

## LEGISLATIVE COUNCIL

Tuesday 21 October 1980

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

### ASSENT TO BILLS

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

Company Take-overs,  
Gas Act Amendment,  
Pipelines Authority Act Amendment,  
South Australian Gas Company's Act Amendment.

### DEATH OF SIR EDRIC BASTYAN

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

That the Legislative Council express its profound regret at the death of Lieutenant-General Sir Edric Montague Bastyan, K.C.M.G., K.C.V.O., K.B.E., C.B., K.St.J., former Governor of South Australia, and offer its deepest sympathy to Lady Bastyan and family in their sad bereavement and place on record its appreciation of his distinguished service to the State of South Australia; and that as a mark of respect to the memory of Sir Edric Bastyan the sitting of the Council be suspended until the ringing of the bells.

All South Australians were saddened to hear of the death on 6 October 1980 of Lieutenant-General Sir Edric Bastyan, who was formerly Governor of South Australia. Sir Edric was Governor of South Australia from 4 April 1961 to 1 June 1968. Thereafter, he served as Governor of Tasmania. He became very well known to people throughout the State of South Australia, which he served so well and faithfully. It can be said of his period of Governorship in South Australia that Sir Edric really took that Viceregal office to the people of this State.

Sir Edric Bastyan was highly respected and very much loved by the people of South Australia. Indeed, he held South Australia in such high regard that he chose to spend his retirement from 1974 in this State, and he was a well known figure around the city, particularly in the village atmosphere of North Adelaide, and throughout South Australia.

Before his appointment to the Viceregal office in 1961, Sir Edric had a distinguished career in the British Army where he served as Chief Administrative Officer of the Eighth Army in 1943. He was Major-General in Charge of Administration of Allied Land Forces in South-East Asia from 1944 to 1945; Chief of Staff, Eastern Command, from 1949 to 1950; and Commander of the British Forces in Hong Kong from 1957 until his retirement in 1960.

Sir Edric was, as I have said, well respected and loved by South Australians. He served not only as a soldier but also in the office of Governor of this State with distinction. He will be remembered with affection by all his friends in South Australia, and I am sure that every member will join with me in extending to Lady Bastyan and her son David the condolences and sympathy of all South Australians.

**The Hon. C. J. SUMNER (Leader of the Opposition):** I second the motion. In so doing, I would like to endorse the remarks of the Attorney-General in expressing the regret of this Council at the death of the former Governor,

Lieutenant-General Sir Edric Bastyan. As the Attorney-General has said, Sir Edric was a well respected holder of that office in South Australia. He was appointed initially in 1961, and I think it is a mark of the esteem in which he was held that his appointment was, in fact, extended beyond the normal period and he continued to serve for an additional term in South Australia. He continued then to serve the people of Australia generally by his appointment as Governor of Tasmania.

In his official capacity as Governor of this State, he toured South Australia widely and was well known. As the Attorney-General has said, in his retirement, in his unofficial capacity he also became a familiar and wellknown figure around South Australia. It is a compliment to us that, in a sense, I suppose as an immigrant from the United Kingdom, Sir Edric chose to spend his years of retirement in Adelaide, obviously a place that he found convivial and suitable to his needs and desires in retirement.

Sir Edric Bastyan's appointment was, in a sense, the end of a tradition of Governors in South Australia, and perhaps Australia as a whole, where the practice now is that Australians are appointed to these positions, and there has been a trend away from the necessary appointment of British service chiefs. Nevertheless, although the last in that tradition, he certainly carried out his duties in an exceptionally fine manner that was appreciated by everyone in South Australia. Accordingly, I second this motion as a bi-partisan expression of sympathy from this Council at the unfortunate passing of Sir Edric Bastyan.

**The Hon. M. B. DAWKINS:** It is perhaps a little unusual for a back-bencher to speak to a motion of this type, which I support. I appreciate the comments made by the Attorney-General and the Leader of the Opposition and, as one of the few back-benchers who was here during the period of Sir Edric's occupancy of his office in South Australia, I would like to add a brief appreciation of the great work he did in this State and also in Tasmania in his subsequent appointment in that State.

As the honourable gentlemen who have spoken have said, Sir Edric did not spare himself in his devotion to this State and in doing his job as he saw it. The fact that he was appointed originally by a Government of our persuasion and subsequently reappointed by a Government of the Leader's Party's persuasion is indicative of the high esteem in which Sir Edric was held.

I remember well in 1972 having the privilege of spending an evening with Sir Edric and Lady Bastyan in Tasmania, when as the then Tasmanian Governor he was very happy to show us around that State's beautiful Government House and surrounds. At the same time, Sir Edric and Lady Bastyan expressed their great love for this State and a desire to return here in due course.

I am sure that we were all pleased when Sir Edric decided to spend his final years in South Australia. I join with the Attorney-General and the Leader in expressing condolences to Lady Bastyan and her son David, and I endorse the comments that have been made regarding the very high esteem in which Sir Edric was held.

**The PRESIDENT:** I, too, endorse the remarks made by previous speakers. Although I had nothing to do with Parliament when Sir Edric was Governor, I was a member of local government, and I know the amount of splendid and intelligent work that Sir Edric Bastyan and Lady Bastyan performed on behalf of all South Australians. I take this opportunity to express my deepest sympathy to Lady Bastyan and her son.

Motion carried by members standing in their places in silence.

[Sitting suspended from 2.28 to 2.40 p.m.]

#### PETITION: FILM CLASSIFICATION

**The Hon. C. J. SUMNER** presented a petition from 210 residents of South Australia, concerning classification of the film *Sweet Sweetback's Badass Song* and praying that the Attorney-General grant a classification for the film *Sweet Sweetback's Badass Song* under the Film Classification Act, or grant an exemption for this film from the provisions of the said Act, to allow it to be screened in its original form during the 21st Adelaide International Film Festival.

**The PRESIDENT:** As this petition is in almost identical form to the petition presented by the Hon. Mr. Sumner on 25 September, the reading of it by the Clerk will be dispensed with in accordance with Standing Order 95.

**The Hon. C. J. SUMNER:** In presenting the petition, I would point out to the Council what members no doubt already know. The Film Festival to which this petition applies has now concluded, and accordingly the prayer in the petition is somewhat hypothetical. However, Parliament has not sat for the past three weeks, and I believe that I should present the petition as an expression of the views of those citizens opposing the action of the Attorney-General in refusing to grant a classification for this film, even though, in practical terms, it is not possible at this point in time for the Attorney-General to accede to the request in the petition, which I suppose could now be taken as a request by the petitioners for the Attorney-General not to behave in that manner in future.

Petition received.

#### BERRI IRRIGATION AREA

**The PRESIDENT** laid on the table the report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Berri Irrigation Area—Rehabilitation of Head Works (Revised Scheme).

#### PAPERS TABLED

The following papers were laid on the table:

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

*By Command—*

General Elections, 1979—Statistical Returns in relation to Legislative Council and House of Assembly Elections held on 15 September 1979.

*Pursuant to Statute—*

Children's Court Advisory Committee—Report, 1979-80.

Loans to Producers Act, 1927-1962—Regulations—Loans to Growers.

Superannuation Act, 1974-1980—Regulations—Part-time Members.

The Australian Mineral Development Laboratories—Report, 1980.

Highways Department—Report, 1979-80.

By the Minister of Corporate Affairs (Hon. K. T. Griffin)—

*Pursuant to Statute—*

Company Take-Overs Act, 1980—General Regulations, 1980.

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

*Pursuant to Statute—*

Crown Lands Act, 1929-1980—For year ended 30 June 1980—Section 213—Statement in connection with Surrenders declined. Section 9(f)—Return of Remissions.

Discharged Soldiers Settlement Act, 1934-1940—For year ended 30 June 1980—Section 30—Disposal of Surplus Lands.

Fisheries Act, 1971-1980—Regulations—Prawn Licence Fees.

Outback Areas Community Development Trust—Report, 1979-80.

South Australian Waste Management Commission Act, 1979-80—Regulations—Various Amendments. South-Eastern Drainage Board—Report, 1979-80.

Corporation of Adelaide—By-law No. 6—Obstructions to Vision.

South Australian Waste Management Commission—Report, 1979-80.

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

*Pursuant to Statute—*

Art Gallery—Report, 1979-80.

Constitutional Museum—Report, 1979-80.

South-East Regional Cultural Centre Trust—Auditor-General's Report, 1979-80—Report and Statement of Accounts, 1979-80.

State Theatre Company of South Australia—Report, 1979-80.

The State Opera of South Australia—Report, 1979-80.

South Australian Museum—Report, 1979-80.

By the Minister of Community Welfare (Hon. J. C. Burdett)—

*Pursuant to Statute—*

Dried Fruits Board of South Australia—Report, year ended 29 February 1980.

Long Service Leave (Casual Employment) Board—Report, 1979-80.

Pest Plants Commission—Report, 1979.

Planning and Development Act, 1966-1980—Regulations—Interim Development Control—District Council of Peake.

The Commissioners of Charitable Funds—Report and Statement of Accounts, 1979-80.

By the Minister of Consumer Affairs (Hon. J. C. Burdett)—

*Pursuant to Statute—*

Credit Unions Act, 1976-1980—Regulations—Liquid Funds.

Credit Union Stabilization Board—Report, 1979-80.

Trade Standards Act, 1979—Regulations—Certificate of Identification.

Folding Tables.

#### QUESTIONS

##### CENSORSHIP

**The Hon. C. J. SUMNER:** I seek leave to make a brief explanation before asking the Attorney-General a question regarding censorship.

Leave granted.

**The Hon. C. J. SUMNER:** Honourable members will recall that, for a considerable part of the Liberal Party's period in Opposition prior to last September, the Hon. John Burdett was the shadow Attorney-General and shadow Minister in charge of censorship matters. Honourable members will also recall that the Hon. Mr. Burdett took a great interest in this aspect of his shadow

portfolio and made a number of proposals for changes in the administration of the law referring to censorship. On 9 September last year, a few days before the election, the then shadow Minister was reported in the *Sunday Mail* as saying:

The Board—  
referring to the Classification of Publications Board—  
will be placed under Ministerial control, and there will be community representation on the board.

People in South Australia have now come to realise what Ministerial control of the board would mean. It would mean that the Attorney-General, as one man, could act as a one-man censor in South Australia, as he did recently in relation to the classification of a film.

The whole point in having a board to carry out the classification of publications is to do away with the notion of the one-man censor, which was prominent in the Liberal Party's previous period in office prior to 1970. Members will recall that the then Attorney-General (Mr. Millhouse) personally supervised the striking out of some words from the play *Boys in the Band* that was to be performed in South Australia. That is an example of what taking Ministerial control over the board was intended to mean by the Hon. Mr. Burdett—as I have said, a return to one-man censorship in this State, with all its consequent problems and dangers if that power is exercised in an arbitrary manner. However, the Government does not seem to speak with one voice on this issue. Before the election, the shadow Minister said that there would be Ministerial control of the board, but now the Minister in charge, the Attorney-General (one might speculate why the Premier decided to dump the Hon. Mr. Burdett from censorship matters, although it could well be that he was out of favour—

**The Hon. L. H. Davis:** You're getting desperate.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. N. K. Foster:** It's time you knocked him off.

**The PRESIDENT:** Order! I will do some knocking off if I do not get order when I call for it.

**The Hon. C. J. SUMNER:** It could be that the Premier finds himself at odds with the Hon. Mr. Burdett on this issue. There seems to be some difference of opinion, because a report in the *News* on 15 July refers to the Attorney-General, now the Minister in charge of this matter, as follows:

Mr. Griffin does not favour Ministerial control of the board.

We have the example before the State election of the Hon. Mr. Burdett being in favor of Ministerial control and speaking on behalf of his Party and, after the election, we have the new man in the saddle on this issue saying he does not favour Ministerial control. It is no wonder that some people in the community, including members opposite, I imagine, are somewhat confused about the Government's approach to censorship. Will the Attorney-General clarify the Government's policy on censorship and, in particular, will he indicate whether the Government intends to reintroduce Ministerial control of the Classification of Publications Board as promised by the Hon. Mr. Burdett but later contradicted by the Attorney-General?

**The Hon. K. T. GRIFFIN:** It would have been a rather curious position if the Minister of Consumer Affairs had been the Minister responsible for the classification of publications and censorship generally. Under the previous Government, one must remember that censorship matters were first the responsibility of the Chief Secretary and then the Premier.

**The Hon. C. J. Sumner:** And then the Attorney-General and me—I was Minister of Consumer Affairs.

**The Hon. K. T. GRIFFIN:** The Leader was given that responsibility as Attorney-General and not as Minister of Consumer Affairs. It is mischievous in the extreme for the Leader to suggest that there is anything sinister in the fact that the Minister of Consumer Affairs, who was interested in the area of classification of publications prior to the State election, should not have responsibility for that area when we came to office.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. K. T. GRIFFIN:** It seems that the Opposition cannot face up to the results of last weekend, and it is really scraping the bottom of the barrel asking questions about censorship which were pertinent a few weeks ago.

**The Hon. C. J. Sumner:** What has this to do with my question?

**The PRESIDENT:** Perhaps not very much. The honourable Attorney-General.

**The Hon. K. T. GRIFFIN:** A few weeks ago this matter was a much more topical issue. What I have said since I have been the Minister responsible for classification of publications, films and theatrical performances is that we are currently reviewing the Classification of Publications Act. I have said during this year that the new Classification of Publications Board, which was appointed a few months ago, has been given the task of reviewing, first, classifications and categories and, secondly, the operation of the Classification of Publications Act. That Act has not been reviewed for some time, and it is about time that that course of action was pursued.

In conjunction with the board's review of the operation of the Act, I am undertaking my own review and, when that review has been completed, that will be the time when I will announce the Government's policy with respect to the Classification of Publications Act. In the newspaper report to which the Leader referred, what he did not distinguish was the concept of Ministerial control from the concept of Ministerial responsibility. This Government has always held the view that Ministers are responsible to the community and that boards and statutory authorities ought to be responsible to Ministers. That is quite a different concept from Ministerial control.

The fact is that I indicated to the *News*, and I have made other statements publicly, that the first task is to ensure that the Classification of Publications Board reflects the general views of the Government and the community, and that is where the emphasis ought to be placed, not on any control by the Minister.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. K. T. GRIFFIN:** If in this area there is something for which I should accept responsibility, I am not afraid to do that, and I have done it recently. It is clear that the community accepts that Governments of the day and their Ministers ought to accept responsibility and that is what we will do.

#### VINDANA WINERY

**The Hon. B. A. CHATTERTON:** I seek leave to make a short explanation before asking the Attorney-General a question about the Vindana winery.

Leave granted.

**The Hon. B. A. CHATTERTON:** Some months ago I asked the Attorney-General to conduct a full-scale inquiry into the affairs of the Vindana winery and the Morgan family companies. In particular, I asked whether he would conduct such an inquiry under, I think, Part VII of the Corporate Affairs Act which would allow an investigator to take evidence under oath and investigate the affairs of

these concerns in a thorough manner. On that occasion the Attorney-General told me that he did not think there was sufficient evidence at that stage to conduct such an inquiry but that his officers were looking at the affairs of the winery. It has now been reported to me by growers in the Riverland that they have discussed the matter with the Attorney-General.

He has told them that such a full-scale inquiry into the Vindana winery and associated family companies of Mr. Morgan is being undertaken. I was surprised at that, because the Attorney-General promised me on the occasion I asked this question previously that he would report to this Council when he had sufficient evidence to conduct such a full-scale inquiry. Has the Attorney-General in fact changed his mind, is he conducting such an inquiry, and, if so, why has he not fulfilled the promise he made to report on this matter to this Council?

**The Hon. K. T. GRIFFIN:** I think we have to distinguish between a special investigation under the Companies Act and other areas of inquiry which are not of the same nature as the activity of a special investigation. What I said on previous occasions, and what I repeat now, is that I do not believe that there is sufficient evidence available to appoint a special investigator under the provisions of the Companies Act. One has to remember that certain criteria need to be satisfied before a special investigator is appointed under the Act.

It is correct that growers came to see me some time ago and that I indicated I would request the Corporate Affairs Commission to undertake an extensive inquiry. But, of course, that inquiry is not a special investigation under the provisions of the Companies Act. My officers have been undertaking extensive inquiries. I have not received an up-to-date report, but I will obtain one and endeavour to have some further information made available for the honourable member.

**The Hon. B. A. CHATTERTON:** I wish to ask a supplementary question. It has been reported to me that a large loan was taken out by the Morgan group of companies from the Berri Co-operative Packing Union. There are growers in the area who are concerned about that report and who feel that reports cannot be investigated properly unless there is a full-scale inquiry. Will the sort of inquiry that the Attorney has just mentioned have the power to investigate how such a loan was made, what the nature of the loan is, and the amount borrowed?

**The Hon. K. T. GRIFFIN:** Certainly there have been allegations about various loans having been raised. I cannot recall the details, but the sorts of power which investigators have under the Companies Act are wide enough to delve into this sort of transaction. If, however, we find that there are some reasons for taking the matter further and that there are no extensive powers, then I will be happy to examine the matter further with the Corporate Affairs Commission. I will need to get some advice from my officers and bring back a further reply.

### SYMPHONY ORCHESTRA

**The Hon. M. B. DAWKINS:** I seek leave to make a short statement before asking the Minister of Arts a question about the Adelaide Symphony Orchestra.

Leave granted.

**The Hon. M. B. DAWKINS:** My question relates to the funding and upgrading of the personnel of the Adelaide Symphony Orchestra. In this State (and, in all other States of the Commonwealth) we are extremely fortunate because, whereas in other countries the great bulk of the

burden of funding a symphony orchestra falls upon State and municipal authorities, in this country that great burden has been assumed by the Australian Broadcasting Commission. However, the funding that has been provided by the State Government over the years has been of valuable assistance to the maintenance of the orchestra.

Some little time ago, I had the privilege of introducing the Chief Manager (Mr. Graham Taylor) and the Music Supervisor (Mr. James Christiansen) of the South Australian Division of the Australian Broadcasting Commission to the Minister. The matter of necessary extra funding for the orchestra was discussed in detail, and the Minister gave the deputation a sympathetic hearing. Is the Minister in a position to indicate whether the South Australian Government has been able to increase by a significant amount the funding to be made available by this State towards the upgrading and extension of the Adelaide Symphony Orchestra?

**The Hon. C. M. HILL:** It is a fact that the honourable member has been active in pursuing the cause of the orchestra over a great number of years. I recall only recently that he was instrumental in bringing forward a deputation from the orchestra to me. A long discussion ensued as to the need for the orchestra's funding to be increased, because it was apparent that more instrumentalists should be sought and employed by the orchestra, particularly, as I recall, in the area of wind instruments, which ought to be increased in number. It is a fact that a considerable increase for this purpose appeared in the Budget Estimates over last year's allocation. I do not have the exact figure with me at the moment. As I recall, the increase in funding is in the vicinity of \$15 000. I can get an exact figure and other details which I know will be of interest to the honourable member, and I will bring them down tomorrow.

### CENSORSHIP

**The Hon. C. J. SUMNER:** Will the Attorney-General, as Minister responsible for censorship, say whether he agrees with the Liberal Party policy as reportedly espoused by the Hon. Mr. Burdett when spokesman on censorship matters on 9 September 1979 that the Classification of Publications Board will be placed under Ministerial control?

**The Hon. K. T. GRIFFIN:** It is correct that prior to the last election there were public statements made which indicated that the preference of the Party was that the Classification of Publications Board should be subject and responsible to a Minister. There were people in the community who variously interpreted that as being responsible to the Minister and being subject to Ministerial control. I have already indicated today in answer to a question asked by the Leader that the first preference of the Government is to ensure that on the board are people who reflect community attitudes and Government attitudes. Also, there is a review of the Classification of Publications Act presently being undertaken, when any detailed changes, which will include the question of Ministerial responsibility, will be made known publicly.

### SIGNALLING DEVICES

**The Hon. L. H. DAVIS:** I seek leave to make a short statement before asking the Attorney-General, representing the Minister of Transport, a question about signalling devices on motor cycles.

Leave granted.

**The Hon. L. H. DAVIS:** Recently I observed two near accidents, both involving a motor cyclist changing lanes without having signalled his intention to cars following. This practice is obviously dangerous, especially after dark. I understand that the Road Traffic Act regulations do not make it mandatory for motor cyclists to have signalling devices, although I have observed that many motor cyclists, including the police, do have them. Will the Minister say why motor cyclists are not required to have signalling devices? Further, will he review the present requirements as to signalling devices on motor cycles in view of cyclists' vulnerability in the event of accident and the failure of many motor cyclists to properly signal their intention to change direction by hand where no signalling device is available?

**The Hon. K. T. GRIFFIN:** I will refer the question to the Minister of Transport and bring back a reply.

#### WAITE INSTITUTE

**The Hon. K. L. MILNE:** Has the Attorney-General yet received a reply to my question about whether the Prime Minister has replied to the letter from the Premier regarding the Waite Agricultural Research Institute of the University of Adelaide being declared a research school in the university system and being funded accordingly?

**The Hon. K. T. GRIFFIN:** The Premier wrote to the Prime Minister conveying the resolution of the South Australian Parliament. The Prime Minister replied on 13 July 1980. The Premier asked for further inquiries to be made on some matters raised in the Prime Minister's response. There was some delay in carrying out these inquiries because of the need to await the publication of the Mitchell Report into the relationship between the university and the institute. That report was published on 15 August 1980. Consultation with appropriate authorities was thereafter required. The Premier has now made further representations to the Prime Minister as a result of inquiries conducted in South Australia. The Premier is awaiting a response from the Prime Minister.

#### SMALL GOVERNMENT

**The Hon. J. R. CORNWALL:** I seek leave to make a brief statement prior to directing a question to the Attorney-General, as Leader of the Government in this Council, concerning the high cost of small government. Leave granted.

**The Hon. J. R. CORNWALL:** I have recently received many complaints concerning the extraordinary number of consultants contracted by the Government in the past 12 months. There are examples in almost every Government department and many statutory authorities where consultants have duplicated the work of existing staff. Conservative estimates put the cost to the South Australian taxpayer at more than \$3 000 000.

There are also many irregularities in the way contracts have been let. In many cases they have not gone to tender but have apparently been let on the basis of favour or guesswork. Furthermore, the majority of contracts seem to have gone to interstate consultants. One of the classic examples has occurred in the case of P.A. Management Consultants role in the merger of the Department of Environment and the Planning Department. Stage 1 reports Nos. 1 and 2 were presented in September and October. The reports are nicely bound and are handsomely documented, as they should be, because I

understand that the cost involved will be more than \$100 000. The contract for stage 2 has recently been let to P.A. Management Consultants, without going to tender, for a firm price of a further \$105 000.

At the same time, Mr. Keith Lewis, Engineer-in-Chief of the Engineering and Water Supply Department, has been seconded full-time to work on the merger. Mr. Lewis is classified at the EO-6 level, on an annual salary of almost \$50 000 per annum. Concurrently several task forces comprising many middle-level public servants have been asked to prepare a plethora of reports. Most of the other middle-order public servants are spending half their time writing submissions for the task forces as an act of self-preservation. The remainder of the time is spent guarding their backs. In what has become a tragic farce, the Government has managed to achieve an unparalleled degree of duplication and time wasting. The attempt to achieve so-called small government is directly and indirectly costing the South Australian taxpayers millions of dollars.

I ask the Attorney what costs the Government has incurred since 17 September 1979 in hiring outside consultants; what is the estimated cost for the next 12 months; what are the names of the consultants who have been employed in each Government department and the various statutory authorities since 17 September 1979; how many of the consultants are based interstate; what is the value of contracts which have been let to interstate consultants; on what basis the contracts are let; who makes the recommendations; and why they are let without tender.

**The PRESIDENT:** I draw the attention of the Council to the fact that the time for asking questions has expired.

**The Hon. K. T. GRIFFIN:** I move:

That Standing Orders be so far suspended as to enable Question Time to conclude at 3.40 p.m.

Motion carried.

**The Hon. K. T. GRIFFIN:** The policy of the Government is that, where tasks need to be undertaken for which there may not be the necessary expertise within the Public Service, we should avail ourselves of the wide experience available through consultants in the private sector. The ordinary practice is that, when consultants are engaged, they work in conjunction with officers of the Public Service in the Public Service Board or in particular departments, or in conjunction with both, so that the wider experience in the private sector of consultants can be used to best advantage within the Public Service.

One objective of the Government is to ensure that the procedures of Government work efficiently and that objectives set within the Public Service are achieved as efficiently as possible and at the least possible cost. We have been sensitive to the needs of the Public Service. We have also been sensitive to, and have used, the expertise available in the Public Service, but there is no denying that in a number of areas there is valuable experience that the Government ought to draw upon to assist the smooth and efficient operation of Government.

**The Hon. N. K. Foster:** What about when Ministers' families were involved in companies?

**The Hon. K. T. GRIFFIN:** There are no Ministers' families involved in consultant companies. That is a ridiculous statement. If you have information contrary to that, you ought to make it available. That is a disgraceful suggestion.

**The Hon. N. K. Foster:** I will ask it by way of a direct question.

**The Hon. K. T. GRIFFIN:** You ask it. In some projects that are substantial, as in the case of the amalgamation of the Department of Environment and the Planning

Department, it is necessary to engage task forces to undertake various tasks that will ensure that the amalgamation is smooth and that the new department is properly structured. I may point out that both the task force and the consultants in the merger operation to which I have referred are operating in conjunction with the Public Service Board and other officers of the Public Service. There are no irregularities in the way in which the consultants are engaged. On some occasions, no tendering is required, because the Government is looking for specific expertise and there are firms that have that expertise readily available for the special task that is to be considered by the Government.

**The Hon. J. R. Cornwall:** Isn't that irregular?

**The Hon. K. T. GRIFFIN:** It is not.

**The PRESIDENT:** Order!

**The Hon. K. T. GRIFFIN:** Let us not get involved in asking questions about whether contracts ought to be let to tender. We follow the proper practices and procedures of the Public Service. If one were to suggest that, because no tender was called, that was irregular, I would not hesitate to suggest that the previous Government undertook this course of action on very many occasions and at much greater cost to the Public Service than those that the present Government has arranged.

**The Hon. J. R. CORNWALL:** As a supplementary question, when does the Attorney-General intend to answer the six specific questions that I asked? Is he saying that the expertise to which he referred is not available in the Public Service; if not, why not? Is he aware that his comments are a slur on the capabilities of senior public servants in South Australia?

**The Hon. K. T. GRIFFIN:** The honourable member has the capacity to twist any statement made. I did not indicate that there was any lack of confidence in the Public Service. There was no slur on any public servant in what I was saying. I was indicating that, to achieve the best possible result, it is common sense to make use of expertise available in the private sector in conjunction with expertise—perhaps a different expertise—available in the Public Service. So far as the specific questions are concerned, I will endeavour to obtain the information being sought.

#### NORTHERN ROAD

**The Hon. J. A. CARNIE:** Has the Attorney-General an answer to my question of 16 September about a northern road?

**The Hon. K. T. GRIFFIN:** Work commenced on the Hawker to Leigh Creek road in June 1975. The project has cost \$7 000 000 to date, with 77 kilometres of the road having been sealed. A length of 84 kilometres remains to be sealed, and it is anticipated that this work will be completed in 1984-85, subject to the availability of funds.

#### REGENCY ROAD OVERPASS

**The Hon. N. K. FOSTER:** Will the Attorney-General ascertain what company is building the railway overpass on Regency Road? What is the name of the contracting company, and is the job being contracted by the Highways Department? Is there an instruction from the Government as to the number of people to be involved—that the contractor must employ Highways Department personnel in preference to the contractor's own recognised labour force?

**The Hon. K. T. GRIFFIN:** I will refer that question to the Minister of Transport and bring back a reply.

#### MR. ROSS STORY

**The Hon. C. J. SUMNER:** Has the Attorney-General an answer to my question of 5 June (which is four months ago) about Mr. Ross Story?

**The Hon. K. T. GRIFFIN:** The replies are as follows:

1. Mr. Ross Story occupies the Ministerial position of Executive Assistant in the Premier's Department.

2. Mr. Story is a former member of the Legislative Council and is a member of the Liberal Party.

3. The Premier in the House of Assembly on 5 June 1980 advised that, in relation to Public Service selection panels involving persons other than public servants, such a practice had been established by the previous Government and he was "not able to say in what circumstances it will apply in the future".

#### COUNTRY GAOLS

**The Hon. M. B. DAWKINS:** Has the Minister representing the Chief Secretary an answer to my question of 18 September on country gaols?

**The Hon. C. M. HILL:** Any decision to reopen Gladstone Gaol will not minimise or postpone the proposed upgrading of the facilities at the Port Augusta Gaol.

#### AUDITOR-GENERAL'S REPORT

**The Hon. C. W. CREEDON:** Has the Attorney-General a reply to my first question of 17 September on the Auditor-General's Report?

**The Hon. K. T. GRIFFIN:** On 26 May 1980, the officer responsible for the departmental advance account arranged for the departmental cashier to cash an Advance Account cheque for \$600 at the Reserve Bank while the latter was visiting the bank on business associated with his normal banking duties.

Unfortunately, the cashier failed to check the money handed to him by the bank teller before leaving the bank and it was not until his return to the office that a deficiency of \$40 was found in the proceeds of the advance account cheque. The only explanation the cashier was able to give for the deficiency was that the teller had short paid him when cashing the cheque and consequently the shortage was immediately reported to the bank. However, an audit of the teller's cash failed to show a corresponding surplus in his cash holding which would account for the deficiency of \$40. The bank was therefore not prepared to make good the loss.

The cash deficiency was treated in accordance with the instructions contained in Treasury Circular No. 51 and the Treasurer's approval obtained to meet the loss from Revenue. Instructions have since been issued to departmental staff with regard to the procedures to be followed in checking cash received from the bank and it is hoped that a similar situation will not arise again.

**The Hon. C. W. CREEDON:** Has the Attorney-General a reply to my second question of 17 September on the Auditor-General's Report?

**The Hon. K. T. GRIFFIN:** The shortage of \$100 in moneys received by the Public Buildings Department from the Reserve Bank was discovered on the completion of counting the wages pay-roll for the period ending 12

March 1980. Despite intensive checking and re-checking of pay envelopes the missing money was not accounted for by departmental officers. In addition, the Reserve Bank of Australia advised that all bank tellers had balanced their cash transactions for the day.

The Auditor-General's Department has undertaken an investigation which has revealed that there were no departures from approved procedures. Accordingly, a claim was lodged against the Government's insurance policy covering cash in transit. The claim was settled on 13 May 1980.

### CAPITAL WORKS

**The Hon. L. H. DAVIS:** Has the Attorney-General a reply to my question of 23 September on capital works?

**The Hon. K. T. GRIFFIN:** The Government is concerned by the downward trend which became very marked from the mid 1970's as a consequence of three factors:

1. the policy of public expenditure restraint by the Commonwealth Government which has seen a reduction in real terms in the level of Loan funds available to the States;
2. the effect of increased expenditure in real terms by this State in the 1970's on education, health, etc.;
3. the increase in the Public Service in a whole range of areas in the 1970's.

The effect of points 2. and 3. has been to increase the base expenditure on which the statistical evidence quoted by the honourable member is calculated.

The Government is hopeful that the restraint which has been placed on recurrent expenditures and will continue to be placed on those expenditures, together with the prospect of increased capital spending on major development projects such as the northern power station now and Redcliff, Roxby Downs and the North-East Transport System in the future, will arrest and eventually reverse this trend.

### BLUE ASBESTOS

**The Hon. ANNE LEVY:** Has the Attorney-General a reply to the question I asked on 17 September on blue asbestos?

**The Hon. K. T. GRIFFIN:** Since the Commonwealth Government has full financial responsibility for institutions of higher learning, the question of providing funds as a matter of urgency to meet the cost of removing asbestos in certain University of Adelaide buildings has been raised with the Chairman of the Universities Council. In addition, the concern expressed by the honourable member as to the health threat posed by blue asbestos in University of Adelaide buildings has been communicated to the Tertiary Education Commission. The commission is aware of the problems faced by the university in this regard and has indicated that the matter will be examined in the light of Federal Government policy.

### REDCLIFF PETRO-CHEMICAL PLANT

**The Hon. J. R. CORNWALL:** Has the Attorney-General a reply to a question I asked concerning the Redcliff petro-chemical project, I believe on 5 August, relating to a public inquiry on the Redcliff project or on a project under the Federal Environment Protection (Impact of Proposals) Act?

**The Hon. K. T. GRIFFIN:** The question was asked on 19 August and referred to the Redcliff petro-chemical plant. The Government has followed the environmental assessment procedures laid down by the previous Administration which required Dow to prepare an environmental effects statement based on existing baseline data, followed by the preparation of a more detailed environmental impact statement.

The aim of the environmental effects statement (e.e.s.) was "to provide Government with sufficient information to ascertain the acceptability of the development at the same time as final approval to proceed is being given". The Department of Environment is recommending that the proposal is environmentally acceptable as a whole and has accepted that the e.e.s. is an adequate document. Stringent environmental standards comparable with any in the world have been recommended by the department for inclusion in the indenture. These standards will serve as design objectives for Dow.

Whilst accepting that there are available technical solutions to overcome problems associated with thermal pollution, the Government has supported recommendations from the Departments of Fisheries and Environment that studies are required to establish the physical and biological constraints on the cooling water system. The final e.e.s. sets out a number of controls which would be adopted to minimise the probability of shipping accidents. These include the provision of suitable navigation aids and the requirements that all ships would proceed between Fairway Bank and Redcliff in the presence of a pilot and that only one vessel at a time would proceed between Douglas Point and Redcliff.

The Redcliff Urban Planning Group was established to prepare and arrange implementation of the urban development programme associated with the development of Redcliff. The group has undertaken a detailed study of population trends in Port Augusta resulting from the construction and operation of the plant, including increases resulting from the Northern Power Station development and establishment of infrastructure. It was concluded that a peak population increase of 4 900 in 1984 would result.

The Department of Marine and Harbors is constantly reviewing procedures and equipment which can be adopted for the treatment of spills. In light of the assessment by the Department of Environment and the studies which are to be conducted, I do not see the need for an inquiry. I repeat that the procedures being adopted are in close agreement with those formulated by the Minister responsible for Redcliff in the previous Government, the Hon. Hugh Hudson.

### COAL

**The Hon. N. K. FOSTER:** Has the Attorney-General, representing the Minister of Mines and Energy, a reply to the question I asked on 25 September regarding Lake Phillipson coal?

**The Hon. K. T. GRIFFIN:** My colleague reports as follows:

1. Exploration Licences are held as under:
  - Kingston (S.E.) area—
    - EL 426 Western Mining Corporation Limited.
    - 518 Western Mining Corporation Limited.
    - 569 Western Mining Corporation Limited.
    - 596 Western Mining Corporation Limited.
  - Moorlands—
    - EL 446 Adelaide Brighton Cement Limited.

## Upper South East—

- EL 609 Thies Bros. Pty. Ltd.  
 657 CRA Exploration Pty. Ltd.  
 658 CRA Exploration Pty. Ltd.  
 659 CRA Exploration Pty. Ltd.  
 662 CRA Exploration Pty. Ltd.  
 666 CRA Exploration Pty. Ltd.

## Inkerman-Port Wakefield area—

- EL 422 The Electricity Trust of South Australia.

## Lake Phillipson Area—

- EL 433 Utah Development Company.

2. None.

3. Discussions have been held with representatives of the Northern Territory Government with regard to utilisation of Lake Phillipson coal in Darwin for the generation of electricity.

**The Hon. N. K. FOSTER:** Has the Attorney-General, representing the Minister of Mines and Energy, a reply to the question I asked on 27 August regarding coal deposits adjacent to Lake Phillipson?

**The Hon. K. T. GRIFFIN:** The reply is as follows:

1. Yes.

2. Yes.

3. It is considered that mining could be justified only on the basis of large-scale development, of the order of 10 000 000 tonnes per annum.

4. Yes.

5. Currently only preliminary studies have been undertaken to investigate the gasification or liquefaction potential of Lake Phillipson coal.

6. The source of information attributed to Utah estimates on future coal requirements for power generation in this State is unknown.

7. South Australian coal is not of export quality and their development for local use will be dependent on new industry requirements.

8. The Electricity Trust of South Australia is evaluating coal deposits at Port Wakefield and Lock.

9. The trust is kept informed on work being done on other South Australian coals, including Lake Phillipson.

**The Hon. N. K. FOSTER:** Will the Minister investigate further that part of his reply in which it was stated that Lake Phillipson coal is not of exportable quality, because, as later reports by the department will indicate, there are certain areas of high quality steaming coal there?

**The Hon. K. T. GRIFFIN:** I will refer the honourable member's question to the departmental officers and bring back a reply.

## CHILD CARE

**The Hon. BARBARA WIESE:** Has the Minister of Local Government, representing the Minister of Education, a reply to the question I asked on 18 September regarding child care study courses?

**The Hon. C. M. HILL:** I am pleased to supply the following information arising from a series of questions raised by the honourable member on 18 September 1980. The Department of Further Education has decided to rebalance the services provided in the care giving area and plans to implement consequential changes for the 1981 academic year.

For several years the department's efforts have focussed on the provision of full-time courses in child care. This was justified as in the early seventies there was a significant expansion in the number of child care centres and few fully trained staff were available to man the centres. More recently there has been an increasing concern for the provision of residential care services and parenting courses for the general community.

Therefore, the department decided, after exhaustive discussions, to amalgamate the two full-time child care teaching units to enable resources to be redeployed to the other two care giving areas. In operational terms, Croydon Park College of Further Education will be the focus for the full-time and part-time (non-core) Child Care Studies Certificate course and the part-time residential care course, with Elizabeth Community College, Kensington Park Community College and O'Halloran Hill College of Further Education being primarily responsible for the four core units of the Child Care Studies Certificate course and for short duration parenting courses. This has enabled the department to redeploy a child care lecturing position to a residential care position and to retain the services of a Senior Lecturer (Child Care) at Elizabeth. The Senior Lecturer will be responsible to teach in and co-ordinate the core child care units and to provide a range of parenting courses as required by the Elizabeth community.

It should be noted that the department does not have, at present, resources to similarly assist the other two colleges. The department is conscious that Elizabeth and a number of other metropolitan and country areas have high unemployment rates. During 1980 the department allocated \$103 000 to Elizabeth Community College to conduct foundation and pre-vocational courses and \$105 000 for three EPUY courses for 90 students.

In terms of child care, the department is aware of the high unemployment rate of full-time graduates. However, it would seem that there are other courses available which would equally, if not better, qualify these persons for such positions. Additionally, from information provided by employer and service groups the demand for graduates has decreased. Therefore, it has been decided to reduce the full-time student intake to 20 per year and to have a residential care student intake of 30 per year.

The department does intend that from 1981 the full-time child care course will not continue at Elizabeth Community College. However, it is still in the process of finalising that decision to ensure the best arrangements are made for existing and potential students. The department believes the decision to amalgamate and locate the major care giving teaching unit at Croydon Park College of Further Education is in the best interests of all concerned and is one which will not significantly disadvantage the Salisbury-Elizabeth community.

## WHYALLA REGIONAL CULTURAL CENTRE

**The Hon. FRANK BLEVINS:** Would the Minister of Arts care to enlarge on the answer that he gave me on 27 August in reply to a question that I had asked regarding the Whyalla Regional Cultural Centre?

**The Hon. C. M. HILL:** As I recall the question and answer, they dealt with the choice of a site for the proposed cultural centre at Whyalla which comes, of course, under the general control of the Whyalla Regional Cultural Centre Trust. There had been some controversy in Whyalla regarding where this building should be built, and two sites, namely, at Hummock Hill and at Nicholson Avenue, were mooted. The local cultural trust, having conducted a poll of residents in Whyalla, decided that the building should be erected on the Nicholson Avenue site, the poll having favored that site. When the honourable member asked his question, I indicated that I had not finally decided which was the better of the two sites. Since then, however, I have had an opportunity to visit Whyalla.

**The Hon. Frank Blevins:** A bit of a clandestine visit.

**The Hon. C. M. HILL:** It was not a clandestine visit at



all. I inspected the two sites, in company with the Manager of the local cultural trust. I now agree that the Nicholson Avenue site is the better site and, therefore, plans are now in train for the centre to be erected there.

**The Hon. Frank Blevins:** When are they going to start?

**The Hon. C. M. HILL:** The land that comprises the Nicholson Avenue site (the land fronting the street and not the rear land) is owned by the South Australian Housing Trust. I believe that some people in Whyalla who were advocating the Nicholson Avenue site did not realise that it was in the ownership of the Housing Trust. However, that point has caused some further delay. Representatives from the trust and from the Department of the Arts have held some discussions with the Housing Trust in regard to this matter, and I understand that negotiations on that point are presently in train between the trust and the Cultural Centre Trust. I hope it will not be long before that ownership question can be finally settled and the land can be transferred to the Cultural Centre Trust and, like the Hon. Mr. Blevins, I hope it will not be long before the actual project is under way.

### SPECIAL BRANCH

**The Hon. ANNE LEVY** (on notice) asked the Attorney-General:

1. Is the Special Branch of the South Australian Police Department still operating under the guidelines gazetted on 18 January 1978 and, if not, when did the change occur?

2. Has the Chief Secretary given written approval for appointments or transfers to Special Branch since 11 September 1979 as indicated in point No. 5 of the guidelines of 18 January 1978 and, if so, how many appointments or transfers have occurred?

3. Has the Chief Secretary given approval for information gathered or held by Special Branch being made available to A.S.I.O. since 11 September 1979 as indicated in point No. 7 of the guidelines of 1 January 1978 and, if so, on how many occasions?

**The Hon. K. T. GRIFFIN:** The replies are as follows:

1. Yes.

2. No. One officer was replaced by another owing to a promotion, but it was not considered necessary to obtain approval of the Chief Secretary for this change.

3. No.

### BUDGET PAPERS

Adjourned debate on motion of the Hon. K. T. Griffin:

That the Council take note of the papers relating to the Estimates of Expenditure, 1980-81, and the Loan Estimates, 1980-81.

(Continued from 25 September. Page 1128.)

**The Hon. J. A. CARNIE:** In speaking to this motion, I indicate that this is the second Budget brought down by the Tonkin Government, but it is the first Budget that can be said to be wholly the Budget of that Government. Last year, because of the constraints of time, it was necessary, I believe, to largely follow the Budget that had been prepared by the previous Government. There were, of course, some differences with wide variations of policy and philosophy, and many of the promises made by the Government at the time of the September election were reflected in some alterations in expenditure.

However, broadly, it was a Budget prepared by two different Governments. This year the Budget is prepared wholly by the present Government, and members can see from a study of the Budget papers that it is following the line which was promised in September 1977 and which it started in some measures in last year's Budget.

Last year the Government budgeted for reduced income from land tax, succession duties and gift duty, which of course were the areas where the Government promised and instituted quickly a measure of relief for the people of South Australia. This year the effect of these concessions to the taxpayers for a full year can be seen. With the remission of land tax on the principal place of residence, revenue from this source will drop by almost \$6 000 000, almost 27 per cent. The amount collected from succession duties will drop by over \$16 000 000 to about \$1 000 000, which represents the winding up of the estates of those people who died before 1 January 1980, the date of abolition of succession duties. Once the final estimated \$1 000 000 is collected, we will have seen the end of this extremely iniquitous tax.

The amount expected to be received from gift duty is only about \$50 000, and that \$50 000 exists for the same reason that I have just mentioned with respect to succession duties. It is almost \$800 000 less than the amount collected in the previous year. From these three items alone the Government will lose almost \$23 000 000 in revenue, and this is in actual money: in real terms the amount will be much greater. In fact, it is possible to see how much taxation concession this Government is giving to the people of South Australia if one examines the total taxation receipts. This year the Treasury is budgeting for estimated receipts of \$332 219 000, which is an increase of 2.3 per cent over the actual receipts of \$324 517 000 in the previous year, the last full year of the former Labor Government.

One does not have to be an economics scholar to realise that a 2.3 per cent increase in money terms represents a substantial reduction in real terms. This Government is carrying out its promise of reducing taxation, but despite this action it is not reducing services to the public—it is not reducing taxation at the expense of the quality of life that we expect. It is doing it by a policy of sound financial management, by making sure that it gets value for the taxpayer's dollar. Not only is it our policy of sound financial management—the Public Accounts Committee is constantly finding areas of financial mismanagement—but it is also the belief of this Government that increased confidence and activity in South Australia will generate the necessary revenue to finance the areas of Government responsibilities.

That the people do have confidence in the Tonkin Government was borne out last Saturday when, although there was a 6 per cent swing away from the Federal Government, in South Australia the swing was confined to less than half the national swing. Members can also see the effect that this has on the confidence of investors in Australia. If members read the papers they will learn of the frenzied activity on Stock Exchanges throughout Australia yesterday when it was known that the Liberal Government has been returned to power federally.

Getting back to the areas of Government responsibility, I do not believe and nor does this Government believe, that it is the responsibility of Government to do all the things that the previous Government did which should more properly be done in the area of the private sector. Private enterprise has shown always that it has the ability to undertake more efficiently and more cheaply many projects that the previous Government had undertaken. The present Party in Government gave a commitment at

the time of the September election that it would provide more work for the private sector and would not enter into commercial undertakings that were adequately serviced by private enterprise; for example, we would not do what the previous Government did and set up organisations like the Land Commission. I am pleased to see that we are now altering the concept of that organisation.

That the Government is carrying out this promise is shown in the allocation to the Minister of Public Works, where a reduction in money terms of \$2 430 000 or 4.1 per cent is evident. Further, the Government is honouring its commitment to cut expenditure, and a comparison between proposed payments for this year and actual payments for last year will show this. I will refer to the individual lines. If members look at the Budget papers they will see nine areas where there is an actual reduction in expenditure for departments. The Legislature has a decrease of 3.5 per cent; the Premier's Department, which grew to a monolith under the previous Government, has a decrease of 2.6 per cent; the allocation for the Treasurer is a reduction of 26.25 per cent; the Minister of Public Works has an allocation reduced by 4.1 per cent; the Minister of Agriculture, by 8.6 per cent; the Minister of Planning, by 1.6 per cent; the Minister of Transport and Minister of Recreation and Sport, by 1.4 per cent; the Minister of Community Welfare, by 5.7 per cent; and the Minister of Health, by 2.4 per cent. Here are nine areas in which the Government is reducing expenditure.

Of course, there are some areas where expenditure has to be increased but, if we compare the increases and the decreases, one sees that the grand total is an overall increase in expenditure of just over 9 per cent which, in real terms (and I am sure all members are aware of this), is no increase at all. Where there are increases, they are increases for the development of this State.

For instance, the Minister of Mines and Energy line shows an increase of 13 per cent in expenditure, or \$1 200 000 in money terms. This increase leads to the greater activity in mining exploration, particularly in the field of energy and hydrocarbons, which is vital if this State is to progress. Another increase, in fact the largest percentage increase of all, is in the Minister of Industrial Affairs line, where there is an increase of 49 per cent. Almost all of this increase, \$4 600 000 out of a total increase of \$5 100 000, relates to incentives to industry. A legacy this Government inherited from the Labor Government was that South Australia's industrial base, which had been carefully built up over many years, had been eroded. It would be pointless to deny that one of the hardest (if not the hardest) tasks facing this Government is to revive our industrial economy, and revive it we must, because until industry is stimulated in South Australia our unemployment situation cannot improve. Our industry will not improve until we can show that South Australia now has a Government which is sympathetic to its problems and not a Government like the one which for almost 10 years showed it could not care less about industry.

These incentives are many. We have encouraged decentralisation. We have encouraged industries wishing to establish or enlarge their operations in South Australia. A new proposal has been formulated to provide bridging finance for manufacturing industry wishing to establish export markets. The line which provides for incentives to industry shows an amount of \$7 150 000, which is an increase of almost three times. The Government must be commended for this. Other increases are shown in the lines for the Minister of Fisheries, involving an increase of 27 per cent. If South Australia is to husband its fisheries resources, then high priority must be given to an ongoing

research programme. This increase is largely for that purpose, for research and research vessels. The line for the Minister of Environment has been increased by 11.9 per cent. I am sorry that the Hon. Dr. Cornwall is not in the Chamber, because he spoke at some length on his former portfolio, which is understandable, but he failed to give recognition to the Government's increasing its allocation by 11.9 per cent over the amount spent last year. What is perhaps more significant is that that increase is almost 28 per cent more than the amount allocated during the previous Government's last year in office. It seems to me that we are paying more than lip service to the importance of the environment.

In conclusion, an examination of the Budget papers shows responsible financial management, that the Government is cutting dead wood, that it is instituting strict financial control, that it is reallocating funds to develop our vast mineral resources, which must be developed if this State is to grow or, indeed, not to go backwards, and that it is encouraging industry to establish or expand here. It is a responsible Budget, and I commend the Government for it. I support the motion.

**The Hon. B. A. CHATTERTON:** I wish to examine in some detail matters relating to agriculture, fisheries and forests. I think that that examination will show that the overall opinion one gets of those areas is one of stagnation. The caution of the Ministers concerned last year when discussing Government initiatives in terms of the Budget was understandable, as they had been in office for only a short period. However, after one year in office one would have expected that they would have confidence in their portfolios and knowledge of the doings of their departments. In the portfolios of agriculture, fisheries and forests it is very apparent from the hearings of the Estimates Committees that the Ministers concerned are in need of some application to duty. It is unfortunate that the Premier's well-intentioned decision to provide some meaningful discussions and debate about the State Budget and the effects it will have on the taxpayers who fund it has been subverted by a number of factors, not the least of which has been the inability of some of his Ministers to understand just what programme budgeting is all about.

No doubt other members will have a lot to say about the stone-wall tactics of those Ministers who chose to cover their ignorance of their departments and policies and those who talked at inordinate lengths about irrelevancies. I do not want to go into that in any detail, nor will I deal with the very basic arithmetical mistakes and inconsistencies that appeared in this document, entitled "A Programme Description of Departmental and Selected Agencies: Financial and Manpower Allocations Proposed for the Financial Year 1980-81". Members who were able to question Ministers on this document were continually told by the Ministers apologetically that this was the first year of the new system and that they were terribly sorry it was so hit and miss, but that if we could forgive them this time they would see things were better next time.

**The Hon. L. H. Davis:** You don't think they all said that?

**The Hon. B. A. CHATTERTON:** The Ministers to whom I refer said that on a number of occasions, and if the honourable member looks through the *Hansard* record of the Estimates Committee hearings he will see that that is perfectly accurate. I am referring to the Minister of Agriculture and the Minister of Fisheries. One of the major problems is, as I said, the inability of Ministers in the portfolios to which I have referred to see the relationship between the programme budgeting concept and the major objectives of their departments. As I

understand, the new system which the Premier has introduced and for which I commend him is to, first, define objectives for departments; secondly, to establish programmes to implement those objectives; thirdly, to review the programmes to see if they are effective in achieving the objectives; and, fourthly, to outline the financing and manpower commitments that will be needed to attain those objectives. This financial scheme has been trivialised if we look at the document that was given to us. Take, for example, the Department of Agriculture's objectives, which I will quote, as follows:

To oversee the State's rural industries and their producers and to induce this sector of the economy to maximise its contribution to the economic welfare of the State.

To foster the conservation of the State's soil, land, water and pastoral resources for the benefit of the community.

To foster the development and utilisation of those resources such as soil, land, water and pastures to maintain an economical viable agricultural industry.

**The Hon. C. J. SUMNER:** Mr. President, I draw your attention to the state of the Council.

*A quorum having been formed:*

**The Hon. B. A. CHATTERTON:** The quotation from the objectives of the Department of Agriculture, as outlined in the programme description, continues as follows:

To prevent the introduction and to control the spread of existing pests which adversely affect the agricultural and pastoral lands and unoccupied Crown lands and wildlife reserves of this State.

The first sentence of those objectives is obviously a disaster. It is a disaster to think that the Minister should wish to oversee the producers of this State. That implies a very authoritarian approach and the appointment of overseers for the State's primary producers. The remainder of the objectives is woefully inadequate in terms of describing the objectives of the South Australian Department of Agriculture. There is no mention in them of the fact that the department is involved in farm management, economics, or rural adjustment. Therefore, it seems difficult that within those objectives programmes can be developed that truthfully carry out the objectives of the department. Inconsistencies and evasions were employed by the Minister when questions of grave and even critical import were asked of him concerning the directions and provision of services from the Department of Agriculture.

He should remember that it is of considerable interest to the farmers of this State that their tax dollar is used to provide them with an adequate service from the department that is most relevant to them. It is the role of the Opposition to keep the Government on the mark in this regard. Farmers read with some concern the report of a speech made to the United Farmers and Stockowners some time in July at Robertstown by the Minister of Agriculture, in which he said:

The benefits of existing and new technologies were not being passed to the majority of South Australian farmers as quickly as they could and the agricultural sector and the State were disadvantaged. Although conditions in the agricultural sector were buoyant, the potential contribution of agriculture to economic prosperity was handicapped by problems peculiar to South Australia and were exacerbated by the department's resource and personal limitations.

The Minister went on to make the point that the ratio of Department of Agriculture officers in South Australia to farm units was 23.5 to 1, against the Victorian ratio of 14.5 to 1. We see in the Budget, as has been pointed out by the Hon. Mr. Carnie, that the department's budget has been cut by a considerable amount in real terms. When the

Estimates Committee members asked the Minister about his statement to the United Farmers and Stockowners, he went on to say, as reported in *Hansard*:

... I think we are appropriately servicing the rural sector of this State, not only in the administrative sense but also at the regional office level.

That statement shows that either the Minister is not aware of what is going on in his own department, or he had no intention of telling the Estimates Committee what is going on. In fact, there is a considerable funding crisis within his own department. I have had it reported to me that there is deep concern within his department that the funding appears to have already reached a point where further reductions in operating budgets for staff are counter-productive because already it is obvious that such cuts mean that officers cannot do their work. The Department of Agriculture, has, in the first three months of 1980-81, spent at a significantly higher level than the Budget provisions allow.

It is obvious that officers will not be able to effectively carry out their work if their financial budgets are reduced any further. The department is preparing submissions to Treasury to gain additional funds, yet we have a situation where, first, the Minister of Agriculture claimed, in a speech in July, that the funds of the department were not adequate, and then, before the Estimates Committee, he said they were adequate.

Then we have a situation where senior officers are discussing how adequate funds, as they see them, can be stretched and how they can obtain more. If we go into further detail on the objectives of the Department of Agriculture, we see that they have been outlined for individual programmes. Regarding the economic marketing branch of the department the programme description for the financial year 1980-81 states:

This programme involves a range of activities and resources concerned with the provision of economic services and examination of farm management systems. This programme is specifically involved in activities that relate directly to the farming community and in providing assistance to both Government and industry representatives in the development of new and more effective marketing systems.

That description of the objectives is so off beam that really it can be regarded only as a joke. All those objectives lead up to the development of new and more effective marketing systems, yet in actual fact it is well known that the marketing area of that branch has been given a very low priority, while officers spend more time working on economic model-making.

It is hardly surprising that the branch receives such a low priority, because the Government does not seem to want to make any changes or improve any marketing systems. We see that the Macaskill Report has been pigeon-holed, nothing has come of the inquiry that the previous Government instituted into winegrape marketing, and there has been no reform of fruit and vegetable marketing. Small primary industries, like the bee industry, seem to have been struck off the roll when it comes to funds for this financial year.

Figs, sheep, beef, poultry, dairy cows, goats and horses are detailed, but no bees. Some beekeepers are convinced that this reflects the Minister's attitude concerning their fight to stop the introduction of biological control agents for salvation jans in this State. He expects them to be wiped out, so there are no funds for bee industry research and extension. I doubt that the Minister would do this, but I have no doubt that he will set up a carefully prepared question to show that, indeed, there are funds provided for this industry in some hidden column in departmental accounts.

The accounting we have seen for these documents is shocking, and evasions and ignorance by Ministers have contributed to a less than frank presentation of the fiscal and policy data that we expect quite properly to be before us and to be used as a basis of examination. The most shameful example of the evasion of the spirit of the Estimates Committees took place during the examination of the overseas projects line. Not only did this reveal that stagnation is the only consistent policy of the Minister of Agriculture but also it revealed the duplicity of that Minister, who spent the morning of the Estimates Committee session assuring the committee that he had not presented a submission to Cabinet on the question of agricultural co-operation with China but who then spent part of the afternoon admitting that he had sent such a submission to Cabinet. His Director-General was then allowed to give a frank and open account of the whole history of the matter.

The Minister then took refuge by making sure that the committee had the minimum time available to follow up other important matters. Obviously, the policy of consolidation of the inherited programme of overseas projects was wise in October of last year. After all, the Minister announced first that he was going to review or cancel projects and then changed his mind and decided to continue with the programme. The Government would have looked a little ridiculous if it had said too quickly that it was going from a policy of cancellation to one of expansion. Now we see not just consolidation but what is suspected by many as a long and tortuous withdrawal from the area by a process of stagnation. The Minister in a rare moment of frankness finally admitted to the Estimates Committee that the Moroccan contract had been lost.

The Minister admitted that his announcement in January of this year that the Moroccan contract had been won has now proven to be false. We have seen the end of the Libyan project under his administration. While he has been able to sign a contract with Iraq, it was only after he had lost it entirely because the price was too high and now there is considerable disquiet amongst Australian manufacturers of farm machinery that the final contract was signed without any useful guarantees that Australian goods would be given preference to that Iraqi project. The Jordan contract, which was to be funded by the Commonwealth department agency ADAB, is very quiet and is certainly running behind schedule. It looks as though there are some doubts as to whether the possible extension of projects in Algeria will come to fruition in the short term. Most important, all the work in China has been destroyed by the Minister's underhand dismissal of the approach by China for which the previous Government worked so hard. The whole story of the approach to China is enshrined in the records of the Estimates Committee hearings. I will quote briefly from those records, first, from the morning hearing on 8 October. Mr. Lynn Arnold asked the Minister:

Can the Minister say "Yes" or "No" as to whether his department, the Overseas Projects Division, his Ministerial staff, or he has done any work on the possibility of a project between this Government and the Chinese Government?

The Hon. Mr. Chapman replied:

The answer is "No".

Mr. Lynn Arnold asked:

Does the Minister, therefore, say that he has made no submission to Cabinet on this matter?

The Hon. Mr. Chapman replied:

In relation to Cabinet—"No".

One can look at the situation later in the day and find that straight after the luncheon adjournment, the Hon. Mr. Chapman stated:

... in April this year a matter involving agricultural co-operation was raised with the Government, via my department and me, with respect to China, the sister-State relationship has not been submitted to the Government nor to Cabinet because such a relationship with a country that has more than 800 000 000 people involves many things as well as agriculture. I refer, for example, to health and education, and possibly a whole host of other factors that need to be considered . . . Until those other factors are determined, it would be quite unwise, in our view, to proceed to establish such a relationship on the premise of our interest and involvement in agriculture in particular.

In answer to a further question, he went on to say:

I pointed out to Cabinet in broad terms the benefits accruing to South Australian manufacturing industries (seed-producing, fencing material, etc.) by our not only continuing with the commitments which we undertook to continue and which were inherited from the previous Government but also further investigating other fields. We have made a decision which is consistent with the statements I made immediately after we came into Government that we should do this steadily, consolidate our position and become more properly informed on what this inter-country arrangement involved for us.

Yet, previously, he said that there were no inter-Government arrangements, that Cabinet had not considered the matter and that no submission was put to Cabinet at all.

The final outcome of this whole sorry episode was a reply given by the Minister to a question by the member for Adelaide regarding the decision of the Government concerning the proposal for agricultural co-operation between China and the South Australian Government. After discussing the Chinese matter at some length, the Minister proudly informed the committee:

The Government, as a result of the input via me from agriculture, has chosen, as I further indicated this morning, to send me to the other side of the world.

It is a wise decision on the part of the Government and the "other side of the world" that the Minister referred to is Algeria, which is thousands of miles from China. What is particularly disturbing about this whole matter is that not only did the Minister not tell the committee the truth about the fact that a Cabinet submission from his department concerning co-operation with China was turned down but also there were severe inconsistencies between the information given by him to the committee and the information given by his Director-General. The Minister claimed that the submission concerned a sister-State relationship and it was too wide a proposal for his department to be involved in, whereas the Director-General said that the proposition before Cabinet related to a "co-operation agreement—a much lesser arrangement than a sister-State relationship".

I wish now to refer to Samcor, which is included in the Budget lines for the Department of Agriculture. Again, we have seen no progress in this matter at all. When the Liberal Government came to office last year it inherited a series of strategies to put the Samcor operation on a more reasonable basis. The Chairman of Samcor, Mr. Graham Inns, appeared before the Estimates Committee and reported that the changes that were announced as pending in the first half of 1979 had still not been implemented.

The surplus land that Samcor has on the eastern side of Main North Road has not been sold. The corporate plan, which was discussed at that time, has still not been finalised by the Samcor board; nor has it been considered by the Minister or the Government. The new service role for Samcor, which was mooted in the first half of 1979, has not been completely defined, implemented or announced

publicly. All the initiatives that the Labor Government made at that time were endorsed by the Liberal Government, but they remain to be put into action.

I now turn to the area of the Woods and Forests Department. It is difficult to escape from the conclusion that the Minister does not know what his department is doing. We have been given no management objectives for the department. Previously, the Woods and Forests Department produced annually a set of management objectives that were printed in a book and circulated throughout the department. The information in that book was certainly very much more informative than that which was put in the programme document that was presented to Parliament. The Minister should have told the Committee whether the practice of developing management objectives had been abolished or changed, or whether the Government did not want to put it before Parliamentary scrutiny. Certainly, some questions asked in the Committee revealed over the past year some disturbing trends and actions emanating from the department.

One assumes that this is a reflection of the new policies of the Liberal Government and the Minister who has been given responsibility for the operations of the Woods and Forests Department. The manoeuvre involved in the marketing of various products has, to say the least, been alarming. The people of South Australia (the taxpayers and the workers) have lost. This time not just stagnation is the cause: it involves positive action by the Minister and the Government to sabotage Labor Government initiative in a most destructive way. The Minister cancelled the contract with Punwood for the sale of surplus roundwood from the South-East forests. He originally publicly endorsed that contract and extended it to include the processing of pulp. That resource in the South-East has now been thrown open to public tender.

When asked in the Committee hearings what the reasons and results of that decision would be, the Director of Forests told the Committee that the delay in the utilisation of the resource was likely to be only seven months and that the future utilisation of the resource would be in "a firmer position". If that is what the Minister is telling the department, this Parliament and the public, let us examine the proposition, as it will certainly affect seriously indeed this State's position if the Minister is wrong. Do the words "a firmer position" mean more financial security? I remind honourable members that the potential partner with Punalur Paper Mills in the Punwood venture was H. C. Sleigh. Its proposals were before the State Government but, of course, they were unavoidably delayed because of the actions of the Foreign Investment Review Board and the delay in transferring the shares of the Punwood company to H. C. Sleigh. However, H. C. Sleigh, which acted with honour in its negotiations, was prepared to be partners with Punalur, but, for reasons best known to the Minister and to the Premier, the South Australian Government pushed them aside. No doubt those reasons will become clearer when a new deal for the utilisation of that resource is announced.

However, the statement that there will be a firmer position for the utilisation of this resource is puzzling because, if one refers to a list of the 100 largest companies in Australia, one sees that H. C. Sleigh is No. 69 thereon. I should have thought that that would be a very firm position indeed. Indeed, if one looks at the list of large companies in Australia and some of the possible contenders, only A.P.M. is higher on the list than H. C. Sleigh, whereas other contenders such as A.P.P.M. are very low, as are people like Softwood, which does not get on to the list of 100 top companies.

Perhaps, when he said that it would be in a firm

position, the Minister was not referring to financial soundness. Perhaps he was trying to tell us that his putative deal would gain more secure markets. If the Minister had any background in such matters, he would have known that neither the domestic nor the Japanese market (nor anyone else, for that matter, when the world prices were low) wanted the surplus forest thinnings from South Australia. Last year, the world price was about U.S. \$55 per b.d.u. They were still buying sawmill waste, but no-one could see the economic sense in buying thinnings that had to be specially extracted and treated for wood chip production.

Now, we have a situation where the price of wood chips has temporarily risen to about U.S.\$130 to \$150 per b.d.u., and we, like anyone else who has a surplus, can sell at a profit. However, we will not maintain that profit, and the present shortage of wood chips will certainly not continue indefinitely. South Australia's costs of production will always be higher than those of our competitors. Early last year, when the price was about \$55 per b.d.u., it was calculated that South Australia's costs were about U.S.\$70 to \$75 per b.d.u. The reasons for this are straightforward and ones that we cannot alter.

First, we are harvesting small roundwood; we are not just processing sawmill wastes. The cost of harvesting has already been covered in the profits from the production of sawn timber, whereas with small roundwood we must cover the cost completely in the price obtained for the wood chips.

In South Australia, we have a long distance to transfer the chips to the port, compared to one of our principal competitors in New Zealand. Also, we are new in this area, so we must build new facilities and pay high costs for chipping facilities, loaders and other things, the costs of which our competitors have long ago written off. We have difficulty meeting the strict quality standards that are put forward by paper manufacturers, because small roundwood is very difficult to debark. The small diameter of the wood makes it difficult for debarking machines to work satisfactorily on it. Bark contamination involves a very important requirement in relation to meeting the quality of standards put forward by paper manufacturers. So, we have a number of areas where our costs are higher and our problems are greater, and this will remain so.

The main export market that has been spoken of by the Minister and by officers of the State Development Department is Japan. In fact, as recently as 1 September 1980 the Director of the State Development Department, Mr. Tidley, is quoted in the *News* as saying that he had been in Japan and that he had had talks with the Japanese over a period of time about the sale of wood chips or pulp to Japan. It is interesting that he had those talks before the Minister announced the cancellation of the contract with Punwood. I will come to that point again later.

Japan does have cheaper supplies available from Canada, the United States, and New Zealand of softwood chips, and it has cheaper supplies of hardwood chips from Sabah and areas in Australia. At the moment Japan has a definite policy of encouraging surpluses on world markets of major resources in order to push the price of these commodities down. I refer to a recent statement broadcast on the A.B.C. by Sir Roderick Carnegie when he was attending a conference in Tokyo. He said that the Japanese were encouraging a surplus of coal to keep the price down. Earlier, there was a report in the *Australian Financial Review* from its Tokyo correspondent, Mr. Michael Byrnes, who was saying exactly the same sort of thing about coal and the Japanese resource policy towards it.

The September issue of *Middle East* explained that the

Japanese were encouraging the over-supply of l.p.g. to keep the prices down. In this particular case it seems obvious that it wants the over-supply of wood chips to try to push the price down from what it considers presently to be an extreme level. This Government has allowed itself to become the bunny of the Japanese resource policy. It is obvious that the Japanese do not want to pay these inflated prices for chip or pulp for very long, and Japan is trying to create a glut just as it is trying to do for coal and l.p.g.

No doubt the Minister will announce a long-term contract when he finally comes to terms with the 32 suitors that he has for this resource. However, I suggest that he first talk with New Zealand chip exporters about some of the emptiness of some of these contracts with the Japanese. I refer to the tactic which the Japanese applied in respect to New Zealand—when the price so far as the Japanese were concerned was not favourable, the buyers were able to find fault with the specification in regard to the chips and refused to accept the scheduled shipments until the market position changed. As I described earlier, we are in a difficult position to meet some of those specifications on small round wood because of the difficulty of removing the bark.

The Minister could also talk with Queensland sugar exporters on the emptiness of long-term contracts. Honourable members know that the Japanese refused to unload sugar ships until the price was negotiated down. On the domestic market the Minister could talk with his own departmental officers about the problems of trying to enforce the contract with Cellulose to take the amount of log that it had contracted for when the Australian domestic market conditions did not suit that company.

In contrast to this are the advantages that we have in supplying India. We have a natural freight advantage over all other sources of supply to India. As I have explained, we have a higher cost of harvesting, chipping and processing, but this is compensated for by the fact that the distance to India from South Australia is considerably less and, therefore, the freight rate is considerably lower. Further, the Minister's tactics in cancelling the contract with Punwood were quite disgraceful and will harm South Australia's reputation overseas, particularly in regard to trade with India. Before the contract was cancelled the Minister had gone out of his way to attempt to sabotage it. It is obvious that there was little assistance provided to the Indian company and its partner, H. C. Sleight, to purchase land in the South-East for the chipping and pulping facilities.

When one compares the sorts of activity that were undertaken by the Government in relation to other industrial enterprises, it is striking that it provided such little assistance to this company. I find it strange that the Minister should commission a report from the Kerala Police on Mr. Dalmia the Chief Executive of the Indian company. That is the way that this Government assists people who want to invest in South Australia. I do not know what the Minister wanted from that police report, but it seemed to me to be quite an incredible tactic to apply.

**The Hon. C. J. Sumner:** Did he get the report?

**The Hon. B. A. CHATTERTON:** He did, but it showed nothing. Forged documents were used to try to discredit the Indian principal, but they were proved to be forged documents and nothing came from that. Officers from the Woods and Forests Department were publicly stating in Mount Gambier (and I presume it was on the Minister's instruction) that the contract would never be a goer, implying bad faith on the part of the Indian principal. This was well before the Minister made his decision public to

cancel the contract.

**The Hon. R. C. DeGaris:** What was the basis of the forged documents?

**The Hon. B. A. CHATTERTON:** I do not know. I am just outlining the facts. The Minister also refused to send Mr. Lincoln Rowe to India to talk with the financiers of the Indian company to see whether the \$50 000 000, which was required under the agreement, would be available on a longer term. The Minister refused to do that, yet that seemed to be a very reasonable request in view of the long delays in transferring the shareholding of the South Australian Government to H. C. Sleight.

Those delays were not foreseen in the original agreement on 5 March, and it seemed reasonable that the Government should take some steps to help the company in that way. Again, there was a refusal on the part of the Minister. No doubt the Minister will have an agreement in the early part of next year that will dispose of this resource but, as I pointed out, with the current high prices, blind Freddy could sell wood chips or wood pulp on the world market now but, when the boom collapses, as it is sure to do within the next three or five years, there will certainly be a serious loss of employment for this State.

I wish to turn to the area of fisheries. Once again, it is a sad reflection on the ability of the Government to understand its task when its Minister of Fisheries has fallen so short of the assignment of discussing the objectives of his department and explaining the financing of those objectives with the Estimates Committee. The *Hansard* report has been very carefully edited to delete the numerous occasions when the Minister referred to his Director as the "Honourable Minister" and on one occasion he was referred to as an inspector, but that is trivial compared with the more serious failings that he showed throughout those hearings.

The Minister's inability to elicit from his officers a satisfactory account of the planning and administration of this very important department is extremely serious. The department, in fact, will face a funding crisis. The Minister was honest enough to say that he was no accountant, but neither he nor his officers could either understand or give a reasonable explanation of the problems that will emerge in that department.

**The Hon. C. J. Sumner:** That political appointment—they brought in Stevens.

**The Hon. B. A. CHATTERTON:** That is certainly true. Mr. Stevens is the recently appointed Director, who was previously the private secretary to the Minister for Primary Industry, Mr. Sinclair.

**The Hon. N. K. Foster:** He's not as crook as Sinclair, he couldn't be.

**The Hon. B. A. CHATTERTON:** That is not the point I wish to raise here. The Hon. Mr. Carnie drew attention to the fact that the fisheries budget is one of the very few within the whole of the Budget document where there has been a substantial increase in funding. No doubt the fishing industry will be pleased to see that, but, when one looks at it in more detail, there are some very disturbing factors involved. In fact, the Government's contribution, in real terms, has fallen. The reason that the department has been able to expand its activities is the increased contributions from the fishing industry, which have been substantial indeed. In fact, most of those have come from the fees charged to the prawn and abalone industries, which will pay very much more towards the cost of the enforcement, research and extension within the department than they have in the past.

On the other side of the ledger, the Government is expanding the staff of the Fisheries Department. There is a 33½ per cent increase in inspectorial staff alone. Of

course, these staff members will not all be appointed immediately, so we are not seeing the full cost of this expansion within the Fisheries Department this year. We will see, of course, the full cost of the expansion programme that has been undertaken this year in the next financial year. The Minister and his officers were quite unable to give any indication as to how that cost will be met. In fact, the Director of Fisheries was able to say that the contributions from the fishing industry might, in fact, fall if they are charged at the same rate as they are at present.

There is some fall in the price of prawns on the world market. There have been lower catches in St. Vincent Gulf and there have been some discussions between AFIC and the Government on the payment of 10 per cent of prawn fees to AFIC. So, although things indicate there could be some fall in the fishing industry contribution to Government revenue, we are left with a situation which the Minister is quite unable to answer or even understand, that either the Government is going to have to contribute greatly increased funds to maintain the Fisheries Department in future years, or the Government is going to have to increase the rate at which it charges fees to the fishing industry. The third option is that the expansion programme that has been undertaken this year will be discontinued in future years and be wound down again.

When asked in some detail about this, the Minister was unable to give any satisfactory answer. Also, at those hearings there were some disquietening deficiencies revealed in the operations of the department. The Committee was told, for example, that the very large increase in allocation to a programme of industry liaison was not readily accounted for. In other words, there were no details on what it was all about. Then the Committee asked some more questions, and the member for Salisbury was finally informed that the line referred to the total salaries of the Director, the Deputy Director, another officer and some contingencies. When questioned further, the Minister admitted that it was quite irregular for the Director's salary to appear totally under this heading, but he again, as I mentioned earlier, begged for some understanding by the Committee for this slackness, which he claimed was on the part of Treasury officials.

**The Hon. C. J. Sumner:** Blaming public servants.

**The Hon. B. A. CHATTERTON:** Blaming public servants, indeed. The administration of licences, particularly scale fish licences, is another area which showed some disturbing inadequacies within the administration. Scale fish licences were due for renewal on 1 July this year but were still not fully issued to fishermen on 7 October, according to the Director of Fisheries. That was an extraordinary administrative lag that has taken place during this year, and yet there was no provision for any extra staff or any extra equipment. In fact, there was a reduction in expenditure in this area in real terms. Also, next year we will see a situation where the new Fisheries Act will come into force and the Director will be able to apply conditions to fishing licences which, of course, will require more work on the part of the fisheries licence administration, yet here is an area that has been totally neglected by the Government and where, obviously, there are severe inadequacies.

The licences are not being issued quickly enough. We have seen, in the first three months of this financial year, that many hundreds of fishermen have not been issued with their licences, so they are, theoretically, fishing illegally, yet the Government has ignored this and cut back in that very important area when it is obvious that the work load will increase considerably.

The Minister was questioned on a number of Liberal

Party promises made in the fisheries area during the election. One of them concerned the promise by the Liberal Party to undertake research programmes for leatherjackets and pilchards. It would be obvious that the Minister was quite surprised by this question. He did not really expect anybody to have read the Liberal Party promises, let alone expect that any of them would be implemented. After very much to-ing, fro-ing and shuffling of documents it was found that a Commonwealth trust fund had, in fact, contributed \$2 500 to this area of research. There were obvious visible signs of relief that something had been found to cover up this particular area.

**The Hon. C. J. Sumner:** The State Government hadn't done anything.

**The Hon. B. A. CHATTERTON:** No, the State Government had not done anything. Then the Committee asked the Minister what was happening about a marine laboratory, which was also promised by the Liberal Party at the last State election. The answer to that question by the Minister was that it had "now been shifted into a low priority area". In fact, so low is that priority that there has not been one cent allocated for planning, for a building, equipment or any staff for the coming year. Yet, earlier this year, the Minister of Fisheries responded to a Question on Notice about this matter with the statement that plans for the laboratory were under way and that an announcement would be made when something was going to be built.

**The Hon. C. J. Sumner:** Is there anything in the programme budget about it?

**The Hon. B. A. CHATTERTON:** There is nothing. The staff in the research area has been reduced and it is difficult to understand how there could be an additional laboratory with reduced staff. The Government also promised regional laboratories, and they seem to have gone the same way as the marine laboratory. Probably, nothing more will be heard until next election, when the Government will promise them again.

Most of all, a licensing tribunal was promised by the Liberal Party prior to last election, and that referred to a means by which fishermen would be protected against arbitrary decisions by the Director. The Liberal Party's contention before the election was that the powers of the Director in granting and transferring licences were too great and that these matters should be dealt with by a three-person tribunal instead of by the Director. Now, the Fisheries Act has been amended this year to give the Director greater powers than he had before, because he is now able to apply any condition to any fishing licence. However, the Minister said that there were no longer proceedings coming before the tribunal, which is strange logic.

**The Hon. C. J. Sumner:** Evidently it's not going ahead.

**The Hon. B. A. CHATTERTON:** No. The Government has decided that the establishment of the licensing tribunal is too expensive and will not be proceeded with. Before the election, it promised that it would be established, and that was widely circulated throughout the fishing community. The fishermen certainly will react when they find out that this proposal will be discontinued. That is an alarming example of not costing election promises.

This Budget debate, despite its imperfections, has given the Opposition a chance to review the Government's performance over the past 12 months. I have made my assessment of agriculture and forestry quite clear, and I have no doubt that the Minister of Fisheries has made very clear that he has little idea of the direction in which his department is heading. The programmes he inherited have been perverted, and the administration of the Fisheries Department is one of increasing muddle and negative

progress. For the sake of the fishing industry it is hoped that the future funding of the department will be taken seriously by the Government and that a policy on just who is to fund the shortfall in 1981-82 of the department is decided and made public before next year's Budget determinations take place.

Finally, I return to agriculture, and express my deep disappointment that nowhere in the budget for agriculture or lands is there any sign of an intention of the Government to implement the Kangaroo Island land management study or to undertake any steps to recognise constant requests by Kangaroo Island war service settlers for a revision of their plight as victims of the financial management imposed on them by officers of the Lands Department.

I am well aware that the matter of the negligence of the advice to continue to plant Yarloop clover is to be the subject of an appeal to the High Court, but I am not discussing that particular matter. I am referring to the administration of the war service land settlement scheme and the effect it has had in taking dignity and economic hope from these settlers. I am also talking about a Government that is using the tactic of *sub judice* to prevent the proper release and discussion of a report that reveals the injustices heaped upon the settlers by the administrators of the scheme in financial and other terms and which proposes a scheme of co-operation that would release these war service settlers from a preposterous bondage to public servants.

However, it seems that this Government is more concerned to pursue the interests of a few public servants with bruised egos than to carry out its rightful responsibility of properly ministering to the taxpayers of this community. It is quite ironical that the Minister who has acted so determinedly to prevent the airing of these matters and who has been clearly instrumental in suppressing the report should be the Minister of Agriculture. When he saw the cause of the soldier settlers involved as a political advantage, he supported them, even to the extent of being Chairman of the Gosse Committee for six years. Now that he sees the political advantages of protecting public servants, he does not want to know the war service settlers. These settlers have suffered enough, and the matter should be ventilated.

If the scheme which has caused them so much heartbreak and injustice had been run by private enterprise, there would have been public scandal and a Royal Commission, but, because it has been run by a Government department, it has been the settlers who have received public opprobrium and who have been branded as bad managers and whingers. It is surely time we publicly admitted that the scheme itself was ill-conceived and poorly administered.

The Yarloop factor is a technical disaster, no matter which way the judgment goes, but it is only one point in a pattern that was always biased against the settlers. High freights to and from the island and the swings and roundabouts of international prices for primary products weakened their position from the start. When prices declined, freight swallowed up almost all their returns. When the world price of phosphate skyrocketed in the mid 70's, they were caught with land which was super hungry but which could only be satisfied at a terrible price. The Lands Department has now admitted:

Development costs (of the scheme) were initially so high in relation to productivity that the Government did not charge settlers with the full principal and interest repayments.

That may look like a large concession which the settlers received, but what was so diabolical was that, having made large errors in the initial feasibility costing of the scheme,

the administrators then decided to set the rental to be paid by each settler at a rate based on Commonwealth Budget estimates of "how much settlers might be able to afford". These estimates were based on figures pulled out of the air by public servants who knew little or nothing of farming or farm incomes. To add to the potential bankruptcies that eventually took place, it was then decided to relate this "affordable rent" to an assumption of the "average levels of management ability amongst settlers".

Of course, this assumption, by definition, condemned half the settlers to bankruptcy, as half the settlers could be expected to be above the average and half below. In fact, even this arbitrary and callous decision to allow the survival of the fittest half was over-optimistic, as I believe all but one-third of the original settlers have left. Besides the responsibility for this cruel decision on the fixing of the rent, the Lands Department cannot evade the responsibility for the management of those enterprises that did fail. This is because of the department's policy on budget control which worked on the principle that the larger the debt owed by the settler the tighter the financial noose the department placed around the settler's enterprise.

When the settler finally went broke (despite his best efforts), the department had been running his property for years and controlling the decisions about the management of the property down to the last kilo of nails, and last bag of superphosphate, and even all the personal expenditures of the settler and his family through the living allowance that was cut back if any outside income was gained. Yet when the end came, it was the settler and his family who were dispossessed from the property and publicly branded a failure, while the settler's financial controllers continued to climb the ladder of promotion and looked forward to a good retirement pension.

Even after the outstanding success of the drought scheme demonstrated conclusively the error of the Department of Lands policy that farmers could not be trusted, this department continues to treat settlers under its control like errant children. For instance, the department decided in 1977, because of criticism of the budget control system, to allocate funds to a settler on the basis of his own management decision. However, the officers could not bring themselves to trust the settler to carry out these decisions and so the following instruction was given:

Advances for superphosphate, livestock and plant purchases are to be made on certified accounts and not as a cash advance to the settler.

The department claims the settlers do not mind this system and are quite happy with it. If they were not, it is said, they would go to banks or stock agents for finance. It is overlooked that the settlers cannot afford the interest rates of these commercial institutions and are held in the thrall of the department by the substantially lower interest rates.

However, as if this is not enough for settlers, they are now having grave fears that even those who have been dispossessed will not be free of the tentacles of the department. When damages were assessed in the Johnson case, the Crown was quick to put in its claim for portion in repayment of "outstanding debts". This was brought up again before the Full Court, and an attempt to argue this point by Johnson was dismissed on the grounds that it was "but faintly argued".

The position of the settlers who were foreclosed upon was clearly put by Mr. Ian Sinclair (then Minister of Primary Industry) in 1977 in answer to a question from Senator Cavanagh. Mr. Sinclair said, in part:

They [the settlers] were offered the choice of selling or voluntarily surrendering their leases; in either case they would receive assistance for resettlement. The assistance



included the writing off of their W.S.L.S. debt and the option of retaining their houses with five hectares of land on an annual licence basis at \$10 per year or accepting rental accommodation in Adelaide metropolitan area from the South Australian Housing Trust.

Now, it seems, the writing off of their W.S.L.S. debt has been forgotten. Surely, once a debt is written off it cannot be revived at some future date because the settler was able to win damages in a court. Would the debt have been revived if the settlers had received a large inheritance or won the lottery? In fact, are the debts still hanging over the settlers' heads and are they going to be hounded to the grave by the department for their recovery? Why will not the Government give the settlers any assurance on this point, let alone any general relief? What should the Government do? Obviously it should release the Kangaroo Island land management study report, which is being suppressed on a spurious *sub judice* pretence. It is worth quoting Lord Denning, the President of the British Court of Appeal, on the misuse of the *sub judice* rule which seems to apply very much in this instance. He stated:

We do not fear criticism, nor do we resent it. For there is something more important at stake. It is no less than freedom of speech itself. It is the right of every man, in Parliament or out of it, in the press or over the broadcast, to make fair comment, even outspoken comment, on matters of public interest. Those who comment can deal faithfully with all that is done in a Court of Justice. They can say we are mistaken, and our decisions erroneous, whether they are subject to appeal or not.

**The Hon. C. J. Sumner:** Where was that reported?

**The Hon. B. A. CHATTERTON:** That was printed in the *New Statesman* on 16 May this year, quoting from a statement made by Lord Denning.

**The Hon. C. J. Sumner:** The Liberal Party doesn't seem to follow that principle in this Parliament.

**The Hon. B. A. CHATTERTON:** It is not being followed in this instance. There is no way that *sub judice* can be considered remotely relevant as a reason for continuing to withhold this report, which I repeat is concerned with the financial management of the properties and the role of the Department of Lands in continuing exercise control over the farm management activities of the settlers and their families.

The matter before the High Court (or shortly to go before it) is whether certain departmental officers were "negligent" in recommending the planting of Yarloop on the properties. It is not whether the implementation of the W.S.L.S. scheme in this State was (and is) a story of human misery perpetrated on men who had fought for their country and who, with their families, were promised a better future on the land—if they worked for it. Anyone who reads accounts of the scheme—not only the files, but documents such as the thesis of Mrs. Jean Nunn (wife of one of the settlers)—will see that these people did work hard, but that bureaucratic bullying was so much a part of their lives that many of them failed and were denied what was rightly theirs. The Kangaroo Island land management study is an attempt to help them salvage something before they are all too old to benefit. The recommendations of the report are very moderate. In summary the working party has recommended:

1. A write-off of loans to the value of the original structural improvements for all the original war service settlers or members of their families still in occupation of original holdings.

2. That the State Government officially transfer ownership of pastures to the settlers at no further costs to the settlers.

3. That all war service leases be converted to C.P.L. with rentals based in future on 5 per cent of the original unimproved values based on the first valuation after gazettal of each property.

4. That decision-making be placed entirely in the hands of the settlers with the Government setting lending limits for any remaining loan and the settler allocating resources within these limits.

5. That any settler's son or daughter, in conjunction with their respective marriage partners, wishing to take over the war service property of their parents or parents-in-law, be assisted to do so by the provision of a Government loan, for example, through the rural adjustment scheme to purchase a home for their retiring parents provided that the succeeding generations are able to service the debt and meet other conditions of the loan.

6. That legislation relating to the subdivision of leases be changed to enable subdivisions where possible into revised sections so that property sizes can be increased more readily.

7. That the concept of living allowances be discontinued. There are further recommendations concerning the research and extension work of the Department of Agriculture which I will not quote at the moment. The recommendations have wide support among the settlers. They have said that the compilation of the report is the first time they have been involved during two or three decades in planning their own future. Usually they were just told. Negotiations with the Government will be difficult, and already the settlers have been made aware that the Department of Lands has arrogantly dismissed the report as a slur on its administration, and it has sought the approval of the Minister of Agriculture in rejecting the recommendations outright. It does not want to have the report discussed.

The bitterness and acrimony between the settlers and the department is very deep, and the Government should carefully consider the option of appointing an independent arbitrator such as the Ombudsman to help the Government and the settlers resolve the situation.

This Government could earn itself considerable praise for resolving this untenable situation, which has gone on for too long. Both political Parties have to carry the blame for being too greatly influenced by their departmental advisers, but this Government now has the chance (and the responsibility) to continue steps to break this nexus and follow the lead that was given in 1978 when the Dunstan Government began to investigate the administration of the scheme.

We are, after all, dealing with war service settlers, and surely they deserve some reasonable prospects for the future. I hope that the Government will have the courage to proceed with this matter in the only honourable way possible.

**The Hon. R. C. DeGARIS:** Before dealing with the information in the tabled Budget papers, I should like to make a brief comment on the speech made by the Hon. Mr. Chatterton regarding soldier settlers. My first speech in this Council in 1962 related to soldier settlers, particularly those in zone 5, where a different problem from Yarloop clover was involved in rentals. Finally, in 1973 or 1975, after a period of arguing the case for a number of years, the question was resolved.

**The Hon. Frank Blevins:** By Frank Kneebone.

**The Hon. R. C. DeGARIS:** No, by a decision that the settlers got in court. I agree with the Hon. Mr. Chatterton that no Government can take any credit in relation to this matter. A declaration of rights was finally made by Mr. Justice Bright, and this forced the then Government (indeed, it would have forced any Government) to solve

this problem. Although I agree that both Governments have some egg on their face over this matter, the soldier settlement scheme, which was meant to be an excellent way of helping people on their return from the war, had many difficulties in it. The Hon. Mr. Chatterton touched on one, namely, the dominance over settlers, to which they objected, and the fact that departmental officers were never wrong in any decision that was made. I hope that there is some resolution of this problem in relation to zone 5 settlers in the South-East and to the settlers on Kangaroo Island.

I should like to place on record some thoughts on the new system adopted by another place in handling the Budget debate. The idea of dealing with the financial allocations and revenues in two Committees, which should allow the Parliament more time and, hopefully, allow for closer and more effective Parliamentary scrutiny of the Budget lines, is one that in my opinion deserves commendation. Some criticisms have been levelled against the system, but I think the general improvement in the procedures deserves our approval. I remind members that further improvements can be made, and should be made, and that the position of the Legislative Council in the budgetary process needs to be considered.

By common practice in both major Parties in the Parliament, a system of shadow Ministries operates. While there is no statutory backing for the appointment of shadow Ministers, nevertheless this is a procedure that both Parties adopt. While the Council has granted permission for Ministers in this place to appear before Committees of the House of Assembly, no opportunity has been made available for shadow Ministers in the Council to examine and question House of Assembly Ministers, who are their opposite numbers.

We reach the point where either this Council must become a House with no Ministers (a point that we cannot discount) or the Budget Committees must become Joint House Committees. The only other possibility is to consider setting up our own method of examination in the Legislative Council which I think only duplicates work that can be undertaken jointly.

The fact that the Committees were a new innovation and not Select Committees, in the true sense of that term, raises a further point upon which considerable debate could take place, particularly in relation to the question of Council Ministers appearing before another place. I emphasise that these Committees are not Select Committees in the true sense of that term but are Committees of another place and are a continuation of the normal Budget debate in that place. I have no doubt that the system adopted this year deserves persevering with, although certain modifications are necessary if the new system is to survive. The whole question deserves close examination and a report to the Parliament.

**The Hon. C. J. Sumner:** Do you agree with our proposal to set up a Select Committee to have a look at the whole thing?

**The Hon. R. C. DeGARIS:** I have not seen that proposal.

**The Hon. C. J. Sumner:** It was in the press this morning. The idea is that we set up a Select Committee to cover some of the problems that you've mentioned. Do you agree with that?

**The Hon. R. C. DeGARIS:** Perhaps, if I continue, the Hon. Mr. Sumner may agree with me. Possibly the best suggestion that I can make is that the Parliament requires a Procedures Committee, comprising members of both Houses and all Parties, so that the complex issues that arise can be thoroughly and exhaustively examined and properly reported upon. If the Hon. Mr. Sumner could

have contained himself for a little longer, he would have got the answer that I intended to give. There are, of course, other matters that should be reported on by a Procedures Committee. I refer to matters which are not specifically covered by our Standing Orders but which are constantly changing in Parliament's approach to them.

**The Hon. N. K. Foster:** Or not covered jointly by Standing Orders.

**The Hon. R. C. DeGARIS:** Some matters are not covered by any Standing Orders. Indeed, a whole range of procedures that the Parliament undertakes is not covered by Standing Orders, and in most Parliaments there is a Procedures Committee that handles those matters, makes recommendations to Parliament and adopts the procedure for the Houses to follow. I suggest that this Parliament should have such a Procedures Committee to handle those matters. I probably hesitate to raise it at this stage, but the *sub judice* rule is one topic that deserves such a report by a Procedures Committee.

**The Hon. C. J. Sumner:** You've got the Standing Orders Committee.

**The Hon. R. C. DeGARIS:** The *sub judice* matter is not covered by Standing Orders.

**The Hon. C. J. Sumner:** What about Standing Order 1?

**The Hon. R. C. DeGARIS:** There is a set of guidelines in relation to the *sub judice* rule relating to the House of Commons but, because we follow the procedures and practices of the House of Commons, it does not mean that we should not have our own Procedures Committee working on our problems.

**The Hon. C. J. Sumner:** I'm not saying that we should not have a committee. We've got one already: the Standing Orders Committee.

**The Hon. R. C. DeGARIS:** But it does not cover the question of procedures, other than the things covered by Standing Orders. We should have a Procedures Committee to handle this very question. The Leader wants a Select Committee appointed to examine the handling of the Budget. I am merely saying that a Procedures Committee should handle that matter and make its recommendations to the Parliament.

Going back to the original point I was making, I believe that the House of Assembly is to be commended for its new innovation, and the limited success of the Budget committees ensures the survival of the new system, but modification in those procedures is required if the new system is to reach a higher point of efficiency in the Parliamentary process.

The late 1960's and the early 1970's were marked by the cult of big government. In that period expenditure rose, prices rose, inflation took root, taxation rose and the more expenditure Governments promised the more likely they were to be approved by the electorate. Since 1975, a real change has taken place in the political thinking of most Australians, with strong political support for smaller government, more decentralisation of authority and less interference by government enterprise with the private sector.

The 1980's will present us with new challenges in the role Government is expected to play, and I predict that any Government that thinks it can spend its way to power is going to find the way to the Treasury benches a tough hard road. People today are concerned about general efficiency of the expenditure of their tax dollar—people in Australia are understanding that Government expenditure comes from their pockets and, even if Governments use the printing press to fund their deficits, it still comes from the pockets of the people through the effects of inflation.

In curbing Government expenditure in ensuring more efficient expenditure of the taxpayer's dollar, the present

Liberal Government in South Australia has been remarkably successful. The abolition of the most iniquitous form of taxation, death duties, and significant abolitions of other forms of capital taxation, together with the surplus in 1979-80 and the proposed balanced Budget for this year, are proof enough of the successful attack this Government has made upon excessive expenditure and inefficiency.

Although the reductions in certain areas of taxation are to be applauded, the figures before the Council show a significant increase in Government charges, fees, and licences, etc. Once again, this is a change in emphasis that is desirable, because it is reasonable that services offered by Governments, where possible, should operate not as a means of subsidy to certain groups in the community. I know that there are exceptions to this rule, and allowances must be made for these areas, but generally the direction the Government is taking is correct.

The next step, though, is one of importance also, that is, to ensure that the providers of Government services are operating as efficiently as possible. It is in this area that still a lot of work is required to be done. Already speeches have been made in this Council dealing with the lack of real supervision over expenditures of statutory authorities. Already the Public Accounts Committee is having some effect upon the efficient operation of Government departments, although with reorganisation that committee could be much more effective than it is.

I am not saying that it is not doing its work efficiently: I am saying that, in its organisation and structure, there could be improvements and changes made that could greatly increase the effect of the Public Accounts Committee in its operation.

**The Hon. Anne Levy:** Should members of this Council be on that committee?

**The Hon. R. C. DeGARIS:** Yes.

**The Hon. Anne Levy:** Should the committee have an independent Chairman?

**The Hon. R. C. DeGARIS:** Is the honourable member saying that the present Chairman is not independent?

**The Hon. Anne Levy:** Yes.

**The Hon. R. C. DeGARIS:** Is the honourable member saying that under a Labor Party Government the Chairman would be independent?

**The Hon. Anne Levy:** No.

**The Hon. R. C. DeGARIS:** Can the honourable member explain what she means in regard to an independent Chairman?

**The Hon. Anne Levy:** I refer to what members of the Liberal Party said before the last election—that the Chairman of the committee should not be a member of Parliament but should be an independent person.

**The Hon. R. C. DeGARIS:** That may be so, but it is not the point I am referring to. I believe the committee still has a long way to go before it will be an effective committee with effective powers under the existing legislation. I was asked whether I believed that this Council should be represented on that committee. I said it should be represented, but—

**The Hon. C. J. Sumner:** Does the Government agree with that view?

**The Hon. R. C. DeGARIS:** I do not know. I made this comment when the Public Accounts Committee legislation went through in the first place. I think it was Harold Wilson who said that the last blood sport in England was the Public Accounts Committee. The powers of the committee authorise it to look only at expenditure up to 18 months after the event. If we are to have an efficient examination of the expenditure of Government departments, we should have a Parliamentary committee that is

able to take the Budget as soon as it is passed and from that point go on to check expenditures through to the end of the year.

I refer members to the recent recommendations of Dr. Coombs and the Senate recommendations, as well as the report of Mr. Ducann, Chairman of the British P.A.C., and to those reports where recommendations have been made for such a process to be adopted in both Canberra and Great Britain. The change is being made in Great Britain, which is calling it a monitoring committee rather than a Public Accounts Committee. As soon as the Budget is passed, that committee takes control of the investigation. It breaks up into a series of committees that actually follow expenditure from the time the Budget is passed. I point out that if the Public Accounts Committee is to fulfil its correct role, Parliament should look at expanding the powers of the committee to have that particular role as well as looking at the question of expenditure about 12 months after it has occurred. I believe an attack should now be directed with all the vigour the Parliament can muster against the costs of providing programmes and services.

I am quite certain that if the Parliament possesses the will it can make significant inroads into these costs, with a general benefit to the whole community.

In September 1975 the Liberal and National Country Parties issued a paper setting out a new concept for federalism. I have already spoken on this matter, and I intend to touch upon it again, because it refers to the Budget papers.

**The Hon. C. J. Sumner:** Is this the income surcharge that we are getting soon?

**The Hon. R. C. DeGARIS:** I do not know why the Leader refers to "surcharge". There could always be a rebate. That is not duplication but a double exemption. The basis of the document was that the States should be able to operate to a large extent in a way that was independent of the Commonwealth—that the States should be allowed to set their own priorities and be held accountable for their financial management. Fundamentally, I give my wholehearted support to this concept, although there is a lot of water to flow under the federalism bridge before any real resolution will be achieved in this problem.

**The Hon. C. J. Sumner:** Do you not agree with the Premier's submissions about the guarantee?

**The Hon. R. C. DeGARIS:** I do not necessarily disagree.

**The Hon. C. J. Sumner:** Then you don't agree with the new federalism.

**The Hon. R. C. DeGARIS:** Yes, I do. The Leader has always been confused on this matter. He has even been confused on the question of duplication; now he is confused on the question of rebate and confused also about a guarantee and the policy on federalism. I can assure him that there is a lot of water to flow under the federalism bridge before any real resolution will be achieved in this problem.

One of the unfortunate aspects in this desirable concept is that the bogie double taxation has been politically exploited which has had the effect of frightening State Governments from accepting the proposals. The other problem is that the whole of the debate on the question of so-called double taxation has revolved around the question of income tax. There appears to me to be a need for both the States and the Commonwealth to look at more equitable forms of taxation because of the ease with which tax avoidance can take place in the general area of income taxation.

In Canada, where a similar federalism policy is followed, the Provinces are having a tremendous influence

on the general taxation policy of the whole of the Canadian Parliament because of the acceptance of federalism with regard to taxation. The Provinces are having a very strong influence on the taxation policy being followed by the federation in Canada. While we may feel that the Act should be examined and the avoidance loopholes blocked, the rewards to the taxpayer who wishes to avoid are such that I do not believe that it is possible to produce a statute that is absolutely watertight. I think the Leader, as a lawyer, would fundamentally agree with that point with regard to income taxation, that no matter if one employed the most experienced legal brains in Australia there would still be better legal brains, if you like, examining it to define ways and means of avoiding or reducing taxation. If one examines this I think he would find that in Australia there must be, shortly, a re-evaluation or re-examination of the whole of our tax structure. Irrespective of future developments that may occur in this area, I give my hearty approval to the general concept of greater State responsibility in the raising and expenditure of revenue.

**The Hon. C. J. Sumner:** You're at least consistent about the new federalism policy, but the Premier is not.

**The Hon. R. C. DeGARIS:** The Leader should have his argument with the Premier and leave me alone.

**The Hon. C. J. Sumner:** I have. I am asking your view on the Premier's position.

**The ACTING PRESIDENT (Hon. M. B. Dawkins):** Order!

**The Hon. R. C. DeGARIS:** As I pointed out in a previous speech, if I may diverge for a moment, the A.L.P. has a policy problem in coping with any federalism philosophy. It is still struggling with the aftermath of the Whitlam years and struggling against the tide of public opinion, which is still demanding smaller government, together with greater local autonomy and greater accountability for expenditure of the tax dollar. Irrespective of future developments, there will still be a need to maintain the Commonwealth Grants Commission, which will also have the task of ensuring that some equity exists between the wealthy State and those with specific problems. Nevertheless, that does not detract from the general view I have previously expressed that if the States wish to preserve their legislative jurisdiction they must be prepared to continue discussions with the Commonwealth on a more meaningful concept of federalism.

**The Hon. C. J. Sumner:** I am doing that at the moment with the Premier.

**The Hon. R. C. DeGARIS:** The Leader should have his argument with the Premier on that, which he has probably already had and lost. If he continues arguing with me, he will lose this one, too. I want now to examine the Budget quickly to give some figures which may be of interest. The normal running expenses at present salary rates as at 30 June 1980 are estimated to be \$1 423 000 000. There is an allowance this year in the Budget for increases in salaries and wages of \$79 000 000, and an allowance of \$8 000 000 for increases in prices, a total estimated expenditure of \$1 510 000 000. Revenue receipts are anticipated to be about \$1 494 000 000, with an official transfer to Loan Account of \$16 000 000, which makes a balanced Budget for the year.

If one examines the Budget one sees that certain factors have had a great influence on the framing of that document. There have been some changes in emphasis, and some of those changes have been spoken about by previous speakers. Quite clearly, the whole of the Budget reflects a firm control over the public sector expenditures, with provisions being made for essential infrastructures associated with major developments that are projected for

South Australia. The general emphasis, so far as taxation is concerned, is quite clear. State taxation increases in collections amount to only 2.4 per cent, but the income of public undertakings will rise by 9.5 per cent and departmental fees by 16.4 per cent, showing that the emphasis is moving away from taxation to the question of State charges for public undertakings and departmental fees, which I referred to before. One can commend the Government for its financial management. I do not think that anyone can argue that the financial management has been reflected in the figures now before the Council.

**The Hon. C. J. Sumner:** What about their predictions on the pay-roll tax concession; have you examined that issue?

**The Hon. R. C. DeGARIS:** All I can tell the Leader is that pay-roll tax income is estimated to go up quite considerably. I do not know that the promise the Leader is referring to is the question of creation of jobs due to pay-roll tax concessions. I do not know how many jobs have been created in South Australia because of those concessions, but I do know that jobs have been created for young people by those concessions, although to just what extent I cannot say. I know of firms that have put on young people because of the pay-roll tax concessions paid by the Government. I am not prepared to say what number, because I do not know whether the number of jobs is five, 10, 1 000 or more.

**The Hon. C. J. Sumner:** It hasn't resulted in much of an improvement in the unemployment situation.

**The Hon. R. C. DeGARIS:** That does not answer the question the Leader raised. Jobs may be created, but there is still no change in the actual unemployment figures.

**The Hon. C. J. Sumner:** Created there and done away with elsewhere.

**The Hon. R. C. DeGARIS:** In Australia, if something like 200 000 new jobs are created—

**The Hon. J. E. Dunford:** The Leader means that a youth is put on for the concession and an older person put off.

**The Hon. R. C. DeGARIS:** That may have occurred, but if firms do that they do not get the concession, because there has to be an increase in employment. How does one get an increase if people are put off?

**The Hon. J. E. Dunford:** They don't tell the Government. That's what is going on.

**The Hon. R. C. DeGARIS:** I know there are firms that have put on young people because of the policy set out by the Government at the election. The final question I wish to raise relates to the Budget papers.

**The Hon. J. E. Dunford:** He doesn't know. Would there be a dozen?

**The Hon. R. C. DeGARIS:** I do not know, but I do know of young people who have been put on because of the Government's policy.

**The Hon. J. E. Dunford:** How many do you know of?

**The Hon. R. C. DeGARIS:** I cannot say, but I do know from talking to the department that there is evidence of young people being put on because of Government policy.

**The Hon. J. E. Dunford:** You didn't ask how many?

**The Hon. R. C. DeGARIS:** No.

**The Hon. J. E. Dunford:** That's not like you.

**The ACTING PRESIDENT:** Order! The honourable member will address the Chair.

**The Hon. R. C. DeGARIS:** The final question I wish to raise relates to the mining boom predicted for Australia and also, I might say, for South Australia in the near future. The question I wish to raise concerns the Federal Government rather than the State Government, yet the impact on South Australia could be more dramatic than on any other State. There is talk of a mining investment in South Australia of \$3 billion to \$4 billion in the near future. Figures predicted for investment in Australia in the

next few years range from \$40 billion in one bank survey I saw to \$80 billion in another survey that I saw.

The investment in this mining boom will be mainly in the areas of mining for what one may term energy minerals. This sort of expenditure will alter the face of Australia but the effect on South Australia could be more dramatic than that on any other State. Such a massive investment will mean wealth for some but for others there is a distinct possibility of lost jobs and rapidly rising prices.

It is clear that, in our exports of energy minerals to a world anxious to buy, there will be a massive build-up of foreign reserves in the 1980's. Such a massive build-up will cause further inflationary pressures, unless tariffs are cut or the currency is revalued.

If one considers the possibilities in these courses, one sees that tremendous pressures could be felt by our established manufacturing industries or primary production, with a resulting loss of employment in these industries. Some A.L.P. speakers, including the Hon. Mr. Foster, who is not present now, have already, in the Council, drawn attention to the fact that industries such as Roxby Downs and Redcliff will not employ many people. That is true, but the problem I see is one of handling our economy, with the earning of huge sums in foreign reserves. This problem may well be the most difficult and paradoxical problem with which Federal Governments in the 1980's will have to contend.

I do not wish to continue in presenting probable answers as far as the Commonwealth policies are concerned, except to say that the distribution of wealth from the mining boom that is about to occur will test the skills of any Federal Administration. What I wish to draw to the attention of this Council is that the mining boom may well have a deeper effect on South Australia than on any other State because of the reliance of our State economy on a relatively narrow manufacturing base and primary production.

This State needs to be aware of the problems. It needs to be working now to try to understand the complexity of the issues and working on means of alleviating the effects of the mining boom on employment in South Australia. I am not arguing against the development of our mineral resources. We must, as a nation, develop those resources, but at the same time we must accept that the impact could be as dramatic on the lives of many Australians as that in any other period of our history, and the effect on South Australian industries could be more dramatic than the effect in any other State.

In the final analysis, it may well come down to the question of how we distribute wealth, not necessarily between individuals but between sectors of our economy. It is a question upon which a special unit of Treasury should be engaged, not only looking internally at the impact on State industries but also advocating to the Federal Government policies that will be most beneficial to the existing industries that provide the base for our employment in this State.

I believe that this will be the real problem of the 1980's in relation to how we handle the wealth from the mining boom. It has been said that, as we become more expert at exporting minerals to the world, we have to become more expert at importing from other countries. If we have to import more, we have the disaster of wealth—with declining employment.

**The Hon. M. B. DAWKINS** secured the adjournment of the debate.

#### ADJOURNMENT

At 5.46 p.m. the Council adjourned until Wednesday 22 October at 2.15 p.m.