LEGISLATIVE COUNCIL

Thursday 18 September 1980

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

PAPERS TABLED

The following papers were laid on the table:

By the Attorney-General (Hon. K. T. Griffin)—

By Command—

Deregulation—A plan of Action to Rationalise South Australian Legislation.

By the Minister of Local Government (Hon. C. M. Hill)—

Pursuant to Statute—

South Australian Housing Trust Act, 1936-1973—Report, 1979-80.

MINISTERIAL STATEMENT: DEREGULATION REPORT

The Hon. K. T. GRIFFIN (Attorney-General): I seek leave to make a statement.

Leave granted.

The Hon. K. T. GRIFFIN: The Government is committed to deregulate business activities and the community generally and also rationalise existing State legislation. The Deregulation Report prepared by an officer of the Premier's Department proposes a broad plan of action to achieve this objective. Recommendations made in the report are currently being considered by the Government. A Deregulation Unit, initially comprising two officers, will be established in the Premier's Department to implement the approved recommendations and plan of action.

It is intended that the Deregulation Unit will involve private organisations, Government departments and authorities and the public generally, as appropriate, when specific areas of regulation are being reviewed. A closely related issue to deregulation is the review of the 262 State statutory authorities. The Government is currently looking at proposals to implement the principles of sunset legislation as its next priority.

QUESTIONS

SALISBURY DISMISSAL

The Hon. C. J. SUMNER: I seek leave to make a brief explanation before asking the Attorney-General a question about the inquiry into the Salisbury dismissal.

Leave granted.

The Hon. C. J. SUMNER: On 4 February this year a Mr. Ceruto relaunched the book *It's Grossly Improper* by authors Ryan and McEwen. On 5 February the Premier ordered a report into aspects of the sacking of Mr. Salisbury following statements made by Mr. Ceruto. On 6 February the *Advertiser* editorialised, as follows:

> The Government should establish Mr. Ceruto's meaning, and quickly.

On 13 February the Attorney-General said it would be more a matter of weeks than days before the report was completed. On 14 April the Premier told Mr. Salisbury in the United Kingdom that an inquiry was being carried out. On 3 June in this Council, in response to a question from me, the Attorney-General said:

> I am almost in a position to be able to present a report to the Premier on this matter.

On 25 June, in the *News*, the Attorney-General stated that the report was some time off because of a great mass of papers and other work pressures in his department.

Members interjecting:

The PRESIDENT: Order!

The Hon. C. J. SUMNER: On 5 August the Attorney-General, in this Council, stated:

> I hope that the report will be available in the not too distant future.

It is six weeks since the last statement from the Attorney-General and 7½ months since the inquiry ordered by the Premier. I have heard a rumour in the past few days that the report has been finalised and that it is due to be released today. Have the inquiry and report on certain aspects of the Salisbury Royal Commission ordered by the Premier on 5 February been completed? Is the report to be made public and, if so, when? Further, was it intended to release the report today and, if so, why has the Government changed its mind? Finally, what are the Government's intentions generally in this matter?

The Hon. K. T. GRIFFIN: The report has been completed and delivered to the Premier. I have been reluctant to table the report under Parliamentary privilege, but the Opposition has been persistent in its questioning and has been pressing for the tabling of the report in Parliament. There has been considerable interest, in particular, from the media, and although reluctant I am prepared to bring the report with me into the Council next Tuesday and arrange for it to be tabled then.

As I say, I am reluctant to do that but there has been such pressure from the Opposition on at least four previous occasions since February that, as a result, I will arrange to bring the report into the Council next Tuesday. The Leader of the Opposition asked why the report was not tabled today—if it was ever intended to be tabled today. There was no express intention to do that, although consideration had been given to tabling the report either this week or next week. As I have already said, the report will be available next Tuesday.

COUNTRY GAOLS

The Hon. M. B. DAWKINS: I seek leave to make a short statement before asking the Minister of Local Government, representing the Chief Secretary, a question about prisons.

Leave granted.

The Hon. M. B. DAWKINS: In the recently issued report into penitentiaries and prisons in this State, the suggestion was made that Gladstone Gaol should be reopened. I understand that Gladstone Gaol was closed in or about 1975, that it has a capacity for 110 inmates, and that the building is in fairly good condition. Consideration was recently given to upgrading Port Augusta Gaol, which I believe was recently inspected. Will the Minister ascertain whether the possible reopening of Gladstone Gaol will minimise or postpone the need to upgrade facilities at Port Augusta?

The Hon. C. M. HILL: I will be pleased to forward that inquiry to the Chief Secretary and bring down a full report.

SALISBURY DISMISSAL

The Hon. C. J. SUMNER: I seek leave to make a brief statement prior to asking a further question of the

Attorney-General on the subject of the Salisbury dismissal inquiry.

Leave granted.

The Hon. C. J. SUMNER: The Attorney-General has said that he is reluctant to table this report in the Council but he has not specified to the Council the reasons for his reluctance. He then attempted to blame the Opposition for apparently having to overcome his natural reluctance to table a report of this kind, by saying that the Opposition had continually pressed him to table it.

I have outlined the 7½-month history of this matter following the Premier's precipitate ordering of the inquiry on 5 February and, in all my inquiries on the matter in this Council, I have been concerned to ascertain the Government's intention; that is, does the Government intend to complete the report? If the report is complete, does the Government intend to table it? I do not believe that I have unduly pressured the Government into reluctantly tabling it as the Attorney has said. My concern has been for the Government to tell the Parliament and the people what has happened to this mysterious report that took 7½ months to complete. I ask why the Government is reluctant to table the report.

The Hon. K. T. GRIFFIN: Since February, on at least four occasions the Leader of the Opposition has asked questions about this and other reports and on each of those occasions he has sought to make some criticism of the Government for not having completed the reports and made them public. It has been quite obvious to anyone who has been in the Council or who has read *Hansard* that during the last session of Parliament, in the Address in Reply debate this session, and in the Leader's current questioning, the Opposition is anxious to find some excuse for having a go at the Government and criticising it if the report is not made public. It is obvious from the way the Leader has been asking those questions that he wants the report tabled.

The Hon. C. J. Sumner: We just want to know what you're doing.

The Hon. K. T. GRIFFIN: Now we see the Opposition twisting and turning and trying to get off the hook.

The Hon. C. J. Sumner: I'm happy that you're tabling it. I want to know why you're reluctant.

The PRESIDENT: Order!

The Hon. K. T. GRIFFIN: When the report is tabled next Tuesday, the Leader will see the reasons for it.

ROCK LOBSTER

The Hon. FRANK BLEVINS: On behalf of the Hon. Mr. Chatterton, who is unavoidably absent, I ask the Minister of Local Government whether he has a reply to the question asked by my colleague on 14 August regarding rock lobster fishing.

The Hon. C. M. HILL: Final conditions for licences held by rock lobster fishermen in the northern zone have not been set. The Government is prepared to consider continuing access by rock lobster authority holders to the marine scale fishery, and negotiations are under way with the Australian Fishing Industry Council. I shall provide the honourable member with further information as soon as it becomes available.

FISHING INDUSTRY

The Hon. FRANK BLEVINS: Again, on behalf of the Hon. Mr. Chatterton, I ask the Minister of Local Government whether he has a reply to the question about the fishing industry that my colleague asked on 20 August.

The Hon. C. M. HILL: Following a meeting of the South-East Rock Lobster Review Committee held in Mount Gambier on 30 May 1980, the Department of Fisheries was requested to make a decision on the southern zone rock lobster closure for 1980. Subsequently, the Department of Fisheries Rock Lobster Research Officer and Senior Economist were asked to indicate the most suitable months for closure, taking into account the various biological, social and economic factors involved. While it was felt that a six-month closure could be sustained on biological and economic grounds, the department considered that this would be too severe for all fishermen in the South-East.

A recommendation was therefore made to the Minister of Fisheries that the closure should be for five months from May to September inclusive. A letter was forwarded to all southern zone rock lobster fishermen clearly outlining the reasons for the decision for a five-month closure. At a meeting of the South-East Rock Lobster Review Committee held in Kingston on 25 June 1980, there was no objection raised to the decision.

SALISBURY DISMISSAL

The Hon. C. J. SUMNER: Will the Attorney-General say whether as a result of the report ordered last February the Government intends to reopen the Salisbury Royal Commission or order any other inquiry relating to his dismissal?

The Hon. K. T. GRIFFIN: I am not prepared to pursue that matter further.

RIVERLAND CANNERY

The Hon. FRANK BLEVINS: Has the Attorney-General an answer to the Hon. Mr. Chatterton's question of 5 August about the Riverland cannery?

The Hon. K. T. GRIFFIN: The Premier has advised me that there have been several approaches to the Commonwealth Government since 1976 seeking to defer or lessen the co-operative's liability arising from the financial assistance extended under the provisions of the State Grants (Fruit Canneries) Act, 1976.

Despite reservations that it would not be equitable to those other canneries which had received assistance under the loan arrangements, and which had made or were making repayments, the Commonwealth Government nevertheless recognised the particular difficulties of the co-operative by deferring payment of instalments on three occasions. However, in allowing the deferment in 1979, the Minister for Primary Industry indicated that to be a final concession in relation to the loan. He had previously issued a firm and categorical rejection of a request to forgive the loan. Action taken to resolve the problems faced by the co-operative and to ensure the long-term future of the cannery is the most effective way of protecting the growers' position in the long term.

SALISBURY DISMISSAL

The Hon. C. J. SUMNER: Will the Attorney-General say whether the answer he gave to my previous question about the inquiry into the Salisbury dismissal, namely, that he is not prepared to pursue the matter further, means that the Government will not reopen the Salisbury Royal

Commission or order a further inquiry into that dismissal?

The Hon. K. T. GRIFFIN: It does not mean that. It meant that I was not prepared to pursue the answer to the question any further at this stage.

The Hon. C. J. SUMNER: As a supplementary question, will the Attorney-General say whether the reopening of the Salisbury Royal Commission or the ordering of a further inquiry into Mr. Salisbury's dismissal is an option which the Government is still considering?

The Hon. K. T. GRIFFIN: I am not prepared to answer either "Yes" or "No".

The Hon. C. J. Sumner: Shame! It's a political stunt.

The PRESIDENT: Order!

FUELS AND ENERGY SELECT COMMITTEE

The Hon. K. L. MILNE: I seek leave to make a brief statement before asking the Attorney-General, representing the Minister of Mines and Energy, a question about the former Select Committee on Fuels and Energy.

Leave granted.

The Hon. K. L. MILNE: Honourable members will recall that on 13 August the Hon. Brian Chatterton moved a motion in an attempt to reconstitute the Select Committee on Fuels and Energy. The Government opposed the motion and, after hearing the reasons given by the Attorney-General for so doing, I also opposed it. Since then I have received from the Conservation Council of South Australia a letter asking that the Select Committee be reconstituted as a matter or urgency. The council gave its reasons for so asking.

I explained to the Conservation Council that the committee's terms of reference were too wide to be practical (as I believe they are) and cited other committees which have been appointed by the Government and which are working in other ways on fuels and energy matters. However, I can understand the council's concern.

Also, it seems a pity to relegate to the archives the work done by the former Select Committee. I know that the information is available from the Department of Mines and Energy, although it is probably not in the form that any member of the public would readily appreciate. Also, it was a public inquiry. Will the Minister agree either to reconstitute the Select Committee on Fuels and Energy for the sole purpose of preparing a report without taking any further evidence, or—

The Hon. C. J. Sumner: What are you on about? We tried to set the thing up.

The PRESIDENT: Order!

The Hon. K. L. MILNE: Alternatively, will the Minister agree to instruct the Department of Mines and Energy to prepare a summary of the evidence that is already available?

The PRESIDENT: Order! I must draw the honourable member's attention to the fact that this question has already been asked during the present session.

The Hon. C. J. Sumner: He can ask it again.

The PRESIDENT: Order! I will decide whether the honourable member can ask the question. The point that I wish to raise with the Hon. Mr. Milne is that a motion moved to this effect resulted in a negative vote. If the honourable member is asking for a reconvening of the Select Committee, that matter has already been dealt with this session. Perhaps the honourable member has a question that can skirt around that matter in some manner.

The Hon. K. L. MILNE: With due respect to everyone, the request made by the Hon. Brian Chatterton was to reconstitute the committee and to have it start working again. However, I am asking a different question. I am asking the Minister whether he would be prepared to reconstitute the committee for the sole purpose of preparing a report on the evidence that is available now and without taking any further evidence, or whether he is prepared to instruct the Department of Mines and Energy to prepare a summary of the evidence that is before it now, and put that evidence in a form that could readily be used by members of the public who wish to know what the committee discovered.

The Hon. Frank Blevins: That's a sensible suggestion. What's wrong with that?

The PRESIDENT: Order! Standing Orders provide that the same question shall not be asked during the same session.

The Hon. C. J. SUMNER: On a point of order, I submit that the Hon. Mr. Milne is perfectly within his rights in asking the question. If a motion appears on the Council Notice Paper dealing with a question that we have resolved in this session of Parliament, it would be competent for you, Sir, if you considered that it was out of order, to rule it out of order.

At this stage, however, the honourable member is merely asking a question and is seeking an answer. There is nothing formally before the Council, Mr. President, that you should rule out of order. As has been pointed out, it could be that the Hon. Mr. Milne is not asking for an inquiry in precisely the same terms as the request that was defeated in this Council: he may be asking for something else.

My submission is that the honourable member can ask a question, and the Government can answer it. Whether or not it is competent for the Council to deal with the matter is something that you should decide when the substantive motion comes up. It is not proper to rule the question out of order at this stage.

The PRESIDENT: I thank the Hon. Mr. Sumner for his attempt to help me and the Hon. Mr. Milne. What I wanted to point out to the Hon. Mr. Milne was that the evidence he is asking for is already chronicled and available to the public. Secondly, if the honourable member has a question that does not deal with the matter previously resolved, he can indicate accordingly.

The Hon. K. L. MILNE: I do not think the position is anything like what was sought by the Hon. Mr. Chatterton. He wanted the committee to be reconstituted or reactivated and to start taking evidence and continue its work; it would be virtually a new committee continuing from where the old committee left off. I am not asking for a new committee: I am simply asking whether the Government would consider reconstituting that committee, or constituting a similar committee, for the purpose of preparing a report from the considerable volume of information already obtained. Alternatively, will the Government ask the Department of Mines and Energy to prepare a summary of that evidence? Surely, that request is different. I am asking for the preparation of a summary of the evidence collected by the Select Committee or for the evidence to be put in a form to make it readable and understandable by members of the public.

It is all well and good to say that the information is available, but if the pile of evidence stands about four feet high the public does not know where to start or stop. The public does not have the time or the facilities to summarise the evidence or to learn from it. It would be unfortunate if we could not try to help the public in one of these two ways.

The Hon. K. T. GRIFFIN: Regarding the first part of the question, that has already been considered in terms of the motion, which was not carried by the Council, to

reconstitute the Select Committee. Regarding the second part of the question concerning a summary of the evidence by officers of the Crown, I will refer that matter to the Minister of Mines and Energy and bring down a reply.

The Hon. N. K. FOSTER: I desire to ask a supplementary question. Is the Attorney-General aware that the South Australian Government has enjoined itself with the Federal Government and the Victorian and New South Wales Governments for the purpose of assessing the future electricity power needs of South Australia and those other States? As that situation has already been announced publicly, although not in Parliament, I further ask the Attorney whether he can assure the Council that this evidence on future electricity power needs, which is now in the possession of the Department of Mines and Energy and which is similar to the evidence taken by a Select Committee of this Parliament, will be made available to each of those enjoining States and the Federal Government.

The Hon. K. T. GRIFFIN: I was aware of newspaper reports that there were some discussions with other States about electricity needs. Regarding an assurance from me, I am not prepared to give it, but I will refer the honourable member's question to the Minister of Mines and Energy.

The Hon. N. K. FOSTER: I desire to ask a further supplementary question. In taking up the matter with his superiors, will the Attorney-General request that this study involving the Federal, South Australian, Victorian and New South Wales Governments will include all aspects of the future energy requirements and needs of South Australia and the other States concerned?

The Hon. K. T. GRIFFIN: It is not within my province to do that. I will refer the question to the Minister of Mines and Energy.

The Hon. N. K. FOSTER: I desire to ask a further supplementary question. If the Attorney-General does not have the authority or knowledge to undertake such a simple task in the interests of South Australia's future energy needs, can he say when this Council may expect him to acquire such authority or knowledge?

CHELTENHAM RACECOURSE

The Hon. J. R. CORNWALL: I seek leave to make a short statement before asking the Attorney-General, representing the Premier, a question about Cheltenham racecourse.

Leave granted.

The Hon. J. R. CORNWALL: It may be that the Attorney feels that it is within his knowledge to supply the answer to my question, in which case I would be much obliged. Stories have been current around Adelaide for many months that the State Government has exercised some pressure on the South Australian Jockey Club to consider selling land currently used by the S.A.J.C. at Cheltenham racecourse in order to help finance the new grandstand at Morphettville.

It has been suggested that the land would be used as either residential or industrial land. I have done my own limited survey on this matter and have found that punters' initial reaction was that they would not lament its passing. It has been considered harder to pick winners at Cheltenham than at Victoria Park.

The Hon. L. H. Davis: Are you speaking from experience?

The Hon. J. R. CORNWALL: I am a retired punter, as I have said previously. Facilities at Cheltenham are generally very poor, but there are many things going for it and reasons why it should be retained. It is the only wet weather track in Adelaide. It is essential as a training facility, and it would be unthinkable if the additional pressure for training should be transferred, for example, to Victoria Park.

The other point that the Government should not overlook is that Cheltenham racecourse is in Magpie country, and anyone who interferes with institutions and traditions there does so at his own peril. In order to clear up some confusion that exists in the community, can the Minister say whether the Government has asked the S.A.J.C. to consider the sale of Cheltenham racecourse in order to relieve the debt burden being incurred by the construction of a new grandstand at Morphettville? Does the S.A.J.C. own Cheltenham racecourse? How was the property acquired? Are there any encumbrances on the tenure of the land presently occupied by the racecourse that would prevent its sale?

The Hon. K. T. GRIFFIN: I am not aware of any Government pressure on the S.A.J.C. I will refer the honourable member's question, I think more appropriately, to the Minister of Recreation and Sport and bring down a reply.

EDUCATION SYSTEM

The Hon. G. L. BRUCE: Has the Minister of Local Government a reply to the question that I asked on 27 August about the education system?

The Hon. C. M. HILL: It is not possible to pinpoint exclusively the cause of higher unemployment. There are many factors and influences which need to be considered. The education system is but one of them. Within the Department of Further Education and to a lesser extent in areas of the Department of Education a growing emphasis is being placed on the vocational implications of the education system.

CHILD CARE

The Hon. BARBARA WIESE: I seek leave to make a brief statement before asking the Minister of Local Government, representing the Minister of Education, a question about child care study courses.

Leave granted.

The Hon. BARBARA WIESE: Many people have expressed concern about the Government's decision to withdraw the child care study course from Elizabeth Community College and to amalgamate it with a course being conducted at Croydon Park. The course at Elizabeth is currently being run by five full-time, one part-time and two hourly-paid staff members. There are 35 full-time students and 11 part-time students enrolled in the course.

It has been suggested to me that the decision to withdraw the course from Elizabeth Community College was made with very little consultation and appears to be based on financial considerations only and not educational or community considerations. For example, the course at Elizabeth is ideally situated to provide studies and job opportunities for young people in the northern region where there is very high unemployment. That area also has a high proportion of families with young children who require child care facilities. I understand that the college receives about 15 inquiries a week from persons interested in enrolling in the full-time course.

In addition to that, the employment rate for people who have graduated from the course is very high. In fact, 82 of the 88 students who have graduated from this course during the last four years have found employment. At a

time when all available evidence indicates that more child care facilities and qualified child care workers are required in South Australia, this decision seems to be extremely ill advised. Why was it decided to withdraw the child care study course from the Elizabeth Community College? With whom did the Department of Further Education officers consult prior to making that decision? Will the Minister investigate this matter with a view to reinstating the course, since there is clearly a strong demand for it from the students and parents, and the employment prospects for its graduates are so encouraging?

The Hon. C. M. HILL: I will be very pleased to refer the honourable member's question to the Minister of Education and bring down a full report on whether or not a decision has been taken. That report will also include the reasons for such a decision. If a decision has not been made, I am sure the Minister of Education will take into account the points made by the Hon. Miss Wiese in her explanation. A full answer to the separate questions asked by the honourable member will be obtained from the Minister of Education.

UNEMPLOYMENT

The Hon. N. K. FOSTER: I seek leave to make a brief explanation before asking the Minister of Community Welfare, representing the Minister of Industrial Affairs, a question about unemployment and early retirement.

Leave granted.

The Hon. N. K. FOSTER: No doubt members will be aware that the Minister of Industrial Relations—who is very appropriately named, or should it be the Minister for Employment—is presiding over a department and, as head of that department, he has Ministerial control. Some of the newspaper reports released by the Minister include such things as, "The Government will offer bonuses to cut the work force"; "Voluntary retirement plan"; "Rise in South Australian unemployment"; and "A rise in South Australian Government jobs under attack". One could go on and on in relation to this particular Minister's rantings and ravings on this subject while he was in Opposition and since he has unfortunately been elevated to the Government front bench.

The Hon. L. H. Davis: From whom did we inherit the economy?

The Hon. N. K. FOSTER: Inheritance is an accident as far as the Hon. Mr. Davis is concerned. I ask the Hon. Mr. Davis to keep quiet and have some respect. In a Party that gained office by promising that it would reduce unemployment there is no such thing as inheritance of unemployment. In fact, the present Government is continuing that type of unfortunate affliction upon many members of the community. In fact, there are between 30 and 40 people applying for every available job. The week before last even some employer organisations and most certainly groups of unemployed people and do-gooder organisations in the community expressed dismay that hundreds of people were applying for jobs that were non-existent. I am referring to the job advertisements placed by Government departments and Government bodies. The persons who conducted those job interviews had already decided on the successful applicant before the jobs had even been advertised.

I warn members of the community about the early retirement scheme; they participate in it only at their own peril. Those persons were not adequately and properly informed, if they were in the 55-65 age bracket, whether they were entitled to a United Kingdom pension; their social security rights in this country could be affected. Some of them must also consider superannuation.

The PRESIDENT: Order! The Hon. Mr. Foster has moved away from explaining his question and is expressing an opinion. I would like the Hon. Mr. Foster to explain his question.

The Hon. N. K. FOSTER: Mr. President, I am doing that in the leave granted me. However, Mr. President, you are pulling me up instead of members opposite who are continually shouting at me. Mr. President, you do that continually. I will now direct my question to the Minister.

The Hon. L. H. Davis: You have 17 minutes.

The PRESIDENT: Order! The Hon. Mr. Davis must not interject.

The Hon. N. K. FOSTER: Mr. President, the Hon. Mr. Davis never shuts up and you never get on his back. Does the Minister consider that such a proposal for early retirement provides future work opportunities? If so, will he outline those areas where early retirement is effective in combating unemployment, in view of the Government's stated policy of reducing the work force in departmental areas where such a scheme is to operate. Will the Minister agree that a provision of the early retirement scheme should be that an unemployed person will be engaged as a replacement, so as to reduce unemployment in the community?

The Hon. J. C. BURDETT: The Minister whom I represent is the Minister of Industrial Affairs, not the Minister of Industrial Relations, as was mentioned by the honourable member.

The Hon. N. K. Foster: I said that purposely.

The Hon. J. C. BURDETT: I see no reason why members in this Council should not refer to Ministers correctly. I will refer the honourable member's question to my colleague, the Minister of Industrial Affairs, if that is to whom it was directed, and bring down a reply.

TERM OF PARLIAMENT

The Hon. FRANK BLEVINS: My question is directed to the Attorney-General. Has the Government considered attempting to alter the term of the South Australian Parliament? If not, will the Government advise the Council if it considers this question in future?

The Hon. K. T. GRIFFIN: The Government has never considered that and I do not see any reason why it should.

NON-UNIONISTS

The Hon. G. L. BRUCE: I understand that the Minister of Community Welfare has a reply to a question asked by the Hon. Mr. Dunford on 26 August and, in the absence of that member, I request the Minister to give the reply.

The Hon. J. C. BURDETT: I am advised by my colleague the Minister of Industrial Affairs that the replies are as follows:

1. *(a)* It should firstly be pointed out that Mr. Pearce is not an officer of the Department of Industrial Affairs and Employment, but a Ministerial officer under contract to the Government.

(b) Such callers are advised by departmental officers of the present Government's policy, which is that the Government recognises the right of any individual to join, or not to join, a union or association representing his or her industrial interests.

Further, the Government is also of the view that the industrial interests of Government employees are best represented by the union movement, and therefore believes that all employees should be encouraged to be

members of an appropriate union unless they object to union membership. To ensure that freedom of choice is available to all Government employees no person is required, as a condition of employment, to be or become a member of a union or association.

Preference to union members in seeking employment in the Government no longer applies and employing officers do not request an undertaking from applicants for positions that they will join an appropriate union within a reasonable time of commencing duty.

On request, callers are also advised of the availability of registration as a conscientious objector to union membership. Such callers are informed that further details can be obtained from the Industrial Registrar of the Industrial Court of South Australia.

2. Callers are told that the award provision is applicable only in certain instances such as engagement or termination of employment. In respect of an individual's decision to join or not to join a union, once an employee of a particular employer, the clause in the award in respect of preference to unionists is not applicable.

3. Mr. Pearce informed the Minister of Industrial Affairs of his discussion with the A.W.U. organiser at Naracoorte immediately upon the conclusion of that conversation.

RANGERS

The Hon. J. R. CORNWALL: I seek leave to make a short statement prior to directing a question to the Minister of Community Welfare, representing the Minister of Environment, regarding volunteer rangers.

Leave granted.

The Hon. J. R. CORNWALL: I have asked this question previously but have not as yet been able to get any answer, let alone a satisfactory one. I refer to the Liberal Party policy statement that was put out immediately before the election in September last year, in which the Party said:

> We will introduce a voluntary ranger service and provide adequate training for people who wish to participate.

It would seem from that it is the Government's intention that the Range Rover set are to become weekend warriors within the National Parks and Wildlife Service and, when one combines that with the substantial Budget cuts for the Department of Environment, particularly for the National Parks and Wildlife Service, it seems that the entire service will depend on chance, charity and chook raffles.

I ask the Minister whether his colleague has initiated any training courses for the volunteer rangers. Further, when will a public announcement be made concerning the weekend warriors who are to act as rangers and guides, and does the appointment of volunteer rangers contravene International Labour Organisation conventions?

The Hon. J. C. BURDETT: I will refer the question to my colleague and bring back a reply.

REPLIES TO QUESTIONS

The Hon. BARBARA WIESE: Has the Minister of Local Government replies to my questions of 20 August (concerning the Women's Adviser) and 2 September (concerning the Aboriginal treaty)?

The Hon. C. M. HILL: I have not those replies with me at present. I brought them to the House, but the Hon. Miss Wiese has not asked for them previously, and I ask the honourable member to request the replies on Tuesday next, when I will be happy to bring them again.

LEGAL AID

The Hon. N. K. FOSTER: I desire to ask a question of the Attorney-General, and I want to be careful, because I do not want to mention names. Is the Legal Services Commission in Adelaide providing legal aid to a person in New South Wales and, if so:

1. Is the Legal Services Commission aware that the net combined income of the person and her husband is $234 per week? An affidavit contains certain information about that.

2. Is the Legal Services Commission aware that comparatively recently the person received the sum of approximately $7 500 from the sale of a property in New South Wales? That matter is also dealt with in the affidavit.

3. Does the legal aid provided by the Legal Services Commission to the person include representation by Queen's Counsel and, if so, on what grounds is the employment of a Q.C. against a layman warranted?

4. Does the Legal Services Commission intend to:

(a) further continue to employ a Q.C. against a layman? I am sure the Attorney knows what I am on about.

(b) pay the travelling and other expenses of the person and witnesses (if any) from New South Wales to Adelaide for the hearing of a custody and access case?

The Hon. K. T. GRIFFIN: I was not aware of that matter and I thank the honourable member for drawing it to my attention. I will have it investigated. If the Hon. Mr. Foster has extra material available, I should appreciate receiving it, but I also appreciate that names and details of that sort have not been raised in the Council. There are guidelines for granting assistance through the Legal Services Commission. Funding for the commission is tight and, therefore, if persons are receiving assistance without justification, that is a matter for some concern. I will pursue the matter as one of urgency and bring back a reply.

MINISTER OF EDUCATION

The Hon. ANNE LEVY: I understand that the Minister of Local Government has a reply to a question I asked on 20 August regarding the Minister's teaching experience.

The Hon. C. M. HILL: The honourable member's question refers to the teaching experience of the Minister of Education. The question asked for far more than the Minister's teaching experience. In fact, the member asked for his history and experience prior to entering Parliament. As the Minister had a very varied career prior to 1975, when he became member for Mount Gambier, it might be more reasonable to provide a copy of the Minister's *curriculum vitae* to the honourable member. However, the Minister wishes to challenge the motives behind such a question. The most generous estimate is that it is backed by intellectual snobbery. Alternatively, it may be assumed to be denigration of the Minister's character.

In fact, although the Minister has no formal degree, he was invited to join the Education Department as a teacher in 1959 at a time when the department was in a crisis situation. Since then he taught in a South Australian high school and the subjects which he taught include English, French, History, Geography and Mathematics, apart from the wide range of extra-curricular duties including management of school accounts (now performed by bursars), coaching students in debating, amateur drama-

tics, athletics and a variety of sports as an integral part of his classroom and teaching duties. He was a long-term member of the South Australian Institute of Teachers, and still is a registered teacher in South Australia.

His appointment to a senior master position in April 1970 was the result of an assessment which awarded him the maximum possible 4A qualification, which included recognition of 10 degree unit equivalents. The Minister entered into teacher/librarianship rather late in his teaching career, obtaining librarianship qualifications at the Adelaide College of Advanced Education in 1970 with distinction. Mr. Allison qualified for his Associateship with the Library Association of Australia (A.L.A.A.) in 1973-74, passing seven subjects in one year and two in the following year with one distinction, three credits and five passes. The Minister is entitled to use these letters after his name but rarely bothers to do so.

The honourable member seems to have missed the point completely that, within the South Australian Education Department, teacher/librarians are, in fact, teachers first and that library qualifications are used to augment their teaching experience. Librarians are still essentially teachers, but not in the typical classroom location.

The Minister, in fact, commissioned one of the first Commonwealth resource centres to be operative in South Australia and was runner-up in the National Grolier Award for the most improved school library resource centre in 1974. (The national prize was won by another South Australian school.) He was also awarded a Schools Commission grant of $5 500 when he initiated a video-tape supply service to schools in the South-East of South Australia based upon his own resource centre and was a pioneer of such a service in the colour video medium. This service was extended to all schools through the Educational Technology Centre. The inference behind the honourable member's question is that school librarians are an inferior race. This will certainly not endear her to the hundreds of librarians in South Australia and elsewhere who are highly qualified professional members of the Education Department and of State and municipal library services. A general qualification for librarianship is Library Studies with a degree or equivalent.

The Minister entered into teaching when he was 30 years old, and has had some 15 years of experience variously as a serving member of the Royal Navy, in clerical and industrial work within the British iron and steel industry, and as an accountant in real estate. He has also served as city councillor and in a very wide number of service and sporting organisations often as a founder member, and generally as an office bearer. Should the honourable member wish for more precise detail of the Minister's experiences, he would be willing to provide them.

The Hon. ANNE LEVY: I seek leave to make a personal explanation.

Leave granted.

The Hon. ANNE LEVY: I do not have before me a copy of the document that the Minister has just read out. However, I would repudiate the sentiments expressed in the reply from the Minister of Education indicating that I in any way wished to denigrate school librarians or imply any degree of elitism or snobbery in my question. If honourable members care to check my question originally asked on 20 August, page 480 of *Hansard*, they will see that there is no suggestion in that question of any denigration of any person or class of persons whatsoever. I asked the question because I had had different reports brought to me as to the Minister's previous experience. I believed that the only way to settle the question was to obtain from the Minister details of his experience. I strongly object to any suggestion that my question denigrated any persons or class of persons in the teaching profession or elsewhere in this State.

CROSS-INFECTION

The Hon. BARBARA WIESE: Has the Minister of Community Welfare a reply to my question of 21 August on cross-infection?

The Hon. J. C. BURDETT: I am advised by my colleague the Minister of Health that the acting Medical Administrator at Modbury Hospital has advised that the rate of cross-infection amongst patients at that hospital is not in excess of that of other hospitals in the Adelaide metropolitan area. A survey conducted at Modbury Hospital over the latter half of 1977 revealed that the incidence of maternal and neonatal sepsis at the hospital was within quite acceptable limits. The consultant microbiologist at the hospital is of the opinion that the rate of infection today is even less than that observed in 1977. Continuing surveillance of general medical and surgical wards similarly shows no evidence of an excessive rate of cross-infection.

SOUTH EAST FORESTRY

The Hon. Frank Blevins, for the **Hon. B. A. CHATTERTON** (on notice), asked the Minister of Community Welfare:

1. When did the Minister of Forests find out that his agreement to sell the S.A.T.C.O. holding in Punwood made on 5 March 1980 was impossible to implement because of the Foreign Investment Review Board refusal to sanction the sale of these shares?

2. When did he inform Punalur Paper Mills that the transfer of the Government shareholding to them was not possible?

3. Did the Minister of Forests assist Punalur Paper Mills in finding an Australian company to buy the Government shareholding in Punwood? If so, what form did this assistance take?

4. When was the Minister of Forests notified that H. C. Sleigh was interested in taking up the Government shareholding in Punwood?

5. When did the Minister of Forests or his officers start negotiations with other potential purchasers of South-East pulp wood?

6. What action has the Minister taken to inform potential purchasers of the availability of this resource?

7. Has the Government advertised for proposals to purchase and process South-East pulp wood? If so, where and when? What public media was used and, if not, why not?

8. Was Cabinet informed of the Minister of Forests' decision to cancel the agreement with Punwood and Punalar Paper Mills? If so, on what date?

9. When was the agreement to supply pulp wood to Merabini signed? What is the term of the agreement? What is the quantity of log to be supplied under the agreement? How much will come from the Adelaide Hills forests? How much will come from the South-East forests? Why was the promise of the Minister of Forests to give Punalar Paper Mills first option on the Adelaide Hills log not honoured? Were negotiations undertaken with Merabini directly or through an Australian agent? If so, who was the Australian agent? Were any other offers for the log considered? If so, how many? What action did the

Minister take to inform possible purchasers of the availability of this log?

The Hon. J. C. BURDETT: The replies are as follows:

1. The F.I.R.B. decision was first known to the Minister on about 25 July 1980 when the representative of Punalur Paper Mills Limited was officially informed. It was confirmed in letter to the Premier dated 28 July. It should be noted, however, that Punalur Paper Mills Limited had recognised well before that time that for financial and administrative reasons they would not be able to undertake the project alone as agreed on 5 March.

2. Punalur Paper Mills Limited received the information from F.I.R.B. direct and before the Government since Punalur were the applicants.

3. Assistance on several occasions before and after the F.I.R.B. decision was given to Punalur Paper Mills Limited in making contact with Australian companies. However, at a relatively early stage it was known that Punalur Paper Mills Limited had made independent contact with a number of Australian companies including H. C. Sleigh Limited, W.A. Chip and Pulp, Australian Pulp and Paper Manufacturers, Australian Newsprint Mills and others. Little help in this area was sought but was given whenever requested.

4. The Minister received copies of correspondence between H. C. Sleigh Limited and Punalur in the early part of June. However, it should be clearly understood that at no stage did H. C. Sleigh Limited determine to participate in the pulp mill project. Interest was expressed by the company in examining the project if an extension of time running into some months was granted to them.

5. No negotiations with other parties took place while the agreement with Punwood was current or indeed since the termination of that agreement. Many parties expressed interest over an extended period of time but the exclusivity of the agreement with Punalur (Punwood) was observed at all times.

6. A document seeking submissions for the use of the resource was made available to interested parties on 2 September 1980. No less than 27 parties have so far received the document on request.

7. A press release on 3 September 1980 informed the public that interested parties could obtain particulars on request. Wide interest in the resource was quite apparent and press advertisements were unnecessary.

8. Cabinet was kept informed of the situation in regard to the agreement throughout August.

9. There is no agreement, nor has there ever been any agreement with any company, Japanese or otherwise, concerning pulpwood from the Adelaide Hills. The Minister never promised Punalur Paper Mills Limited first option on the Adelaide Hills thinnings. There was a proposal for a single shipment for testing purposes discussed even before the 5 March agreement but it did not eventuate. Offers will be sought for the use of this material when the local demand has been clarified and therefore the quantity available determined more accurately.

THE SOUTH AUSTRALIAN GAS COMPANY'S ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 September. Page 868.)

The Hon. D. H. LAIDLAW: I support the second reading of the Bill to modify the Act which regulates the affairs of Sagasco. The object of the Government is to preserve the status of the company as a utility serving the interests of South Australia.

Since the pipeline from Moomba was completed in 1969 (gas was delivered in November of that year), the use of natural gas in this State has increased five fold. Natural gas is reticulated to 208 000 consumers in Adelaide and Port Pirie. Over 5 000 consumers in Whyalla and Mount Gambier are supplied by pipe with gas manufactured from l.p.g. and a further 35 000 are supplied with bottled gas by agents of the company outside the gas reticulation areas.

The Government wishes to preserve Sagasco as a public company but with a board that continues to act in a manner synonomous with Government policy. For example, I understand that Sagasco suffers heavy losses in reticulating gas in Mount Gambier and Whyalla, but this service should be continued.

More recently, Sagasco, at public request, began laying pipes to Blackwood, through the Coromandel Valley and Flagstaff Hill. However, because of the present sparseness of the population along the route, it will take many years before this project can hope to break even, unless Sagasco is allowed to raise the price of domestic gas abnormally, which would be contrary to the public interest.

If Sagasco was taken over by investors resident outside South Australia and run by directors whose only motive was profit, it is unlikely that the company would want to maintain or embark on unprofitable reticulation projects to satisfy the wishes of various sections of the community.

The Hon. J. R. Cornwall: Why not run it like the Gas and Fuel Corporation in Victoria?

The Hon. D. H. LAIDLAW: Because it would cost $120 000 000. That has been a worry to Governments elsewhere than South Australia, especially after Industrial Equity Limited, a Sydney-based company controlled by Mr. Brierley, took over the Auckland and Hobart gas companies. Furthermore, Boral Limited, a successful public company also based in Sydney, bought the Brisbane Gas Company and recently attempted to acquire Allgas Energy Limited, the other gas reticulation company in Brisbane. However, that was blocked by the Queensland Government.

In Victoria, gas reticulation is controlled by a statutory authority, the Gas and Fuel Corporation, while in Western Australia the State Energy Commission is the sole authority to supply electricity and gas to domestic users. Therefore, in those two States the gas supply is free from threat of take-over. In New South Wales, the main company involved in gas reticulation is Australia Gas Light Company Limited, which also controls the pipeline for Moomba to Sydney. It has a large issued capital of 22 490 000 $1 shares. This was increased last year by acquiring the remaining shares in North Shore Gas Company. However, it is prescribed that no one shareholder can hold more than 2 per cent of the issued capital, except with the approval of the directors. Voting rights are also restricted, so that no shareholder can exercise more than 1 200 votes at a meeting. This restriction applies with respect to Australian Gas Light Company Limited, even despite the wishes of the Associated Stock Exchanges that each share in a public company shall have equal voting value.

In contrast, Sagasco has a small issued capital, namely, 1 950 000 50c shares. The South Australian Gas Company's Act was amended in 1874 to provide restrictions on voting rights, and by a further amendment in 1924 the Government was given power to control the dividend level, the issue of shares and the raising of loans by the company. Although take-overs of other gas

reticulation companies have occurred, there was no speculative interest in Sagasco shares for many years, and the price hovered between the par value of 50c and $1.

Interest was aroused in a curious way when the former Labor Government in 1977 formed the South Australian Oil and Gas Corporation as an instrument to buy from a Federal Government instrumentality an 18 per cent interest in the Cooper Basin consortium. The object was to use SAOG, as the corporation is known, to explore for oil and gas in the Cooper Basin and other sedimentary basins in South Australia. Normally, SAOG would have become a statutory authority and, as such, would have had to apply to Federal Loan Council for permission to borrow funds. However, the former Labor Government apparently did not wish to be beholden to the Liberal Administration in Canberra, and therefore decided to offer 51 per cent of the issued shares to Sagasco, being a public company, the remainder being allocated to the Pipelines Authority which, despite its minority position, was allocated a majority on the board. SAOG was regarded as a subsidiary of a public company for borrowing purposes.

The original issued capital of SAOG was $50 000. Sagasco subscribed $25 500 and the Pipelines Authority the remainder. Subsequently, the Government imposed a gas levy of 3·5c per gigajoule on consumers of gas in South Australia. This levy brings in about $3 000 000 a year. The money is passed to the Pipelines Authority, which uses it to subscribe to non-voting shares in SAOG. By last year, the issued capital of SAOG was $50 000 in voting shares and $8 000 000 in non-voting shares.

A ludicrous situation has arisen where Sagasco has subscribed ·3 per cent of the capital of SAOG yet has 51 per cent of the voting power. The $8 000 000 subscribed to obtain non-voting shares has been used for SAOG exploration. In addition, SAOG has borrowed about $28 000 000, which has been used partly to pay off the Federal Government for the 18 per cent interest in the Cooper Basin and partly for exploration purposes.

The capital and voting structure of SAOG was a neat device concocted by the former Labor Government to bypass Loan Council for borrowing purposes. However, it is fraught with dangers. The huge increase in oil and, to a lesser extent, gas prices aroused the interest of speculators in the Cooper Basin. The price of shares of Santos, which manages the Cooper Basin operation on behalf of the consortium and has a 46 per cent interest in the Cooper Basin, rose in one year from under $2 to $15. At that price, Santos was capitalised at over $700 000 000, and had risen to be the tenth largest Australian public company in terms of share market capitalisation.

Financial commentators valued SAOG shares because of its 18 per cent holding in the Cooper Basin in relation to Santos at about $270 000 000. Sagasco, as the owner of 51 per cent of SAOG, had an investment costing $25 500, which seemingly was worth over $135 000 000, and the commentators suddenly suggested that Sagasco shares were worth over $60 each.

During 1978, some perceptive investors began buying Sagasco shares in quantity, starting at under $1 each. Since the issued capital consisted of only 1 950 000 shares, it did not require a great outlay to obtain a significant holding in Sagasco.

The Labor Government took fright, as well it might, at the prospect of a take-over of Sagasco, and introduced an amending Bill early in 1979 limiting the holding of any one shareholder or a group of shareholders to 5 per cent of the issued capital. It authorised the company to obtain a statutory declaration from any buyer who submitted a transfer of shares for registration, as to the total holding of his and those of any associates. Furthermore, the Bill restricted voting rights of shareholders so that, whereas the holder of 50 shares got one vote at a general meeting, the holder of 2 000 or more shares was entitled to a maximum of only five votes.

This amending legislation in 1979 had one significant loophole. Some investors apparently bought shares up to the permitted limit of 5 per cent and then continued to buy but did not forward the transfers for registration. The value of a statutory declaration was negated because Sagasco did not know the identity of the buyer. Even when statutory declarations were demanded, some buyers declined to supply the required information. In theory if a shareholder bought 5 per cent of the issued capital officially, and then continued surreptitiously to eliminate the holders of the remaining 95 per cent, he could in time obtain a dominant position.

After financial writers suggested that Sagasco shares might be worth over $60 each, the share price rose during this year from $1 to $8. On 4 June the Minister of Mines and Energy issued a warning to speculators that the Government contemplated changing the Act to preserve Sagasco as a utility company, and the Chairman of the company stated publicly that the shares were grossly overpriced. In my opinion any investor who continued to buy or hold shares at the inflated price that prevailed had only himself to blame if he got his fingers burnt. Since the introduction of this Bill, the price has dropped to $3·25, but this is more than treble the historical price level.

The Minister has stated that the present amendments were drafted after lengthy discussions with the directors of Sagasco and after consideration of their submissions. One correspondent in the *Sunday Mail* suggested that the directors are boiling with indignation at the form of these amendments, but I do not believe that any of them are unhappy with the result.

In this Bill the whole of the Gas Company Act has been rewritten but with certain significant amendments. A new class B share has been created and, at a general meeting, each such share will be entitled to 100 votes. The Directors of Sagasco are instructed to issue, after the Act is proclaimed, 20 000 class B shares to the State Government Insurance Commission at the price prevailing on 27 August, the date when this Bill was introduced; $7 was the price on that day. This will give S.G.I.C. 2 000 000 votes at a general meeting of Sagasco or, to be realistic, it will give the Treasurer control because the investment policy of the S.G.I.C. is subject to the Treasurer's direction.

I am pleased that the restrictions placed on the voting powers of the holders of the existing shares in the 1979 amendments are to be removed and that in future each share will be entitled to one vote, except that, as hitherto, no person or associates will be entitled to hold more than 5 per cent of the class A shares, unless prescribed by the Treasurer. Since only 1 950 000 class A shares have been issued, the effect of the Bill is that S.G.I.C., with 2 000 000 votes, will be able to control proceedings at a general meeting.

Clause 3 defines the conditions under which a person is to be regarded as an associate of a shareholder or another person for the purpose of establishing whether a group acting together holds more than 5 per cent of the issued class A shares. In addition, clause 4 deals with cases in which a person will be regarded as having a relevant interest over any Sagasco shares. A relevant interest applies where a person has power to exercise or control the exercise of a voting right attached to a share or to dispose of or exercise control of disposal of a share.

This inclusion of the relevant interest provision is

critical, because it covers the case of the devious investor who has bought shares in Sagasco but has chosen not to have his name placed on the share register. However, he still is able to dispose of shares, whether they are registered or not, so now can be classified as having a relevant interest, and those shares will be included in his total holding.

Clause 11 provides that, in determining whether any person or his associate holds more than 5 per cent or the maximum permitted by the Treasurer, the relevant interests in shares of such persons must be taken into account. In order to establish these facts, Sagasco or the Corporate Affairs Commission can apply to the Supreme Court pursuant to clause 14 to summon any person who may be able to supply relevant information. Such person will be examined under oath, and it will be for the devious investor to decide whether to divulge the true facts or risk perjuring himself.

If the court finds that a person or his associates do hold more than 5 per cent or the maximum permitted, the Treasurer may require him to dispose of a specified number of shares to a person who is not an associate. If the holder fails to comply within a specified time, being not less than six months, then the shares shall be forfeited to the Crown. They shall be sold by the Corporate Affairs Commission and the proceeds paid to the dispossessed holder. Similar provisions regarding divestment were included in the 1979 amendments.

I wish now to answer some arguments raised by critics of this Bill: first, why it is necessary to give S.G.I.C. a majority of voting power when the provisions regarding associates, relevant interests, investigation by the court and the powers of divestment seem all-embracing and should be sufficient to deter predators. In my opinion, the only certain way of preventing Sagasco from falling into unfriendly hands is to place a large block of votes with a body such as S.G.I.C., which is under direction from the Treasurer.

Take the example of a Mr. Smith, who has a successful reputation as a share raider. Many of his acquaintances have followed his tips in the past and have made money as a result. Smith could go to his club and mention in the hearing of 100 or so fellow members around the bar that he regards Sagasco as being worth a flutter. Likely as not, many of the throng will buy a few hundred shares and will pass on the message to others.

Come the next general meeting of Sagasco and Smith wants to replace the two retiring directors with nominees of his own. He searches the share register and discovers many familiar names. He contacts them and suggests that they might consider voting for his nominees. I doubt whether any court would hold that his fellow Club members were associates of Smith for the purpose of the Act or that Smith had a relevant interest in any of their shares. Yet it is quite likely that Smith with the aid of the club members and any other shareholders, who may be dissatisfied with the incumbent directors, could get his nominees elected. By repeating the operation he could, in a matter of two years, have a majority on the board. In a utility company like Sagasco, a board unsympathetic to the Government's wishes would be intolerable.

Secondly, it has been claimed that the Government should have made a take-over bid for the existing Sagasco shares at a fair price and turned the company into a statutory authority. That is a question that the Hon. Mr. Cornwall asked earlier. That is a valid argument but what would be regarded as a fair price? One financial writer suggested that Sagasco shares were worth more than $60 a share, and nothing much short of that figure would have satisfied many of the speculators. Furthermore, to pay such a price would cost the Government at least $120 000 000 and, in my opinion, the Government should spend what money it has on development of our oil and gas fields rather than buying out shareholders.

The Hon. J. R. Cornwall: That is placing a value of $50 on a share.

The Hon. D. H. LAIDLAW: I suggest that what we have done is the best course of action. Thirdly, it has been argued that the Government is acquiring a majority of votes in Sagasco through S.G.I.C. by stealth for $140 000, by creating 20 000 new class B shares with majority voting rights and directing Sagasco to issue these at $7 each, when the market capitalisation of the existing class A shares, which will now have a minority voting power, were worth nearly $14 000 000 when the Bill was introduced. I have already pointed out that the shareholders of Sagasco subscribed $25 500, which is ·3 of 1 per cent of the issued capital, and were originally given 51 per cent of the voting power. The Pipelines Authority, which is a statutory body, has subscribed over $8 000 000 for voting and non-voting shares. That represents 99·7 per cent of the issued capital, yet it has a minority voting power. In my opinion that is ludicrous.

The present Bill corrects that situation and will enable the Government to control the destiny of South Australian Oil and Gas. If the shareholders of Sagasco had subscribed funds to build up the huge asset in SAOG, which is the normal practice, then the public would have had valid reason for complaining about the Government's actions.

Fourthly, the Labor Opposition and others have claimed that S.G.I.C. should not have been directed to pay $7 each for the 20 000 class B shares because, based on the existing annual interest rate of 12 per cent, the dividend yield on this investment is only ·8 of one per cent. They add that the S.G.I.C. directors should pay more regard to the interests of policy holders. I remind honourable members that at present S.G.I.C. has $8 100 000 lent on fixed interest to Sagasco and $25 000 000 to SAOG. That is a huge involvement and it is prudent for S.G.I.C. directors, in the interests of their policy holders, to seek some control over the use or direction of $33 000 000 worth of loans lent by S.G.I.C.

Fifthly, it has been claimed that the handing of voting control over Sagasco to the Treasurer means that SAOG is now controlled by the State and should in future get permission of Loan Council before borrowing funds. I am advised that that view is incorrect, because Sagasco is still a public company with the vast majority of shares held by non-Government interests. Even if SAOG did have to approach Loan Council, surely the Federal Government would be sympathetic to a body asking for funds to explore for indigenous gas. I am reminded that Sir Charles Court was last year granted approval to borrow $450 000 000 to construct a gas pipeline from Dampier to Perth. That $450 000 000 was outside the normal allotment approved by Loan Council for Western Australian bodies to borrow.

The Hon. J. R. Cornwall: You're having two bob each way there.

The Hon. D. H. LAIDLAW: All right, that is fair enough. I might win both, or I might get the honourable member to agree with me. Finally, it has been suggested that the introduction of this legislation is contrary to Liberal Party philosophy. I would like to quote a statement made last week by Mr. Garland, the Minister of Business and Consumer Affairs, when introducing petrol selling legislation into Federal Parliament. Mr. Garland stated:

> The Liberal Party opposes unnecessary regulation of business, provided that there is no overriding public interest. But it is not a *laissez faire* party. Where there are obvious ills, it will intervene.

I support the second reading of this Bill and commend the Government for taking this initiative in the best interests of the State.

The Hon. FRANK BLEVINS secured the adjournment of the debate.

GAS ACT AMENDMENT BILL

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

The Hon. K. T. GRIFFIN (Attorney-General): I move:

That this Bill be now read a second time.

This Bill is consequential upon the amendments proposed to the South Australian Gas Company's Act. The Gas Act presently contains quite a number of provisions that regulate the administration of the South Australian Gas Company. These provisions, so far as they remain relevant, are now to be transferred to the South Australian Gas Company's Act. They will, of course, fall much more appropriately in that Act.

Clauses 1 and 2 are formal. Clause 3 repeals section 3 of the principal Act. This section is a repealing provision relating to the South Australian Gas Company's Act. Clause 4 amends section 25 of the principal Act. The purpose of this amendment is to incorporate into section 25 the material presently contained in section 25a of the principal Act. Clauses 5, 6 and 7 make consequential repeals flowing from the proposed amendments to the South Australian Gas Company's Act.

The Hon. FRANK BLEVINS secured the adjournment of the debate.

ADJOURNMENT

At 3.51 p.m. the Council adjourned until Tuesday 23 September at 2.15 p.m.