

LEGISLATIVE COUNCIL

Tuesday 20 October 1981

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 Royal assent to the following Bills:

Constitution Act Amendment.
Governor's Pensions Act Amendment.

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

Irrigation Act Amendment (No. 2),
Motor Vehicles Act Amendment (No. 4),
Community Welfare Act Amendment.

PETITION: KINDERGARTEN FUNDS

A petition signed by six residents of South Australia praying that, since the reduced funds allocated to kindergartens as operating costs were grossly insufficient, the Council would immediately act to rectify the matter and restore the previous level of funding was presented by the Hon. Anne Levy.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

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

Pursuant to Statute—
Highways Department—Report, 1980-81.
South Australian Totalizator Agency Board—Report, 1981.
Road Traffic Act, 1961-1981—Regulations—
Crosswalks.
Carrying Dangerous Substances.

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

Pursuant to Statute—
Companies (Acquisition of Shares) (Application of Laws) Act, 1981—Regulations—Various.
Securities Industry (Application of Laws) Act, 1981—Regulations—Various.

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

Pursuant to Statute—
Boating Act, 1974-1980—Regulations—Swan Reach Zoning.
Building Act, 1970-1976—Regulations—Inspection of Wet Areas.
Education—Report of the Director-General, 1980.
Education Act, 1972-1981—Regulations—Registration of non-Government Schools.
Firearms Act, 1977—Regulations—Fees.
Libraries Board of South Australia—Report, 1980-81.
Salisbury College of Advanced Education—Report, 1980.
South Australian Waste Management Commission—Report, 1980-81.
South-Eastern Drainage Board—Report, 1980-81.
Surveyors Act, 1975—Regulations.
West Beach Trust—Auditor-General's Report, 1980-81.
City of Salisbury—By-law No. 7—Control of Vehicles.

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

Pursuant to Statute—
Adelaide Festival Centre Trust—
Report, 1980-81.
Auditor-General's Report, 1980-81.
Art Gallery Board—Report, 1980-81.
Museum Board—Report, 1980-81.

By the Minister Assisting the Premier in Ethnic Affairs (Hon. C. M. Hill)—

Pursuant to Statute—
South Australian Ethnic Affairs Commission—Report, 1981.

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

Pursuant to Statute—
Beverage Container Act, 1975-1976—Regulations—PET Containers.
Industrial and Commercial Training Commission—Report, 1980-81.
Metropolitan Milk Board—Report, 1981.
Planning and Development Act, 1966-1981—Metropolitan Development Plan, City of Burnside Planning Regulations—Zoning.

PUBLIC WORKS COMMITTEE REPORTS

The **PRESIDENT** laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:

Panorama Community College Redevelopment.
Port Adelaide—Wharf and Approach Channel (Eglo Engineering Pty. Ltd.).

MINISTERIAL STATEMENT: CONSTITUTIONAL CONFERENCE

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

Leave granted.

The **Hon. K. T. GRIFFIN**: I wish to give to the Council information about the Constitutional Conference which the Government is convening in Parliament House on 27 and 28 November of this year. Honourable members will recall that, at the 1979 election, called almost 18 months early by the then Premier, Mr Corcoran, one of the key election issues was whether or not a Government should be able to call an early election purely on the basis of political expediency. Undoubtedly, the decision to call an early election, immediately following two very early State elections in 1975 and 1977, contributed to the defeat of the A.L.P. Government. During the 1979 election campaign the then Liberal Opposition undertook to investigate ways of preventing Governments going to early polls, and indicated that it would convene a Constitutional Convention to consider the topic.

Since that election, it has become clear that there are several other issues which could also be discussed at such a conference. As there has not been a substantial review of our State's Constitution for many years, it is appropriate that the issue of State constitutional reform in general, with special emphasis on the role of the States, their status and powers, be discussed. It is also appropriate, especially in light of the recent New South Wales referendum, media and general public interest in the question of four year terms of office, that this be combined with the related issue of early elections at the conference.

His Excellency the Governor, Sir Keith Seaman, will open the conference and has kindly offered to host a reception at Government House for the conference members at 5.30 p.m. on Friday 27 November. Professor Alex Castles, a distinguished and well-known constitutional lawyer and academic from the University of Adelaide, will deliver a paper on State Constitutional reform in general and Dr Colin Hughes, an equally distinguished lawyer and political scientist, will present a paper on ways of preventing early elections and the related topic of four-year terms of office. There will be two commentators on each paper and there will be ample opportunities for questions and discussions on

the issues raised. The Government hopes that the conference will not engage in political point-scoring but that it will be a sensible forum for airing constructive proposals.

The Constitutional Conference will have a membership of between 35 and 40 people, with participants from all the major political Parties, including representatives from the Commonwealth Parliament, and from the Parties' organisational wings. I have written to the appropriate persons representing each of these groups inviting participation. For the information of members, I point out that the membership from State Government will be five members from the Government Party, four from the Opposition, one from the Australian Democrats and one from the Country Party; from the South Australian members of the Commonwealth Parliament—one Liberal, one Australian Labor Party, one Australian Democrat; and one from each of the Party organisations of the Liberal Party, Australian Labor Party, Australian Democrats and Country Party.

In view of the importance that local government has within our community and its recognition in the Constitution Act, local government has been invited to participate in the conference. I have written to the President of the Local Government Association seeking the participation of eight representatives who are presently elected members of local government. In making that selection it is expected that men and women with a range of interests and from various parts of the State would be chosen. To enable members of the public with an interest in the topics being discussed to participate, but who are not represented in any other way, the Government has advertised for 10 members chosen from the general community. When nominations are received, 10 persons will be selected to attend.

The Leader has criticised the conference because it coincides with an A.L.P. Convention. I regret that this has occurred, but planning for the Constitutional Conference was already too far advanced when I became aware of the potential conflict. Considerable warning was given by answers to questions in this Council and in the media that the Constitutional Conference would be held towards the end of November 1981. Unfortunately, it is not possible to change the dates of this conference, but I am confident that the Labor Party will be able to be adequately represented.

The Constitutional Conference is an important one. It is the first of its type to be held in our history and it provides a unique opportunity for discussing reforms to our Constitution. Proposals which appear to have broad support at the conference will be carefully considered by the Government. In convening this conference the Government has honoured yet another election pledge.

QUESTIONS

PEER REVIEW AND DELINEATION OF CLINICAL PRIVILEGES

The Hon. J. R. CORNWALL: I seek leave to make a brief statement before asking the Attorney-General, representing the Premier, a question about peer review and delineation of clinical privileges.

Leave granted.

The Hon. J. R. CORNWALL: Recently I have received a number of very disturbing reports about negligence and incompetence in private and community hospitals. Surgical procedures are being performed which in some cases are beyond the competence of the operating surgeons. The present system of accreditation and delineation of clinical privileges provides virtually no enforceable system for

assessment of performance and consequently very little public protection.

The problem is quite widespread in both the metropolitan and country areas. Incompetent surgeons who have difficulty at one hospital because nursing staff ultimately object can move to another or seek sessions in country hospitals on a visiting basis. The problem is causing serious concern among senior members of the medical profession. It is also causing considerable trauma to senior nursing staff and hospital administrators. The action which they can take is very limited under the existing administrative procedures and legislation. It should be noted that these problems do not arise in teaching hospitals, because of a very high level of ethics and competence and because of at least *de facto* peer review.

I am raising this matter with the Premier because of his previous eminence in the medical profession. Many people suggest he is an incompetent politician, but everyone knows he was an excellent ophthalmologist. I have previously raised the matter of peer review with the Minister of Health, but no action appears to have been taken.

I would like to give two examples which have recently been brought to my notice. I do not intend, at this time, to name the doctors against whom the complaints have been made or the hospital involved. However, I am certainly prepared to provide the doctors' names to the Premier privately. The first case concerns an ophthalmologist. With the indulgence of the Council, I will quote from a series of memos concerning the case. The first memo, from the Director of Nursing at the hospital to the Administrator, states:

I have been concerned for the past three weeks regarding the performance of Dr When Dr first operated here on 30 June 1980, he appeared helpful to staff and was interested in explaining procedures to them. His manner was bright and cheerful. However, over the past few weeks he has seemed at times very unsure, his pre-operative procedures change, he no longer explains to staff, and appears at times unsteady.

At approximately 4.30 a.m. on Saturday 20 September 1980 Dr rang to inquire about a patient he had taken back to theatre for re-suturing after her eye broke down when sutures were removed following a lens extraction. His voice was slurred and his speech indistinct when Sr spoke to him on the phone. After stating that the first three days were vital in the patient's treatment, Dr did not call to see the patient until Monday 22 September 1980. The patient subsequently had an enucleation [removal of the eyeball], the second we have had following a lens extraction since he started operating here.

Ward staff have complained that they do not feel confident of his treatment. Sr approached me last week regarding Dr I have requested she write a report and hand it to the Administrator as I feel that Dr performance in the operating theatre is definitely not up to the standard we should receive from our surgeons.

The second report, from the theatre supervisor, is as follows:

Report re Dr Ophthalmic Surgeon:

Dr has been operating at this hospital for the past few months fairly regularly. He is always most pleasant. However, there are several observations that have been made about which theatre staff are concerned—

- (1) That he is very vague re his orders to staff—this includes post-operative orders.
- (2) That at times he has been uncertain about which eye he is to operate on. On one occasion he cleaned the wrong eye, and sister had to repeat to him several times that the wrong eye was being prepared. This eye was taped closed.
- (3) On one occasion sister had to remind him about a part of a procedure that he had overlooked.
- (4) He appears disorientated at times, his gait seems unstable, he gets lost and has difficulty handling a sewing needle.
- (5) He is sometimes clumsy with his instruments, and during a lens extraction has had difficulty with the cryo probe and vitreous has been lost on occasions.

The next day, the Director of Nursing sent a further memo to the Administrator, as follows:

Further to my memo dated 8 October 1980 I feel the situation has become one of immediate concern as Dr D. O. Crompton visited me with regard to Dr [redacted]. Dr Crompton felt we had a problem after seeing Dr [redacted] name on our theatre list. It seems Dr Crompton was instrumental in having Dr [redacted] dismissed from the Royal Adelaide Hospital some 10 years ago for alcoholism. He was also banned from the then Ru Rua Hospital, St Andrews and Wakefield Street. Dr Norman Wicks was attached to the Australian Medical Association at the time and may be of assistance. Dr Crompton states that he will stand behind the hospital in any action we may deem advisable to take.

Despite these reports, the hospital was apparently unable to remove the ophthalmologist from its operating list, because a further memo concerning the same doctor was written by the Director of Nursing on 25 November 1980, which stated:

Sister [redacted] approached me re the first patient on Dr [redacted] list at 2 p.m. on 25 November 1980 when it appeared he had cut too deep while performing a trabeculectomy. The iris protruded and he had some difficulty getting it back.

I spoke to his anaesthetist, Dr [redacted], at 5.20 p.m. on 25 November 1980. At first, he was reluctant to commit himself but after some time spent in conversation admitted he had been concerned but as a junior member of the firm he was not in a position to refuse the list when it was booked in his name and also as Dr [redacted] was a senior surgeon.

I stated that I would be discussing the matter today, and he has requested that I telephone him re our decision so that he can make his decision, as he feels he has some backing with us also concerned.

This is a very bad, but by no means an isolated, case. I have another brief report from the same hospital. The report, which is dated 14 November 1980, from the Director of Nursing and which involves another doctor who will remain nameless, states:

Dr [redacted] requested admission of a patient for bowel obstruction. The patient was duly admitted and taken to theatre. The theatre staff complained re his operating technique and he himself stated he had not performed anything like this for 20 years. Ward staff were concerned re his aftercare. We have since avoided admitting his patients. (One surgeon remarked if we let him in we would let anyone in.)

It is clearly not necessary, based on the last example, for one to be an alcoholic in order to be incompetent, negligent, or just plain stupid. Is the Premier aware of the extent to which incompetence and negligence are occurring outside teaching hospitals in South Australia? Is the Premier also aware of the current scramble among doctors for clinical privileges in many South Australian hospitals? Is he aware that many of his senior medical colleagues, including members of the South Australian Medical Board, are appalled by the present situation?

Is the Premier also aware that senior members of the profession have approached the Minister of Health without success seeking legislative amendments? Is he aware of the urgent need for peer review, surgical audits and monitoring of medical performance in South Australian hospitals? Finally, in view of the apparent inability of the Minister of Health to cope with or solve the problems, will he personally take up these matters with the South Australian Health Commission as a matter of great urgency?

The Hon. K. T. GRIFFIN: I will certainly refer those questions to the Premier. I have no doubt that the Minister of Health is able to come to grips with the matters to which the honourable member has referred.

Regarding the particular instances to which the honourable member has referred (and in which, commendably, he has not named, in this Council, under privilege, the individuals concerned), I ask that the honourable member make that information available on a private and personal basis because, if the facts are as stated, they are matters of real concern.

OIL

The Hon. N. K. FOSTER: Has the Attorney-General a reply to the question that I asked on 24 September regarding oil?

The Hon. K. T. GRIFFIN: Discussions have been held for over a decade with Petroleum Refineries (Aust.) Limited and its major operator Mobil Oil Australia on the installation of a catalytic cracker unit at Adelaide Oil Refinery. These discussions have obviously involved both the present and the previous Government.

The advantages to this State from installation of a catalytic cracker are readily identifiable, and would increase the availability of petrol, diesel and other light products and reduce the need to export fuel oil. However, the large capital investment involved could result in a significant increase in cost of these products to consumers or would not be economically feasible to P.R.A.

Recent changes with respect to the introduction of lead-free petrol by 1985 and the availability of Cooper Basin liquids after 1984 have required the total re-evaluation of refining options at Port Stanvac. These studies will involve the further consideration of catalytic cracking facilities, and discussions between the Government and the company are proceeding on this matter.

The Commonwealth parity pricing policy should improve the economics of a catalytic cracker, by making fuel oil more expensive than other heating fuels and encouraging its upgrading to higher value transport fuels.

FOREIGN INVESTMENT

The Hon. B. A. CHATTERTON: I seek leave to make a short explanation before asking the Minister of Community Welfare, representing the Minister of Agriculture, a question about foreign investment in South Australian land. Leave granted.

The Hon. B. A. CHATTERTON: There has been considerable interest in foreign investment in South Australian land. Several questions have been asked in this Chamber on this matter, and the Minister of Agriculture has responded to the public pressure over foreign investment by announcing that the South Australian Advisory Board on Agriculture would monitor the situation. Of course, monitoring the amount of foreign investment in South Australian land is a considerable task, since it involves the searching of all land transactions in the State and also searching the background of purchasers as to whether the shareholding in companies that purchase the land is foreign or Australian.

In looking through the Budget programme papers which were given to us two weeks ago (the so-called yellow book), I have noticed that no programme, staff or funds are allocated in the Department of Agriculture area towards the monitoring of foreign investment in South Australian land, yet it is obvious that the advisory board itself, comprised of full-time farmers, would not be able to undertake the job of title search and company search that would be involved. Has that programme been added to the Government's Budget since the programme Budget book was drawn up, or does the Minister of Agriculture not intend to give the advisory board the necessary support to do this important job?

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

URANIUM

The Hon. N. K. FOSTER: I seek leave to make a brief statement before asking the Attorney-General, representing

the Minister of Mines and Energy, a question about the Honeymoon uranium deposit.

Leave granted.

The Hon. N. K. FOSTER: I refer to yesterday's 'Business and Finance' section of the Adelaide evening newspaper. Under the heading 'South Australian uranium plant near', the paper reported:

Work will soon begin on the construction of a leaching pilot plant at Honeymoon uranium deposit about 75 km north-west of Broken Hill. MIM Holdings Ltd, a 49 per cent partner in the venture, revealed this today in the group's printed annual report for the year ended 30 June. While directors said the construction was subject to final Government approval they pointed out the environmental impact statement for the project had been approved by both the State and Federal Governments.

They said the plant, which would have a capacity of 110 tonnes of uranium oxide a year, should be installed by June next year. The Honeymoon deposit has potentially recoverable reserves totalling 3 400 tonnes of uranium oxide at an average grade of 0.157 per cent.

As I understand that the company has not made many public statements about this mine, it may come as a surprise to members of this Council to learn the stage at which the company envisages production will commence.

The Hon. D. H. Laidlaw: It's only small, so it isn't surprising that it started so quickly.

The Hon. N. K. FOSTER: That is a pretty lethal dose—110 tonnes of uranium a year. If the Hon. Mr Laidlaw had that much on his doorstep each year, he would be laughing or crying, depending on which side of the uranium fence he sits. Will the Attorney-General ascertain from the Minister of Mines and Energy the reason why the Federal Government is withholding approval for the construction of uranium extraction equipment for the Honeymoon uranium mine? Will the Attorney-General request the Minister to emphasise the question of what is involved in the *in situ* leaching process that is envisaged?

The Hon. K. T. GRIFFIN: Last year, in about October or November, a draft environmental impact statement was released publicly, and there was a great deal of press comment on the Honeymoon project.

The Hon. N. K. Foster interjecting:

The PRESIDENT: Order!

The Hon. K. T. GRIFFIN: The environmental impact statement included reference to the *in situ* leaching process and the extent of the activity at the Honeymoon site. The honourable member is not correct when he says that the matter has not really received very much publicity. So far as the detailed questions are concerned, I will refer them to the Minister of Mines and Energy and bring back a reply.

CYSS

The Hon. K. L. MILNE: Has the Minister of Community Welfare an answer to my question of 7 August about the Community Youth Support Scheme?

The Hon. J. C. BURDETT: The Minister of Industrial Affairs advises that the honourable member is no doubt aware that the Federal Government announced on 24 September 1981 its intention to continue to fund the Community Youth Support Scheme at current levels until 28 February 1982. The scheme will continue after then under new guidelines. The Minister of Industrial Affairs, on behalf of this Government, pressed strongly for the continuation of funds before the Federal Government announced its decision.

STATE EMBLEM

The Hon. FRANK BLEVINS: Has the Attorney-General an answer to my question of 22 September on the use of the State emblem?

The Hon. K. T. GRIFFIN: Where there has been any unauthorised use of the piping shrike, the Government will follow the same procedure that has been adopted since coming to office, as was adopted by our predecessors. The person(s) responsible for publishing or using the piping shrike, wherever identified, are communicated with and advised that they are in breach of the Act. The Premier has written to Advertiser Newspapers Limited and the News as follows:

My attention has been drawn to an advertisement which appeared on page 9 in the *Advertiser* on Friday 18 September 1981. The State badge (comprising the piping shrike) was included in the advertisement, giving the appearance of an official South Australian Government advertisement although this was not so.

Unauthorised use of the State badge is precluded under the provisions of the Unauthorised Documents Act, 1916-1979, and it would be appreciated if you would note this and inform your advertisers also.

Some organisations representing sporting, recreational or cultural bodies, in the main, are given permission to use the State badge in certain circumstances; permission had not been sought or given, however, in relation to Friday's advertisement. Your co-operation in monitoring this aspect of advertisements lodged other than by Government departments and instrumentalities would be appreciated.

PROFESSIONALS

The Hon. C. J. SUMNER: Has the Minister of Consumer Affairs an answer to my question of 16 September about professionals?

The Hon. J. C. BURDETT: During the two-month study period in October-November 1980, the Department of Public and Consumer Affairs received seven complaints against professionals. In addition, officers answered some 80 telephone and personal inquiries from consumers. The majority of complaints/inquiries concerned queries about charges.

Department policy in relation to the handling of complaints/inquiries has not been changed since the survey period ended. Officers provide factual information or give general advice wherever possible. However, if the matter is within the ambit of the appropriate professional body or statutory board, it is referred to that body.

ULTRA-VIOLET LIGHTS

The Hon. G. L. BRUCE: Has the Minister of Community Welfare an answer to my question of 15 September about ultra-violet lights?

The Hon. J. C. BURDETT: The Minister of Health informs me that the letter from Mr L. A. LeLeu, Medical Officer, S.A. Health Commission to the Assistant Secretary, Liquor Trades Employees Union, was a general reply on the subject of ultra-violet light. Mr LeLeu's comments compared occupational exposure to germicidal ultra-violet lamps with exposure to those used for insecticidal purposes. Implicit in the letter and the publication from the British Radiological Protection Board called 'Protection Against Ultra-violet light in the Workplace' was the idea of continuous exposure for a normal working day.

The situation with germicidal ultra-violet lamps used in meat cold stores is rather different since the exposure is intermittent; the average butcher spends in total less than one hour a day in his cold room. Moreover, most new installations have a safety interlock switch so that the ultra-violet source is switched off when the cold room is entered.

Certainly there remain some cold rooms which do not have such an interlock. In most cases these will have a manual switch outside the door which the butcher can operate before entry. Obviously this is not as satisfactory as the automatic interlock. In any case there will be warning signs instructing personnel not to look directly at the light sources.

The key point in the whole matter is that, although there is a theoretical problem, only one case of temporary injury due to the lights has been reported to the Master Butchers during the 35 years that these lamps have been used in cold rooms to reduce meat contamination and prolong product life. This case of temporary injury occurred to a butcher who, while changing a conventional lamp in his cold store, was inadvertently looking at an ultra-violet source which was directly in line with the fitting he was working on. He suffered an eye problem identical to welders flash which recovered in two days. The problem is therefore so rare, despite the very extensive use of this equipment, that a specific regulation to cover it cannot be justified.

FUEL RESEARCH

The Hon. R. C. DeGARIS: Has the Attorney-General an answer to my question of 29 September about fuel research?

The Hon. K. T. GRIFFIN: The South Australian Department of Mines and Energy initiated research in Australia on the subject of hydrocarbon producing plants early in 1980, and secured a financial grant from Shell Australia to finance research at SAIT and the CSIRO. In late 1980, the South Australian Energy Research Advisory Committee (SENRAC) funded researchers at Roseworthy Agricultural College to undertake agricultural evaluation of the plants and the research group at SAIT School of Chemical Technology on oil extraction techniques. Details are provided in SENRAC's recently released second report. Funding for 1982 is currently under examination.

These South Australian research projects are being co-ordinated by the Energy Division of the department, which is also involved in the group set up to examine the feasibility of guayule rubber production in this State. The technology for guayule production is similar to that for hydrocarbon plants, and would also result in production of hydrocarbon fuels as by-product with the rubber.

M.V. SEXY

The Hon. R. J. RITSON: I seek leave to make a brief explanation before directing a question to the Minister of Local Government, representing the Minister of Marine, about the M.V. *Sexy*.

Leave granted.

The Hon. R. J. RITSON: I am in receipt of a request for representation from the owner of the M.V. *Sexy*. The owner of the vessel, Mr Stratton, approached me because his vessel is at present restricted to operations within the Port River and he is not permitted to operate for hire or reward in the gulf or coastal waters. He informs me that the vessel is a substantial one costing about \$250 000, was built under survey as an ocean-going vessel, and can be manned by a Master Mariner and a qualified crew, including qualified engineers. His most recent letter to the Department of Marine and Harbors, dated 19 September and requesting permission to operate in gulf waters, including the north coast of Kangaroo Island, has not produced a reply. Will the Minister have this matter investigated to ascertain whether the vessel meets all requirements of an ocean-going

vessel and, if so, will the vessel be permitted, in the interests of the tourist industry in South Australia?

The Hon. N. K. Foster: Who's the Minister, Bob?

The PRESIDENT: Order!

The Hon. R. J. RITSON: Will the Minister do what he can to give wider scope to the operation of this vessel, consistent with public safety?

The Hon. C. M. HILL: I will refer that question to the Minister in another place and bring back a reply.

SALES TAX

The Hon. J. E. DUNFORD: Three months ago I asked the Attorney-General a question about sales tax. I have now forgotten the question, as it was asked so long ago, but I wonder whether the Attorney has an answer to that question so that my memory will be refreshed about this matter.

The Hon. K. T. GRIFFIN: I refer the honourable member to *Hansard* of 23 July 1981. For the record, his question is about representations to the Prime Minister concerning the sales tax increase on home furnishings. The honourable member last July suggested that the then current 2½ per cent sales tax on home furnishings was proposed to be increased to 15 per cent. In fact, the Federal Government in its August Budget increased the tax on such goods by 2½ per cent to 5 per cent and also proposed to introduce a 2½ per cent sales tax on a whole range of goods, previously not subject to sales tax, from 1 January 1982, and increase other sales tax by 2½ per cent from Budget night. Strong representations have already been made to both the Prime Minister and the Federal Treasurer on increases in sales tax.

The second part of the answer relates to interest rate increases, as follows: I would draw the honourable member's attention to the debate in the House of Assembly on this matter on 18 August 1981 where the Premier successfully moved that:

This House expresses its grave concern at the effects of continuing increases in interest rates, recognises that in particular these increases are causing hardship for home buyers, small businesses and rural industries, and calls on the Federal Government both to contain further increases, and to take immediate action to minimise hardship caused to so many members of the community by present rates of interest.

The Hon. C. J. SUMNER: I seek leave to make a brief explanation before directing a question to the Attorney-General on the same topic of sales tax, but specifically on the sales tax on reading material.

Leave granted.

The Hon. C. J. SUMNER: As a member of the Parliamentary Committee for institutes I received correspondence recently from the Institutes Association of South Australia Incorporated about the Federal Government's intention to impose sales tax on reading materials. In that correspondence, the institute points out that it has written to the Federal Treasurer, the Hon. J. Howard, complaining about sales tax on reading materials and asking for reconsideration of the Federal Government's decision. The letter to the Treasurer stated, in part, the following:

Council members consider the imposition of a tax on reading material is wrong in principle. If the tax is to be imposed, it is believed that Australia will be one of the very few countries in the world which taxes the right of individuals to have reasonable access to information. It will impose a burden on sections of the community, such as students, and other people who have an expressed need for information. It will make more difficult the obtaining of information for educational and recreational purposes.

First, does the Government agree with the comments of the Institutes Association of South Australia Incorporated relating to sales tax? Secondly, is the Government prepared to

make submissions to the Federal Government asking for removal of the sales tax, including this aspect of it?

The Hon. K. T. GRIFFIN: It is appropriate that that question be referred to the Premier. I will have that done and bring back a reply.

FISHERIES STATISTICS

The Hon. B. A. CHATTERTON: I seek leave to make a short explanation before directing a question to the Minister of Local Government, representing the Minister of Fisheries, about fisheries statistics.

Leave granted.

The Hon. B. A. CHATTERTON: During the recent House of Assembly Estimates Committee hearings, the Director of Fisheries said during discussion on the matter of St Vincent Gulf:

I should point out that the returns for St Vincent Gulf for the first six months of this year were 60 per cent up on the first six months of last year.

That is what I heard during debate, but I thought I must be mistaken. However, when I read it in *Hansard* it became obvious that that is what the Director, in fact, did say. In fact, it is quite in conflict with figures I have obtained from the Fisheries Department. Could the Minister check this matter out to ascertain whether there has been such a huge increase in the St Vincent Gulf prawn fishery catch during the first six months of this year?

The Hon. C. M. HILL: I will have the matter looked into and endeavour to bring down some information for the honourable member.

T.A.B. TELEPHONE ACCOUNTS

The Hon. R. C. DeGARIS: Has the Attorney-General a reply to my question of 29 September about T.A.B. telephone accounts?

The Hon. K. T. GRIFFIN: As at 23 September 1981 the South Australian T.A.B. had listed 24 914 telephone betting accounts. Full details of account transactions are retained for 13 months. Telephone betting accounts operate against a credit balance, which eliminates normal business risk. For this reason the T.A.B. does not have cause to investigate clients. Investigators may investigate telephone betting accounts if duly authorised by law. There have been no unusual transactions which suggest that the T.A.B. is being used by criminals or tax evaders to 'launder' money for improper purposes.

CYSS

The Hon. BARBARA WIESE: Has the Minister of Community Welfare a reply to the question I asked on 15 September about CYSS?

The Hon. J. C. BURDETT: The Minister of Industrial Affairs advises that the honourable member is no doubt aware that the Federal Government announced on 24 September 1981 to continue to fund the Community Youth Support Scheme at current levels until 28 February 1982. The scheme will continue after then under new guidelines. The Minister of Industrial Affairs, on behalf of this Government, pressed strongly for the continuation of funds before the Federal Government announced its decision.

MUNNO PARA PRIMARY SCHOOL

The Hon. C. W. CREEDON: Has the Minister of Local Government a reply to the question I asked on 15 September about the Munno Para Primary School?

The Hon. C. M. HILL: It is intended to proceed with the construction of the Munno Para School hall during the 1981-82 financial year. Given the receipt of a satisfactory tender, availability could be anticipated during the second school term in 1982.

PETROL

The Hon. C. J. SUMNER: Can the Minister of Consumer Affairs say whether the Government has considered a proposal, reported in the *Age* on 7 October 1981, whereby the Victorian State Government is preparing legislation to allow service stations to buy half of their petrol from oil companies which offer the best price? If such a proposal is being considered by the Government, has any decision been made as yet?

The Hon. J. C. BURDETT: The answer is 'No'. The Government has not yet considered that proposition, but it certainly will. On 6 November there will be a meeting of the Standing Committee of Consumer Affairs Ministers in Adelaide, and I have placed the question of petrol on the agenda. I found today that some other Ministers have also sought to place that item on the agenda. I am sure that this matter will be discussed then.

MIGRANTS

The Hon. N. K. FOSTER: Has the Minister of Local Government a reply to a question I asked on 15 September about migrants? I will be satisfied if the Minister has his reply inserted in *Hansard* without his reading it.

The Hon. C. M. HILL: During the period 1 July 1976 to 30 June 1981, 262 children under the age of 18 years came to South Australia from overseas countries to be adopted by South Australian applicants. During the same period, 155 children unaccompanied by a guardian entered the State under the Immigration Act for purposes other than adoption. The Department for Community Welfare does not keep records as to whether or not these children are orphans. It could be assumed that many of the children are orphans, but it is not possible to categorically state that this is so. The Commonwealth Department of Immigration and Ethnic Affairs may be able to provide more exact information.

MINING

The Hon. R. C. DeGARIS: Has the Attorney-General a reply to the question I asked on 16 September about mining?

The Hon. K. T. GRIFFIN: The Australian Minerals and Energy Council at its last meeting in Launceston in April discussed the problems of resource development, financing, provision of infrastructure and so on and resolved that these matters cannot be pursued in isolation from co-ordinated national economic management.

Further discussions on current and projected mineral and energy developments, with a view to co-ordinating a national approach on resource management and taking due regard of the views and particular situations of the States and Territories, are scheduled for the next AMEC meeting at the end of October.

COOBER PEDY FIRES

The Hon. FRANK BLEVINS: I seek leave to make a very brief explanation before asking the Minister of Local Government a question about fire safety at Coober Pedy.

Leave granted

The Hon. FRANK BLEVINS: The Minister would be well aware of two recent fires which occurred at Coober Pedy causing about \$1 000 000 damage and which significantly disrupted the life of the community. It was reported in the media that the Coober Pedy Progress and Miners Association had written to the Minister prior to the fires requesting some assistance from him in upgrading fire services at Coober Pedy. I am sure the Minister, having visited Coober Pedy many times, will appreciate the necessity of having some significant fire-fighting procedures and appliances in that area. What was the precise nature of the request made by the Coober Pedy Progress and Miners Association regarding fire-fighting facilities in that town? What was the Minister's reply to that request?

The Hon. C. M. HILL: It is true that the Coober Pedy Progress and Miners Association wrote to me some time ago seeking some financial aid for various purposes. Whether it was specifically mentioned in the request that some of the money being sought was to be used for fire-fighting appliances, I am not certain. I will check the correspondence and the stage that the matter has reached within the department and bring down a reply.

PUBLIC TRANSPORT

The Hon. G. L. BRUCE: Has the Attorney-General a reply to the question I asked on 19 August about public transport?

The Hon. K. T. GRIFFIN: Officers of the Corporation of the City of Tea Tree Gully and the State Transport Authority have carried out an on-site investigation for establishment of bus stops in the vicinity of the banks in Reservoir Road. However, there is no suitable location for the buses to stop without creating a traffic hazard to other road users. Vehicle parking is prohibited at all times on both sides of Reservoir Road, north of Smart Road, south of North-East Road.

MENTAL HEALTH

The Hon. FRANK BLEVINS (on notice) asked the Minister of Community Welfare: How many of the persons detained under section 14 of the Mental Health Act between 1 October 1979 to 30 June 1980 were detained for periods exceeding three days?

The Hon. J. C. BURDETT: 721.

CORPORATE AFFAIRS

The Hon. C. J. SUMNER (on notice) asked the Minister of Corporate Affairs:

1. How many inquiries (whether by special investigation or not) into activities of companies in South Australia are presently being conducted by the Corporate Affairs Commission?

2. In each case—

(a) what companies are being investigated?

(b) when did each investigation commence?

(c) what is the nature of the allegations being inquired into?

(d) specify whether the inquiry is of a general nature or by way of special investigation or any other procedure available under the Companies or any other Act.

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

1. 163.

2. (a) It is not appropriate to name companies in respect of which general inquiries are being made. Many of them are likely to prove to be without foundations. The three special investigations current relate to Kallins Group, Swan Shepherd Group and Elders G.M.

(b) The dates upon which the complaint or other basis for the inquiry was made is recorded. One was made in 1978; the balance are between 1979 and 1981.

(c) Possible breaches of the Companies Act, and related Acts and matters.

(d) See above.

NURSES' ACCOMMODATION

The Hon. BARBARA WIESE (on notice) asked the Minister of Community Welfare:

1. Is it true that the South Australian Health Commission owns nurses' accommodation in excess of its requirements?

2. If so, where is it located?

3. Can the Minister say how many people could potentially be accommodated in these premises?

The Hon. J. C. BURDETT: A survey conducted by the South Australian Health Commission late in 1980 indicated that there was some vacant nurses' home accommodation in several former Government hospitals. At the request of the Minister of Community Welfare in May 1981, the South Australian Health Commission reviewed the initial survey to investigate possible use of this accommodation by homeless youth.

This review indicated that vacancies in nurses' home accommodation fluctuated widely, depending on the availability of private rental stock, number of nurses recruited from the country areas and various other economic conditions. Flinders Medical Centre, for instance, indicated in late 1980 that 75 per cent of its nurses' accommodation was vacant. However, in the later review, it was found that its nurses' accommodation was being fully utilised and that it was investigating private rental stock for possible use by the nurses.

The vacant accommodation identified in March 1981 was located at Modbury Hospital, Morris Wards of the Royal Adelaide Hospital and Glenside Hospital. These properties were investigated for possible use by homeless youth. However, they were regarded as unsatisfactory because of the alterations and modifications needed and the institutional character of the accommodation. Where nurses' home accommodation is partially occupied by staff or located close to other hospital facilities, there are potential difficulties in relation to security and disturbance in use by persons not connected with the hospital. In addition, all buildings lack adequate cooking and dining facilities, as all these hospitals provide canteen-type meals for staff in the adjoining hospital buildings.

KANGAROO ISLAND

The Hon. B. A. CHATTERTON (on notice) asked the Minister of Local Government:

1. When were the Kangaroo Island settlers informed that they had to make a voluntary response in order to have their debts cancelled?

2. How were they informed?
3. How many settlers made a voluntary response?
4. What was the value of debts cancelled?
5. How many settlers failed to make a voluntary response?
6. What is the value of the debts still owed by these settlers?
7. What action, if any, does the Minister of Lands intend to take to recover these debts?
8. If debts are not to be recovered, how long will they continue to be charged against the accounts of settlers?
9. What interest, if any, is being levied on these debts?

The Hon. C. M. HILL: The answers are as follows:

1. and 2. The Department of Lands advised the settlers concerned by letter dated 25 January 1977 of the alternatives available to them, namely, reduce their indebtedness, sell out or voluntarily surrender their lease. The letter then said in part:

In explanation of these alternatives, if you do not sell, or you are unable to reduce your total indebtedness to an acceptable level, or you are not prepared to voluntarily surrender your lease, then there would be no other course available but to proceed by way of cancellation following three months Notice of Intended Forfeiture.

A follow-up letter was also forwarded on 31 March 1977.

3. One settler made a voluntary response in respect to the letter of 25 January 1977 and one settler made a voluntary response in respect to the letter of 31 March 1977.

4. No debts were cancelled.

5. Six settlers failed to make a voluntary response.

6. The matters concerning the outstanding debts of the respective settlers are the subject of writs, issued in the Supreme Court of South Australia on 14 July 1977. One of those actions has been proceeded with and is currently awaiting judgment of the High Court on appeal.

7. At the present time, the State is not intending to take steps for the recovery of the amounts due by the other settlers, but this situation is subject to review if the proceedings by the other settlers are proceeded with.

8. Any recovery of debts will be subject to review and are dependent on instructions from the Commonwealth Government and the State has not received any such instructions to date.

9. No interest has been raised on the outstanding debts since the leases were cancelled and determined.

PUBLIC SERVICE GUIDELINES

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

That the suggested guidelines regarding appearances of South Australian public servants as witnesses before Parliamentary committees, set out in Appendix II of the Report of the Committee on Guidelines for Public Servants Appearing before Parliamentary Committees, and laid on the Table of this Council on 29 September 1981, be adopted.

As honourable members will know, last year the Government tabled in Parliament a set of guidelines (with the emphasis on 'guidelines') to assist public servants required to give evidence before Parliamentary committees. That document was the result of months of extensive discussions with the Public Service Board, which in turn consulted members of the Public Service Association. The intention of the Government has been to safeguard the political impartiality of the Public Service without compromising the Government's commitment to strengthen the Parliamentary committee system, or the right of the Parliament to control that system.

The increasing use of the committee system by the Parliament has led to a growing demand being placed upon public servants to provide written and oral evidence. Often, these public servants have had little prior experience of being questioned by Parliamentary committees and are uncertain as to their position and the procedures to follow.

Because of the debate (a lot of it misplaced) which that draft set of guidelines caused, the Premier established a broadly based committee to review the matter further. He announced that decision in September 1980, and the committee was formally established on 1 December 1980. The committee comprised Mr Gordon Combe as independent Chairman, the President and the Speaker, a representative from each of the Government and Opposition, a representative from the Public Service Board and a representative from the Public Service Association.

The committee was given the following terms of reference:

To advise the Premier as to the necessity for, and content of, a statement of principles and procedures to inform and guide public servants who are called to give evidence to Parliamentary committees.

The committee, in determining the necessity for and desirability of guidelines, received evidence from a number of witnesses. The Chairman of the Public Service Board gave a detailed submission, and the committee interviewed seven public servants from various levels of the Public Service—all but one of them had appeared before Parliamentary committees. Comments were sought on whether or not guidelines were necessary or desirable. A summary of this evidence can be found in the report.

In the opinion of most witnesses, some information and advice would be helpful in preparing public servants for Parliamentary committee appearances. The committee found that, while problems were not common in South Australia, there had been several unfortunate incidents which should not have occurred. The committee also found that there was general support for guidelines which succinctly summarised key points of proper practice and existing convention. The committee also found that it was appropriate to recognise that any guidelines should relate not only to the rights and responsibilities of public servants appearing before committees but also should seek to clarify the responsibilities of the committees themselves towards public servants.

Information was available to the committee as to practices in the Commonwealth and other States. There is a brief summary of all this information in the report. While it is apparent that practices throughout Australia do vary, guidance is usually provided for public servants where Parliamentary committees are used.

The Royal Commission on Australian Government Administration, for example, made a number of recommendations in its report. It suggested that the Government prepare, for the guidance of officials and for discussion, a statement of the principles and procedures that ought to be followed when public servants appear before Parliamentary committees. The Commonwealth Government agreed in broad terms with the Royal Commission's proposal to issue guidelines to officials, and a set of guidelines, similar to what we have before us now, was tabled in the Commonwealth Parliament in September 1978, and formally issued in 1979.

The South Australian committee prepared the guidelines that have been tabled with several major principles in mind, first, that public servants should not be expected to become embroiled in political controversy. Public servants should be asked questions of fact and not be subjected to questions that require expressions of political opinion. The traditional

approach of the public servant under the Westminster style of government must be maintained.

Secondly, it is the Government's policy to support a free flow of information through the Parliamentary committees to the public consistent with that level of confidence required for the good government of the State and the privacy of individual citizens. The third principle was that Parliament ultimately has the right to determine its own procedures in relation to Parliamentary committees. It can be seen that the 10 points in the new guidelines seek to embody these principles as a means of informing not only public servants, but also Parliamentary committee members and the general public, of existing conventions and fair and proper practice.

Guidelines Nos. 1 and 2 give general background information on how the Parliamentary committee system works. Guideline No. 3 merely reaffirms that public servants should be frank in their answers whilst remaining politically impartial. The fourth guideline highlights the need for fair and balanced reporting by committees where their findings differ from or criticise witnesses. No-one could disagree with that.

Guideline No. 5 explains that a Parliamentary committee should define, with reasonable notice, the nature and extent of matters to be raised, so that thorough and appropriate preparations can be made. Instances were given to the committee of witnesses not being given reasonable briefing by a representative of the committee or its Secretary on the ambit of the proposed evidence or, having been given an indication of the ambit, undertook preparation, only to find that there was limited questioning on this material but extensive questioning on matters for which they had not been prepared or which was outside their competence or responsibility. The sixth guideline deals with informal discussions between committee members and public servants and notes that witnesses should observe the same standards in informal meetings as would apply to a formal hearing.

The seventh guideline says in part:

Witnesses should not comment, nor be expected to comment, on matters beyond their expertise or responsibility, especially where other departments or agencies are involved.

If this guideline had been in operation three years ago, a senior public servant may have been spared the indignity of being criticised by the Public Accounts Committee, after being led to comment on matters beyond his knowledge and level of responsibility. Indeed, the member for Elizabeth in another place, as the then Health Minister, wrote to the Public Accounts Committee protesting the embarrassment caused to the public servant concerned.

Guidelines Nos. 8 and 9 deal in broad terms with the duty of public servants to provide information of a factual and background nature whilst not commenting on matters of a Party-political nature or policy. This is again in keeping with the Westminster tradition of a politically independent Public Service. The last guideline refers to cases where a witness, or a committee, believes that certain information or opinions should not be divulged pending clarification with the Minister, or the seeking of further information.

Nothing in these guidelines is intended to detract from Parliament's opportunities to acquire information to which it is properly entitled, or to inhibit the legitimate inquiries of Parliamentary committees. On the contrary, the guidelines are reasonable, and should be seen as non-controversial aids to public servants and committees.

The minority reports of the Hon. Mr Sumner and the representative from the Public Service Association assert that there is no established need for the guidelines. The majority of the committee found that guidelines were both desirable and necessary. I am confident that, notwithstanding the minority reports, which really focus on the necessity

or desirability for the guidelines, the Hon. Mr Sumner and Mr Connelly would be prepared to accept the guidelines as reasonable.

The Government supports the majority view of the committee. The guidelines are fair, reasonable and balanced and will provide a codification of existing procedures and principles so that the Parliamentary committee system can operate more efficiently without compromising the position of public servants. I commend the motion to honourable members.

The Hon. C. J. SUMNER secured the adjournment of the debate.

BUDGET PAPERS

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

That the Council take note of the papers relating to the Estimates of Payments and Receipts, 1981-82.

(Continued from 1 October. Page 1339.)

The Hon. J. A. CARNIE: I support the motion. Before speaking to the papers themselves, I should like to refer to the method that has been adopted over the past two years of dealing with the Budget papers. I refer, of course, to the Estimates Committees.

In my first speech in this place in 1975, I spoke of the role of the Upper House and said that, as well as having the traditional role as a House of Review, it could and should also function as a House of investigation. I spoke then of the development of the committee system in the Senate and promoted the adoption of a similar, although a much smaller, system in this Council. Three years later, in 1978, I again raised this matter at greater length, and quoted then, as I quote again now, J. R. Odgers from his book *Australian Senate Practice*, as follows:

The Senate's committee system is a major development in the strengthening of the Australian Parliamentary system of Government. In particular, the committee system furthers the effectiveness of the Senate's role as a House of Review. No modern Legislature can discharge its functions fully and effectively without the assistance of committees.

Odgers went on to point out other advantages of the Committee system, as other people and other authorities have done over the years. In 1967, the then Federal Leader of the Opposition (Mr Gough Whitlam) pledged at election time that if Labor gained a majority in the Senate the committee system would be formed.

In 1968, the *Bulletin* reported favourably on the committee system, as did the *Sydney Morning Herald* in 1970. I will not quote all the things said by the various people at that time. However, I did so in 1978, and it is all recorded in *Hansard*. As well as Australia, New Zealand, the United Kingdom and Canada have all adopted the committee system. Of course, the Senate and congressional committees in the United States are well known.

I recognise some of the difficulties involved in setting up permanent standing committees in a House comprising only 22 members. With the three Ministers and you yourself, Sir, taken out, only 18 members would be available to sit on committees. I still believe that that could be done, although it would mean that members would have to serve on more than one committee. However, that is not the question that I want to raise today. I made the point in 1978 that we could start gradually. I believe that what I said then is worth quoting now. On 3 August 1978, I am reported in *Hansard* (page 298) as having said:

The Senate introduced the system gradually, and its first move was to appoint five Estimates Committees. I suggest that we should appoint three Estimates Committees. The Estimates would be allocated to each committee according to the Ministerial respon-

sibilities and representative capacity of each of the three Ministers in the Legislative Council. Each committee would consider a Minister's department and other departments that the Minister represents in the Council. Such a procedure should lead to a more orderly and more effective examination of annual Estimates. A feature would be that, in addition to the Minister, departmental officers should appear before the committees and answer questions, with the proviso, of course, that departmental officers should not be expected to have to answer questions on matters of policy. I appeal to the Council to give serious thought to my suggestion, and I have no doubt that such a system would make this Chamber even more effective than it is now.

Finally, this Government adopted the system of having Budget Estimates Committees, but not three as I suggested in 1978 or four as the Hon. Mr DeGaris suggested two or three weeks ago—it set up two committees.

The Hon. J. R. Cornwall: What do you think about our being left out?

The Hon. J. A. CARNIE: I am coming to that; just be patient. Virtually what has happened is that what was normally a Committee of the Whole of the House of Assembly has simply been divided into two, and they comprise the Budget Estimates Committees. I agree with the Hon. Mr DeGaris that two committees is not enough. What I am most concerned about is that this Council is ignored completely so that, when the Estimates Committees are meeting, we can pack up and go home.

I recognise that we do not have the power on money Bills that the House of Assembly has, and I do not argue about that, but I believe that we should have the right to question Ministers and public servants in the same way as do members in another place. About two or three weeks ago, the Hon. Mr Sumner said that he, as Leader of the Opposition in this Council and as a former Minister, should be allowed to sit on the committees. I agree entirely, but I go even further than that: I believe all members of this Council—back-benchers as well as former Ministers—should be included. If this Council is to function in its proper role as a House of Review, we must be permitted to take a more active part in the review of the Budget.

It is important that the role of the committees is kept in its true perspective. It seems that, in each of the past two years when they have been used, the committees have been used as a forum for political point-scoring. This applies to both sides. From what one can read in the *Hansard* report and in the press, some Ministers were as guilty as members of the Opposition. If such a committee system is to work and lead on to other committees, as I hope it will, then the system must not be abused. No-confidence motions and censure motions as well as political point-scoring should be kept for Parliament and not be used in such committees. Budget Estimates Committees should be used for what they were intended—as investigatory committees.

These committees have now operated for two years, time enough to see the virtues and faults of the system. Before the 1982 Budget is brought down next year, I ask the Government to examine these virtues and faults and make necessary alterations. I ask it to look particularly at two areas: first, to increase the number of committees to either three or four, as has been suggested; secondly (and I consider this to be of even greater importance), members of this Council should be included and enabled to play an active part in committee procedures.

Turning to the Budget papers themselves, I point out that the Treasurer has budgeted for a \$3 000 000 deficit which, when added to the \$6 600 000 deficit from last year, gives an accumulated deficit of \$9 600 000. As the Treasurer said in presenting the Budget in another place, it is far from being an ideal prospect, but it does represent the only responsible strategy that could be followed. That is exactly correct: it is a responsible Budget and the only one

that could be brought down in the particularly difficult financial climate in which we find ourselves.

When speaking on this motion, the Hon. Mr Davis mentioned the carry-over of financial disasters which we inherited and about which we are all aware. However, in addition there is the question of salary increases. In the past financial year and in the past Budget the Government allowed for an increase in salaries in the public sector of \$79 000 000. In fact, increases granted amounted to \$92 000 000, \$13 000 000 more than was allowed for. Given such figures, it is not surprising that we have this unfortunate financial deficit. Recurrent outlays this year represent an increase of 10.8 per cent over last year's figures, yet almost all of this increase, which in money terms is \$150 000 000, is accounted for by the carry-over effect of wage and salary increases granted in 1980-81, and increases expected to be granted in this financial year.

The State is in a difficult financial situation; it would be silly to try to hide from that fact. This comes about for the reasons I have just mentioned, in addition to the quite savage cuts in real terms in the Commonwealth Government's allocation of capital works and tax sharing payments. It is a simple fact of budgeting, be it household, business or Government, that one cannot spend money that one does not have. It is also a peculiar fact of political life that most people applaud when Governments announce that they will prune Government expenditure, but people do not like it if it affects them. They do not mind if a road or school is not built, provided it is not their road or school.

For everyone to have their roads and their schools means money, which has to come from somewhere. South Australia, along with Victoria, is particularly vulnerable to economic recessions such as we are now going through. Our economy is based largely on the manufacturing industry, which is usually the first hit when times are hard. To avoid this, our economic base must be broadened, and South Australia is fortunate in having the means at hand.

Queensland and Western Australia have shown the way and South Australia can follow. Of course, I am referring to resource development. This Government has pursued an active policy of encouraging mineral exploration. Mineral exploration areas under licence in South Australia totalled 314 at 30 June last, which was a 49 per cent increase on the 211 a year before, which in turn was a substantial increase over the previous year. More than 70 companies are searching for minerals in South Australia, compared with the 50 companies involved a year ago.

Although when compared with Queensland and Western Australia our mineral royalties are insignificant, nevertheless such royalties have increased dramatically over the past two years. For the financial year ended 30 June 1980, Government royalty receipts rose 30 per cent to \$5 300 000, and they rose a further 23.7 per cent, so that in the financial year just ended the Government received \$6 500 000 in royalties. This was as a result of mineral production increasing 27 per cent to \$201 000 000 in 1979 and by a further 9.5 per cent to \$220 000 000 in 1980.

As I said, in comparison with Queensland and Western Australia these receipts are small. Western Australia has royalty receipts of \$78 000 000 a year and Queensland receives \$72 000 000 a year. However, when it is remembered that 10 years ago Queensland was receiving only \$3 000 000 a year in royalty receipts, it shows the potential that we have in South Australia. Presently, about 70 per cent or \$4 500 000 of the State's royalty receipts come from the Cooper Basin and natural gas. Cooper Basin producers are presently spending \$800 000 000 to develop liquids from the basin. They have entered into a contract to sell \$300 000 000 of liquids to Japan in the five years from 1984 to 1988. While no royalty figures have been decided

between the producers and the Government, it can be expected that they will be about \$20 000 000 over that five-year period, and other contracts can be expected to be obtained. So the development of the Cooper Basin liquids alone has the potential of doubling the State's royalty revenues.

However, it is the Roxby Downs development which has the potential to put South Australia into the big league as far as mineral royalties are concerned. It is confidently expected that total royalties to the Government could be \$100 000 000 by 1990. Of course, not only royalty revenue will stem from the development at Roxby Downs; other benefits as well will come from it. Employment is of course one benefit, and I do not refer only to those actively engaged in mining. It is variously estimated that between four and nine full-time or part-time jobs are created for every one job in the mine. Already a city the size of Mount Isa or Broken Hill is being talked about, not in the short term but by the end of the century. This in itself could lead to decentralisation of secondary industry and resultant employment prospects. Indeed, the prospects are enormous. I will not go any further on that line at this stage, because the whole question of Roxby Downs will soon be the subject of debate in this Council and in this Parliament. I will just repeat that South Australia within the next 10 years should be in receipt of about \$100 000 000 in royalties, and the benefit that that will bring to the State's economy does not need spelling out.

The Hon. K. L. Milne: \$100 000 000 per annum?

The Hon. J. A. CARNIE: Yes, per annum.

Members interjecting:

The PRESIDENT: Order!

The Hon. J. A. CARNIE: With any mineral development the lead time is always some years and the Budget papers that we are discussing now deal with the present time. South Australia, along with other States (with the exception of Queensland and Western Australia, as I have just mentioned), is not now in a good financial position. In view of the present economic climate, this is a very responsible Budget. It is not a Budget which is hard on the people of South Australia; it is a Budget which is hard on the Government itself. It is the Government which has to do the belt-tightening. The easy option would have been to increase taxes, as some other States have done. However, in the short term, the Government's main task is to restore business confidence and that would not be done by increasing pay-roll tax or imposing surcharges on petrol, and so on, as has been done in other States.

I want to conclude by dealing briefly with the vote for the Minister of Education. Probably the loudest outcry on the Budget has come from those concerned with education—in particular from Mr Gregory. Let us look at the facts concerning education expenditure. For a start the biggest single item in the Budget, by a long way, is education. This year the proposed expenditure is \$507 000 000, or almost 30 per cent of the total State Estimates of Expenditure. The nearest vote to that (although a long way behind) is 'Health' with a proposed expenditure of \$201 000 000. The \$507 000 000 compares with \$490 000 000 expenditure last year—an increase of about 3.5 per cent. This is certainly not a big increase and in fact in real terms could be said to be a reduction. However, some lines in the Budget have had a reduction in money terms, so by comparison any increase should be gratefully received.

The figure of \$507 000 000 does not allow for any increase in salaries. Salaries are by far the biggest item of expenditure in the total education Budget. They comprise about 82 per cent of the \$507 000 000, which means, to take it a step further, that 25 per cent of all State expend-

iture overall goes towards Education Department salaries. Every 1 per cent increase granted to teachers costs the taxpayer \$3 000 000 a year. Yet, we have Mr Gregory talking about claims for a 20 per cent increase in teachers' salaries which would cost the State an extra \$60 000 000 in a full year. Already, since after the time the Budget was brought down, there has been an interim rise of 4.3 per cent granted, a cost to the State of almost \$13 000 000. That extra expenditure is not to improve the standard or quality of services of education—it is simply to maintain the *status quo*.

The Hon. G. L. Bruce: What's wrong with that?

The Hon. J. A. CARNIE: It depends where the money comes from—unfortunately, we cannot just print it. Over the past few years expenditure on education has increased enormously. In 1970, \$95 000 000 was spent. This year we have a proposed \$507 000 000—over five times the amount. Over the same period, the number of teachers has increased by 50 per cent, a very substantial increase in any language, particularly when we take into account the fact that student numbers have dropped by 22 000 or almost 10 per cent over the past five years. South Australia has the most favourable student-teacher ratio of any State, yet we still have this bleating about needing more teachers or about at least preserving the same number, a policy that would have the effect of increasing that ratio. If there was a decline in student enrolments (and it is expected that there will be a further drop of 4 750—

The Hon. C. J. Sumner: You proposed that class sizes be reduced.

The Hon. J. A. CARNIE: It is more natural that there be a drop in the number of teachers, and that is proposed by the Education Department. There will be a reduction of 315 teachers—not by retrenchment but by attrition. The same student-teacher ratio will be maintained.

The Hon. C. J. Sumner: You promised—

The Hon. J. A. CARNIE: We have the best ratio in Australia—what more does the Leader want? I can understand the disappointment of teachers who have completed their training and who are then unable to find employment. However, that is not the fault of the Government—it is the fault of the training colleges. To keep their numbers up, they continue to train more teachers than are required.

Members interjecting:

The PRESIDENT: Order!

The Hon. J. A. CARNIE: It should be comparatively easy to work out future requirements of staff. In primary schools, the decline in student numbers started in 1970, so the trend has been obvious for some years. Along with the increase in the numbers of teachers, over the past several years there has come about an increasing militancy which is regrettable to see amongst members of an occupation who want to be regarded as professional. In my view, professional people do not take industrial action, such as we saw earlier this year. It seems that teachers want both status and the gravy-train. I have no doubt that I will be taken to task for criticising teachers, but of course what I say does not apply to them all.

The Hon. C. J. Sumner: Do you think teachers are on the gravy-train?

The Hon. J. A. CARNIE: A good number of them, yes. No doubt I will be taken to task for saying that.

Members interjecting:

The PRESIDENT: Order!

The Hon. J. A. CARNIE: What I am saying does not apply to all teachers.

The Hon. Frank Blevins interjecting:

The PRESIDENT: Order! The Hon. Mr Blevins cannot continue like that. I ask him to stop, and I mean exactly that.

The Hon. J. A. CARNIE: It is very difficult not to generalise in a case like this. What I say does not apply to all teachers but there is a group, which unfortunately appears to be growing, that is giving teachers as a whole a bad name. There is the militancy I mentioned. The fact that they are striking and using children as pawns to achieve their ends is bad enough. There does not appear to be the same dedication amongst this minority group that we are entitled to expect from people who are paid as well and work the very short hours that teachers do.

The Hon. C. J. Sumner: Teachers work short hours, do they?

The Hon. J. A. CARNIE: I do not think the Leader would deny that. This lack of motivation could be explained in a comment made by a President of a parents and friends association in New South Wales. The *Bulletin* of 6 October contains the following report about her statements:

... she suggests that for years Education Departments took people from the lowest rungs of the academic ladder, that people who couldn't get a Commonwealth scholarship took a teachers' scholarship, with many of them never really wanting to teach.

The report continues later:

Interestingly, her comments are echoed by a senior New South Wales education bureaucrat, who told me: 'The turnover rate in teaching used to be about 14 per cent; now it's something like 4 per cent because of the economic situation. The teaching profession is full of people who don't want to be teachers, but they can't get any other job. So you have a lot of very disgruntled people who have nothing better to do than fight for better wages and conditions.'

If that reasoning is correct, I cannot see why the position in South Australia would be different from what these people claim applies in New South Wales. One of the most inequitable and vexed problems within the Education Department is the fact that a teacher is virtually unsackable. I am not talking about sacking to reduce numbers, because, as I have said, this Government has given a commitment that there will be no retrenchments; I am referring to sacking for incompetency. Further, teacher's unions have insisted that merit must not be considered when teachers are being employed or promoted. Teachers with the lowest possible qualifications are given the same priority in employment as brilliant, first-class honours graduates. Similarly, in promotion, seniority is a more significant factor than merit or ability.

By any standards, teachers are well paid; and considering the hours worked, they are exceptionally well paid. Teachers usually justify their short hours by saying that there is a lot of class preparation and correction to do, but that is questionable, to say the least. After a teacher has prepared a course once, it only needs revision every year. The same work does not have to be repeated year after year. There are now teachers aides to help in class preparation, a situation that did not apply a few years ago when teachers had to do class preparation outside of school time.

The Hon. C. J. Sumner: You promised improvements in all these areas in 1979.

The Hon. J. A. CARNIE: I suppose that the Leader intends to speak in this debate, so I suggest he wait his opportunity to do that.

The Hon. C. J. Sumner: Answer the question—did you or did you not make those promises?

The PRESIDENT: Order! The Hon. Mr Carnie does not have to answer the honourable Leader's question. The Leader will stop interjecting and allow the Hon. Mr Carnie to continue.

The Hon. J. A. CARNIE: There are now teachers aides who help teachers with class preparation. In addition, most schools provide free periods for teachers to prepare and mark work. There is certainly no evidence to suggest that

teachers are underpaid and overworked. In fact, they are among the most pampered groups in our community.

When considering the amount allocated to education, it is necessary to consider what we are getting for our money. We often hear arguments about whether the standard of education is declining or not. It is my impression that literacy and numeracy standards are declining, but that may be compensated for by an improvement in other areas. I do not intend to enter into that argument. However, there is no doubt in my mind that many parents are unhappy with the State education system and that that is one reason why there is a steady and continuing decline in enrolments at State schools while, at the same time, there has been an increase in numbers of students at private schools, despite the very high fees charged by those schools. I support the motion.

The Hon. D. H. LAIDLAW: I support the motion, I wish to comment on the work of the Industries Development Committee. Unlike the Public Accounts Committee and Public Works Standing Committee, this committee makes no report to Parliament on its activities, nor indeed does it report to the Treasurer or the Minister of Industrial Affairs, for whom it carries out investigations. The reason is that its activities are regarded as confidential, and it is thought to be inappropriate to make any report. Whilst I agree in part with this reasoning, I do think that Parliament should be told something of its work from time to time. As Chairman of that committee, I shall take this opportunity to do so.

During 1980-81, the Industries Development Committee recommended to the Treasurer, first, that the committee should grant Government guarantees to cover six loans amounting to \$10 060 000; secondly, that he should make loans or grants under the establishment payments scheme amounting to \$2 170 000; thirdly, that he should permit the South Australian Housing Trust to construct seven new factories or factory extensions valued at \$2 640 000; fourthly, that he should permit the South Australian Development Corporation to make three grants totalling \$430 000; fifthly, that he should agree to the requests of the Minister of Industrial Affairs to make a special allocation of \$475 000 to one company out of the 'Incentives to Industry' line of the Budget; and, sixthly, that he should make an allocation of \$125 000 under the motor vehicles industry assistance scheme.

Although applications under the establishment payments scheme and the motor vehicle industry assistance scheme are referred to the committee by the Minister of Industrial Affairs, all recommendations are made to the Treasurer. During 1980-81, they amounted to \$15 900 000 and I understand that in each instance the Treasurer accepted the recommendation.

On page 48 of the Estimates of Payments, it can be seen that the amount expected to be paid out for incentives to industry in 1981-82 increased by 58 per cent, from \$5 870 000 to \$9 300 000, and this includes the establishment payments scheme and motor vehicle industry assistance scheme. It will be seen on page 49 of volume 2 of the Programme Estimates that the allocation for the establishment payments scheme is expected to increase from \$1 690 000 to \$2 100 000 in the current year. These amounts differ from those referred to previously, and it must be recognised that amounts allocated to factory expansion are rarely paid out in the year when they are granted.

These increased allocations may seem unusual during a period of financial stringency, but I certainly applaud the Government for choosing to foster these incentives. I was surprised, however, that members of the Estimates Committee in another place made no effort to question the

Treasurer or the Minister of Industrial Affairs on the activities of the Industries Development Committee, or on the greatly increased allocations.

The estimated cost of maintaining the Industries Development Committee in 1981-82 is \$35 000, which is a modest sum considering the size of public funds which are involved in investigations. The committee has no full-time staff, nor does it have its own premises, nor does it wish to have them. Mr David Mitchell, a senior officer in the Department of Trade and Industry, does an admirable job as part-time secretary. The committee finds some room in Parliament House in which to sit and call witnesses. It does not seek publicity, unlike some other Parliamentary committees, and in my opinion operates more effectively by adopting a low-key attitude.

The committee was formed under the Industries Development Act by the Playford Government in 1941 to consider applications for financial assistance to industry, covering both secondary and tertiary sectors, including tourism. From the outset, the committee has consisted of five members—one each from the Government and principal Opposition Party in the Legislative Council and House of Assembly, plus one person appointed by the Governor who, at the present time, is the Deputy Under-Treasurer, Mr Sheridan. The Chairman has a deliberative vote only, but, most importantly, four out of the five members must support any recommendation to the Treasurer for it to be valid. That means that at least one member from the Opposition must support every recommendation. Therefore, when the Treasurer, acting on the recommendation of the committee, makes a grant of public funds, or gives a Government guarantee to cover repayments on a loan to a company or an individual, he has some Opposition support.

It is to the credit of Opposition members of both Parties over the years that they have not used their power of veto to impede unduly the aims of the Treasurer. Furthermore, the topics under investigation have rarely been divulged to the media, even though some of them have been of considerable public interest. Nor have these issues been raised in debate in Parliament.

As I have said, the committee investigates applications from various bodies. In some instances this course of action is determined by Statute, and in others by Ministerial decree. On occasions, I suspect that a Minister may refer applications to the committee hoping for a negative response, which will relieve him of the responsibility of refusing some applications. I see nothing wrong with such an approach; it is just another safeguard offered by the Parliamentary system.

Under section 14 of the Industries Development Act, 1941-1978, the Treasurer may guarantee the repayment of a loan of any size upon the recommendation of the committee. However, the committee must be satisfied that there is a reasonable prospect that the business in question will be profitable, that the giving of the guarantee is in the public interest, and that the provisions of the guarantee are essential to obtain the extent of finance sought. There is an exception in the case of sporting, cultural or social bodies, which must establish only that they are capable of earning sufficient incomes to meet their loan commitments. In his 1980-81 report, the Auditor-General stated that a guarantee of \$4 500 000 was granted to the South Australian Jockey Club, and \$5 000 000 to the Victoria Square International Hotel.

The South Australian Development Corporation, which until 1976 was known as the South Australian Industries Assistance Corporation, is a statutory authority created under the Industries Development Act. This corporation has power to make loans, buy shares and land and make non-repayable grants up to the amount of \$1 000 000 to

any one applicant on the same conditions that apply to guarantees given by the Treasurer. It is provided, however, that the corporation will not grant assistance to any applicant of more than \$100 000, except with the approval of the Industries Development Committee.

In his 1980-81 report, the Auditor-General pointed out that the South Australian Development Commission had accumulated losses of \$1 580 000, which exceeds its reserves. During the past year it lost \$158 000, which was much less than its operating loss of \$420 000 in 1979-80. The corporation has two unprofitable subsidiary companies, namely, the South Australian Frozen Food Operations Pty Ltd, which has operated the Frozen Food Factory under lease from the Government, and Riverland Fruit Products (Investments) Pty Ltd, which is owed \$5 220 000 by the Riverland Co-operative Cannery. The Government is trying to dispose of both of these operations. The activities of the South Australian Development Corporation seem to have declined during the past year. The committee dealt with and approved only three applications in that time from the South Australian Development Corporation involving loans of \$380 000, plus one Government guarantee of \$50 000.

The South Australian Housing Trust, under section 16 of the Housing Improvement Act, 1940-1973, has power to purchase any land or factory or to construct or add extensions to any factory for the benefit of industry, upon recommendation by the Industries Development Committee. In the past, the trust generally has constructed such factories and leased them whilst giving the user the right to purchase for a low residual value after a period of years. Hitherto, under our Federal tax laws, the user has been able to deduct the full lease payments against his assessable income. However, this device has been stopped by the Taxation Department and in the latest application the user will own the premises subject to a mortgage loan from the trust. During the past year the committee approved seven applications to construct factories to a value of \$2 640 000. In its annual report for 1980-81, the trust stated that factories had been constructed for Texas Instruments, Fasson, Auger Plastics, Gerard Industries, and others.

The Department of Trade and Industry administers an establishment payments scheme, whereby it can make grants up to \$400 000 to any one applicant for the creation of new employment in secondary and tertiary, but not primary industry. By Ministerial decree, these applications are referred to the committee for consideration. Under the criteria set, an applicant must demonstrate that he will employ directly at least five additional persons, that his new activity is of special significance to the State, that it will not unduly fragment the market in which he operates, and that his business is financially viable. The grant made under this scheme is calculated by reference to 30 per cent of the additional pay-roll measured in any three-month period during the first 12 months of operation. Added to this is a sum equivalent to 3 per cent of the approved capital expenditure and also a payment equivalent to 75 per cent of approved relocation costs to a maximum of \$100 000. This last mentioned benefit is adjusted at the discretion of the department and the committee.

The criteria for calculating the grants have been amended by the Minister of Industrial Affairs, after consultation with the committee, during the past year or so. Payment of the capital and relocation and one-half of the employment factor are now paid three months after the start of the new activity, and the balance of the employment factor 12 months thereafter. This is done to establish whether the applicant has really achieved the increase in employment that he claims over a reasonable period. For those in seasonal industries it is felt that a 12-month interval allows a meaningful comparison. During the past year, the commit-

tee has considered many applications for establishment payments grants and ultimately approved of 27, with a value of \$2 170 000.

One further activity of the committee is to consider applications for assistance from automotive sub-component manufacturers under the motor vehicles industry assistance scheme. This scheme has been set up by the Minister of Industrial Affairs to help manufacturers who want to retool or re-equip to meet the needs of the world car concept, and who can obtain orders from the established car makers subject to having adequate finance to handle such large contracts. In 1979-80, the committee dealt with several such matters, but during the past year it has recommended only one application, to a value of \$125 000.

I stress that the Treasurer and the Minister of Industrial Affairs can make grants as distinct from Government grants, using funds from lines in their budgetary sections, without any reference to the Industries Development Committee, especially if they want a decision in haste. Most applications are dealt with expeditiously. I can recall one

instance where the committee took up to six months taking evidence before making a recommendation. In the event, it was prudent for the committee to make further inquiries.

In conclusion, I wish to commend other members of the committee for their interest in its activities, and I refer to the former Chairman, the member for Gilles, the member for Todd, the Deputy Under-Treasurer and last but certainly not least, my colleague the Hon. Mr Dunford, who has an ability to smell out those applicants whose standards of business ethics may fall short of his own. I support the motion.

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

ADJOURNMENT

At 4.15 p.m. the Council adjourned until Wednesday 21 October at 2.15 p.m.