorrect. The Government respects the office of the Auditor-General enormously and everyone who works under him, and we are assiduous in following up suggestions by the Auditor-General. Some matters can be complied with immediately, while others take a little longer, but I want it on the record that the Government does not accept the comment of the member for Mitcham that we do not follow up the Auditor-General's recommendations, because we do.

Clause passed.

Clause 4—'Special deposit accounts.'

Mr S.J. BAKER: This is one of the clauses we were to have excised from the Bill, and to suggest I was not going to comment on it would be flying in the face of reality. This is one of the clauses that I most dislike. It suggests that any surplus of income over expenditure standing to the credit of a special deposit account must, at the direction of the Treasurer, be credited to the Consolidated Account. It further provides that the Treasurer may approve a purpose of, or relating to, a Government department for the purposes of this section and may vary or revoke such an approval at any time, and there is a further qualifying provision.

I am vehemently opposed to this proposition; as it currently stands the Treasurer has a right to get his dirty little mitts (and I hope people do not say that when we are in Government) on the surpluses in the accounts at the end of the financial year. Under this proposal, the Treasurer wants to cream off any surplus. As we are well aware, with the flow of funds there will be many times of surplus and there will be times of deficit. We cannot expect some of these special deposit accounts to be used simply for the purpose of collecting revenue.

We know that there are a number of deposit accounts where there are substantial liabilities. I would have thought that this was an amendment that the Government would not be pursuing. I cannot understand why the Government would be wanting to change this arrangement—given that it presumably intends to talk about corporatisation—to put forward a Bill in this House about corporatisation. Under that arrangement it is absolutely vital that the funds that come through that organisation are applied to the purpose of that organisation and no other and that, if there is a surplus, it be used and brought to account when the accounts are finalised at the end of the financial year.

It is anti-directional in terms of the changes that the Government wants to make in relation to the corporatisation of Government trading enterprises, on the one hand, and a creaming off of surpluses for the use of the Treasury on the other. It is absolutely in conflict. It is not just corporatisation; it is the principle of knowing where the money has come from and where it is going to and the right of an organisation to operate efficiently and effectively. There will be many occasions when the flow of funds will be seasonal or cyclical, and some will lump in a particular time of the year—for example, land tax, when the bills go out in November and there will be a flow of funds over the next three months. There are other areas where the flow of funds is lumpy. I do not believe that the Government should have the use of those lumps. The Government should not have a right to cream off surpluses when the organisation may, in the following month, be faced with a situation where expenditure is greater than revenue. There should be a balance in the system. I vehemently reject the proposition.

The Hon. FRANK BLEVINS: I am and have been puzzled by this debate since the Estimates Committees when it first arose. I can only think that we are at cross purposes. I assume that the maximum amount of accountability is what we are all after. I cannot see how that has diminished by the use of deposit accounts in this flexible way. The Auditor-General now reports in greater detail because of deposit accounts. The surpluses in deposit accounts are reported by the Auditor-General. Previously, the so-called surpluses in departmental revenues, for example, were in the Consolidated Account. If they were being held by the department and were required for the early part of the next financial year, they were left there. It is only a streamlining of what we already do. The question of surpluses and of the

Consolidated Account is irrelevant to the argument. Do we want departments to take greater financial responsibility for handling their own financial affairs under the control of the Treasurer and audited by the Auditor-General? The answer to that for everybody would be 'Yes'. As I said, I can only believe that we are at cross purposes.

It surprises me how two people can see the same thing in a totally different way. I have offered the member for Mitcham—and the offer remains open—or any other member, or the Economic and Finance Committee or any other organisation, a full briefing and to go through some examples with Treasury officers and with an officer from the Auditor-General's Department. I can assure the member for Mitcham and the Committee that there is no diminution whatsoever in accountability; rather, the reverse. The deposit account system assists Government departments enormously to have greater responsibility for managing their own budgets. Where that is not appropriate, as in the case of the police Department, it does not occur. There is no dark plot underneath all this for the Government to skim off or to do any of these other shadowy things to which the member for Mitcham has alluded.

We have had this debate on a number of occasions. I do not feel that we have advanced the debate one iota considering the number of times that we have had it. I request the member for Mitcham or any other member on either side who feels that I have not clarified this sufficiently for the Committee or for the Estimates Committees to allow me to do so with Treasury officers and officers from the Auditor-General's Department. I know that if that happens everybody will be assured that there is no hidden motive in any way to disguise the proper funding of the departments and their accountability.

Mr S.J. BAKER: I simply quote the advice from two accounting firms that have looked at the proposition. I did not need their advice, because my original contention was that I did not like the Bill and I did not like the clause. At the end of each year there should be a simple accounting and we should know whether the deposit account is in surplus or deficit. Under this proposal we simply will not know. I believe this is important from the point of view of the management of distinct Government entities. The Minister said, 'We will fix all the problems; we will take out all the surpluses and apply them in other areas.' There are special deposit accounts and we believe that they should have internal integrity. If the Minister does not want to use special deposit accounts, he can use the Consolidated Account and draw from that in a way that he thinks fit. We do not believe it is appropriate to cream off the surpluses, so we are opposed to the clause.

The Hon. FRANK BLEVINS: I should like to extend my offer for a full briefing also to these two accounting firms. I am quite serious about this. We are clearly at cross purposes because our aims are the same. We have no problems with the aims of the member for Mitcham and I am sure that he has no problem with my aims, either. If there are two accounting firms which would also like a briefing on this matter, I will be very happy to provide it.

Clause passed.

Clause 5—'Imprest accounts.'

Mr S.J. BAKER: I have a similar difficulty with this clause. I am sure that the Minister will give me a delightful explanation as to why we should be topping up the imprest accounts other than by moneys devoted to that purpose. It appears to me to be reducing the level of accountability. If funds have been appropriated for a special purpose, the practice should not be to allow those funds to be utilised for something else. Again, the Minister may provide an explanation, but I go back to my previous comments: I believe in accountability, accountability and accountability.

Given the way that the Government has operated in recent times, given the way that it has managed its accounts in recent times and given the cheating that has taken place with the management of its finances over the past few years, I do not have any confidence in the Government. When I have seen what has happened to the generation of SAFA surpluses which are accounting profits, when I have seen the way in which liabilities have been extended and not brought to account and when I have seen the State debt deliberately kept at a lower level than its actual quantum, I can say that I do not accept and do not intend to accept the clause.

The Hon. FRANK BLEVINS: First, on behalf of the Government, I must apologise to the Auditor-General for the comments made by the member for Mitcham. I thought it was quite outrageous to say that over the years the Government was cheating this and cheating that. I can assure the member for Mitcham that the Auditor-General would not permit the Government to cheat, even if the Government wanted to, which it does not. For the benefit of the member for Mitcham, let me say this: imprest accounts are used for meeting urgent expenditures by agencies. In some cases they are in respect of accounts for which no money is appropriated from the budget, for example, the boating account in the Department of Marine and Harbors.

This amendment simply makes legal the practice of recouping money to the imprest accounts from a variety of other accounts, some of which do not derive funds from appropriations. Again, there are no dark motives and for a number of days, if not weeks, I have been offering the honourable member a full briefing from the Auditor-General's Department as well as Treasury to try to allay the fears he has about some of the amendments in the Bill. Regrettably, the member for Mitcham has not had time, because of his busy schedule, to accept the offer, but the offer remains open and I hope that, between the Bill's leaving here (should it pass) and going to another place, the member for Mitcham will find time to avail himself of the offer.

Mr S.J. BAKER: I do not accept that explanation. If that is what the Minister was aiming for, he would have simply moved the amendment rather than taking it from money appropriated for the same purpose. He would have just added a rider, which would cover the situation, if money had not been appropriated. There is no requirement that there be a matching between the imprest account and the moneys allocated in the budget. There is no requirement and, for the Minister to say these are only moneys needed for urgent purposes and there may not be an appropriate line in the budget, is wrong. There is provision under this legislation for the Government to indulge itself in extraordinary expenditures. There is no

limitation to that, so the Treasurer has not satisfied me that there will be an appropriate match between the appropriation and the moneys that are used in the imprest account. The Opposition opposes the clause.

The Hon. FRANK BLEVINS: Can I just say that these accounts are audited by the Auditor-General and reported on. Whilst I regret that I am unable to satisfy the member for Mitcham, we do satisfy the Auditor-General and we would like to satisfy everyone. However, if it is a choice between satisfying the member for Mitcham and satisfying the Auditor-General, I will take the Auditor-General any day.

Mr S.J. BAKER: Mr Chairman—

The CHAIRMAN: The member for Mitcham has spoken three times.

Clause passed.

Mr HOLLOWAY: Mr Chairman, I draw your attention to the state of the Committee.

A quorum having been formed:

Progress reported; Committee to sit again.

SITTINGS AND BUSINESS

The Hon. FRANK BLEVINS (Deputy Premier): I move:

That Standing Orders be so far suspended as to enable the House to sit beyond midnight.

Motion carried.

CLASSIFICATION OF PUBLICATIONS (DISPLAY OF INDECENT MATTER) AMENDMENT BILL

Received from the Legislative Council and read a first time.

DRIED FRUITS (EXTENSION OF TERM OF OFFICE) AMENDMENT BILL

Returned from the Legislative Council without amendment.

PUBLIC FINANCE AND AUDIT (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).

Clause 6—'Appropriation by Treasurer for additional salaries, wages, etc.'

Mr S.J. BAKER: As to the Treasurer's comments, it is not good enough for the Auditor-General to be satisfied: it is imperative that the Parliament be satisfied. I make that comment in relation to the Treasurer's previous statement. The observation has been made about why allowances should be put in the Bill. Has the Government been acting illegally, or is this an extra provision? If it is an extra provision, can the Treasurer explain why it is suddenly necessary?

[Midnight]

The Hon. FRANK BLEVINS: There is an argument that in some ways certain—and perhaps 'illegal' is too strong a word—practices need regularising. The recommendation from the people who advise me, including the Auditor-General, is that this is a satisfactory way of doing it. I should like to respond to the comment of the member for Mitcham by saying that it is not only the Auditor-General who has to be satisfied, because Parliament must be satisfied, also. I agree completely with the honourable member on that, and I certainly did not reflect on the Parliament and say that the Parliament did not have to be satisfied. I specifically said 'the member for Mitcham'.

Even with my powers of persuasion, at times I fail to persuade the member for Mitcham. It does not matter how long we are in this place, or how strong the argument, on occasions at the end of the debate the member for Mitcham is still not persuaded. Therefore, the Parliament has to make the decision, and the Parliament will make a decision on this clause as on all other clauses in the Bill. Again, I would not like the comments of the member for Mitcham to go uncorrected.

Clause passed.

Clause 7—'Power to borrow.'

Mr S.J. BAKER: I point out that I have not been dividing the Committee because I am aware that some members are trying to sleep or to get through the night. This is the third late night and it will go on for some hours yet. I did intend to divide on clauses 4, 5 and 7, as I previously stated. However, the Minister will know that this Bill will be debated with the numbers a little more even in another place when the Parliament resumes on 9 February. In relation to clause 7, again I have reservations. A traditional relationship has been established in respect of overdraft limits. The Treasurer seeks to change that nexus.

I know that he has offered me a briefing and I could be dissuaded with powerful argument, but I would presume that the change in the overdraft limit may have something to do with his creaming off the surpluses so we have a larger overdraft established when a surplus is not available to offset the debits when they come into these accounts. With some degree of conservatism, I believe this is part of the package for less accountability, an ability for the Treasurer to fiddle the books and to play with the taxpayers' money in an unconscionable fashion, as I have said previously. I am opposed to the clause, but I am willing to listen to argument.

The Hon. FRANK BLEVINS: I thank the member for Mitcham for his generosity in opposition. Putting this provision in the Supply Bill allows for more frequent adjustments than in the annual Appropriation Bill. Any changes to the limit proposed in the Supply Bill is, of course, as the member for Mitcham would know, able to be scrutinised by Parliament, as is the case for the annual Appropriation Bill. It is exactly the same; there is no difference. The provision for scrutiny is not in any way diminished. There is absolutely nothing sinister whatsoever in this, and I do wish the member for Mitcham had taken up my offer of a briefing on some of these provisions before the debate. I know that he would have been persuaded that there was nothing sinister whatsoever in the Bill.

Mr S.J. BAKER: Well, Sir, the Minister is not at his persuasive best at the moment. He has not bothered to explain it. All the Treasurer has told this Parliament is that we normally have one bite at the cherry in relation to setting overdraft limits. Now the Treasurer wants three bites at the cherry in setting overdraft limits. The Treasurer's argument is that the Supply Bill is scrutinised by the Parliament. We are all aware that, if the Supply Bill is amended, that is the end of the Government. It is rather difficult to scrutinise without any capacity to alter. I take the argument provided by the Treasurer. I am not convinced and I oppose the clause.

Clause passed.

Clauses 8 and 9 passed.

Clause 10—'Financial arrangements.'

The Hon. FRANK BLEVINS: I move:

Page 4, line 9—Leave out 'A' and insert 'Notwithstanding the provisions of any other Act, a'.

This is a small technical amendment. The people who advise me in drafting these matters believe that I would be well served by moving this amendment. It provides clarification.

Amendment carried.

Mr S.J. BAKER: The Treasurer has singled out, under subclause (4):

The Treasurer's consent is not required under this section to financial arrangements entered into by the State Bank of South Australia or SAFA.

Does this extend to the Local Government Financing Authority? Why are only two authorities identified in this clause?

The Hon. FRANK BLEVINS: I am advised that, under this clause, neither the State Bank nor SAFA is required to obtain the Treasurer's consent under section 18 to financial arrangements they enter into. Both the State Bank and SAFA have governing legislation in their own right that is designed to facilitate their operations in the marketplace without the need to rely on or refer to separate statutes for some of their powers. They are large financial institutions. All their power should be drawn from their own stand alone legislation. Any changes to their powers should take place via amendments to that legislation.

Further, it would not sit well if the market in its dealings with the bank and SAFA were required to undertake an undue level of legislative cross-referencing to ensure that transactions were in order. This particular provision, the exclusion of the State Bank and SAFA, is consistent with the exclusion in the 1982 Bill, which I am sure will be remembered by some members. That Bill first enacted this division, related then to credit arrangements, and SAFA did not exist at that time. Again, there is nothing particularly noteworthy and certainly nothing sinister in this provision.

Mr S.J. BAKER: Does it cut across requirements by those two bodies in relation to the Treasurer of this State? The clause seemed to exclude all responsibility to check any financial arrangement with the Treasury, yet both those Acts require some authority by the Treasurer to embark on investments in particular areas for moneys to be raised. I would wish to be advised, of course, that it does not conflict with the two Acts under which they operate.

The Hon. FRANK BLEVINS: The answer as regards this legislation is, 'Yes.' But we must bear in mind that, under their own legislation, they have very strong requirements placed upon them *vis-a-vis* the Treasurer. So, it is under their own Act rather than this legislation, and more appropriately so.

Mr S.J. BAKER: I would appreciate the Minister's advice as to whether subclause (5) relates to the indemnity or whether it covers a technicality.

The Hon. FRANK BLEVINS: This clause is a result of the financial market being somewhat nervous after a now celebrated case in the UK, known as the Hammersmith case, which caused some acute distress in financial markets. This clause gives a great deal of comfort to the financial institutions and attempts to ensure that there are no loopholes that would cause distress to the financial institutions.

Clause as amended passed.

Clause 11—'Guarantees and indemnities.'

Mr S.J. BAKER: To what is the Treasurer referring under new subsection (1a)(b)?

The Hon. FRANK BLEVINS: This provision mirrors, to a great extent, what is in the SAFA Act. It is a question of standing guarantees. I understand that standing guarantees are often given, by definition of a standing nature, so they go on into the future. We cannot name individuals who are affected by the guarantee. It is just not possible to do that. As I said, by definition, a standing guarantee is that. This new subsection inserts in this legislation the provision that is already in the SAFA Act.

Clause passed.

Clause 12—'Validity of transactions of semi-government authorities.'

Mr S.J. BAKER: I. note that this clause provides the check and balance in the system so that, if there has been fraud or misrepresentation, or if there is some knowledge of deficiencies or irregularities at the time the financial transactions validated under clause 10 of the Bill took place, they are then invalidated. I support the clause.

Clause passed.

Clause 13—'Treasurer's statements.'

Mr S.J. BAKER: I oppose this clause. This clause says, 'We will not tell you what has actually happened to the account over the year; we will just tell you what is in the account at the end of the year.' Under the existing provisions of section 22 of the Act, there is a requirement by the Parliament to report on the debits and credits that have been recorded in that account over the preceding year. So, when it comes to reconciliation time at the end of the financial year, the department is required to provide the details of the throughput of that account.

This change means that no longer will it be required to do so. The department will merely be required to show what is in balance at the end of the year. We do not believe that is appropriate. We have mentioned previously that special deposit accounts cater for huge sums of money: well over $3 billion goes through those accounts every year. It is important that the Parliament knows exactly how those accounts are being handled. So, we believe that it is absolutely vital that sub-subparagraph (C) be struck out and that we return to the original provision, which requires the department to report on its debits and credits.

The Hon. FRANK BLEVINS: Again, I just wish that the member for Mitcham had availed himself of the invitation to speak to us about these clauses, because we are clearly at cross purposes in a number of areas. These changes propose to do away with information which is entirely meaningless, which is confusing and which has provided no useful purpose. It is impossible to see what purpose is served by reporting the debit and credit that is processed through these accounts. These special deposit accounts are reported, as I have mentioned before, in the Auditor-General's Report in comprehensive detail, showing payment and receipt, and they are shown in the agency's annual report, so there is full disclosure. I would argue that is far better information than has been presented in the past in this statement which is proposed to be rationalised. Again, it provides far more useful and meaningful information to the Parliament and to anyone else who is interested.

Mr S.J. BAKER: I do not accept that. I have had a look at the special deposit accounts in the Auditor-General's Report. I think they are important accounts and should be reported. I do not think they should be hidden, which this amendment suggests, and I oppose the clause.

Clause passed.

Clause 14 passed.

Clause 15—'Examination of accounts of publicly funded body.'

Mr S.J. BAKER: I move:

Page 6, after line 37—Insert subsection as follows:

(la) As soon as practicable after making a request under subsection (1) the Treasurer must—

(a) cause notice to be published in the *Gazette* stating the name of the body in relation to which the request was made; and

(b) cause a statement of his or her reasons for making the request to be tabled in both Houses of Parliament.

This amendment is moved to ensure some degree of caution. This clause allows the Auditor-General access to any body that has received public funds. I commented previously that this could be a few hundred dollars provided to a pensioner group under the seniors program or millions of dollars provided to one of the welfare organisations. I do not believe that this right should be unfettered. I believe there should be a check and balance in the system, because we are effectively saying that the Auditor-General or his designated personnel can interfere with the operations of an organisation. That organisation will have to produce the books. The money involved may be a very small sum in relation to the total amount expended in one year. Many organisations with large budgets receive a small amount of funding from the Government.

This Bill provides the Auditor-General with the right to examine all the books. I was trying to find some way of indicating to the Government and the Auditor-General that this power should be used sparingly. This was the best amendment that I could devise that reflected my desire to see that the audits are conducted efficiently and effectively and that we do not have wastage in areas where that should not occur. I have already made the point that those organisations will be required to open their books to the Auditor-General when the sum of money involved may be inconsequential in terms of the total operations. So, the best amendment without in any way interfering with the process of accountability is one that provides that the Auditor-General must have a damned good reason for involvement in this organisation. Therefore, I move this amendment, which requires the Treasurer to notify his intention to request the Auditor-General to interfere, the reasons being provided to the Parliament at the earliest opportunity.

The Hon. FRANK BLEVINS: Extensive discussions have taken place with the Auditor-General on this provision and on the amendment. My advice is that the Opposition's proposal for a *Gazette* notice of publicly funded bodies in respect of which the Treasurer has requested an examination under section 32 ought not to be and is not supported, as is the case with a similar amendment proposed by the Opposition to section 33, which I will foreshadow briefly. Such a provision may well have adverse implications for a body in respect of which the Treasurer has requested an audit under section 32. In particular, a *Gazette* notice may imply problems with the body where no problems exist.

This could have a range of ramifications for the body, including the withdrawal of credit facilities by apprehensive lenders, withdrawal of supplies, deterioration of staff morale and possibly the destruction of relevant records in the event that a problem did exist. Under the Government's proposal, the Auditor-General would be required to report to Parliament on the outcome of his audit of a body under section 32. Thus Parliament would be informed on a factual basis rather than being left to draw potentially incorrect conclusions on the basis of a *Gazette* notice, and the body concerned would not suffer unduly.

Mr S.J. BAKER: I accept that the Treasurer has made a valid point, so I will not pursue my amendment, but I will certainly give the matter consideration over the break to see whether there is some way in which we can effectively ensure that there is no undue intervention in the affairs of an organisation by the Auditor-General. I do not want to see the Treasurer, for political or other purposes, ordering the Auditor-General to intervene in the affairs of a publicly funded body. On most occasions, that will not occur, but there is the temptation. There is no check and balance in the system as it stands; I will give the matter further consideration over the break, but I accept the Treasurer's explanation.

Amendment negatived; clause passed.

Clause 16—'Audit of other accounts.'

Mr S.J. BAKER: I move:

Page 7—

Lines 17 to 19—Leave out these lines.

Lines 24 to 31—Leave out subsection (5) and insert the following subsection:

(5) A company is the subsidiary of another company for the purposes of subsection (3) if it is the subsidiary of that other company according to the corporations law.

My advice is that this clause as it is constituted is in conflict with the corporations law, and my amendments clear up that area of irregularity. I have been given an explanation as to why they are in conflict, and I understand that these amendments overcome the problem. However, if there is a further explanation as to why they do not, I will be prepared to listen to the Minister. New subsection (5) defines a holding company to be the holding company of another company if it is the legal or

beneficial owner of shares in the other company, and it also defines subsidiary and group entities. These definitions are not consistent with the definitions in the corporations law, which defer to AASB1024. There is no reason why definitions of parent entities, controlled entities and groups should be inconsistent with the corporations law. I am advised that we should get this clause right, so I move my amendments accordingly.

The Hon. FRANK BLEVINS: I believe that if the amendments were carried it would be unduly restrictive. I am advised by the Auditor-General that, under the amendment moved by the member for Mitcham to audit the accounts of a subsidiary company or public authority, the holding company must own more than 50 per cent of the shares of the subsidiary whereas, under the Government's Bill, any level of shareholding by the holding company is sufficient if the subsidiary is carrying out the functions of the public authority. I am advised that the Auditor-General believes that the Opposition's amendments are more restrictive than the Bill before the House and therefore not as effective in providing full accountability to Parliament for those companies below the first tier in the ownership chain. Again, I am persuaded by the Auditor-General's view, and I will be opposing this amendment.

One of the values of having such a long period between the Bill being considered by this House and its being considered in another place is that both my advisers and the advisers of the member for Mitcham will have an opportunity to have a further look at the Bill and also at the arguments that have been put. I hope that by the time the Bill is considered in another place we will have some of those issues sorted out to the member for Mitcham's as well as the Auditor-General's satisfaction, because I do not believe for one minute that the member for Mitcham is intending to restrict the scope of the Auditor-General or the depth to which he can go in a chain of companies. I do not believe the member for Mitcham is intentionally doing that, but I am advised that that would be the effect of his amendment. I know the member for Mitcham would not want that, but we do have several weeks in which to consider the issue before it is considered in the other place.

Amendments carried.

Mr S.J. BAKER: I move:

Page 7, lines 34 and 35—leave out 'the prescribed percentage' and insert '50 per cent'.

Page 8, lines 4 and 5—Leave out subsection (8) and insert the following:

(8) As soon as practicable after making a request under subsection (7) the Treasurer must—

(a) cause notice to be published in the *Gazette* stating the name of the company in relation to which the request was made; and

(b) cause a statement of his or her reasons for making the request to be tabled in both Houses of Parliament.

I cannot believe the wording of this clause; it is extraordinary. It states:

The Auditor-General may audit the accounts of a company and examine the efficiency and economy with which it conducts its affairs if—

(a) a public authority is the legal or beneficial owner of more than the prescribed percentage of the issued shared capital of the company;

and

(b) the Treasurer has given his or her consent to the audit and examination;

New subsection (8) provides:

For the purposes of subsection (6), the prescribed percentage is 50 per cent or such other percentage as is prescribed by regulation.

I do not think we can play fast and loose with the rules here. We are actually intervening in the affairs of companies, of which, if we follow the 50 per cent rule, the Government has a controlling ownership. The Government may well have a controlling ownership with 20 per cent of the shares, but I do not believe that this is the right way to approach this issue. I believe that there should be a percentage in the Act, that is, a percentage that everybody can look at and see that it has been determined and prescribed in the law. There should not be the right of the Auditor-General or the Treasurer to decide, 'I will change the regulation and make it 10 per cent.'

The Hon. Frank Blevins: That's up to the Parliament.

Mr S.J. BAKER: We know that the Parliament has a great deal of business before it and we know that on occasions the regulations do not receive the scrutiny that they should receive. They do not receive the same level of scrutiny as, for example, Acts of Parliament, which we go through far more thoroughly. I believe the law should be in the Act; the law should be set at 50 per cent and that leaves nobody wondering what percentage will be prescribed by regulation tomorrow or the next day. For that reason I have moved for 50 per cent, which is the suggested percentage in the Act now and which should be prescribed in the Act unequivocally. If it is the determination of the Parliament or the Government that that percentage should be changed in any way, the Minister has the right to come back to the Parliament, but I do not believe it is appropriate for the Treasurer at wish or whim to decide that today it will be 20, tomorrow it will be 30, the next day it will be 50 and the next it will be 10.

The Hon. FRANK BLEVINS: I am a little surprised at the honourable member's remarks because, again, I am advised that in the opinion of the Auditor-General the proposal to write the 50 per cent ownership level firmly into the legislation rather than have it variable by prescription reduces the flexibility of the Auditor-General to deal with instances that fall just over the line, for example, where 49 per cent ownership exists. It is possible, as the member for Mitcham said, to amend the legislation if that is required, but surely it is administratively much simpler to vary the level by regulation.

The regulations do come before the Parliament and are subject to disallowance, as all members are aware. I am advised that the Auditor-General would very much prefer the proposal in the Bill, and again it seems to me to give the required flexibility. Rather than bringing a Bill into the House to change it, a regulation is very much simpler. The essential thing is that one can have control of a company with a shareholding of considerably less than 51 per cent. As the member for Mitcham would

know, effective control can be taken with a much lower shareholding than that. So, to have this degree of flexibility, coupled with the protection of the parliamentary scrutiny of the regulations, is I believe of great assistance to the Auditor-General, and I urge the Committee to give the Auditor-General all the assistance he requires in these areas.

Mr S.J. BAKER: I do not accept that explanation by the Treasurer. I think that sometimes this Parliament loses sight of what business is about. It loses sight of the fact that many organisations are in grave difficulties and it loses sight of the fact that people crave certainty, wanting to know what the rules are and not wanting to be harassed unnecessarily. We should at all times provide clarity and certainty if that it is at all humanly possible. I do not believe it is appropriate for the Treasurer to change that percentage as he or she sees fit. I think it is important to lay down the rules in an unequivocal fashion. Under these circumstances I believe it is appropriate to set the amount of the shareholding at 50 per cent and, if the Auditor-General or the Treasurer believe that some circumstances apply that would cause a change in that relationship in order for the Auditor-General to be able to scrutinise accounts that warrant scrutiny, the Auditor-General can come back to this Parliament.

Amendments negatived.

Mr S.J. BAKER: I move:

Page 8, after line 5—Insert the following subsection:

(9) This section—

(a) is in addition to the provisions of any other Act or law requiring the accounts of a company or other body corporate to be audited; and

(b) is not in any derogation of any such provisions.

There is not a great deal of clarity in this part of the Bill. The Auditor-General cannot impose his audit function on an organisation. I make it quite clear that the Government has a right to look at an organisation because of particular circumstances, but it does not have a right to walk in and say, 'We are going to audit the books on behalf of your company and this will be regarded as the audit of the company.' It is just a point of clarification.

The Hon. FRANK BLEVINS: If the member for Mitcham has a good argument and puts it persuasively, as reasonable people we will accept it. I am happy to do so on this occasion.

Amendment carried; clause as amended passed.

Clause 17—'Powers of the Auditor-General to obtain information.'

Mr S.J. BAKER: This clause amends section 34 of the principal Act, in particular by striking out certain words from subsection (3). Why is the Treasurer striking out the words 'a written note of that objection shall be made by the Auditor-General or the authorised officer and', which I think provide some checks and balances in the system? That seems to place less responsibility on the Auditor-General to explain his actions. I would appreciate some clarification on that point.

The Hon. FRANK BLEVINS: I am advised that in a long and deep investigation the provision that it is proposed to strike out could make the investigation unworkable. It is totally impractical on occasions for investigators to write out every question in longhand.

Mr S.J. BAKER: That is what I thought the Minister would say. I believe it is appropriate for the Auditor-General to explain himself, and this clause reduces that need. I have reservations about that provision and I wish them to be noted. Again, new subsection (4) provides:

The Supreme Court need only be satisfied of the facts on which it bases an order under subsection (2)(g) on the balance of probabilities.

Can the Minister explain the need for that provision? I should have thought that the facts speak for themselves. Why must we include 'on the balance of probabilities'?

The Hon. FRANK BLEVINS: Those who advise me on the drafting of this legislation tell me that those words are essential.

Clause passed

Clause 18—'Auditor-General's annual report.'

Mr S.J. BAKER: I would like an explanation of this clause. It looks as though the Auditor-General can report on those things that he wants to report on and not on other matters. I do not believe that is appropriate. I note that in the second reading explanation there is a suggestion that the Auditor-General has to engage in auditing everything and there are many minor items. I do not know to what this refers. Can the Treasurer tell the Parliament which items in the Auditor-General's Report now would be excluded under this proposition?

The Hon. FRANK BLEVINS: I am advised that it would not make any difference to the present composition and breadth of the Auditor-General's Report. If the Auditor-General literally had to report on every item, they would never finish; they would fill a library in five years. This, in effect, regularises the present practice.

Mr S.J. BAKER: Is the Treasurer saying that the Auditor-General does this now but that he has been doing it illegally? Is he saying that the Auditor-General has not lived up to his responsibilities in reporting these items to the Parliament?

The Hon. FRANK BLEVINS: I take great exception to any suggestion that the Auditor-General has been acting illegally. The practice has been developed with the full concurrence of the Public Accounts Committee of this Parliament, according to my advice. That practice has been developed with the assistance and cooperation of and after discussions with the Public Accounts Committee of the Parliament. I do not think that anyone could imagine for a moment that the Auditor-General has been acting illegally. Nevertheless, whilst we have this amending legislation, it was felt appropriate to put in the Act the practice that Parliament has already agreed to.

Mr S.J. BAKER: In response, I seek the Minister's assurance that there will be no less information in the Auditor-General's Report than is currently provided.

The Hon. FRANK BLEVINS: I can certainly give that assurance; I am advised there will not be any less. In any event, that would not be a decision for the Government; it is not really for me to give such an assurance. The Auditor-General reports to the Parliament. If the Parliament thought that the Auditor-General was in any way reducing the amount of information given to the Parliament and the Parliament objected to that, the remedy would be in the hands of the Parliament, and the Government would not have too much say in it.

Earlier in the debate the member for Mitcham made some valid points about the Auditor-General getting

involved in trivia. I suppose 'trivia' is too strong a word, but there are hundreds of small organisations (to use the words of the member for Mitcham) that receive small amounts of public funds, and commonsense tells us that a certain amount of discretion has to be left in the hands of the Auditor-General in respect of whether or not every single matter should be reported. It would just be nonsense if that were not the case, and the Public Accounts Committee recognised that.

Clause passed.

Remaining clauses (19 and 20) and title passed.

The Hon. FRANK BLEVINS (Treasurer): I move:

That this Bill be now read a third time.

Mr S.J. BAKER (Mitcham): I am dissatisfied with the Bill as it comes out of Committee. I said earlier that I was not impressed by three clauses and that I believed they should be opposed. At this time of the night and with the intervening period for further scrutiny I simply point out that, whilst it was my intention originally to divide on those three clauses and against the Bill if those three clauses remained, I would just like my dissatisfaction with the Bill noted and we will sort out the matter in another place at another time.

Bill read a third time and passed.

WINE GRAPES INDUSTRY (INDICATIVE PRICES) AMENDMENT BILL

Returned from the Legislative Council without amendment.

[Sitting suspended from 1.55 to 3.15 a.m.]

INDUSTRIAL RELATIONS (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

The Legislative Council intimated that it insisted on its amendments Nos 1 to 6, 10 to 14, 27, 28, 30 and 31; and that it did not insist on its amendments Nos 7 to 9, 15 to 26 and 29; but had made in lieu of its amendments Nos 19, 20, 21 and 23 to which the House of Assembly had disagreed the alternative amendments to which the Legislative Council desired the concurrence of the House of Assembly:

No. 1. Page 16, lines 9 to 16 (clause 30)—Leave out subsection (4) and insert new subsection as follows:

'(4) Subsection (1) *(e)* does not apply if—

(a) in the case of an agreement that applies only to a single business, part of a single business or a single place of work—

(i) the parties to the agreement include at least one registered association of employees;

(ii) the commission is satisfied that the agreement is in the interests of the employees whose employment is covered by the agreement;

and

(iii) if the registered association of employees, or registered associations of employees, that are parties to the agreement are not able to represent the industrial interests of all employees who are covered by the agreement, or the patties to the agreement do not include each registered association of employees whose membership includes one or more employees who are covered by the agreement—

(A) the United Trades and Labor Council has been consulted in relation to the matter;

and

(B) the commission is satisfied that it is appropriate that the registered association of employees, or registered associations of employees, that are parties to the agreement have, for the purposes of this division, and notwithstanding the rules of that association or those associations, the ability to represent the industrial interests of the employees under the agreement;

(b) in the case of an agreement that does not apply only to a single business, part of a single business or a single place of work—the commission is satisfied—

(i) that each relevant association of employees has been given the opportunity to be a party to the agreement;

(ii) at least one of those associations is a party to the agreement;

and

(iii) the agreement is in the interests of the employees whose employment is covered by the agreement.'

No. 2. Page 16, lines 26 to 30 (clause 30)—Leave out all words in these lines.

No. 3. Page 18 (clause 30)—After line 19 insert new paragraph as follows:

'*(c)* to the extent that paragraphs *(a)* and *(b)* do not apply, all employees who are covered by the agreement.'

No. 4. Page 20 (clause 30)—After line 31 insert new subsection as follows:

'(3a) If the remaining parties to the agreement do not include at least one registered association of employees, the agreement will come to an end.'

Consideration in Committee.

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

That the House of Assembly do not insist on its amendments Nos 1 to 6, 10 to 14, 27, 28, 30 and 31; and that the alternative amendments be agreed to.

Mr INGERSON: I note with interest that the employees section in relation to young people and delivery agents has been removed from the Bill. Also I note that the outworkers clause has been removed from the Bill. Unfortunately, the clause in respect of unfair contracts remains in the Bill as it left this House. The other area of interest is that the conscientious objection amendment, moved in the Legislative Council, has been accepted. Agreement has been reached in relation to clause 30 and industrial agreements and, interestingly, no union involvement will be necessary. That is a very important breakthrough as far as the Opposition is concerned. Also, the conscientious objection clause has been further strengthened. New amendments to bring together certified agreements in workplaces in which there is a mixed union and non-union work force have been included, but they will involve an arrangement being entered into by the unions. Whilst that is only a halfway house, it is a very important move in the right direction, because it means that those people who are not in unions can now, for the first time, be involved in this type of agreement. We support the amendments.

Mr S.G. EVANS: I would like someone in the Chamber to explain to me what effect this will have in relation to those many people who deliver what we might

call leaflets. In many cases, they are younger people. I know they are not highly paid, but it is my interpretation that they now have to use a union to make their representation, or can they make their own representation? I believe that the fears they held they will still hold, given this amendment.

The Hon. R.J. GREGORY: I was very disappointed that members opposite carried on the way they did with respect to the youngsters distributing the Messenger newspapers. As I said at the time, it was the business of scaring old ladies and kids. The amendments that we proposed at that time were not intended to do that at all. However, the Legislative Council, in its wisdom, has decided to exclude those provisions from the Bill. It is not a matter that is being considered at the moment.

Motion carried.

ADJOURNMENT

At 3.25 a.m. the House adjourned until Tuesday 9 February 1993 at 2 p.m.