

## LEGISLATIVE COUNCIL

Thursday 26 October 1978

The **PRESIDENT (Hon. A. M. Whyte)** took the Chair at 2.15 p.m. and read prayers.

## SUPREME COURT ACT AMENDMENT BILL

His Excellency the Governor, by message, intimated his assent to the Bill.

## QUESTIONS

## REGISTRATION OF BIRTHS

**The Hon. J. C. BURDETT:** I seek leave to make a brief explanation prior to directing a question to the Minister of Health, representing the Attorney-General, on the registration of births of children born out of lawful marriage.

Leave granted.

**The Hon. J. C. BURDETT:** Section 19 of the Births, Deaths and Marriages Registration Act provides the procedure whereby, where a child is born out of lawful marriage, the mother need not furnish particulars relating to the paternity of the child but, where she does, on the form there is a place where the alleged father may acknowledge paternity. If she does allege paternity and if that part of the form is not completed by the alleged father, when the Registrar receives the form he must serve a copy on the father, and the father may acknowledge paternity. If he does acknowledge paternity, it follows from section 21 that the name to be entered in the Register of Births as the surname of the child shall be the surname of the father. So, these simple and good procedures make it mandatory that, where the mother, and perhaps the father, wish the paternity to be acknowledged and registered on the birth certificate, the surname of the child shall be that of the father; there is no other way.

This came to my knowledge in the case where a child was born out of lawful marriage and the mother wanted the paternity of the child recorded in the register. The father was prepared to sign the form to do that. The mother inquired of the Registrar what the consequences were and was told that, if the father acknowledged paternity, the surname was to be that of the father, and that there was no other way to deal with the matter. On the face of the Act, that advice was correct. Therefore, if the father acknowledges paternity either on the form that the mother supplies or when a copy of that form has been served on him by the Registrar, the child is to be registered in the surname of the father. It seems to me to be quite possible that, where a child is born out of lawful wedlock, the mother, and perhaps also the father, may wish the paternity to be acknowledged on the register but may not wish the child to be registered in the name of the father. The mother may wish the child to be registered in her name, and the father may also wish that.

In the case that I have mentioned, the father and mother discussed the matter and decided that they wished the child to be registered in the name of the father anyway, so it did not matter, but the mother was concerned and annoyed to find that there was no procedure by which she could have the paternity of the child recorded on the register without the child being registered in the father's name. Will the Minister find out whether the Attorney considers that the procedure laid down in the Act is

adequate or whether it should be made possible to register, on the birth certificate, the paternity of the child, that is, the name of the father, without necessarily registering the surname of the child as the same as that of the father?

**The Hon. D. H. L. BANFIELD:** I will refer the question to my colleague and get a reply.

**The Hon. ANNE LEVY:** I ask the Minister a supplementary question. Will the Minister ask the Attorney to also consider, when he is examining the matter raised by the Hon. Mr. Burdett, the situation of a child born to married people who have not the same name, and to say whether in that situation also the child may take the surname of the mother instead of that of the father? It is not obligatory for a married woman to take the surname of her husband, and quite a number in the community do not. It seems to me that, if such a matter is to be investigated, an investigation should be made in regard to children of married couples as well as children of unmarried couples.

**The Hon. D. H. L. BANFIELD:** I will also bring that question to the attention of my colleague.

## MUSIC EXAMINATIONS

**The Hon. JESSIE COOPER:** I seek leave to make a short statement before directing a question to the Minister of Agriculture, representing the Minister of Education, on the subject of music examinations.

Leave granted.

**The Hon. JESSIE COOPER:** Professional musicians in South Australia are expressing alarm and concern about the possibility that the Education Department is about to take over the functions of the Australian Music Examinations Board in this State. Will the Minister find out whether this possibility is being considered by the Government? If it is being considered, will the Minister find out how the Government proposes to introduce the change?

**The Hon. B. A. CHATTERTON:** I will refer the question to my colleague and bring back a reply.

## PATHOLOGY CHARGES

**The Hon. N. K. FOSTER:** I seek leave to make a statement before asking a question of the Minister of Health regarding the variation in charges for pathology services as between the public and private sectors.

Leave granted.

**The Hon. N. K. FOSTER:** Some time ago I raised in the Council a matter that has been the subject of criticism by a person who normally supports doctors and the medical fraternity generally, namely, the Federal Minister for Health (Mr. Hunt), a member of the Country Party. In condemning pathology services carried out in the private sector, I refer to the practice of Gribble and Partners, who recently occupied in North Adelaide premises that I understand are now available for lease, and who have had constructed a very expensive building in the Wayville area. I define pathology services carried out in the public sector as those performed by the Institute of Medical and Veterinary Science.

Pathology services carried out by the medical fraternity, particularly over the past three to five years, have produced lucrative profits, hence the move by the firm to which I have just referred. However, I am concerned that the public sector (and I refer to the Institute of Medical and Veterinary Science) receives from the medical

fraternity all the difficult pathology problems, involving a much less lucrative and profitable area. Whereas the institute carries out the more difficult investigations, the more lucrative pathology work is being channelled by doctors to people such as Gribble and Partners, as well as others. However, the main research is being done by the Institute of Medical and Veterinary Science. Will the Minister of Health therefore arrange for a report to be prepared showing the area of pathology that goes to the private sector and the profits made? Will he also ask his officers to indicate any losses made in the public sector by the institute, which is involved in research and in carrying out the less profitable pathology services?

**The Hon. D. H. L. BANFIELD:** All States have been concerned with the matter of pathology charges in the private sector and those allowed to be levied in the public sector. Negotiations have been going on for some time with the Federal Government regarding this matter. I will try to obtain a report on the profitability applying to these services.

### COMMUNITY DEVELOPMENT TRUST

**The Hon. R. A. GEDDES:** Has the Minister representing the Minister of Local Government a reply to my recent question about the Outback Areas Community Development Trust?

**The Hon. T. M. CASEY:** The Outback Areas Community Development Trust may, with the approval of the Treasurer, borrow up to \$1 000 000 in any one financial year. To date, the trust has taken up semi-governmental loans of \$2 000 000. The Government has undertaken to meet the debt servicing cost on borrowings of \$1 000 000. Debt servicing cost on the remaining \$1 000 000 enabling the purchase and upgrading of the electricity undertaking at Coober Pedy will be recovered by the trust from the operation of that scheme. It is not necessary at present to invoke regulations under the provisions of the Local Government Act to enable the trust to carry out its programme.

### PROFESSIONAL NEGLIGENCE

**The Hon. J. C. BURDETT:** Has the Minister of Health a reply to my recent question about professional negligence?

**The Hon. D. H. L. BANFIELD:** The Government has recently appointed an inter-departmental working party to look into the whole question of the control and licensing of professional groups. The question of investigating consumer complaints against professional people will be considered in connection with the inquiries by the working party.

### PAMPHLETS

**The Hon. ANNE LEVY:** I seek leave to make a brief explanation before asking a question of the Leader of the Council, representing the Premier, on pamphlets in letterboxes.

Leave granted.

**The Hon. ANNE LEVY:** I have had sent to me several copies of a pamphlet that has been distributed in letterboxes in numerous suburbs in the metropolitan area. This pamphlet, which is produced by the Right to Life Association and which has a highly emotional and even hysterical content, contains cartoon-type depictions of

foetuses and abortion procedures that are misleading and other statements that are inaccurate. One of the letters I have received states:

My pamphlet was retrieved from my letterbox by my eight-year old daughter, who of course read it and was truly distressed by it. I am more than upset—I am furious. My husband is furious.

The writer signs herself, "Yours, seething". Other constituents, too, have complained to me of the effect that such a pamphlet could have on young children, particularly as it is unsolicited material that is being placed in letterboxes where children can have ready access to it. I understand that the *Sunday Mail* is planning to publish an article regarding this pamphlet on the coming weekend. It was suggested to me that it might even reproduce the emotional and misleading diagrams, and I would regard that as being in very poor taste indeed and against all standards of responsible journalism. As Parliament has recently amended the Classification of Publications Act to permit the Classification of Publications Board to classify material on the grounds of sadistic content, will the Premier consider referring to the board this Right to Life pamphlet to see whether its sadistic content warrants its being classified as unsuitable for general distribution where young children may have access to it without the prior approval of their parents?

**The Hon. D. H. L. BANFIELD:** I will refer the question to my colleague.

### EMISSION CONTROLS

**The Hon. M. B. DAWKINS:** Has the Minister of Health a reply to the question I asked some time ago regarding emission controls?

**The Hon. D. H. L. BANFIELD:** Inquiries have revealed that no Government departments have emission control devices on motor vehicles rendered ineffective in their workshops.

### TROTTING

**The Hon. R. C. DeGARIS:** I seek leave to make a brief explanation before directing a question to the Minister of Tourism, Recreation and Sport concerning trotting.

Leave granted.

**The Hon. R. C. DeGARIS:** A report by Jack Rowe in the *News* (18 October 1978), under the heading "Someone is doing something", states:

At last someone has had the courage not only to recognise that trotting at Globe Derby was "on the skids", but to do something to regenerate interest in the sport. And, because of the positive action taken by prominent owner and breeder, Mr. George King, there is a new air of excitement and expectation. Since last Sunday's announcement that the South Australian Trotting Club, in an unprecedented move, agreed to hand over the conduct and control of its 25 November meeting to an outside body, trotting circles have been buzzing.

Did the Minister see this article? Is he aware that the trotting club has handed over the running of the meeting to an outside body, and is he satisfied that the handing over and running of such a meeting is within the terms of the existing Act?

**The Hon. T. M. CASEY:** I must admit that I have not seen the report. However, now that the Leader has drawn it to my attention, I will certainly examine the matter and see what the future situation will be, and I will inform the Leader accordingly.

**DRIVING TESTS**

**The Hon. JESSIE COOPER:** The Minister of Health has presented his compliments to me and has said that he has a reply to my recent question regarding driving tests. Will he please give the reply?

**The Hon. D. H. L. BANFIELD:** I was pleased to present my compliments to the charming lady. I regret that the compliments were not presented on a silver tray. Indeed, the honourable member would have been worthy of their being presented on a gold tray.

The whole system of licensing drivers in South Australia has been under review since the transfer of the practical driving tests from the Police Department to the Motor Registration Division. Recently, the Commonwealth Department of Transport commissioned Professor R. S. Coppin, a United States expert on driver licensing matters, with extensive experience in Europe, to investigate and report on the driver licensing and driver improvement practices throughout Australia. Professor Coppin included in his studies the licensing operations of the Motor Registration Division of the South Australian Transport Department. His findings and recommendations were published in 1977, in a report titled "Driver Licence and Driver Improvement Programmes—A National Review".

The South Australian driver testing procedures comply already with most of the recommendations made in the report. The licence examiners are well qualified officers, many of them having overseas or police driver testing experience. The pass rate of applicants for drivers licences has been averaging 62 per cent, a rate that indicates the high level of proficiency expected from new drivers. Written examinations in rules of the road, which are the pre-requisite for the issue of learners' permits or licences, have also compared favourably with the recommendations contained in the report to which I have referred. Proposed amendments to the legislation to be presented to the Council during this and following sessions will enable the Registrar of Motor Vehicles further to improve on the required standards of drivers. The introduction of compulsory theoretical courses for candidates for drivers' licences has been considered. However, the population dispersion in country areas has proved an obstacle to such a scheme.

**TWO WELLS CROSSING**

**The Hon. M. B. DAWKINS:** Has the Minister of Lands, representing the Minister of Transport, a reply to the question I asked on 21 September regarding the railway crossing at Two Wells?

**The Hon. T. M. CASEY:** The Minister of Transport reports that, with the transfer of the non-metropolitan railways to the Australian National Railways Commission, responsibility for the railway level crossings in the non-metropolitan area passed to the commission. Therefore, the honourable member's question has been referred to the General Manager, A.N.R.C., who will advise the honourable member direct, after he has investigated the matter.

**WATER QUOTAS**

**The Hon. N. K. FOSTER:** Has the Minister of Health, as leader of the Government in the Council, a reply to the question I asked on 28 September regarding water quotas in the Virginia area?

**The Hon. D. H. L. BANFIELD:** There is no intention on the part of the Government to vary the current licences for the withdrawal of underground water from the Northern Adelaide Plains proclaimed region in the current water year which expires on 30 June 1979.

**BOARD FEES**

**The Hon. R. C. DeGARIS:** Will the Minister of Health, representing the Premier, ascertain for me the rises in pay that have occurred in the past couple of months for daily sittings by members of boards or tribunals, or appeal tribunals, in South Australia?

**The Hon. D. H. L. BANFIELD:** I will refer the Leader's question to my colleague.

**WORKMEN'S COMPENSATION ACT  
AMENDMENT BILL**

Received from the House of Assembly and read a first time.

**LOCAL GOVERNMENT ACT AMENDMENT  
BILL (No. 3)**

Returned from the House of Assembly with amendments.

**HOUSING AGREEMENT BILL**

Received from the House of Assembly and read a first time.

**APPROPRIATION BILL (No.2) AND  
PUBLIC PURPOSES LOAN BILL**

Adjourned debate on second reading.  
(Continued from 25 October. Page 1665.)

**The Hon. M. B. CAMERON:** On listening to the debate on these Bills, one gets the impression that we are debating the Federal Budget, not the State Budget. I do not think I have heard one word from the Government about its own State Budget. The Government has deliberately and understandably avoided any discussion on its Budget. One would not have expected the Hon. Mr. Cornwall to criticise the Government or its Budget, first, because he is not allowed to and, secondly, because he is desperately searching for votes to become a Minister in the future. I wish to correct a point that the Hon. Mr. Cornwall made yesterday when he attacked my integrity. I thank him very much for his summation! I repeat what I have said previously about electoral reform: at no stage did I resile from any vote that I thought was correct in connection with any Bill that the Government introduced. The Hon. Mr. Cornwall suggested that Mr. Steele Hall approved the building of low-cost housing. Having made some inquiries, I find that that was not the case. In fact, Mr. Steele Hall wanted the land to be used for the purpose for which it should be used: open spaces and recreation in an area that is already developed as far as it should be.

**The Hon. J. R. CORNWALL:** I rise on a point of order, Mr. President. I have it on the best authority that at a public meeting on—

**The PRESIDENT:** What is the honourable member's point of order?

**The Hon. R. C. DeGARIS:** I rise on a point of order, Mr. President.

**The PRESIDENT:** Order! I shall deal with the Hon. Mr. Cornwall's point of order. If the honourable member has a point of order, he should express it, and I will then consider whether or not it is a valid point of order.

**The Hon. M. B. CAMERON:** The Hon. Mr. Cornwall was trying to get across a false point, and I accept his decision not to proceed with it. Let me now turn to what should be the subject of this debate: the State Government's Budget, which purports to lead this State into a better financial position. On page after page of the Auditor-General's Report are references to Government mismanagement. It would have been proper for Government members to state their views on what the Government has done in the past 12 months and what should be done in the future; instead, Government members have cried loudly about what the Fraser Government has done. The Hon. Mr. Cornwall referred to an Opposition member as one of Mr. Fraser's men. I distinctly remember the Hon. Mr. Cornwall trying to be one of Mr. Whitlam's men. We must bear in mind that it was Mr. Whitlam who brought Australia to financial ruin. We had 19 per cent inflation when Mr. Whitlam left office, yet the Hon. Mr. Cornwall still stayed with the Labor Party. There is no point in the Hon. Mr. Cornwall criticising Opposition members when he refuses to recognise the disastrous situation which the Federal Government that he attempted to join led this country into. Page 7 of the Auditor-General's Report, referring to Government mismanagement under the heading "Internal Audit", states:

During 1977-78 a Senior Internal Auditor was appointed to the Education Department and a similar position was created in the Department of Further Education but, as at 30 June 1978, that position had not been filled.

Is the Government satisfied that such a person is not required? Later, I will point out where it shows clearly that such a person is required, and there are problems that an internal auditor may cure.

At page 36 of his report, under the heading "Liability under the agreements", the Auditor-General refers to the South Australian Land Commission, showing that the total interest-bearing indebtedness of the commission in respect of moneys provided under agreements with the Commonwealth increased from \$55 256 807 in 1977 to \$66 768 255, an increase of about \$11 000 000 in 12 months. At page 438 of the report, we see that the total value of land sales in 1977-78 was \$2 394 000, or 29 per cent less than for the previous year. I wonder where the Land Commission is going, because if that rate of indebtedness continues we will end up with a situation similar to the one we have with the railways, where we have a money-eating monster that goes on eating up taxpayers' funds, while the Government does little to overcome the situation. I also draw attention to an interesting paragraph on page 51 of the report, and I will say more about this matter later. That paragraph states:

All Government departments have presented their annual statements and accounts for audit. The audits have been completed and a report on the audit has been forwarded to the head of each Department concerned: it was found necessary to include a qualification in reports on:

Frozen Food Service.

Group Laundry and Central Linen Service.

My comments have been shown in a separate paragraph headed "Extract from Report of the Auditor" under the heading of the department concerned.

Those few words unfold an extremely interesting story about which I will say more when I deal with the section

regarding the Hospitals Department. One paragraph on page 93 of the report makes quite plain that budgeting should be carried out in much more detail to provide a more accurate basis for interpretation and management decision making. Almost exactly the same comment was made about the Education Department last year, and this further statement follows it this year:

One of the difficulties experienced in this regard was the inadequacy of existing statistical and financial reports. However, a system of reporting on the number of teachers employed each fortnight has been introduced which enables variances between actual and budgeted numbers to be identified promptly and corrective action taken where necessary.

I understand that, if I wanted to know what particular items in educational use were held in any school, the Education Department could not give me any figures on that, because insufficient auditing procedures are carried out. I am certain that, as a result, losses of material used in Education Department schools each year are shown at a much lower figure than would be the case if there was proper auditing and disclosure of such losses. At page 95 the Auditor-General refers to Wattle Park Teachers Centre and states:

The standard of accounting at the Wattle Park Teachers Centre was unsatisfactory and the following matters were reported to the Department:—

Bank accounts were opened without the appropriate authority and were not reconciled regularly.

Receipts were not issued for all moneys received.

Payments could not be verified because supporting documents were not retained.

Attendance records were not maintained for personnel employed at the Centre who are not under the direct control of the Principal.

That is an indictment of the poor management because surely the matters that the Auditor-General has raised should be the basis of normal control. I have referred to the fact that an internal auditor had not been appointed to the Further Education Department, although the position had been created. At page 106 of the report, we see the first time that the Auditor-General makes clear that such a person is needed. Under "air travel", he states:

An examination of the methods of issuing air travel vouchers and the lack of control and absence of internal check applied to air travel vouchers was reported to the department. The departmental reply stated that this matter could not be resolved satisfactorily until an internal auditor was appointed.

Surely, if we are to have reasonable control, the department should act urgently to ensure that the necessary people are there to keep control of a department such as that. An interesting item on page 158 of the report deals with the Lands Department. This comment must take the cake in terms of how this Government spends, or is prepared to spend. Under the heading "Land ownership and tenure system", the Auditor-General states:

The need for more effective management and improved financial control has been recognised by the department. Approval has been given to proceed with the development of an enhanced system, estimated to cost \$2 200 000, for implementation in 1980.

It must be a good system indeed if it is to cost that amount, and that comment must show clearly that funds that this department should have spent in the past have not been spent. There has been much publicity about a comment under "Miscellaneous payments" in the section of the report dealing with the Premier's Department. There is a reference to the Royal Commission into the Non-Medical Use of Drugs. For the year, expenditure on

that commission was \$392 000. If ever there was an example of excess expenditure by this Government, it must be the expenditure on that Commission. Much publicity has been given to one individual associated with the Commission, and even the most reasonable person must have been surprised to find how much this Government was prepared to spend to obtain the services of this rather extraordinary lawyer from London.

**The Hon. N. K. Foster:** He's from South Australia, isn't he?

**The Hon. M. B. CAMERON:** I trust that the Hon. Mr. Foster did not support this item. I can tell him that the people that he purports to represent, the ordinary working people, were not pleased to find that this Government was paying a person \$300 a day.

**The Hon. N. K. Foster:** I'd sooner pay him \$600 a day than pay bloody Fraser \$6 a week.

**The Hon. M. B. CAMERON:** If the Hon. Mr. Foster supports that action by the Government, I would be surprised. He should have had qualms about that. The expenditure is absurd. Just by coincidence, this man happened to be involved in the Premier's election campaign at one time, and he has assisted the Labor Party in campaigns through London. All of that is mere coincidence—like hell!

**The Hon. T. M. Casey:** That's not very Parliamentary language.

**The PRESIDENT:** No, it is not, and I have heard several similar comments by way of interjection also. The next one will have to be stopped and notice taken of that.

**The Hon. M. B. CAMERON:** It is a sheer coincidence that this man had those links. I hope that something comes out of the Royal Commission, but payments for it are unnecessary and extravagant. The appointment of this person is a reflection on the legal profession in this State, because I am certain that there are people here who are well qualified to carry out the role that he has. He has little claim to fame in the drug field. He may have defended John Lennon, or someone like that, but I do not think his defending of a pop star should lead us to believe that he has anything to give us.

I now come to the particular matter that I think this Government and a Minister in this Council have much to answer for. I hope that one day we will receive the report of the Public Accounts Committee that is examining the whole question of the Hospitals Department and, I understand, examining particularly the question of the cost of food and whether food is being wasted, stolen, or whatever.

This has been discussed for some time and, despite claims by the Government, is still unresolved. Each time the Government faces an awkward situation with the Hospitals Department regarding food, another inquiry is set up. If, at the beginning, the Government had been prepared to accept that there was a managerial problem, this matter may have been resolved. The Government has fallen into the trap that most Governments seem to fall into, that is, the belief that it can never be wrong, no matter what it does. The Government believes that it must never admit being wrong, because if it does, it is on the way out.

The Frozen Food Factory has been operating for a short time. On page 239 of the Auditor-General's Report it is indicated that, for the first six months of operation, there was an operations deficit of \$122 000, which seems reasonable. However, the report states, "No charges were made against operations for interest and depreciation." That would be a significant item for a factory that is to cost about \$8 000 000 when completed. This factory has lost more than \$1 000 000 in the first 12 months, taking into

account these charges. It was set up because the Government believed that a centralised food facility would provide a more economic method of providing food, and perhaps prove safer. Evidence given to the Public Accounts Committee by Dr. Shea, the then Head of the Hospitals Department, on December 2, 1976, (some of which I have read to this Council previously), states:

The Chairman: Will the centralised frozen food factory overcome some of the present weaknesses in food control? . . . I think that will be a definite improvement and will overcome some of the individual weaknesses, for two reasons. The first is that we shall be able to centralise high calibre people so that we are putting out a standard high calibre product. Secondly, we shall definitely have it in mass, talking in terms of about 40 000 meals a day. Obviously, there will be wastage even in the food preparation side, let alone the patients' wastage of food, but it will be less because there will be a vast reservoir to draw from.

I do not know from where the then head of the department obtained the figure of 40 000 meals a day, because I understood that that would be double the number that was required, and the Frozen Food Factory will not produce more than 13 000 or 14 000 meals a day. I do not know whether the factory was built on the basis of 40 000 meals a day. If it were, a problem of control would have arisen from the beginning. The operation of the Frozen Food Factory has not led to the economies that the Government was expecting; in fact, quite the opposite. What is the result of this?

Quoting from the chart of figures, which I have previously quoted in this Chamber, the factory buys peas for 863c a kg and sells them to hospitals at \$1.50 a kg. The factory does not cook or change the peas in any way, but a 140 per cent mark-up is added. If any retailer attempted this, the Attorney-General would say that these people are exploiting the public. The only difference in this case is that in the long term the Frozen Food Factory is extorting taxpayers, who eventually pay for the deficit incurred.

The factory purchases beans at 95c a kg and sells them at \$1.89 a kg, and chip potatoes are purchased for 64c and sold at \$1.85. That is a 200 per cent mark-up. Does the Government consider that reasonable? I can recall the Premier saying that if roast beef was bought from outside sources there would be more gravy, but one cannot put gravy on peas, beans, or chip potatoes. Nothing can be done to them, yet there is a 200 per cent mark-up on these items. Why?

**The Hon. R. C. DeGaris:** What would the Government have to put on to make a profit overall?

**The Hon. M. B. CAMERON:** To make a profit overall, it would have to be a high figure indeed, but the Government is quite deliberately hiding the loss of the Frozen Food Factory by charging more for the products. Goods are purchased from outside and nothing is done to them. If a reasonable mark-up is added to the price of these products, the loss would be double or even treble.

The Government is deliberately trying to hide the true financial facts associated with the Frozen Food Factory, and is spreading the burden over the hospitals. The next thing is that hospitals will have a higher deficit. This would not occur if hospitals purchased food in the same way as does the Frozen Food Factory, because sufficient quantities of the same goods could be purchased direct by hospitals. Page 241 of the Auditor-General's Report states:

1. The maintaining of stock control records was inadequate.
2. Expenditure does not include all costs incurred.
3. The financial control over operations was unsatisfactory.

It was surprising that this statement was included in that part of the report, and the matter was examined by members in another place to ascertain what that particular comment referred to. It was found that there is a complete report of the auditor on the Frozen Food Factory. However, the Government will not release that report, and the Opposition and the public cannot see it, and what the Frozen Food Factory does with its money is kept a secret. Why does the Government not want the public to see this report? For the same reason that it is hiding this particular problem!

The Government does not want the public to know, because it denied that there was any problem and does not want to admit now that it has been wrong for nearly two years. We hear stories of open government and how this Government is open with the people. Worker participation has been advocated because this would allow ordinary people access to information. Surely, members of the Opposition are workers in the Council, and should be allowed to know what is going on within facilities such as the Frozen Food Factory. We represent people, but we cannot do this when the Government will not provide information that will show it in a poor light. Still referring to the frozen food facility (page 243) under "Financial Control" the Auditor-General states:

The accounting, operational controls and procedures do not ensure the accuracy and reliability of the accounting data, the provision of accurate stockholding information, and reporting on variances between actual performance and standard. Corrective action is required to assist management in the discharge of its responsibilities and ensure accountability of operations. Deficiencies disclosed by audit were referred to the committee of management on 13 July 1978. Discussions have taken place and certain matters are being reviewed.

I ask the Minister what deficiencies were disclosed and what discussions have transpired. Will the Minister be free and frank with us so that we, as the peoples' representatives, know what is going on? What is wrong with the management of this factory? We should know so that we, and the public, can make our own assessments. We might be able to assist the Minister. Certainly, he is one Minister who needs some assistance, because his department must be the greatest embarrassment to the Government of any of its departments. Under "Hospitals Department" (page 246) the Auditor-General, in relation to significant features for 1977-78, states:

In previous reports comments were made on deficiencies in the financial management of the department. Some progress was made towards overcoming the problems encountered but further corrective measures are essential to achieve effective management control.

Can the Minister give some indication of what corrective measures he has taken, and why he needs to take further action towards achieving effective management control? Will the Minister this time answer some of these questions? Previously, he has blustered his way through for half an hour after such debates and we have obtained absolutely no information. True, I can accept that the Minister cannot immediately answer questions relating to other departments, and this is a fault arising from the conduct of this debate, but surely in regard to his own department the Minister could indicate what is happening.

I can assure the Minister that, if he were frank with us, we would be looking at him in a much more kindly light. The reason for such continued criticism of him is that matters within the department are covered up by committees of inquiry and by his refusal to disclose information. Under "Budgetary control" (page 250) the Auditor-General states:

Inadequacies in the preparation of budgets have been commented upon in the last four reports. The main deficiencies in the health budgets are—

Budgets merely present cost information by items of expenditure and are not geared to cost centres for control purposes. They do not relate to identified areas of functional responsibility. Previous year's expenditures are used as the basis for the preparation of forward estimates without adequate review of performances. This allows inefficiencies to be carried forward.

This is a fault with many departments: expenditure needs are based on previous expenditure. I am sure that the Hospitals Department is not the only department that needs to examine this matter. Too often we hear that departments are anxious to relieve themselves of funds for the year so that they can submit a good case for sufficient funds for the following year. The Minister of Agriculture knows that, to a large extent, that position is correct. Under "Food costs" (page 251), in relation to Flinders Medical Centre, the Auditor-General states:

Examinations into the control of food services at the Flinders Medical Centre by my officers and at other hospitals by departmental officers disclosed a lack of satisfactory internal control, records and security, poor budgeting, and ineffective reporting.

That was exactly the situation that occurred at Northfield some years ago. True, some members will probably say that it is almost history: it is not history, because it has occurred again, but we have not been told what actually took place at Northfield. The Public Accounts Committee has not brought down its report, and I will be looking forward to that report with interest, because it is about a matter described by the Premier as no longer a problem. Yet we have it again, exactly the same problem occurring in another almost brand new hospital. The Auditor-General states:

The department ordered immediate remedial action to be taken at the Flinders Medical Centre and issued instructions to all hospitals on minimum physical controls to be implemented forthwith.

Although it is good to see that the department did jump into action once this matter was brought to its attention, it is unfortunate that this problem has arisen again when the department must have been fully aware that it could arise. The Auditor-General in previous reports had indicated that such a situation, while it had been discovered at Northfield, might arise in other hospitals.

Under "Drug Costs" (page 252) the Auditor-General indicates that the Public Service Board has established a committee to review and report on the control of drugs at Government institutions. This matter is important, and I trust that, when the committee has reviewed this matter, the Minister will make whatever information that comes forward available to this Council, because this is perhaps one of the most serious matters that concern our hospitals. We have never really seen or heard of the true problem in relation to the misuse and loss of drugs at our public hospitals and institutions. On that same page, in relation to canteens, the Auditor-General states:

It was reported last year that there was inadequate financial and physical control over the operations of the Glenside canteen. It was recommended to the department that a complete review be undertaken of operations and control of canteens at all hospitals. Glenside Hospital management has introduced revised procedures which provide better control over that canteen's operations. No reply has been received in respect to control of canteen operations at other hospitals.

That is an alarming and amazing statement for him to make: he has not heard from other hospitals on this problem, yet this problem has already been corrected at Glenside. I should like to know from the Minister whether other hospitals are going to reply to the Auditor-General, whether they have replied to him, and whether they have corrected the situation if there were any problems in canteens.

Under "Flinders Medical Centre", in relation to patient billing (page 252), the Auditor-General states:

A preliminary review of the computer patient accounting system revealed deficiencies in controls resulting in unreliable accounting data in respect to patients' accounts. Although some action has been taken, serious deficiencies in the system still exist.

Has any action been taken to overcome what the Auditor-General points out as a clear deficiency? Does that deficiency still exist? What action will the Minister take to correct this situation? In regard to pathology charges the Auditor-General states:

Difficulties were experienced by the centre with the computer programme designed to raise pathology charges. Accounts had not been rendered since 1 September 1977, and to the end of June, 1978, were estimated at \$223 000.

**The Hon. R. A. Geddes:** That's not like Gribbles.

**The Hon. M. B. CAMERON:** True, no private organisation could exist on that basis, and not send out accounts between September and June. Surely, the Government could send down a few clerks for the sake of raising revenue and getting those accounts out. Is it necessary to wait so long for accounts to be sent out?

The people must be getting annoyed because they own money but have received no accounts. I noticed in the Auditor-General's Report that it was expected that the billing would be completed by December. I should like to know whether billing is now occurring or, indeed, whether it is almost completed, and whether the Minister is ensuring that this ridiculous situation does not occur again. This State cannot afford to have that money unpaid when people are possibly perfectly willing to pay it.

I refer now to the Monarto Development Commission. I noticed in the *Australian* a couple of days ago that the Premier is apparently committed to Monarto, believing that it is necessary for this State's future. I do not know when the Premier will realise that this dream has passed by and that we are no longer participating in the election held in 1973, or whenever it was. The Premier should realise that he no longer needs Monarto. He can think up a brand new furphy next time. In the meantime, his rather extraordinary idea that we cannot afford to sell Monarto because we will incur a loss rather surprises me.

**The Hon. R. C. DeGaris:** I wonder what we're losing in interest.

**The Hon. M. B. CAMERON:** That is indeed a relevant comment. In 1977-78, the excess of expenditure over income totalled \$3 033 000 in this respect. This land is all good farm land, and I assure the Premier that, if farmers still held it, they would not have an excess of expenditure over income. Certainly, they would not have done so this year, which has been a good one.

I should be interested to see whether the Government gets a better return from this large farm that it has acquired at Monarto, and whether the Premier will finally realise that it does not hurt for him to admit occasionally that he is wrong. If one can admit that one is wrong, the public will accept it. The Premier has merely to say, "We made a mistake and committed too many funds to a project that is not on."

**The Hon. J. E. Dunford:** Did you admit that you were wrong when you joined the Liberal Movement?

**The Hon. M. B. CAMERON:** Yes, I did.

**The Hon. C. J. Sumner:** That was your biggest mistake.

**The ACTING PRESIDENT (Hon. M. B. Dawkins):** Order! Interjections are out of order.

**The Hon. M. B. CAMERON:** I agree with the Hon. Mr. Sumner. Monarto was a ridiculous proposal from the beginning. It was the wrong place for a new city but, more important, the Government did not take into account that this State's population growth was slowing down. Indeed, it still refuses to accept that fact. In the meantime, the Government is still threatening to shift Government departments to Monarto. The Monarto project, which has tied up too many funds, should be dispensed with as soon as possible. This State cannot afford to have its Government continuing to lose \$3 000 000 a year, much of which is capitalised, so increasing the amount that it will cost in future because of increased interest payments.

I refer now to the State Transport Authority. It has been interesting, in the time that I have been associated with politics in this State, to watch the Minister of Transport preside over the destruction of this State's transport system. When the Minister came into office, we were in a reasonably financial situation. Not a great loss was being incurred on our rail system, but what has happened since? We got to the stage where we could not afford to run our country rail services, which became an impossible burden on the State.

**The Hon. C. J. Sumner:** Did that happen in the other States?

**The Hon. M. B. CAMERON:** I am not worried about what happened in the other States. The Government decided properly (I supported the move) that it could no longer afford to run our country railways. That was the real reason behind the sale of our country railways. The Government saw a way in which it could get some easy money. One should have thought that, once it was relieved of that burden, and this part of the Government's poor management was removed, the Government would be able to keep the railways under control. However, that has not happened.

One sees from page 493 of the Auditor-General's Report that operations conducted for the year resulted in a deficit of \$19 000 000, towards which the State Government contributed \$18 400 000 for the State Transport Authority. What an indictment that is of this Government, because I understand that that is almost double the previous year's loss. What will happen next year? I understand that the loss is likely to be almost double that amount again. Indeed, a possible loss of \$35 000 000 has been referred to.

Despite all that the Minister of Transport has done, 750 000 fewer journeys were made on our transport system last year, the State Transport Authority incurring a loss of 33 cents on each passenger. So, every passenger that travelled one of our transport systems cost the State 33 cents. That loss is increasing at a rate far above the inflation rate. So, the Government cannot blame inflation for this. The loss is so far above the inflation rate that it is laughable.

**The Hon. J. E. Dunford:** Have you compared the fares here to those in Victoria?

**The Hon. M. B. CAMERON:** This Government has allowed this State's transport system to get into a dreadful financial position and, before long (as I said last year), we will have to ask the Commonwealth Government to purchase our entire transport system. What a sad indictment of this Government that will be. The Minister of Transport has slowly but surely presided over the demolition of our public transport system, because he cannot seem to manage the financial side of it.

**The Hon. C. M. Hill:** And he has built up a big departmental empire, as well.

**The Hon. M. B. CAMERON:** That is so: it is huge. In fact, the Auditor-General made clear that much will have to be spent on the private bus systems that have been taken over, supposedly to bring them up to the standard required by the State Transport Authority. It is said that we will incur on all the systems that have been taken over a loss equal to that incurred on other transport systems. The entire document is a total indictment of this Government's financial management.

It has amazed me that Government back-benchers, some of whom I trust are good honest men, have sat back and said absolutely nothing about their own Government's financial mismanagement of the State. They are willing to sit there and allow this State to be brought down by their Cabinet colleagues. Of course, this is because they are waiting for their chance to get on the front bench. Indeed, the Hon. Mr. Cornwall is the daddy of them all. He nearly had the Minister of Lands last time around, until the Premier called off the dogs at the last moment.

He is now not going to say a word in criticism of anyone. He will go on criticising the Fraser Government and try to win support among the Caucus. It would be more to the point if members opposite took a good and careful look at the way their own nest is being run before they started worrying about what other people are doing, because the Federal Government has reduced inflation. Unemployment has risen, but that was already there, and in the days of the Whitlam Government we heard no criticism at all until the last three days before the State election, when suddenly everyone realised it was time to torpedo the Whitlam Government and run away from it. Until that time Government members said absolutely nothing about unemployment. They never talked about my namesake, Clyde Cameron, who said that he was going to resign if unemployment reached 200 000.

**The Hon. J. E. Dunford:** That was a misprint; he told me.

**The Hon. M. B. CAMERON:** I bet he did. It was no misprint; I can assure the honourable member of that. I am quite certain that he believed it at the time. What he did not realise was that that was the way it was going to end up. The Federal Government has reduced inflation and the South Australian Labor Government has benefited from this. I heard the Premier the other day on radio trying to claim credit for the fact that the inflation rate in South Australia was the lowest. What an incredible situation, when every action of this Government has been designed to increase inflation.

The Government never reduced expenditure until this year; it went on spending money and calling for more to be spent. It has continued to go before the Arbitration Commission calling for a full flow-on of the c.p.i. increase. All these things are designed to increase inflation, yet the Government tries to claim credit for a reduction. Its budgetary position is much better, because the Fraser Government has brought down inflation, and this Government is very lucky indeed that the Whitlam Government was not retained, because it would have led the South Australian Government into financial troubles such as it had never seen.

I would be very pleased to hear one of the people opposite get up and say something about their own Government's management. Let us hear something about it. Let us hear whether they have actually read the documents. I do not believe they have, and I do not believe they know anything about what is happening. They leave it all to the front-benchers, who have made such an absolute mess of it in the past week, not the least of them

being the Minister of Health, whose department is in nothing more than a disgraceful financial position. Its management is disgraceful, and this has been shown up in report after report from the Auditor-General. It is time that something was done about it. It is time we got something more than just reports from committees of inquiry and further committees of inquiry to look into the reports of committees of inquiry! We would like to hear the full information that the Minister can give us on his department.

**The Hon. N. K. FOSTER:** First, I would like to reply to the Hon. Mr. Cameron when he says that not one word has been spoken on this side about the Budget. I draw his attention to the fact that more than 45 pages of *Hansard* proofs for last Tuesday deal in minute detail, including appendices, with the Budget. I also draw his attention to the fact that there is a vast difference between the Auditor-General's Report and the appropriation measures now before us.

The Hon. Mr. Cameron attempted in the early part of his speech to say that all we have done is cast reflections upon the Federal Government and the Federal Budget, but he is mistaken if he thinks that no-one is going to continue to be straight and honest here this afternoon and describe this Budget as one of restriction and restraint, to an extent, brought about by the non-policies of the present regime, that mongrelised Government in Canberra. If members opposite take offence to the word "mongrelised" I suggest that they think about it. The Federal Government is a coalition led on the one hand by Fraser and dominated on the other by Anthony, who we see in a news report are at loggerheads. If the Federal Government has any idea of balance and cohesion, or any thought for the future of this country only for the short term, let alone the long term, bearing in mind that it secured a majority of Liberal Party members in the House of Representatives at the last election, why has it not had the guts, the policies, foresight or fortitude to cast aside that extremely right-wing element that seeks to control it and bash it as the Country Party has done over the years from McEwen to Anthony and Nixon?

Remember the big devaluation of the 1970's when they told the Government that it was not on because they did not consider it was the best thing for farmers: it was the wrong move! The person who stands over them today, Sinclair, is himself in a good deal of trouble because of his own economic mismanagement. How can the people concerned, who hold responsible positions in the Federal Government and who were the accusers of the Whitlam Government, not expect to receive much the same treatment as they accorded their predecessors? I said yesterday afternoon that even Anthony, an extreme right-wing political light-weight had in some respects completely stolen the policy of the late Rex Connor, but unfortunately not the entire policy.

I draw the Hon. Mr. Cameron's attention to a document he took around this State in 1975, telling the students at the Salisbury college that it was the Bible for the future of Australian electors. He had with him Malcolm Fraser's policy speech for the 1975 election. Let us slowly turn the pages of this most infamous document. It states:

Let us all as Australians determine to restore prosperity, defeat inflation and provide jobs for all.

Yet, today we find that in its Budget this year it merely assumed an increase in unemployment for the full financial year of more than 90 000. One would need to consider the number of people in the community disadvantaged by such an outrageous document as the last Federal Budget and multiply that by three, in order to include the dependants



(an average of two or three for each person) of those who were unemployed, and that would indicate about 300 000 disadvantaged people in Australia. Yet this lofty, aristocratic waster of public money, who takes unto himself a luxury giant jet so that he can skip from one country to another, says that he is not perturbed about unemployment.

In 1975, Mr. Hill and I had a difference of opinion at the Salisbury shopping mall over the infamous document —“Turn on the lights; Australian needs change, reform and idealism,” it said. None of those things have been provided other than a change for the worse. We were told that Australia needed a change of direction, but that has failed. The Prime Minister has had to dismiss or suspend nine Ministers, because they have so disgracefully mismanaged their Ministries.

Mr. Fraser has sacked some of his senior Ministers. In fact, he ought to be sacking one of his senior Ministers at the present time. On the last occasion when he sacked a senior Minister, Mr. Fraser's popularity rating fell by 10 per cent or 20 per cent. The document states:

The major element in this strategy is to bring about growth in production in the private sector.

Actually, Mr. Fraser has presided for three years over a private sector whose output has steadily dwindled. The document continues:

There will be an end to Government extravagances and excesses.

However, Mr. Fraser and Tammie are extravagant in using public funds, in spite of the fact that Mr. Fraser levelled so much criticism at Mr. Whitlam and the previous Labor Government. The document continues:

There will be no international safaris.

Actually, Mr. Fraser has been overseas on more occasions than have any of his predecessors, and at greater cost. The document continues:

Over the next three years we will introduce a number of  
• major reforms to direct resources away from Government and back into the hands of individuals and business.

Actually, individuals and business have steadily fallen behind since Mr. Fraser took office in a most disgraceful way. The document continues:

Our strategy to promote growth is clear.

The Hon. Mr. Cameron said that Mr. Fraser had reduced inflation. President Carter said he would reduce inflation, but in the last 24 hours President Carter has had the guts to stand up before the people of America and say, “I have failed. I want to try something else. Bear with me while I act on your behalf.” We can contrast President Carter's honest approach with Mr. Fraser's approach. The document continues:

We have got to give a high priority to encouraging private enterprise to start building factories, buying machines, providing jobs. Unless we do that, we will never work our way out of inflation and create opportunities and jobs.

Mr. Fraser said he would support wage indexation, but he has not done so. He also said he would abolish the Prices Justification Tribunal, and he is now rendering the tribunal ineffective. The document continues:

Only under a Liberal-National Country Party Government will there be a return to business confidence.

Only under a Liberal-National Country Party Government will there be jobs for all who want to work.

One of the greatest tragedies in this country at present is that there are not sufficient jobs for half of those who want to work, let alone all of those who want to work. At page 10, the document states:

We stand by our commitment to abolish the means test on pensions.

Actually, the recent Federal Budget extended the means

test on pensions. The document continues:

We will maintain Medibank and ensure that the standard of health care does not decline.

Yesterday, I asked the Minister of Health whether age pensioners would be forced, if their doctor refused to bulk bill, to pick up the tab for 15 per cent of the doctor's bill. In this document Mr. Fraser goes on to deal with grants for schools and family allowances. The document continues:

Aboriginal Affairs under Labor has been a disaster, which even they admit.

Actually, the Federal Liberal Government's treatment of Aborigines has been a debacle. Further, its negotiations concerning the Aborigines at Aurukun have been disgraceful. Yet, Mr. Fraser attempts to stand on a pedestal and say he will save the Aborigines from Bjelke-Petersen. He sent his Minister for Aboriginal Affairs to Queensland, but actually he back-stabbed the Aboriginal people of northern Queensland.

The Fraser Government's third Budget is a disaster for Australia. It strikes at everyone, but most savagely at the poor, the sick, the elderly, and the great majority of families. The alleged temporary increase in tax rates wipes out for 55 per cent of taxpayers any benefit from the February tax cuts. What the people were promised in last year's Federal Budget as election bait is now being stripped from them. In fact, the cuts applied for only five months, because the new taxation rates are back-dated to 1 July. The Hon. Mr. Hill and the Hon. Mr. DeGaris have often opposed retrospectivity, but I have heard not a murmur of complaint from them about the provision in the Federal Budget for retrospectivity in connection with the new tax rates. It is the first time in many years that an increase in personal income tax has been applied retrospectively. One of the most appalling aspects of the Budget is its effect on employment. It assumes an increase in unemployment over the full financial year of at least 90 000. On this basis, official projections of a peak in unemployment of 500 000 in the new year are being understated.

One of the greatest tragedies that have befallen this country since 1975 is the fact that the people fell for the lies of Mr. Fraser in 1977. A similar document was produced in 1977. On comparing the photograph of Mr. Fraser in 1975 with that of him in 1977, I find that he looked serious in 1975, whereas he had a smile in 1977. Evidently, his smile indicates that he is saying to himself, “I conned them last time, and I will con them again.” As a result of the non-policies of the Fraser Government, we have virtually no growth in this country today.

The establishment of a petro-chemical industry in this State has been raised consistently since 1973, but it has been delayed not by the State Government but by the Federal Government, which is still in a dilemma. Court, the terrible Petersen, and Wran want one in their States, and Hamer wants one in Victoria so that he can get out of the matter of the shonky land deals. Fraser ought to make up his mind, and I hope he decides that the project ought to proceed in South Australia. Otherwise, there will be a catastrophic waste of the natural resources in the Cooper Basin.

Another aspect is that the Federal Government has shown no responsibility towards school-leavers and their finding employment. They were unable to find employment when they left school in 1974. The position was similar in 1975, and now almost 50 per cent of the disadvantaged people and the school-leavers from earlier years are seeking work. In the 1980's people aged about 25 will not have had a steady income in their lives and they will have been denied the right to share the economic cake, the social benefits, and the lifestyle that most of us

like to have.

That will happen in the early 1980's and by the middle 1980's many people aged between 20 and 30 years will never have had a job. That position will make people think of violence and sabotage. They will go beyond stealing from Totalizator Agency Board offices and banks: they will try to destroy, because society will have done nothing for them and so they will not do anything for society.

**The Hon. C. M. Hill:** What proposal have you about helping them?

**The Hon. N. K. FOSTER:** A person who does not get a job in the first year after he leaves school has his difficulty compounded in succeeding years. If you employed someone in your office, you would engage a person who had just left school, not someone who had been out of work for a few years. The time to act was not in the days of the Gorton, McMahon or Whitlam Governments, or the individual in charge in Canberra now.

Many thinking people in the trade unions and in some areas of commerce realised in the early 1960's, during the mineral boom, that we would have many problems later. Massive industrial manpower fodder was brought to Whyalla, and to every motor car factory, by successive Ministers for Immigration, at the behest of B.H.P. and the other big employers. In the late 1950's, it was evident that mechanisation and technology would cause serious inroads in the Australian work force. There was no better example of that than the dieselisation of the railways.

We could see the pattern in the early 1950's, but in those years we were lucky enough to have expansion. The highest inflation we have had occurred in the 1950's, but fortunately we had a growth rate and a development programme that could sustain it. We had a boost in house and factory building, and the natural and migrant population was increasing. However, when that started to slow down, we had difficulties. What did the great white god, Menzies, do in 23 years in Government? Fadden was Deputy Prime Minister and Leader of the Country Party, but he left to become Chairman of a board that raped Australia in regard to the Weipa bauxite deposits.

At that stage, it was found that the type of aluminium that had considerable strength, and therefore was valuable for building, could be produced economically, but what did the Federal Government do? It was constructing ports, at taxpayers' expense, so that the product could be processed outside Australia. Who stood to gain and who stood to lose in that? I ask members opposite to show me one headline from those long weary years indicating that anything was done. We have changed from being a country that would not allow 50 per cent of our scrap iron to be exported, and that was a good policy.

Overnight, it was discovered, after the international consortium had got its hands on it, that we had enough iron ore to supply Australia's needs for 300 years. We were still not informed that a second steelmaking plant would be built in Australia. At that time there was only one. Combining Newcastle with Port Kembla and Wollongong—

**The Hon. C. M. Hill:** Are you going to let us use our resources at Roxby Downs?

**The Hon. N. K. FOSTER:** You do not like what I am saying. You made no provisions at all in this country.

**The Hon. C. M. Hill:** You are keeping this State poor, and you are happy with it.

**The Hon. N. K. FOSTER:** I will reply to that directly. All the Opposition did was put the wealth in the hands of people like Lang Hancock and one of your mates who should have gone to gaol in connection with certain mines and mineral discoveries. Shierlaw ripped the public off for millions of dollars and got away with it. Opposition

members talk about prosecutions but pay no attention to white-collar crimes. They let the overseas companies come to Australia and rape our resources. The heaviest trains in the world do not run on the railways of Europe, America, or Russia: they run in Western Australia—dig a million, make a million, according to Lang Hancock. There is nothing for the Australian people in that, not even jobs. There are only technocrats in isolation.

**The Hon. C. M. Hill:** Have you been to Mount Newman and seen the jobs there?

**The Hon. N. K. FOSTER:** There are some there, and they are subject to more industrial strife (the mining areas of Newman and others in Western Australia) than any other comparable mining area in the Western world.

**The Hon. C. M. Hill:** You'd better check that. You're upset about Mount Newman because they voted Liberal.

**The Hon. N. K. FOSTER:** They can vote what they like. That is their prerogative. I do not complain because people in Mount Isa vote for the Liberal Party. I do not care if Broken Hill has a Liberal or Labor local council; that is their right. If people want to be fooled by the Liberal Party, they are more foolish than one would normally think. Australia is a non-industrial country compared to the amount of energy resources that we have available in this country to develop industry if we want to. The whole of the north-west shelf is owned by foreign companies. Our Australian equity in it, what little there is, is practically worthless. I am not sure whether there is any left now, following an announcement two years ago about that matter.

If everyone in Australia in the next two years decided to scrap their motor vehicles and get new ones, we would not see in the areas concerned the great intake of labour that occurred in the 1950's and the 1960's, because of technology. This is proved by comparing the number of men and women now employed to produce a motor car as against the number employed, say, 15 years ago. Can the Hon. Mr. Hill say how many Australians work for the B.H.P. (the number is much less than it was two or three years ago)?

**The Hon. C. M. Hill:** You tell me.

**The Hon. N. K. FOSTER:** It is almost 70 000, but Utah makes twice the profit and leaves nothing in Australia. At least B.H.P. leaves something in Australia. Utah employs fewer than 3 000 Australians. That spells out the tragedy of neglect, misunderstanding and ineffectiveness of those years, which should have been years of formation for Australia, when Liberal Governments were in power. Is it any wonder that we see people in the mall, only some hundreds of yards away, suffering day after day, criticised by some and condemned by others? We on this side of the Chamber say correctly that the situation of those people is the responsibility not only of the State Government, as the Opposition suggests it is. The taxing system and the borrowing and raising of money by the States is not sufficient for any State Government to embark on a project that would overcome the situation in the next five years.

Things are changing in that regard, but only because of political motives. There has been a great deal of criticism on the part of the Liberal Party about pay-roll tax, but that Party has a short memory. When the States went to the McMahon Government for greater areas of taxation, McMahon, that great former Treasurer, restricted the States through the money available from the Commonwealth, and he said "I will increase the areas of State taxation."

**The Hon. J. C. Burdett:** You haven't said a word about the State Budget.

**The Hon. N. K. FOSTER:** I have said plenty about the

State Budget and the restrictions placed on it by the Federal Budget. McMahon graciously said, "I will give you an area of taxation," and this was the first time payroll taxation came into the State area. He said, "We will vacate the field. I will not give you a penny above what the Treasury determines you can raise in your own State by an imposition of that type of tax on business." That is how pay-roll tax came to be levied in South Australia.

I commend the measure before us, and I hope it will be carried within the next two hours or so, disproving any suggestion that we on this side are anything less than honest as regards placing criticism where it belongs.

**The Hon. C. J. SUMNER:** Honourable members opposite have criticised those on this side of the Council because we have, when discussing the State Budget, made comments about the Federal Government's economic policy. However, honourable members will have to put up with this, because it is quite clear that any economic down-turn in any Australian State must be influenced to a large extent by Federal economic policies.

The extent to which a State Government can influence those policies is limited. The extent to which a State Government can take action to stimulate the economy in the face of Federal policies, which depress the economy, is limited. One has only to examine our Budget figures in comparison to the Federal Budget figures to see how, when one is talking about the national economy *vis a vis* the States, it is the national Government that has the power to influence economic development much more than has the States.

Our Budget on Revenue Account is \$1 270 572 000, and on Loan Account it is about \$253 000 000, a total of about \$1 500 000 000. In the 1977-78 financial year the Federal Government had a deficit of about \$3 333 000 000; that is, its deficit was more than twice the size of our total Budget, including the Loan Account. In the 1978-79 Federal Budget the amount allocated for outlays was \$28 870 000 000, and the projected deficit was \$2 813 000 000. From those figures it is clear that the power to influence the national economy rests with the Federal Government.

A deficit that is twice our State Budget should bring that fact home to members opposite. In addition, the Federal Government has the power to influence economic decisions that the State Government does not have. It has the power through the Reserve Bank over credit, and it has income-taxing powers. It is proper, I believe, that the Federal Government should have such powers: it should have greater economic powers to deal with the sort of international and national economic problems facing Australia.

What a State Government can do in the face of Federal economic policies that aim towards a depressed economy is limited. South Australia has tried to do some things, especially with the State Unemployment Relief Scheme. We have tried to promote employment and promote demand within South Australia, but that policy has had to be reduced because of the Federal Government's cuts in grants and loans to the States.

When we were developing this scheme, the Federal Government did not give any assistance to South Australia, despite the fact that it was getting taxation on the wages paid from SURS. Although the State Government made a request for some sort of relief in this respect, there was none. That was one initiative that the State Government tried and has now had to cut back because of the financial situation in which the State finds itself as a result of Federal policies.

There are other things that we can do. I refer to the

recently announced Establishment Payments Scheme for industry in South Australia. That is another incentive that is given by the State Government towards economic development, and similar incentive schemes are offered in other States. It is something we can do and that we are doing. However, such things are minor in comparison with the overall impact that the Federal Government has on the economy and that the international economy has on the national economy. The Opposition has raised during this debate several old hoary chestnuts that it has produced previously. One is that South Australia, since the demise of Sir Thomas Playford, has lost its wage cost advantage.

**The Hon. Jessie Cooper:** Since the "political" demise of Sir Thomas Playford.

**The Hon. C. J. SUMNER:** True, Sir Thomas Playford is still very much with us, and I hope he remains with us for many years to come. I was referring to his political demise. The argument from members opposite is that South Australia has lost its wage cost advantage. However, I suggest that honourable members examine the average weekly earnings for the June quarter this year in the following figures:

	\$
South Australia .....	205.90
New South Wales .....	216.90
Victoria .....	217.50
Queensland .....	211.20
Western Australia .....	213.90
Tasmania .....	201.10

Of all the mainland States, South Australia has the lowest wage structure: it is about \$11 lower than New South Wales and \$5 lower than Queensland. I cannot see how honourable members can sustain that argument, but they continue to try.

**The Hon. C. M. Hill:** You have to go a little deeper than that. What about the differences that applied in Playford's day?

**The Hon. C. J. SUMNER:** I will deal with some of those matters. I refer, for example, to the Opposition member's claim of the high cost of workmen's compensation in South Australia. They claim it is costing South Australia out of the advantage that it may once have had. In that respect I refer to the *Australian Safety News*, January/February 1978, page 47, and a report by H. M. Ponsford, LL.B., Legal Officer, Victorian Chamber of Manufactures, who, in regard to Victoria, states:

The cost of worker's compensation in Victoria represents a major problem for employers and in many cases appears to be exorbitant when compared with the position in some other States, for example, Queensland and South Australia, in particular.

That comment is by the Victorian Chamber of Manufactures. It is complaining because the Victorian Liberal Government has workmen's compensation costs that are exorbitant in comparison with the position in other States, particularly in South Australia.

I am amazed how members opposite can continue to run this complete furphy, which is what it is. To say that workmen's compensation benefits in South Australia are excessive is absolute nonsense. Do honourable members opposite realise that the maximum lump-sum payment that can be paid to a worker under the Workmen's Compensation Act is \$25 000? That is the amount that can be paid to a person who is totally and permanently disabled, unable to work again. While there is a provision that in exceptional circumstances that amount can be increased, that rarely happens.

Because of the way in which the law has been interpreted, it means that effectively a person cannot get more than \$20 000 or \$21 000. That sort of figure could be

paid to an injured man of, say, 30 years of age who has a family, and for one to say that that sort of lump sum payment is excessive is, to my mind, absolute nonsense. I cannot really see how members opposite can refer to this matter when trying to criticise this Government for our loss of cost advantage in relation to workmen's compensation.

We also continue to hear about State taxation. The only trouble in this respect is that recently I saw the newly elected New South Wales Opposition Leader complaining on television that New South Wales had the highest per capita taxation rate in Australia. I wonder how that fits in with the claims made by members opposite regarding this State. Figures produced previously in the Council show that what the New South Wales Leader said is correct: that New South Wales and Victoria have the highest per capita rate of taxation in Australia.

It is argued whether mining royalties should be included when assessing taxation. If they are included, South Australia has the lowest per capita taxation on the mainland. If they are excluded, South Australia would be third in line amongst the States. However, it is still below New South Wales and Victoria.

**The Hon. J. C. Burdett:** We've always said that we're third.

**The Hon. D. H. L. Banfield:** Yesterday, the Hon. Mr. Hill was telling us that we were the highest.

**The Hon. C. J. SUMNER:** I am pleased that the Hon. Mr. Burdett admits that we in South Australia have the third highest per capita rate of taxation in Australia, and that it is only marginally ahead of that in Queensland and Western Australia. Therefore, complaints made by members opposite in this respect are completely unfounded. If one looks at the situation regarding pay-roll tax, which it is said may be a disincentive to employment, certainly one would think that in times of high unemployment it was not a good tax. Clearly, however, South Australia cannot abolish pay-roll tax independently of the other States. For that to happen, something would have to be done at the Federal level. Mr. Whitlam, at the last election before his political demise, put forward a proposal to abolish pay-roll tax. Of course, that move was unpopular, and Mr. Whitlam did not fare well at the election. If something is to be done about pay-roll tax, it must be done at the Federal level. If one examines the situation, one finds that South Australia, Victoria and Western Australia have the lowest pay-roll tax rates.

**The Hon. R. C. DeGaris:** Do you agree that, worked out across the board, there has been a generally higher cost rise in South Australia?

**The Hon. C. J. SUMNER:** I do not have any figures to indicate that there has been a much greater rise (if there has been any) in costs in this State. If the honourable member produced such figures, I would be interested to see them. Certainly, it seems from the sort of figures to which I am now referring that complaints made by Opposition members regarding South Australia's supposed loss of cost advantage do not stand up.

**The Hon. R. C. DeGaris:** I think they do.

**The Hon. C. J. SUMNER:** I should like in next year's debate to hear the Hon. Mr. DeGaris giving the Council something a little more concrete in this respect. He talks about this matter, but when the facts are put to him (as I am putting them to him now) he does not have anything with which to answer them. A few months ago, members opposite referred to the great exodus to Queensland, which references received considerable publicity. However, the fact is that Western Australia has the highest population growth rate, namely, 2.3 per cent or 2.4 per cent, compared to the national average of 1.2 per cent.

Queensland has a population growth rate of about the national average, whereas South Australia's figure is, I think, just below the national average.

One of the interesting things about these figures is that, for some reason, South Australians do not seem to be populating by natural birth as much as are their fellow Australians. With 9 per cent of Australia's population, South Australia has only 8 per cent of Australia's births each year. Given that South Australia's population growth rate is just below the national average, it seems that the migration component in the South Australian figure is greater than that in Queensland, for instance. So, if one examines the figures in this light, one sees that what Opposition members are saying is a furphy that does not have any basis in fact.

Unemployment in South Australia is undoubtedly a great problem. I will not reiterate what I have said regarding the Federal Government's role in this matter. Undoubtedly, the Federal Government has played a role in increasing unemployment throughout Australia for a deliberate economic reason, namely to reduce inflation. That Government hopes that a reduction in inflation will increase investment in Australia, and that that will in turn lead to increased employment. That has been the strategy, although we have not yet seen it work. I doubt whether it will work. The Federal Government's economic policies are at present designed to increase unemployment.

**The Hon. R. C. DeGaris:** You're wrong.

**The Hon. C. J. SUMNER:** They are doing it.

**The Hon. R. C. DeGaris:** What years are you talking about in relation to the escalation of unemployment?

**The Hon. C. J. SUMNER:** It started during the Whitlam Government, but it has increased rapidly since.

**The Hon. J. C. Burdett:** The rate of increase in unemployment has not risen.

**The Hon. C. J. SUMNER:** It has not, but certainly the numbers have increased, particularly in South Australia.

**The Hon. M. B. Cameron:** It happened at a time of high inflation.

**The Hon. C. J. SUMNER:** I agree. However, I will not enter into a debate regarding the economic policies that brought that about. There is no doubt that during the Whitlam Government there was a large increase in unemployment and a high rate of inflation for which there were many economic reasons, including, substantially, the international economy. However, I am concentrating on South Australia. The loss of jobs has been greatest in certain industries, one of which is the car industry.

**The Hon. M. B. Cameron:** The Public Service isn't one.

**The Hon. C. J. SUMNER:** That is so. In the car industry, South Australia indeed relies on markets in other States. The local market cannot sustain the South Australian car industry, so we depend on the demand throughout the rest of Australia. Problems were experienced earlier because Chrysler Australia Limited did not change over to four-cylinder vehicles. That involved a management problem: Chrysler did not pick the market trends sufficiently early. What the South Australian Government can do about that, I do not know. Perhaps members opposite might like to tell me. The second area of large unemployment is the Whyalla shipyard, but the decision to close that was taken by the Federal Government.

How the South Australian Government can be blamed for that, I do not know. In the building industry there was a large loss of employment. Again, the building industry in South Australia is affected largely by Federal Government policies. A problem occurred in 1976 when there was a surge in the building industry and too many homes were built. We had a period in 1977 to now when there are

vacant houses. That slack is being taken up, and one hopes there will be a revival soon in the building industry. What the State Government could have done about that, I do not know.

The weather is another factor, and employment losses in Samcor and in agricultural machinery manufacturing have also affected the situation. Again, the Government has no control over that, but it has contributed to the loss of jobs within South Australia. So, the unemployment situation here is grave, but that situation has been caused by a combination of Federal Government policies and local factors over which the Government in South Australia (whichever Government had been in power) would have had no control.

When referring to unemployment in South Australia, there is no point in quoting figures and then blaming the Dunstan Government. It is not a valid way of arguing, and it does not come to grips with the real problems associated with unemployment. Those problems, which revolve around technological change, were ably presented to the Council yesterday by the Hon. Mr. Blevins.

Finally, looking at the inflation rate in South Australia and taking the figures for the 12 months prior to the last issue of the consumer price index, one can see that South Australia had the lowest inflation rate in Australia for that period. One can take other periods during the past three or four years which show a higher rate, but the point is that there is not within South Australia an appreciably higher inflation rate than there is in the rest of Australia. So, it does not seem that the Dunstan Government can be blamed, nor can it completely claim the credit, for the inflation rate being what it is in South Australia. Obviously, the inflation rate is affected largely by national economic policies, but the point is that the Dunstan Government is not doing anything that would increase inflation within South Australia; the fact that we currently have the lowest rate of inflation would support that argument.

The Fraser strategy is that inflation will come down and that this will mean a return of investment and an increase in employment. Inflation is coming down throughout the nation. It is arguable whether it has stabilised at present, because the rate of decrease in the last quarter was not as great as it had been previously. However, it has come down, and now will come the test. Mr. Fraser insists that, with inflation coming down, employment will increase. I point out to honourable members opposite that that has not happened, and there is no indication that it is going to happen.

The test for honourable members opposite is coming very shortly. They have been basking in the sun over the past three years with Mr. Fraser's wins in 1975 and 1977 and the people's acceptance of his promise that he would reduce inflation, thereby promoting job opportunities. Up to the present, the employment situation has not improved. If an improvement does not occur soon, Mr. Fraser's credibility will be absolutely ruined; indeed, there is evidence that it is almost ruined now, judging by the recent elections in New South Wales and in the Federal seat of Werriwa. Referring to the relationship between inflation and unemployment, the President of the Federal Conciliation and Arbitration Commission made the following statement on 7 June 1978:

Contrary to expectations and submissions in successive national wage cases, the decline in the rate of inflation has not been accompanied by economic recovery and falling unemployment.

Honourable members are aware that that was the Fraser Government's argument to the commission: if wage increases were not granted, inflation would come down

and there would be an increase in employment. The statement continues:

The tentative signs of recovery noted in earlier cases have so far not materialised. Unemployment has worsened.

That is a recognition by the national wage fixing tribunal that the argument that has been put up by the Fraser Government has not succeeded. One must now look at an alternative to the Fraser Government's policy. However, I do not intend to go into this matter now. Suffice to say that the Labor Party has put forward a proposition, through Bill Hayden in his shadow Budget in Federal Parliament, which provided for some stimulus to the economy. It seems that, unless that stimulus is applied soon, unemployment will become even worse, and there will be a loss of morale in Australia that cannot be remedied. I support the Bill.

**The Hon. T. M. CASEY (Minister of Lands):** During the debate the Hon. Mr. Murray Hill referred to a line dealing with the Lands Department with estimated expenditure for 1978-79 of \$953 000. I point out to the honourable member that the work involves accommodation in the Colonel Light Centre to provide new offices for the Registrar-General in the Lands Department. The sum also provides for the strengthening of the mezzanine floor to hold the large record store of the Registrar-General's office, and to provide a fair measure of fire rating.

As the honourable member knows, other departments are to move into the premises that the Lands Department has occupied for several years. That department, particularly the Registrar-General, must have its offices on the ground floor in order to give service to the public, and that is why money is set aside for that purpose.

**The Hon. D. H. L. BANFIELD (Minister of Health):** I thank honourable members for their attention to these Bills. Several members have raised matters and some replies are available. However, as replies are not available on other matters that my officers are examining, members will receive them as soon as possible. The Hon. Mr. Hill raised some matter regarding the Health Commission. He referred to "criticism and grave fears". I think those words were used in a letter from a phantom writer.

**The Hon. C. M. Hill:** It was from a constituent.

**The Hon. D. H. L. BANFIELD:** That is right. He also said that a survey had been carried out and that he had a favourable report from some people. That is the sort of thing we get from time to time. He said that criticism and "grave fears" had been expressed to him about the establishment of the commission. I think it fair to say that, in any area where we seek to establish a new organisation, particularly where we try to amalgamate into it the functions carried out by an existing organisation, there are bound to be uncertainties and anxieties. It must be expected that there will be a certain amount of difficulty, and a certain number of obstacles to be overcome when we seek to move from a long-established Public Service system to a new health service system. Anyone who thinks it can be accomplished overnight, and without any problems, is only deluding himself.

I refer the Hon. Mr. Hill and other members to what Mr. Justice Bright said when he recommended that the Health Commission be set up. His Honour urged that the new health authority should not attempt too much too quickly. New South Wales, based on its experience, also advised against rushing into things. "Think, plan and organise: don't go in half-baked" was the message from that State. I do not think honourable members can say that we have rushed into this.

**The Hon. C. M. Hill:** They certainly cannot.

**The Hon. D. H. L. BANFIELD:** We are doing exactly what Mr. Justice Bright recommended. If we had done otherwise, the Opposition would have criticised us for that. We are carrying out the recommendation in that report and we are also taking a guide from New South Wales, which has also indicated to us that we should not go in half-baked.

The commission has now been established for just over 12 months, and that was an achievement. During this time, it has been involved in developing its own internal structure and procedures, and also in planning for the incorporation of individual health units, in the first instance Government hospitals.

It is true that the original time table for incorporation is several months behind schedule, as the legal and industrial aspects of moving from one system to another have proved more complex than at first anticipated. Perhaps, looking at the matter in retrospect, we were a little too ambitious when we set our original target date. However, rather than keep to it, we considered it better to hasten slowly so that not too many mistakes would be made.

It is also true to say that there has been much discussion on the draft constitutions, in an effort to arrive at a satisfactory document. I do not know why the Hon. Mr. Hill is critical about that. I have always thought that consultation was a good thing. If we had drawn up constitutions without having consultation, I am sure there would have been an outcry from members opposite. We have been talking to people, and now we have a constitution that will meet the desires of those who will be asked to sit on boards of management. If we had merely put a constitution in front of them, we could have understood criticism. However, we have had consultation, found out what they want, and incorporated their desires in the constitution. That was the best way to deal with the matter. I do not think members opposite should criticise what we have done, in those circumstances.

The honourable member has also expressed concern about the autonomy and independence of incorporated units. It is proposed that the boards will have autonomy and independence in accordance with the legislation and constitutions. The commission will negotiate objectives with individual hospitals, and issue policy guidelines from time to time in order that the general objectives of the commission as set out in the legislation may be achieved.

Members opposite say that the hospitals should have complete autonomy and that there should be no reference to the Government. However, if we handed out \$1 000 000 a day to 69 or 70 separate boards and told them to do what they liked with the taxpayers' money, what would members opposite say? What would they say if we did not set the guidelines? There would be a great hue and cry. If hospitals were not expected to carry out the Health Commission policy, we might find brain scanners in every hospital around the State at a cost of about \$250 000 each.

Guidelines and policies must be laid down. The boards want to do a good job, and they will do a good job. We will have confidence in them but, in the interests of taxpayers' money, guidelines will have to be laid down and the boards will have to work within them. I do not think members opposite were fair dinkum when they suggested that we should merely hand money over to the boards. If the Opposition wants the boards to have complete autonomy, we should not give them any money. We should let them conduct their own hospitals.

Obviously, there is a need for some financial restrictions, and the Hon. Mr. Hill would be the first to complain if there were not, as these hospitals will be expected to operate within the limitations and restrictions of the Medibank agreement: for example, the Medibank

agreement excludes certain types of expenditure for cost-sharing purposes unless specifically approved by both Federal and State Ministers. The Hon. Mr. Hill has also queried the appointment of boards, but I do not intend to comment further in relation to Whyalla, as that ground has already been covered when I answered him on 8 August.

Regarding my appointing chairmen, I wonder how many chairmen were appointed by Liberal Governments. Of course, they have appointed more than one chairman. This policy will be followed for all Government hospitals, metropolitan and country, and, apart from one instance, this has not caused any concern. In that instance some were concerned because they could not appoint a certain person as chairman, while others were asking the Minister to make that appointment because, although "Dear old George" was a nice fellow personally, he would be hopeless as a chairman, but they would not oppose him as chairman.

**The Hon. R. C. DeGaris:** George who?

**The Hon. D. H. L. BANFIELD:** I cut the name off. The matters to which I have referred have been put to us, so I am prepared to take the responsibility and to accept the criticism, because criticism should be levelled at the Minister if a mistake is made.

**The Hon. M. B. Dawkins:** Is the name really George? I know a George who is involved with a hospital.

**The Hon. D. H. L. BANFIELD:** Which hospital is he involved with? When one considers the amount of public money involved in the Government hospitals, it should be obvious that there is a need to ensure that under the new system they are administered by capable boards whose composition reflects a balance of expertise, experience and backgrounds. These criteria were mentioned by members opposite when the Health Commission Bill was under discussion. However, now, when we are implementing their advice, the Government is criticised. I wish members opposite could make up their minds about what they really want.

So, in summary, I can assure the Hon. Mr. Hill that progress is steadily being made in the development of the commission, and towards incorporation of the Government hospitals. As the legal review of the constitutions (which is proceeding as quickly as possible) is completed, they will be progressively adopted and incorporation will proceed. But, if honourable members opposite are suggesting that I ignore the advice of the Hon. Mr. Justice Bright, ignore the New South Wales experience, and rush into the exercise with inadequate planning and preparation, I can assure them that that is not the way I intend to play it—it is just not on.

I indicated earlier that I would answer such questions where possible at this stage, and I have here some information in relation to the Hon. Mr. Hill's question on stamp duties. The following information is submitted in response to matters raised by the Hon. Mr. Hill in this debate. Regarding stamp duty, I pointed out to the Hon. Mr. Hill yesterday that it is all very well to select one or two items instead of examining the whole range. Taxation is not higher in South Australia than in other States. It is higher on some items but lower on others. The figures quoted by the Hon. Mr. Hill are correct. He has, however, restricted his comparison to only one transaction in each case.

**The Hon. C. M. Hill:** Yes, the most likely one for the working man.

**The Hon. D. H. L. BANFIELD:** The average working-class person purchases a secondhand motor car.

**The Hon. C. M. Hill:** The second car in the family might be secondhand.

**The Hon. D. H. L. BANFIELD:** The Hon. Mr. Hill

bought a secondhand car. I guarantee that working-class people buy more secondhand cars than new ones. If, instead of buying a new Holden Kingswood at \$6 500, a working man were to purchase a used Holden valued at \$3 000, and if, in order to purchase the car, he were obliged to enter into a hire-purchase agreement for \$2 000, the duty payable in the various States would be as shown in the following table:

	Transfer	Hire- purchase	Total
	\$	\$	\$
New South Wales . . . . .	60	30	90
Victoria . . . . .	75	42	117
Queensland . . . . .	30	30	60
South Australia . . . . .	60	36	96
Western Australia . . . . .	22-50	30	52-50
Tasmania . . . . .	45	40	85

Duty payable in South Australia would be well below that in Victoria and not greatly above that in New South Wales or Tasmania. Similarly, if instead of buying an existing house for \$35 000 a young man were to buy a block of land for \$10 000 and engage a builder to construct a house for \$25 000, the stamp duty payable in the various States would be as set out hereunder:

	\$
New South Wales . . . . .	125
Victoria . . . . .	175
Queensland . . . . .	150
South Australia . . . . .	100
Western Australia . . . . .	125
Tasmania . . . . .	125

Duty payable in South Australia would, in this case, be lower than in any other State. This is mainly what the average working person does, and honourable members opposite know that very well. It is, therefore, incorrect to generalise as the Hon. Mr. Hill has done and claim that the Government "is taxing people who buy motor cars and houses more than people are taxed in other States".

**The Hon. C. M. Hill:** The Land Commission cannot sell its land.

**The Hon. D. H. L. BANFIELD:** The Hon. Mr. Hill knows that taxation on certain items varies in different States but, comparing total taxation, South Australia is still not the highest. The Hon. Mr. Cameron expanded on the Auditor-General's Report and, while the Auditor-General said that some records were not to his satisfaction, in no way did he indicate that any skulduggery had been going on. True, he was not satisfied with the type of records being kept, but regular meetings are now being held with officers of the Auditor-General's Department and the Health Commission with a view to adopting a system of which the Auditor-General approves.

**The Hon. C. M. Hill:** He criticised your department for the last seven years.

**The Hon. D. H. L. BANFIELD:** Of course he did, but honourable members are saying that nothing has been done. After the previous Auditor-General's Report was tabled, the Corbett Committee was set up, and recommendations were made and implemented. Therefore, it is not correct to say that nothing has been done. The Auditor-General could not show that any skulduggery had been taking place. The Hon. Mr. Cameron is waiting for the Public Accounts Committee to make a report. This could have been done months ago but, at his instigation, two members of that committee resigned because they could not find what they hoped to find. The Hon. Mr. Cameron discovered nothing, anyway.

**The Hon. C. M. Hill:** Yes, he did—food.

**The Hon. D. H. L. BANFIELD:** What was it, ice-cream or something? The Opposition has been pinning its hopes

on the Public Accounts Committee and, when inquiries were not progressing as hoped, pressure was put on two members to resign before the committee furnished a reasonable report.

This is a magnificent Budget and I commend the Bills to the Council. I wish to thank honourable members for the attention they have given the Bills and for their co-operation during this debate. We have worked well, and I want to express my appreciation and give my thanks to everyone concerned.

Bills read a second time and taken through their remaining stages.

## HOUSING AGREEMENT BILL

Second reading.

**The Hon. B. A. CHATTERTON (Minister of Agriculture):** I move:

*That this Bill be now read a second time.*

It ratifies and approves a new housing agreement, the text of which is set out in the schedule. It authorises the Treasurer on behalf of the State of South Australia to carry out the terms of the agreement. The objective of the agreement is the provision of Commonwealth financial assistance to the States for rental housing and home purchase. The provision of this assistance is to be in accordance with the principles set out in Recital C of the agreement. The principles enunciated in the agreement replace a number of restrictions and conditions for the use of housing assistance funds which applied in previous agreements. The adoption of principles rather than rules has the effect of introducing greater flexibility into the arrangements, and thereby enabling the States to pursue policies better suited to their particular circumstances. I seek leave to have the remainder of the explanation of the Bill inserted in *Hansard* without my reading it.

Leave granted.

## Remainder of Explanation

In general, the principles agreed to seek to concentrate any assistance given on those families or individuals who are deemed to be in need. However, in the result, they produce higher interest rates and enforce the Commonwealth demand for higher rents.

The agreement provides that in the financial year commencing on 1 July 1980 not less than 40 per cent of the total amount of the advances shall be for home purchase assistance purposes. In South Australia this provision presents no difficulty as the amount provided for this purpose has exceeded this proportion for many years. In the financial year just ended, for example, 57.8 per cent of agreement funds were devoted to home purchase assistance through both the State Bank and the South Australian Housing Trust.

Home purchase assistance funds will be paid into a Home Purchase Assistance Account, from which amounts will be loaned to the State Bank and Housing Trust. The funds paid into the account are repayable over 53 years and attract an interest rate charge of 4½ per cent per annum as against 4 per cent under the old agreement. The rate of interest charged to the two lending authorities will commence at 5 per cent per annum, and increase by ½ per cent per annum each year until a rate equivalent to 1 per cent below the long term bond rate is reached. The rate charged to the house purchaser commences at 5¾ per cent.

In general, it is a matter for the State to determine the conditions of eligibility and the conditions that are to apply

in respect of loans for home purchase advanced by the lending authorities. In South Australia existing eligibility criteria for State Bank loans and for the rental-purchase houses of the Housing Trust will for the time being continue to apply. The Government has already announced that the interest rate on State Bank loans will be progressively raised in line with the increasing rate charged to the bank.

Funds provided for rental housing assistance will continue to be provided to the South Australian Housing Trust. The rate of interest on these funds has been increased from 4 per cent, as applied in the previous agreement, to 5 per cent. The term of the loan remains 53 years. Eligibility rules for rental housing are no longer specified in the agreement, except that they should comply with the principles mentioned earlier. The agreement does, however, specify that rents should be determined by the State which should have regard to a "policy of generally relating rents to rates of rental in the open market". In addition, it is required that as far as practicable, rents should be reviewed annually and adjusted according to the movement of rates of rental in the open market.

The Government does not anticipate that these provisions will require any further substantial revision of rents. Rents charged by the trust have been progressively raised in recent years and are now very close to achieving the intentions of the new agreement. Rent reductions determined in accordance with the income of tenants will continue to be provided, and paid for, it should be noted, from the ordinary revenues of the trust. In South Australia the rent reductions for needy tenants are among the most generous in Australia.

The agreement also provides that rental houses may be sold on a cash basis at either market value or replacement cost. Proceeds from such sales must be applied to the housing purposes of the agreement. While the possibility of selling rental houses will be reviewed, the long-standing concern of the Government to retain a much-needed stock of public rental housing in a wide range of locations will remain the paramount consideration. The foregoing is a summary only of the terms of the new housing agreement. The agreement, despite forcing up interest rates and rents, does provide greater flexibility in the development of State housing policies. It is most regrettable, therefore, that the Commonwealth Government has chosen to subvert this potential gain by making one of the most savage cuts ever made in funding under the agreement.

Having suffered a diminishing real value of advances since 1975, the Commonwealth has now chosen to cut housing agreement funds in real terms by one quarter. This is at a time of acute recession in the dwelling construction industry throughout Australia, and at a time when continuing recession has significantly increased the number of families and individuals in need of housing assistance. The funds to be provided to South Australia under the agreement will be \$47 368 000, as compared with \$58 460 000 last year. Of the total to be provided, \$19 487 000 must be matched on a dollar for dollar basis from other sources. It appears that South Australia will be able to meet this requirement through other borrowings already planned and from State sources. As such matching funds would have been provided in any case, the reduction in Commonwealth funding will be translated into reduced housing activity. Notwithstanding efforts to provide additional funds, a reduction in the scale of activity by the trust has this year become inevitable. It is also a matter of regret that the Commonwealth has seen fit to raise the interest rate on rental housing from 4 per cent to 5 per cent. The effect of this change on rents for new rental

houses is significant.

Clause 1 is formal. Clause 2 provides for the Act to come into operation on a day to be fixed by proclamation. The Act will be brought into operation as soon as the agreement has been formally executed. Clause 3 provides the definition of the agreement.

Clause 4 ratifies and approves the agreement, authorises the Treasurer to carry out its terms, and authorises the appropriation of moneys required for this purpose. It also ratifies any act done by the Treasurer in anticipation of the agreement coming into force.

Clause 5 provides that loans made by the Treasurer in pursuance of the agreement shall be made upon terms and conditions determined by him with the approval of the Minister. It also authorises bodies who received such loans to accept them on the terms and conditions which are made, and extends their borrowing powers accordingly.

**The Hon. R. C. DeGARIS** secured the adjournment of the debate.

#### INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL

Second reading.

**The Hon. D. H. L. BANFIELD (Minister of Health):** I move:

*That this Bill be now read a second time.*

In his election policy speech given on 29 August 1977 the Premier foreshadowed that the Industrial Conciliation and Arbitration Act would be amended "to improve its operation and to maintain the favourable and co-operative industrial situation in this State". The preparation of those measures is well in hand, but circumstances have made it necessary for an amendment to be introduced without delay to facilitate the re-registration of the Public Service Association of South Australia.

Honourable members will be aware that the Public Service Association has recently been de-registered by the Industrial Court because of a defect in its rules. It is anticipated that an application to the Industrial Court for re-registration will be made in due course. However, prior to an application being made, and in view of the difficulties which culminated in the Full Supreme Court decision of *R v Cawthorne, ex parte Public Service Association of South Australia Inc.* (75 LSJS 245), it is appropriate for the situation to be clarified to remove any undesirable element from the established procedure.

Part IX of the Industrial Conciliation and Arbitration Act deals with associations and section 116 vests the registration authority in the Industrial Registrar or the Deputy Industrial Registrars appointed under the Act. However, this registration procedure may be complicated where a technical bias on the part of the Industrial Registrars could be alleged, in particular, where each of the Registrars has an interest in an association being a party to the application. In the circumstances surrounding the above case, each of the Industrial Registrars was a member of the Public Service Association, and in two instances, there was a direct financial interest in that association.

Despite the decision of the Full Supreme Court that the operation of the doctrine of necessity made it inappropriate in such circumstances for a temporary Industrial Registrar to be appointed, the Crown Solicitor has indicated that, in his opinion, the fact of membership of the Public Service Association alone is enough to make it undesirable for any of the present Registrars to hear the matter. In the light of this opinion, and to clarify the



position in future, this Bill seeks to amend section 114 of the Industrial Conciliation and Arbitration Act to enable the President of the Industrial Court to direct a judge of the Industrial Court or an industrial magistrate to carry out the functions of an industrial registrar in circumstances where it is inappropriate for a registrar to hear any particular case.

Clause 1 is formal. Clause 2 amends section 114 of the principal Act in the manner outlined above. Where a judge or industrial magistrate exercises powers or functions of the Registrar in pursuance of a direction of the President, there will be the same rights of appeal in relation to his decisions as if those decisions had been made by the Registrar.

**The Hon. K. T. GRIFFIN** secured the adjournment of the debate.

### HAIRDRESSERS REGISTRATION ACT AMENDMENT BILL

Second reading.

**The Hon. T. M. CASEY (Minister of Lands):** I move:  
*That this Bill be now read a second time.*

Over recent years requests have been received from the Hairdressers Registration Board for amendments to be made to this Act but, mainly because of the priority of other Bills, it has not been possible until now to proceed with the proposed amendments. I record with appreciation the continued co-operation of the Hairdressers Registration Board in the preparation of this measure.

The principal amendment to be effected by this Bill will require the compulsory registration of persons practising hairdressing in certain prescribed areas of the State. At present, any person not registered under the Act is prevented from using the name of "hairdresser" or any other name which implies that that person is a registered hairdresser. In effect, registration is regarded as an indication that a person has attained a certain standard of proficiency, but the Act does not prohibit an unregistered person from practising hairdressing and calling himself a barber, beautician or a cosmetician.

In requesting the compulsory registration of hairdressers the Hairdressers Registration Board has alleged that "backyard" or unregistered hairdressers, whose skills in their trade have not been assessed by the board (nor have they passed any recognised examination) are often unhygienic and may sometimes damage the hair and skin of clients by the misuse of lotions and other unskilled practices. The Government has accepted that the introduction of a system of compulsory registration of persons practising hairdressing will close that existing loophole and do much to eliminate the undesirable practices in the industry.

However, in order to protect the livelihood of those persons currently carrying on business as hairdressers, although not registered as such, the Bill provides that the new compulsory registration provisions will come into effect six months after the proclamation of the amending Act. This will enable such people in the prescribed areas to apply and be eligible for registration until the expiration of the six-month period. After that time, unregistered persons will not be able to practise hairdressing for fee or reward within the prescribed areas.

Honourable members will note that the Bill's compulsory registration provisions are to apply only in certain prescribed areas. Although the original request from the Hairdressers Registration Board extended to all persons practising hairdressing in South Australia, the

imposition of such a blanket provision throughout the State would not only create many administrative difficulties but would also be socially undesirable in those country areas where there is a shortage of suitably qualified persons. The Government is aware that it is not uncommon in country towns for the local barber to be a resident (who works at some other occupation) performing a service which a fully-qualified hairdresser would find financially unattractive, and it does not intend to deprive some country inhabitants of the benefit of this practice.

Accordingly, the Government intends that, by prescribing certain areas by regulation for the purposes of the compulsory registration provisions, those requirements will operate in the first instance within the metropolitan area of Adelaide, and then be extended to cover all country cities where hairdressing facilities are readily available. In all areas outside the prescribed areas, the provisions relating to the practice of hairdressing remain unchanged. The Bill seeks to make several other amendments to improve the operation of the Act and to update its approach by reducing its inflexibility in certain respects.

Honourable members' attention is drawn to the definition of "hairdressing", which includes work currently carried out by cosmeticians. Several cases of hardship have come to notice, particularly with respect to the proposed establishment of beauticians' schools and training courses. The Government considers that, where cosmetic or depilatory treatments are not carried out in conjunction with hairdressing, it is unnecessary to require compliance with the provisions of the Act. The Bill therefore seeks to remove these restrictions by deleting all reference to cosmetic work and depilatory work from the definition of "hairdressing" in the Act.

An amendment is proposed in connection with the prohibition outlined in section 32. Although it is acknowledged that the teaching of hairdressing for fee or reward to unregistered persons (otherwise than through recognised schools of instruction) should be prohibited, the Government considers it desirable to encourage the enhancement of existing skills through the continued tuition of registered hairdressers by registered hairdressers. To give effect to this principle, the Bill provides for the exclusion from the prohibition of those courses of instruction approved by the Hairdressers Registration Board.

Several changes are proposed to make the board's existing authority under the Act to grant registration to suitable applicants more appropriate to modern conditions. A new section 19 has been drafted which gives an entitlement to registration if the Hairdressers Registration Board is satisfied that the applicant holds certain prescribed qualifications or has some other suitable qualifications or experience. In addition, the Bill provides a six months transitional period of eligibility for those persons practising hairdressing in a given area at the time that area became prescribed for the purposes of the Act. This provision will not only make for consistency between the minimum period required for qualification as hairdressers and the shorter period for apprenticeship prescribed by the Apprentices Act but will also give the board greater discretion to recognise qualifications from interstate and overseas.

The opportunity has also been taken to include in the Bill provision for the fees pertaining to the operation of the Act to be prescribed by regulation, instead of being specified in the Act. Such an amendment is in line with current practice and permits a greater degree of flexibility to enable fees to more readily reflect community standards. 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. It is intended that the amended section 29 of the principal Act, which introduces compulsory registration, will come into effect six months after the amending Act comes into operation. This is to ensure that unregistered persons receive ample opportunity to ascertain the new requirements and to take appropriate measures. Clause 3 amends section 4 of the Act, which defines certain expressions used therein. The definition of "hairdressing" is modified by deleting all reference to the removing and destroying of hair, the treatment and beautification of the face, neck and scalp, and wig-making. This clause also inserts in section 4 a definition of "prescribed area".

Clause 4 amends section 17 of the Act, which sets out certain general powers and duties of the board. The power to issue certificates of registration provided in subsection (1) (a) (iii) is recast in more comprehensive terms incorporating authority to register duly qualified applicants.

Clause 5 repeals sections 19, 19a, 20 and 21 of the principal Act. These, in their turn, deal with the qualifications for registration, reciprocal arrangements for registration and fees payable on registration and the issue of certificates. The amendment also enacts new sections numbered 19 and 20, dealing with substantially the same areas, although in more concise terms. An applicant is to be entitled to registration under the new section 19 if the board is satisfied that he holds the prescribed qualifications or that he has other qualifications and experience that justify his registration. The section is wide enough to facilitate the registration of persons who may have trained and practised outside South Australia. A provision is inserted to protect the livelihood of unregistered persons who may at present be carrying on the trade of hairdressing without infringing the principal Act. If such a person applies for registration within six months after the commencement of the amending Act, he will be entitled to registration.

Section 20 provides for annual registration fees. If these are not remitted as required, registration will be suspended until the fee is paid. The new provisions delete in the existing sections material that has become obsolete. This comprises special provisions for initial registration when the principal Act first became law, and also for the registration of persons who were trained by the Commonwealth Government while serving in the forces during World War II.

Clause 6 sets out what might be regarded as the central amendment in the Bill. Section 29 of the principal Act is amended so that registration will be compulsory for all persons carrying on the practice of hairdressing in a prescribed area. The Government intends that the entire metropolitan area be prescribed initially, and larger country centres at a later date. A hairdresser working in a prescribed area who remains unregistered after the proposed amendments come into operation will be liable to a penalty of up to \$100. Clause 7 removes an anomaly in the existing legislation by providing that courses of instruction approved by the board shall not be subject to the general prohibition on the teaching of hairdressing for reward contained in section 32 of the Act.

Clause 8 modifies five of the specified areas in which the Governor may make regulations. First, an upper limit of \$200 applicable to the annual fees that may be prescribed for members of the board contained in paragraph (c) is removed. Secondly, the amendment modifies the terms of paragraph (e), which relates to prescribed training courses, so that they stand more consistently with the wording of the new section 19. Next, the existing paragraph (f), which deals with the registration of persons practising hairdressing when the principal Act first came into operation, is deleted, as it is clearly obsolete. There is now a new paragraph (f), giving power to prescribe areas in which registration is to be compulsory. Fourthly, the amendment rephrases paragraph (g) in more concise terms. This paragraph is concerned with the conduct of examinations by the board. Finally, paragraph (h), which relates to the prescribing of fees for certificates, examinations and registration, is expanded to cover any fees payable under the principal Act.

The Hon. JESSIE COOPER secured the adjournment of the debate.

#### ADJOURNMENT

The Hon. D. H. L. BANFIELD (Minister of Health): I move:

That the Council do now adjourn.

Several honourable members have asked about the date of the intended resumption of the Council in the new year. I inform honourable members that the Government has decided that Parliament will resume on 6 February after the Christmas break.

Motion carried.

At 5.16 p.m. the Council adjourned until Tuesday 7 November at 2.15 p.m.