LEGISLATIVE COUNCIL

Wednesday 15 September 1982

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

QUESTIONS

LIBERAL CLUB BUILDING

The Hon. C. J. SUMNER: Can the Attorney-General assure the Council that he personally, although President of the Liberal Party and a director of the Liberal Club, had no knowledge or reason to suspect in 1975 that multiple conveyances were being used by the Liberal Club and E. C. Holdings to effect the transfer of the Liberal Club premises?

The Hon. K. T. GRIFFIN: The question is basically false, because it presumes that Liberal Club Limited used the transfers. What I have been saying previously—

The Hon. C. J. Sumner: They had to sign them!

The Hon. K. T. GRIFFIN: I keep telling the Leader that there was no indication at all in the contract which was signed in February 1975 that any particular form of transfer would be presented to Liberal Club Limited for execution. Several days before the settlement was due under the contract, the Chairman of Liberal Club Limited had presented to him 27 transfers. He sought advice from the legal adviser to Liberal Club Limited, Murray and Cudmore, and Mr McFarlane in particular (I referred to him in my Ministerial statement yesterday), and the advice given to the Chairman by Mr McFarlane—

The Hon. J. R. Cornwall: What about you personally? That was the question.

The Hon. C. J. Sumner: Did you know?

The PRESIDENT: Order!

The Hon. J. R. Cornwall: One can always tell when the Liberals are going bad: Mr Burdett keeps jumping up and down.

The Hon. J. C. Burdett: Don't be ridiculous!

The PRESIDENT: Order! The Minister will come to order as well as the Hon. Mr Cornwall.

The Hon. K. T. GRIFFIN: The Chairman of Liberal Club Limited was advised that that club had no option but to execute those transfers under the terms of the agreement which had been signed in February. Accordingly, the Chairman of Liberal Club Limited had the seal affixed and signed those transfers as Chairman. The matter was settled (to my recollection) by Murray and Cudmore in conjunction with Shuttleworth and Letchford Limited, the selling agent. I have no recollection of being aware at that time that there were multiple transfers involved in that transaction. At some time subsequent to that I became aware of those multiple transfers, but I cannot remember whether or not it was at the time of settlement or subsequently that I was aware that that was the case.

PASTORAL BOARD

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 Lands, about the Ministerial statement he made yesterday.

Leave granted.

The Hon. B. A. CHATTERTON: The Minister of Local Government made a statement yesterday on behalf of the Minister of Lands in which he said that there were to be changes in the membership of the Pastoral Board. He said that these changes followed some preliminary investigations made by the Director-General of Lands into allegations made against the Pastoral Board in a series of articles that appeared in the *Advertiser*. That statement did not provide any further explanation as to why Mr Vickery, Chairman of the board, should be demoted and why the Director-General of Lands is to be the new Chairman of the Pastoral Board. The Minister merely said that those changes would be made.

First, can the Minister explain what was the motive behind the replacement of Mr Vickery, Chairman of the Pastoral Board? Secondly, did the Director-General's interim investigations into the Pastoral Board confirm that that board has been grossly negligent in its administration of pastoral leases? Thirdly, do the Minister and the State Government now accept that the Pastoral Board has failed to properly discharge its responsibilities and, if so, why does the Minister of Lands continue to deny that there is a serious problem in the pastoral area? Finally, does the Minister of Lands intend to restructure the Pastoral Board completely?

The Hon. C. M. HILL: I will refer those questions to the Minister of Lands and bring back a reply.

The Hon. N. K. FOSTER: Will the Minister of Local Government, notwithstanding his statement to this Council yesterday, have a report made available upon the resumption of the Council next month relating to the two smallest, non-viable holdings within the meaning of the Pastoral Act? Will he say at that time whether or not, for the first time in the history of this Act, the Minister will use the powers of that Act to amalgamate such properties to ensure that overstocking does not occur and that the combined property will be a viable one? Also, will the Minister inform this Council at that time about the property that the Minister of Lands considers to have been the most abused property during the past five decades, and will the Minister of Lands take appropriate action under the Act, using the powers conferred on him by it, to correct that abuse?

The Hon. C. M. HILL: I will refer those questions to the Minister of Lands. I take it that the honourable member was referring to two specific properties which were mentioned by name in this Council yesterday.

The Hon. N. K. Foster: Yes.

The Hon. C. M. HILL: I make that point so that the properties can be readily identified. I will be pleased to obtain answers to those questions.

LIBERAL CLUB BUILDING

The Hon. C. J. SUMNER: In view of the fact that the matter is still not clear, I will re-ask, in a slightly different form, the question I asked earlier of the Attorney-General. Can the Attorney-General assure the Council that he personally had no knowledge or reason to suspect, prior to registration of the transfers, that multiple conveyances were being used to effect the transfer of the Liberal Club premises to E. C. Holdings?

The Hon. K. T. GRIFFIN: I have already answered that question.

The Hon. C. J. SUMNER: That is scandalous. I have a supplementary question. The Attorney-General has clearly not answered that question. I asked him whether he could assure the Council that he personally had no knowledge or reason to suspect, prior to the registration of transfers, that multiple conveyances were being used to effect the transfer of the Liberal Club premises to E. C. Holdings. That was not the first question I asked. It is a different question and I think that the Attorney-General should answer it.

The Hon. K. T. GRIFFIN: The Leader of the Opposition prefaced his question by saying that he was going to ask the

same question again, but in a slightly different form. I am saying that I have already answered the question.

L. RON HUBBARD

The Hon. R. J. RITSON: I seek leave to make a brief explanation before asking the Minister of Community Welfare a question about the L. Ron Hubbard empire.

Leave granted.

The Hon. R. J. RITSON: Members will recall that yesterday I referred to what appeared to be breaches of the Psychological Practices Act, in that a hand bill was being distributed around the city relating to a prescribed psychological practice, namely, intelligence testing, with no indication that it was being offered by a registered psychologist. Yesterday, I asked that further inquiries be made into this matter.

I also noted that the address at which these tests were being offered by the Dianetics Centre (the Hubbard centre) was 24-28 Waymouth Street, Adelaide. On further examination of public newspapers I find commonly recurring advertisements in the employment sections. I have selected two of these advertisements to present to the Council in explanation of my question today. One advertisement in the *Advertiser* of 6 September stated:

People needed to train as counsellors to aid others in distress or with problems. This new technique results in a well and happy person. All welcome to apply. Contact Dianetics Centre—

—and then it gives a telephone number of a Waymouth Street address. In the *Advertiser* of 15 September another advertisement appears in the employment section, stating:

Social Improvement Programme needs personnel, interested in helping others? Positions as social workers available. Salary negotiable. If you like to work with a team bettering social conditions, contact the Hubbard College of Business and Social Advancement.

Lest anyone believe that this organisation is looking for qualified social workers, the advertisement continues:

No experience necessary.

Honourable members will be aware that the Psychological Practices Act was introduced specifically for the purpose of controlling the Hubbard empire, which has been found by a select committee of this House, by a committee of inquiry of the House of Commons, by an inquiry in Victoria, and by inquiries in other countries of the world to be dangerous to mental health. I ask the Minister of Community Welfare whether he considers these advertisements to be misleading in any respect, and I ask him to consult with social workers in his department, seeking their opinion as to the honesty or otherwise of these advertisements.

I have today drafted a letter to the Chairman of the Psychological Practices Board, lodging a complaint and asking the board to investigate, but I understand that its powers and budget are somewhat limited. The community welfare portfolio has, I believe, among other things, a responsibility to warn people of advertisements which are not what they seem and which may represent a threat to the general public. Would the Minister of Community Welfare consider, after such consultations, issuing a public warning against response to these advertisements if his investigations indicate that that is a reasonable course?

The Hon. J. C. BURDETT: Yes, I will certainly investigate the matter. The allegations made by the honourable member are quite serious and certainly, if it is proved to be the case that people are being advertised for as social workers with the implication that they will be unleashed on the community, and that they are not qualified social workers and do not have genuine social work qualifications or experience to give, that is a matter of the utmost importance. I shall refer it to my department and bring back a reply.

LIBERAL CLUB BUILDING

The Hon. C. J. SUMNER: My questions are addressed to the Attorney-General. Although legally obliged under the Stamp Duties Act to ensure payment of stamp duties as the party executing the transfer, and although a loan of some $200 000 was made by the Liberal Club to the purchasers, the Attorney-General now says that the Liberal Club had no option but to sign the 27 transfers. In my view, that is not true. The Liberal Club, as the party responsible for ensuring payment of stamp duties, could have requested one transfer in accordance with the intention of the Stamp Duties Act. In view of the allegation now made—

The Hon. K. T. Griffin: Do you want leave to make a statement?

The Hon. C. J. SUMNER: This is a question. In view of the allegation now made by the Attorney-General, will he table in Parliament all documents relating to the transfer of the Liberal Club premises to E. C. Holdings Pty Ltd, and in particular the contract of sale, copies of the relevant certificate of title, copies of the memoranda of transfer (because there were 27), copies of the memorandum of mortgage, and copies of any written legal advice given to the Liberal Club on this matter?

The Hon. K. T. GRIFFIN: This is all a bit boring. As someone suggested last night on *Nationwide*, it might be one of the bottom of the puddle operations, and one now suspects that the Leader of the Opposition is beginning to scrape the bottom of the puddle. He is trying to become deeply embedded in the mud that he is seeking to throw, and some of it is sticking to him and not to me.

The Hon. J. R. Cornwall: You looked terrible last night.

The Hon. K. T. GRIFFIN: I did not ask for your opinion.

The Hon. J. R. Cornwall: I am giving it to you, without charge.

The Hon. K. T. GRIFFIN: We know what they say about an opinion that is not charged for: it is worth only what is charged.

Members interjecting:

The PRESIDENT: Order!

The Hon. K. T. GRIFFIN: The documents, such as the transfers, the mortgage, and the title, are on the public register, and there is no need at all to table those documents in the Parliament. They are a matter of public record.

The Hon. C. J. Sumner: What about the contract?

The Hon. K. T. GRIFFIN: The contract and any legal advice are not matters for me.

TRADE

The Hon. N. K. FOSTER: Has the Attorney-General a reply to the question I asked on 18 June about trade with the Soviet Union.

The Hon. K. T. GRIFFIN: The question was referred to the Minister for Trade and Resources, the Rt Hon. J. D. Anthony, and he is not aware of any direct ownership by the Soviet Union in any part of the Australian coal industry, although there is, of course, always the possibility of such ownership through nominee company shareholdings. At the present time there are no export contracts with Soviet buyers and, indeed, such contracts must be regarded as highly unlikely. The Soviet Union is a net coal exporter and its imports are solely from Eastern Bloc countries.

The Hon. N. K. FOSTER: I desire to ask a supplementary question. I do not know whether I should be so bold as to suggest that my question was misunderstood, but the Attorney's reply does not seem to relate to the question I asked on 18 June. Is the State Government aware of any negotiations between the Soviet Union or any authorities in Aus-

tralia which would have benefited the Australian fruitgrowing industry?

The Hon. K. T. GRIFFIN: The State department or the Federal department?

The Hon. N. K. Foster: Both.

The Hon. K. T. GRIFFIN: I understand that the honourable member's question relates to both the State Department of Trade and Industry and the Federal Department of Trade and Resources.

The Hon. N. K. Foster: Yes.

The Hon. K. T. GRIFFIN: I will refer the question to the appropriate Ministers and bring down a reply.

JULIA FARR CENTRE

The Hon. J. R. CORNWALL: Has the Minister of Community Welfare a reply to the question that I asked on 27 July about the Julia Farr Centre?

The Hon. J. C. BURDETT: The answers to the five specific questions asked by the honourable member are as follows:

1. Yes, the study has been completed and its recommendations are being discussed between the board of management of the Julia Farr Centre and the South Australian Health Commission.

2. The data capture phase of the study was completed in October 1981.

3. A draft report has been prepared. The final draft report was agreed by the Chairman of the South Australian Health Commission and the President of the Julia Farr Centre on 30 July 1982, subject to resolution of some minor matters.

4. The objectives of the study were to identify the individual activity or cost centres of the hospital; to record the extent to which staff are allocated to perform the duties required for each of those activity areas, allocate the costs of salaries, and allocate the costs of purchases and services as required and utilised by them; and to relate these costs to the levels of activity in each particular centre.

5. No, the study was undertaken as a joint venture between the South Australian Health Commission and the Julia Farr Centre, and was designed to provide information to assist the board of management in its management process. For this reason, the report will not be released to the public.

MOUNT GAMBIER WATER

The Hon. J. R. CORNWALL: Has the Minister of Community Welfare, representing the Minister of Agriculture, a reply to my question of 22 July about Mount Gambier water?

The Hon. J. C. BURDETT: My colleague reports that the nitrosamines have been shown to be carcinogenic and mutagenic in animals. It is not known whether nitrosamines have a causal relationship with the incidence of disease in the Lower South-East. The cited statistical association between consumption of ground-water during pregnancy and risk of birth defects in that locality may not be causal. Even if it were causal, there is no convincing evidence that nitrates would be the responsible factor.

Further investigations are being carried out with regard to disease incidence in the Lower South-East, including the following:

(1) A study of effects of Mount Gambier ground-water on experimental animals is being undertaken by the C.S.I.R.O. Human Nutrition Division, in liaison with the South Australian Health Commission, to test the teratogenicity of Blue Lake water. This research is technically quite complex and time-consuming and will not be completed this year.

(2) A study of nitrate ingestion from vegetables grown in the Lower South-East.

It is intended that results from this study will be available towards the end of this year. Initial findings suggest that the ranges of nitrate levels are similar to those reported internationally. However, it would be premature to draw conclusions before all the data have been collected and analysed thoroughly.

(3) General surveillance of cancer rates and birth defects in the Lower South-East.

(i) Cancer: Reviews of cancer incidence and mortality data do not indicate an elevation in the cancer rate (all types of cancer in total) in the Lower South-East, when compared with State-wide cancer rates. Data have been analysed for the 1969-80 period. More particularly, there was no statistically significant elevation in numbers of new cases for the cancer types that have attracted most attention in relation to nitrates. These types include stomach cancer, colon cancer, rectum cancer, and bladder cancer.

(ii) Birth Defects: The Perinatal Statistics Unit of the South Australian Health Commission has collected State-wide data on birth defects since its inception in 1981. Complete records therefore are available for one calendar year only. Certainly, this period is far too short to draw any definite conclusions about congenital abnormality rates in any one locality. Nevertheless, initial data do not demonstrate an elevation in rates of congenital abnormalities or miscarriages in the Mount Gambier area. As more data accumulate, more definite assessments will be possible.

HAMPSTEAD CENTRE

The Hon. J. R. CORNWALL: Has the Minister of Community Welfare, representing the Minister of Health, a reply to the question that I asked on 27 July about Hampstead Centre?

The Hon. J. C. BURDETT: The Minister of Health has informed me that, in determining the appropriate level of after-hours medical services required for patients at Hampstead Centre, it is necessary first to understand the types of patients accommodated at the centre. There are two broad categories of patients: long-term nursing home patients and patients who have recovered from the acute phase of their illness and require convalescence and rehabilitation. All patients in this latter category are transferred to Hampstead Centre from the Royal Adelaide Hospital and other acute hospitals only after the acute phase of the illness has settled.

In addition, any patient who subsequently becomes acutely ill at Hampstead Centre is immediately transferred by ambulance to the Royal Adelaide Hospital. As far as spinal injury patients are concerned (although many of them have grave disabilities), those patients accommodated at Hampstead Centre are not acutely ill. The acutely ill patients are managed in the Spinal Injuries Ward of the Royal Adelaide Hospital.

Given the non-acute nature of patients treated at Hampstead Centre, it is entirely appropriate that their after-hours medical cover be provided by a medical officer on call rather than a resident medical officer. This level of medical cover is more than equal to that provided in other nursing homes and private hospitals, which, of course, also do not have resident medical officers.

The Minister of Health is satisfied that the change to an on-call medical officer at Hampstead Centre between the hours of 11 p.m. and 8 a.m. has in no way lowered the standard of medical service provided by the centre.

REGENCY HOUSE

The Hon. J. R. CORNWALL: Has the Minister of Community Welfare, representing the Minister of Health, a reply to the question that I asked on 19 August about Regency House?

The Hon. J. C. BURDETT: The Minister of Health does recall responding to a letter addressed to Dr W. T. McCoy in relation to the Regency House programme at the Enfield Hospital. It is interesting to note, however, that, in quoting excerpts from the Minister's letter of 1 December 1981, the honourable member has omitted the following statement made by the Minister in that same letter:

> However, this is not yet definite, as it must be approved by the hospital board of management.

This comment by the Minister of Health related directly to the recommendation made for the transfer of the programme to Palm Lodge, and it is mischievous of the honourable member to have omitted it when quoting from the Minister's letter. It is pointed out that a decision on this matter was entirely up to the board of management of the Hillcrest Hospital. Before arriving at any decision on the matter the board very carefully considered the Palm Lodge recommendation. However, after taking into account many factors, the most important being the welfare of the people involved in the programme, the board decided that the most appropriate centre for relocating the programme would be the Hillcrest Hospital.

The Minister of Health has not misled the honourable member's constituent and, in fact, she wrote to the person concerned in July, advising him of the board's decision. The manner in which the honourable member has raised this matter is, to say the least, disturbing.

The Hon. J. R. CORNWALL: I rise on a point of order. I seek to have the last comment withdrawn, because it is a sad reflection on my character. I resent it, and ask that it be withdrawn. I was looking for an answer and did not want the matter to be debated.

Members interjecting:

The PRESIDENT: Order!

The Hon. J. R. CORNWALL: It is a deliberate slur on my character.

The PRESIDENT: Is the honourable member asking for a withdrawal?

The Hon. J. R. CORNWALL: Yes, an absolute withdrawal.

The Hon. J. C. Burdett: There was nothing unparliamentary about it, and I will not withdraw it.

The Hon. J. R. CORNWALL: Mr President, in that case you will have to rule, because I insist on a withdrawal. The Minister said, 'The manner in which the honourable member has raised this is, to say the least, disturbing.' I raised the matter because a constituent raised it with me, and the Minister's comment in his prepared reply is a direct reflection on my character.

The PRESIDENT: I would not take it as a reflection.

The Hon. J. R. CORNWALL: You ought to look at Standing Orders, which provide that no member shall reflect injuriously on another member.

The PRESIDENT: I suggest that it was not unparliamentary.

The Hon. J. R. CORNWALL: I am dead sick of the Minister of Health doing this consistently. If she wants to be paranoid and psychotic, that is her problem and not mine. Mr President, are you ruling that it is not unparliamentary and is not an injurious reflection on my character?

The PRESIDENT: It is not an injurious reflection.

The Hon. J. R. Cornwall: Then you are a pretty rotten President.

The PRESIDENT: Order! That is a reflection on the Chair, and we will deal with it immediately. The honourable member will withdraw that remark or I will take action.

The Hon. J. R. CORNWALL: Mr President, are you familiar with Standing Order 193? I am happy to withdraw.

The PRESIDENT: Order! The honourable member should do that and let it go at that.

FLINDERS MEDICAL CENTRE

The Hon. J. R. CORNWALL: Has the Minister of Community Welfare, representing the Minister of Health, a reply to the question that I asked on 1 September regarding Flinders Medical Centre?

The Hon. J. C. BURDETT: The short answer to the honourable member's question could have been disposed of some time ago. The reply is as follows:

> I refer the honourable member to the reply given by my colleague, the Minister of Health, in another place on 1 September 1982.

OMBUDSMAN ACT

The PRESIDENT: I would like to reply at this stage to questions asked of me earlier. One question related to a question asked by the Hon. Dr Cornwall regarding section 18 (1) of the Ombudsman Act. I have considered the request made by the honourable member regarding the possible amendment to section 18 (1) of the Ombudsman Act to exclude mental health facilities. While the Ombudsman is responsible to Parliament, the Act is committed to the Premier, and, as the honourable member would be aware, the question of section 18 (1) of the Ombudsman Act was the subject of a special report to Parliament in April of this year. It seems to me that perhaps the only action that could be taken would be for the honourable member himself to introduce a private member's Bill.

PRESS REPORTING

The PRESIDENT: The Hon. Mr Dawkins asked me a question regarding the reporting of Parliamentary proceedings. As a result of that question, I wrote to the two main daily papers and received a reply from the Editor-in-Chief of the *News*, who said that the late commencement of our sittings is always a problem for reporting in his paper, as 3.45 p.m. is the deadline for its final edition. He also pointed out that, if the Houses of Parliament commenced their sittings at perhaps 11 a.m., his paper would be able to give a much more detailed coverage of Parliamentary events.

The Editor of the *Advertiser* stressed that the cost involved in any expansion of reporting was a very large factor. The Editor also indicated that quality was more important than quantity. It appears that there are two avenues that the Hon. Mr Dawkins could follow: one is the matter of financing more space and the other is an earlier commencement of sittings.

LIBERAL CLUB BUILDING

The Hon. FRANK BLEVINS: Did the Attorney-General know, prior to the registration of the transfers giving effect

to the transfer of the Liberal Club premises in 1975, that multiple conveyances were being used?

The Hon. K. T. GRIFFIN: The Leader of the Opposition has already asked that question, and I do not propose to take it any further.

The Hon. C. J. Sumner: You won't answer it. Why don't you answer the question?

The PRESIDENT: Order!

The Hon. C. J. Sumner: Did you know about it, yes or no?

The PRESIDENT: Order!

The Hon. C. J. Sumner: Did the Attorney-General know about it, yes or no? It is a very simple 'yes' or 'no' answer.

The Hon. K. T. GRIFFIN: The Leader should read *Hansard* tomorrow.

The PRESIDENT: Order! The Hon. Mr Sumner has continually asked the question and he can ask it again at some other time.

BORDERTOWN STOCK SALE YARDS

The Hon. G. L. BRUCE: I seek leave to make a short explanation before asking the Minister of Community Welfare, representing the Minister of Health, a question about the Bordertown stock sale yards.

Leave granted.

The Hon. G. L. BRUCE: I believe that sheep started to arrive at the Bordertown sale yards on Sunday 5 September for sales conducted on Monday 6 September, the sale yards then being cleaned up on Thursday 9 September. I understand that an officer of the Health Department at Mount Gambier discussed the matter of cleaning the yards after sales with the council and/or the council engineer and that agreement was reached on having the yards cleaned on a regular basis after a sale.

Because of the apparent time lag in the cleaning of the yards after a sale, can the Minister of Health say what agreement was reached between the officer of her department and the council regarding when the yards were to be cleaned after sales? Can the Minister also say how much a health and nuisance problem the officer of her department considers that the cleaning of the yards are after a sale?

The Hon. J. C. BURDETT: I will refer that question to the Minister of Health and bring back a reply.

HEALTH INSURANCE

The Hon. R. J. RITSON: Has the Minister of Community Welfare, representing the Minister of Health, an answer to the question that I asked on 18 August regarding health insurance?

The Hon. J. C. BURDETT: My colleague reports that the National Health Services Association was formed by the affiliation of a number of friendly societies (lodges) which have continued to provide to members a wide variety of services of which health benefits are a separate aspect and which are subject to Commonwealth legislation. The insurance, credit, holiday services, etc., offered by the friendly societies and which are referred to by the honourable member do not form part of the health benefits arrangements.

The issue of and charging for diabetic syringes, needles and alcohol pads, where provided by South Australian recognised hospitals, have been rationalised by regarding them as pharmaceutical prescription items. Unfortunately, submissions made to the Commonwealth Minister for Health for the inclusion of these items within the community pharmaceutical benefits arrangements have not been successful.

Nevertheless, the Minister of Health has informed me that arrangements are being made for the identification of health services that are not subject to State, Commonwealth or hospital benefit fund assistance, with the view to the possible removal of existing anomalies. The community supply of diabetic needles, syringes and alcohol pads is one of a number of items that will be looked at in this context by representatives of the South Australian Health Commission, health benefit funds and the South Australian division of the Commonwealth Department of Health. It is considered that this is the most appropriate method of dealing with the matter.

VICTOR HARBOR COUNCIL

The Hon. N. K. FOSTER: Has the Minister of Local Government a reply to my question regarding the Victor Harbor council?

The Hon. C. M. HILL: Further to my reply of 27 July 1982, my colleague, the Minister of Environment and Planning, has provided further information on the Victor Harbor council. I have a copy of a letter dated 16 December 1981 from the Chairman, State Planning Authority to the District Clerk, District Council of Victor Harbor.

The Chairman's letter states in comprehensive terms the reasons for the State Planning Authority's decision to withdraw part of the delegated powers of interim development control. The proposal by Mr R. Dawkins was for the establishment of an office in conjunction with a dwelling at Victoria Street, Victor Harbor, and the proposal by Mr Dunstan was for the establishment of consulting rooms at 4 Hindmarsh Road, Victor Harbor. The State Planning Authority did not refuse its consent to either of the applications by Mr I. Dunstan and Mr R. Dawkins. The applications were granted consent in August 1980 and May 1981, respectively, by the District Council of Victor Harbor as the body then responsible for administering interim development control over such uses. I seek leave to table, for the information of the honourable member, a copy of the said letter dated 16 December 1981.

Leave granted.

LANGUAGE ADVISERS

The Hon. FRANK BLEVINS: On behalf of the Hon. Miss Wiese, I ask whether the Minister of Local Government, representing the Minister of Education, has a reply to a question that the honourable member asked on 19 August about language advisers.?

The Hon. C. M. HILL: My colleague reports that the facts presented in the explanation by the honourable member are inaccurate. No part-time or full-time language adviser is employed by the Education Department to work at the Centre for Asian Studies of the University of Adelaide. No language adviser is appointed to advise the University of Adelaide.

In 1982, the Education Department, recognising the importance of Asian languages to Australian primary and secondary students and reflecting the needs of teachers of Chinese, Japanese, Vietnamese and Indonesian, appointed school-based part-time advisers in these languages for the first time. Indonesian had received some support from a German adviser in the past. The tasks of these advisers covered such areas as in-service, teaching methodology and curriculum materials. Some liaison with tertiary institutions has occurred, but the key function of these advisers has been to provide support to other practising teachers.

The proposal for 1983 is that one full-time adviser, centrally based and without teaching duties, will be appointed to co-ordinate in-service and the development of curriculum materials and to identify sources and networks of support for teachers of Japanese, Chinese and Vietnamese. In addition, the present half-time position of Indonesian adviser will continue in 1983.

It is important to distinguish between a language specific advisory service and one that can meet the needs of teachers in several languages by establishing and using a network of key teachers in each of the languages. The 1983 proposal does not downgrade the importance of Japanese, Chinese and Vietnamese, nor does it represent a withdrawal of advisory services. It simply represents a different support model. A range of support models has been discussed with the present and relatively inexperienced languages advisory staff, and the effect of these consultations will be felt partially in 1983 and, more effectively, in 1984.

LANGUAGE PROGRAMMES

The Hon. FRANK BLEVINS: On behalf of the Hon. Miss Wiese, I ask whether the Minister of Local Government, representing the Minister of Education, has an answer to the question that the honourable member asked on 26 August about language programmes.

The Hon. C. M. HILL: Neither the Department of Technical and Further Education nor the Chamber of Commerce itself has conducted a survey of members of the chamber to ascertain the extent or nature of language course needs. The Department of Technical and Further Education does not intend to conduct such a survey in the immediate future because it is thought that courses currently available through the Department of Technical and Further Education or the Department of Continuing Education at Adelaide University are substantially meeting the needs. In addition to the courses provided by the Department of Technical and Further Education, the Department of Continuing Education provides courses in Japanese, Indonesian, Chinese, Spanish, Russian, German, French and Italian.

GROCERY PRICES

The Hon. FRANK BLEVINS: Has the Minister of Community Welfare a reply to a question I asked on 26 August about grocery prices?

The Hon. J. C. BURDETT: Although the honourable member mentioned when he raised this matter that the advertisements were the same, investigation revealed that the two items he spoke about were in fact the only two that were common to each advertisement. Thus, comparison of other prices was not relevant.

The reason for the difference of approximately 34 cents in each item is that, although the Foodland group purchases on a national basis, the organisation is independently owned and operated in each State and the selling prices of 'leader lines' are made independently and each State administration's decision will be affected to a large extent by the market competition prevailing at the time.

Thus, while the South Australian administration decided to sell the two products involved at what was virtually cost, the Victorian group obviously decided that to create a greater impact they would classify the two items as 'loss leader lines' and offset the losses against the greater patronage that would, in theory at least, result from increased sales.

The selection of two or more isolated 'leader lines' is not an appropriate basis for comparing inter-city prices generally, and I refer the honourable member to the June 1982 issue of *Choice* magazine which contained the results of an annual survey of supermarket prices in all States. This survey is based on a 'basket of 27 items'. As well as showing variations within each city it also showed that the 'cheapest basket' in Adelaide was generally on a par with other capital cities. On this basis there is no evidence that South Australian consumers are being 'ripped off' by major supermarket chains.

CONSERVATION EXPENDITURE

The Hon. L. H. DAVIS: Has the Minister of Community Welfare a reply to a question I asked on 11 August in relation to conservation expenditure?

The Hon. J. C. BURDETT: On 12 August 1982, the Minister of Environment and Planning forwarded a letter to the Federal Treasurer making representations on the matter of taxation incentives for the restoration of the built heritage. Written representations on this matter were also sent to the Federal Treasurer from three other States. A comprehensive report prepared by officers of the Department of Environment and Planning states a number of advantages of implementing a system of income tax deductions. These advantages would be of benefit to owners in real terms, as well as the positive, aesthetic, cultural and educational benefits to the community. A full submission is now to be made to the Federal Treasurer.

WATER CHARGES

The Hon. ANNE LEVY: Has the Minister of Local Government a reply to a question I asked on 26 August regarding water charges?

The Hon. C. M. HILL: Since the time of the honourable member's previous question on this matter, interstate authorities have been contacted to ascertain their policies. It has not been possible to demonstrate any consensus on this issue, as the policies vary considerably. No alteration has been made to the present policy and the matter is still receiving consideration.

HOUSING TRUST RENTS

The Hon. ANNE LEVY: Has the Minister of Local Government a reply to a question I asked on 1 September regarding Housing Trust rents?

The Hon. C. M. HILL: In the circumstances described by the honourable member, Housing Trust and Department of Social Security data indicate that the constituent's income should be $82.65, on which the trust would assess a rent of $15, $1 more than would be paid by a pensioner in receipt of the pension only. A pensioner in receipt of the pension and supplementary allowance only—income $79.15—would pay a trust rent of $14.

The Housing Trust cannot explain the difference between these figures and those quoted by the honourable member. I suggest that this person be referred to the Department of Social Security and the trust to ensure that they are not being disadvantaged. The Housing Trust made no administrative change in respect of its treatment of special veterans allowances on 1 July 1982.

SEWERAGE RATES

The Hon. J. R. CORNWALL: Has the Minister of Local Government a reply to a question asked by the Hon. Frank Blevins on 26 August in relation to sewerage rates?

The Hon. C. M. HILL: A surcharge on country sewerage rates was introduced to offset the higher costs associated with operating sewerage facilities in country areas. The present level of 25 per cent has been in force since 1 July 1974. There are no plans to reduce this surcharge, as country sewerage rates are still not sufficient to cover operating costs, unlike the situation in the metropolitan area where sewerage rates are set to recover all of these costs.

ETHNIC AFFAIRS

The Hon. M. S. FELEPPA: I seek leave to make a brief explanation before directing a question to the Minister Assisting the Premier in Ethnic Affairs.

Leave granted.

The Hon. M. S. FELEPPA: In 1980, articles appeared in the *Bulletin* and the *Equity* about a study of people of ethnic background working within the State Public Service. This study, to my knowledge, has been conducted by the Board of the Equal Opportunity Unit, headed by Mr David Rimmington. The aim of the study was to identify possible career disadvantage that public servants might suffer because of their ethnic backgrounds. Public servants were invited to come forward and to express their view about any problems they might have experienced. Will the Minister say whether the study has been completed and, if a report has been compiled, when and where a copy may be obtained?

The Hon. C. M. HILL: I shall seek the replies to those questions.

MUNNO PARA PRIMARY SCHOOL

The Hon. N. K. FOSTER: I direct a question to the Minister of Local Government, representing the Minister of Education, the subject matter being the Munno Para Primary School. These are my questions:

1. Has the Minister of Education been made aware of the appalling conditions that are evident at the Munno Para Primary School?

2. Is it a fact that the Munno Para Primary School is designated as a holding school?

3. Does 'holding' imply that such temporary buildings must remain as a sufferance on students, parents and teachers?

4. Will the Minister of Eudcation have a report prepared on the Munno Para Primary School designed to replace the school with a solid construction building and proper support buildings, as well as sports areas, and so on, in the financial year 1982-83?

The Hon. C. M. HILL: I will refer those questions to the Minister of Education and bring back a reply for the honourable member.

CHOCOLATE CIGARETTES

The Hon. G. L. BRUCE: Has the Minister of Community Welfare a reply to a question I asked on 10 August regarding chocolate cigarettes?

The Hon. J. C. BURDETT: The replies to the three specific questions asked by the honourable member in relation to the sale of chocolate 'cigarettes' are as follows:

1. The Minister of Health is very concerned at any situation where cigarettes are promoted, either in a subtle or direct way, to children. Although existing legislation does not cover the sale of chocolate or other imitation 'cigarettes', the South Australian Health Commission in 1981 reached a voluntary agreement with all firms marketing and selling confectionery products imitating tobacco products that there would be no further importation of such products. It is pleasing to see that this voluntary approach is being effective, as it is difficult to locate retail supplies of the products. All chocolate 'look-alike' cigarettes are imported, and although at one time local production was contemplated it did not commence due to adverse Government reaction. Confectionery and licorice cigarettes that are not a 'look-alike' product are produced in Victoria.

2. There is no direct relationship between the cigarette and confectionery industry to promote the sales of each other's products.

3. The South Australian Health Commission does not have any signs or posters available, but Associated Grocers Wholesalers supply a notice to their members advising of the law relating to the sale of cigarettes to minors. It is the Minister's intention to require notification by tobacco retailers to customers of their obligations under the law when the Controlled Substances Act is introduced.

UREA FORMALDEHYDE FOAM INSULATION

The Hon. G. L. BRUCE: Has the Minister of Community Welfare a reply to the question I asked on 16 June about Urea Formaldehyde insulation?

The Hon. J. C. BURDETT: I do not have that reply at the moment. I will advise the honourable member when it is available.

HANSARD

The Hon. ANNE LEVY: Has the Attorney-General a reply to the question I asked on 19 August about *Hansard?*

The Hon. K. T. GRIFFIN: The Government Printing Division, Department of Services and Supply, is currently investigating the re-equipping of the Mailing and Distribution Section, which is responsible for the dispatch of *Hansard.* This involves the possible purchase of a magazine inserter which will allow this type of publication to be inserted in an envelope and mailed flat. However, for a full session it would cost an additional $6 000 to distribute *Hansard* in this form. In the meantime, officers of the Government Printing Division have been asked to investigate alternative means of handling the product to try to overcome the complaint outlined by the honourable member.

COMIN' AT YA!

The Hon. ANNE LEVY: Has the Attorney-General a reply to the question I asked on 31 August about the film *Comin' at Ya?*

The Hon. K. T. GRIFFIN: A random selection of films screening in Adelaide during the school holidays indicated that at least seven classified M were screening during the day. All theatres, including the Capri at Goodwood, were within the law as prescribed by the Film Classification Act. The M classification suggests that the film is for 'mature audiences' and therefore parents must exercise some degree of responsibility if they are aware children in their early teens are attending such films. School holidays provide a readymade 'children's market' for cinemas, which is why the majority of films screening at present are of the G and NRC classification. It is up to the individual theatres to choose which market they cater for; and by screening an M film during school holidays a theatre may simply be acknowledging that mature audiences also enjoy going to the cinema during the school holidays.

LIBERAL CLUB BUILDING

The Hon. C. J. SUMNER: My question is directed to the Attorney-General. Will the Attorney-General give a simple 'Yes' or 'No' answer to my previous question, that is, whether or not he was aware that multiple conveyances were used in the transfer of the Liberal Club premises in 1975?

The Hon. K. T. GRIFFIN: I have answered that question, which the Leader of the Opposition asked at the beginning of Question Time. I do not propose to take the matter any further.

STEEL INDUSTRY

The Hon. N. K. FOSTER: My question is directed to the Attorney-General.

The Hon. C. J. Sumner: The Attorney-General knew about the multiple conveyances.

The Hon. K. T. Griffin: I gave my answer.

The Hon. N. K. FOSTER: How about shutting up, Sumner; I only have three minutes to ask my question.

The ACTING PRESIDENT (Hon. Frank Blevins): Order! The Hon. Mr Foster has the floor to ask his question.

The Hon. N. K. FOSTER: Will the Attorney-General, as a matter of urgency, request the Premier to once again ask the Federal Government to reconsider its previous decision in relation to the widespread feeling that some form of restriction should be placed on imported steel to ensure that Australian workers are not denied their rights to employment? Secondly, will the Attorney request the Premier to do this as a matter of urgency because of the imminent dismissals in the Port Kembla area which will affect this State in the near future?

The Hon. K. T. GRIFFIN: I will certainly refer the question to the Premier for a response.

STAMP DUTY

The Hon. C. J. SUMNER: My question is directed to the Attorney-General, representing the Treasurer. Will the Treasurer ascertain and provide Parliament with information about how much revenue was lost to the State Treasury as a result of the stamp duty evasion techniques that were used prior to amendments to stamp duties legislation in 1975 and 1976, one example of which was the transfer of the Liberal Club premises?

The Hon. K. T. GRIFFIN: The example given by the Leader of the Opposition was not an example of stamp duty evasion. The Leader of the Opposition has persistently attempted to cloud the issue and smear Liberal Club Limited by referring to the multiple transfers that were presented to the club by the purchaser for signature.

The Hon. C. J. Sumner: How much money was lost as a result of that?

The ACTING PRESIDENT: Order!

The Hon. K. T. GRIFFIN: The category of stamp duty evasion—

The Hon. C. J. Sumner: 'Avoidance' is the word.

The Hon. K. T. GRIFFIN: The Leader of the Opposition asked about stamp duty evasion and I am now answering that question. I will refer that question to the Premier. However, I will not refer the example to which the Leader of the Opposition referred, because that example does not involve stamp duty evasion.

LEAVE OF ABSENCE: HON. BARBARA WIESE

The Hon. C. J. SUMNER (Leader of the Opposition): I move:

That three weeks leave of absence be granted to the Hon. Barbara Wiese on account of absence on Commonwealth Parliamentary Association business.

Motion carried.

SELECT COMMITTEE ON STANDING LEGISLATIVE COMMITTEES

The Hon. R. C. DeGARIS: I move:

That a select committee be appointed to inquire into and report on the establishment of Standing Legislative Committees of the Legislative Council, similar to the committees operating in the Commonwealth Senate.

It cannot be denied that the establishment of such committees in the Commonwealth Senate has done a lot to improve the standing of the Senate in the public's mind. It has done a lot to bring some ability in the Parliament to require Ministerial responsibility. It is also clear that, if the Council is to fulfil its historic role as a House of Review, the establishment of such committees is essential for that purpose. In many conferences within those organisations set up within the Westminster system (one being the Commonwealth Parliamentary Association), a growing concern is being expressed with the declining power of the Parliament. The theme constantly being expressed is that the Parliament must tighten the supervision of Government spending and to check the ever increasing overall power of the Executive. There is a need for members of Parliament to be better informed. At a recent C.P.A. Conference the Rt Hon. Joel Barnett, a former British Treasury Minister, and now chairman of the Public Accounts Committee, admitted that Ministers and civil servants of every political colour attempted to limit Parliament's ability to peer into public affairs. But he admitted that an all-Party movement was growing in the U.K. to strengthen Parliamentary scrutiny by staffing House committees with expert researchers to allow the House a greater capacity to evaluate. Improved committee structures would provide more and better information. While the Rt Hon. Joel Barnett is speaking of financial matters particularly related to the question of government revenues and expenditures, the need for expert assistance to House committees in other legislative areas is just as vital.

In the crucial area of law reform, how much more could be achieved if there was a direct link with law reform agencies and a committee of the Council? How much more efficient would our legislative work be if, for example, a properly staffed committee of the Council examined and reported upon the Planning Bill instead of individual members trying to come to grips with the complexities of that very large Bill? Would we not have achieved more with the Pastoral Bill if such a legislative committee was responsible to report to the Council? This does not mean that these committees would be examining all Bills before the Council—many Bills do not need that sort of scrutiny but there should not be any argument against the establishment of such committees. Their worth has been demonstrated by the work done in the Senate, and the work such committees perform in other Parliaments in the Westminster system. The only argument is how many should there be and the composition of the committees.

It is interesting that the A.L.P. policy recently adopted appears to favour this development, and it is also interesting to note that, in the recent Liberal Party preselection for the Council team, most of the candidates pressed for more committee work to be undertaken in the Legislative Council.

A select committee appears to be the most efficient way to achieve consensus on the structure, composition and responsibilities of the committees.

It could be a simple resolution just to change our Standing Orders to the same provisions as those in the Senate Standing Orders, but I believe that it is better to appoint a select committee to investigate the Senate committee system and report to this Council. The committee could report to the Council on changes needed to our Standing Orders.

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

PASTORAL ACT AMENDMENT BILL

The Hon. K. L. MILNE obtained leave and introduced a Bill for an Act to amend the Pastoral Act, 1936-1980. Read a first time.

SELECT COMMITTEE INTO COFFIN BAY PENINSULA AND KELLIDIE BAY

The Hon. C. M. HILL (Minister of Local Government): I move:

That a select committee be appointed to consider:

1. If any reasons exist why the Coffin Bay Peninsula area of approximately 28 600 hectares, marked red on the map laid on the table of this Council on 14 September 1982, should not be dedicated as a national park under the provisions of the National Parks and Wildlife Act, 1972-1981.

2. Whether, as a consequence of that dedication, adjustments should be made to the boundaries of Kellidie Bay Conservation Park, to provide additional land for future township purposes.

Motion carried.

The Hon. C. M. HILL: I move:

That the select committee consist of the Hons Frank Blevins, M. B. Cameron, R. C. DeGaris, C. M. Hill, K. L. Milne, and C. J. Sumner; that the quorum of members necessary to be present at all meetings of the select committee be fixed at four; and that Standing Order 389 be so far suspended as to enable the Chairman to have a deliberative vote only.

Motion carried.

The Hon. C. M. HILL: I move:

That the select committee have power to send for persons, papers and records, and to adjourn from place to place; the committee to report on 2 November.

The Hon. C. J. SUMNER: I wish to amend the motion.

The ACTING PRESIDENT (Hon. Frank Blevins): This is not an appropriate time to move an amendment. The honourable member can seek leave of the Council to move a motion without notice later.

The Hon. C. J. SUMNER: My motion does not require a suspension of Standing Orders: all it requires is an addendum to this motion. Accordingly, I move to add the following:

That this Council permit the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence presented to the committee prior to such evidence being reported to the Council.

The Council divided on the amendment:

Ayes (9)—The Hons Frank Blevins, G. L. Bruce, B. A. Chatterton, J. R. Cornwall, C. W. Creedon, M. S. Feleppa, Anne Levy, K. L. Milne, and C. J. Sumner (teller).

Noes (9)—The Hons J. C. Burdett, M. B. Cameron, L. H. Davis, M. B. Dawkins, R. C. DeGaris, K. T. Griffin, C. M. Hill (teller), D. H. Laidlaw, and R. J. Ritson.

Pair—Aye—The Hon. Barbara Wiese. No—The Hon. J. A. Carnie.

The PRESIDENT: I give my casting vote in favour of the Noes.

Amendment thus negatived; motion carried.

PRIMARY PRODUCERS EMERGENCY ASSISTANCE ACT AMENDMENT BILL

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

The Hon. J. C. BURDETT (Minister of Community Welfare): I move:

That this Bill be now read a second time.

Currently the Primary Producers Emergency Assistance Act, 1967-1981, provides only for the extension of financial assistance to primary producers adversely affected by drought and other defined natural calamities. The purpose of this Bill is to put into effect the agreement reached at a meeting of Commonwealth and State Ministers of Agriculture/Primary Industry in Melbourne on 6 September 1982, for the extension of low interest, carry-on loans to small rural businesses embraced by drought affected areas. That decision reflects the potential severity of the current drought in South Australia and its already marked effects in other areas of the continent.

Under the proposal such businesses will be bound to demonstrate that they are in necessitous circumstances because of drought and that their activities are closely related to servicing primary producers. All loans to small businesses would be included in the State's contribution under the natural disasters arrangement with the Commonwealth Government and, in consequence, are required to be administered under the Primary Producers Emergency Assistance Act. Other minor refinements are incorporated in the Bill. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 incorporates the definition of 'small rural business' to meet the spirit of the Ministerial agreement and adds the definition of 'rural liquidity'. Clause 3 serves to widen the application of Commonwealth moneys received under the natural disasters arrangement to the area of small rural businesses. Clause 4 effects consequential amendments.

Clause 5 empowers the Minister to extend loan moneys to small rural businesses affected by a natural calamity. Additionally, this clause strengthens the criteria for determining eligibility for both advances and grants to persons applying for financial assistance, and specifies that only advance (loans), and not grants, may be extended to small rural businesses. The power to recall loans is extended to all assisted applicants under the scheme.

The Hon. B. A. CHATTERTON secured the adjournment of the debate.

ESTIMATES COMMITTEES

A message was received from the House of Assembly requesting that the Legislative Council give permission for the Attorney-General (Hon. K. T. Griffin), the Minister of Local Government (Hon. C. M. Hill), and the Minister of Community Welfare (Hon. J. C. Burdett) to attend and give

evidence before the Estimates Committees of the House of Assembly on the Appropriation Bill (No. 2).

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

That the Attorney-General, the Minister of Local Government and the Minister of Community Welfare have leave to attend and give evidence before the Estimates Committees of the House of Assembly on the Appropriation Bill (No. 2), if they think fit.

This motion is identical to similar resolutions passed last year and the year before to enable the three Ministers in the Council to appear before the Estimates Committees of the House of Assembly.

Motion carried.

PUBLIC FINANCE ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

The purpose of this Bill is to establish an adequate legislative framework within which statutory authorities in South Australia may borrow or enter into other arrangements for the financing of capital expenditure. To explain the reasons for the legislation, it is necessary, first, to outline the nature of existing legislative arrangements and recent developments in relation to the financing of capital works.

Many of the Acts of Parliament creating semi-government authorities in this State give those authorities power to borrow. Normally, this borrowing power is subject to the approval of the Treasurer and any borrowings so made are guaranteed by the State.

In recent years, it has been common at Commonwealth level and in the States for semi-government authorities to obtain capital funds by means other than borrowings. Leverage leasing has been the main example, and this technique has been used in this State by ETSA for coal mining equipment and by the S.T.A. for buses. The authorities concerned do not have an explicit legislative power to enter into arrangements of this kind, but are able to do so because of their general powers and functions. Under current legislation in this State, these arrangements are not guaranteed by the Government.

On 24 June last, the Commonwealth Government announced changes in the income tax law that have the effect of denying taxation benefits to financiers entering into leverage lease or similar arrangements with tax-exempt public authorities. At the same time, Loan Council decided to free electricity bodies from Loan Council restraints.

The practical effect of these measures is that leverage leasing and similar arrangements will become both less necessary and more costly so far as public authorities are concerned. For example, a proposal for a large financing of this kind to be entered into by ETSA for the Northern Power Station will now not proceed. The Electricity Trust of South Australia will now be able to raise funds in a more straightforward fashion. In the Government's view, the changes made by the Commonwealth and by Loan Council in June are to be welcomed.

However, although certain kinds of financing, especially leverage leasing, will become less common, the raising of capital by means other than borrowings is still likely to occur from time to time. For example, at the present time, arrangements are being made for the Housing Trust to obtain the use of dwellings to be financed and owned by the Superannuation Investment Trust and the S.G.I.C. under a management contract arrangement. It seems likely that similar arrangements will be entered into in the future involving private sector finance. It is desirable, in respect of such arrangements, that the Government be able to guarantee the obligations of the statutory authority concerned.

The Government believes that present legislation governing the capital raising of statutory authorities is deficient in three respects, each of which will be remedied by the legislation now being introduced. First, although the Treasurer's approval is required for borrowings to be made, it is not required for other financing arrangements which have the same purpose and effect as borrowings and which can be very large. We believe it would be appropriate for the Treasurer's approval to be required in the case of these other forms of financing so as to maintain and to facilitate overall financial planning and co-ordination.

Secondly, while present legislation provides for the borrowings of statutory bodies to be guaranteed by the Treasurer, there is no similar provision in relation to other financial arrangements. The Government believes that it would be appropriate for the Treasurer to have a discretionary power to provide guarantees in respect of all kinds of financial arrangements entered into by public authorities.

Thirdly, current legislation makes no provision for fees to be charged by the Government in respect of guarantees that it gives to statutory corporations or other entities. Such fees are common in the commercial world. Their absence, in effect, represents a hidden subsidy from the Budget to statutory corporations and other entities enjoying the benefits of these guarantees. As the Campbell Committee so correctly argued (and I quote from paragraphs 1.65 and 1.66 of its report):

If a Government considers that a particular sector or activity should be assisted . . . it is best done through a direct subsidy, grant or tax concession [so that] the costs of the subsidy are visible and quantified, providing a basis for continuing assessment of the appropriateness of the levels of assistance.

The Government therefore believes that a power to charge fees would be desirable. The way in which this power might be used in practice would, of course, be a matter for discussion between the Treasurer of the day, the Ministers responsible for individual statutory bodies and those bodies themselves.

The Government puts this legislation forward as another element in its programme of reform in public sector financial procedures, and I commend it to the Council. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 inserts new Part VIC in the principal Act. New section 32k contains a number of definitions that are required for the purposes of a new Part. A 'credit arrangement' is defined as a contract or arrangement under which a prescribed authority borrows money, obtains immediately or prospectively the use or benefit of property owned by some other person or obtains some other form of financial accommodation. The Treasurer may, by notice published in the *Gazette*, exclude specified kinds of contract or arrangement from the ambit of the definition.

A 'guarantee' includes a contract or arrangement of a prescribed kind. The purpose of this expanded definition is to enable the Governor to prescribe certain kinds of arrangement that may not technically come within the normal concept of a guarantee, as guarantees for the purposes of the new provisions. A 'prescribed authority' is defined as an authority or body established by Act of Parliament and declared by regulation to be an authority or body to which the definition applies.

Subsection (2) makes clear that the new Part will apply to contracts and arrangements entered into before the commencement of the amending Act. New section 321 provides that a prescribed authority may, with the consent of the Treasurer, enter into credit arrangements on terms and conditions approved by the Treasurer. Subsection (2) prevents a prescribed authority from entering into credit arrangement without the consent of the Treasurer.

Subsection (3) provides that the consent of the Treasurer may be general or limited to particular transactions and may be absolute or conditional. Subsection (4) provides that a credit arrangement is not invalidated by failure to obtain the consent required under this new section. New section 32m empowers the Treasurer to give guarantees and indemnities in respect to contracts to which a prescribed authority is a party or contracts that are incidental, ancillary, or otherwise related to such contracts.

New section 32n empowers the Treasurer to charge fees in respect of guarantees or indemnities, whether they arise under the Public Finance Act or under some other law. The amount of a periodical fee charged by the Treasurer in respect of the guarantee or indemnity is, subject to the regulations, to be fixed by the Treasurer. Such a fee may be recovered as a debt. This new provision will not apply to guarantees under the Industries Development Act. That Act already contains provisions for the payment of consideration to the Treasurer in respect of a guarantee.

The Hon. ANNE LEVY secured the adjournment of the debate.

GOVERNMENT FINANCING AUTHORITY BILL

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

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

That this Bill be now read a second time.

The main purpose of this Bill is to establish a new statutory corporation to act as a central borrowing authority on behalf of semi-government authorities in the State. The corporation will be known as the 'South Australian Government Financing Authority'. Before turning to discuss the purpose of the authority in detail, I believe it would be helpful if I were to explain the institutional framework within which it will work, including the structure of Commonwealth-State arrangements in this area.

The Financial Agreement made between the Commonwealth and State Governments in 1927, and subsequently validated under section 105A of the Constitution, provides, in effect, that, with certain rather limited exceptions, the State Governments as such cannot borrow directly. Instead, the Commonwealth borrows on their behalf and provides funds to them. The amounts of funds so borrowed by the States each year are formally determined by Loan Council but, because of its overall financial strength *vis-a-vis* the States, the Commonwealth is effectively able to decide the level of these programmes as part of its Budget policies.

The Financial Agreement in this way regulates the borrowings of the State Governments themselves. It does not, however, regulate the borrowings of the many separate semi-government and local government bodies created by State legislation. The borrowings of these authorities are regulated under a less formal agreement made between the Commonwealth and the States in 1936 and known as the gentleman's agreement.

Under this agreement, Loan Council has for many years done two basic things. First, it has approved maximum amounts of borrowings which could be undertaken by 'larger' semi-government and local authorities in each State, with 'smaller' authorities being able to borrow without aggregate limit. At present 'larger' authorities are defined as those borrowing more than $1 500 000 in a financial year. Secondly, Loan Council has determined maximum interest rates and other conditions on which authorities can borrow. Borrowings by authorities have normally been in two forms, namely, private placements with banks, life insurance companies and other institutional lenders and public loans in which, in addition to institutional support, members of the public can also subscribe.

In South Australia semi-government borrowings have been relatively less important than in other States, reflecting the fact that more functions of government—notably water supply and sewerage and port facilities—are provided here by departments.

The Electricity Trust has been by far our major borrower under the semi-government programme, and it is the only authority to have issued public loans. The Electricity Trust and corresponding bodies in other States are now free of most Loan Council constraints following decisions taken by Loan Council at a meeting on 24-25 June last. However, all other authorities remain subject to the gentleman's agreement, as I have already outlined.

Loans for the 30 or so other semi-government authorities which borrow in this State are arranged by Treasury by private placement with financial institutions. Although the loans for this group of authorities are arranged centrally in this way, the borrowings are made formally in the name of each individual authority. Local government authorities arrange their own borrowings within the Loan Council rules to which I have referred.

The arrangements for raising funds for semi-government authorities other than Electricity Trust of South Australia, although they have generally worked well enough in the past, have become increasingly unsatisfactory. There are five main reasons for this.

First, the relatively small size of the borrowings by individual authorities has restricted the range of fund-raising techniques available. In particular, public loans have not been practicable, at least in a cost effective way. With capital markets becoming more complex and sophisticated, we have found the reliance on private placements to be unsatisfactory, particularly given the way in which certain Loan Council rules work in practice. This has affected both the availability of funds and their costs. The fact that capital markets are expected to continue to change rapidly in the future adds emphasis to the need for maximum flexibility in borrowing techniques.

Secondly, as a closely related point, the arrangements have meant that the investing public of South Australia has had limited opportunity to contribute directly to public sector fund raising for the benefit and development of the State. Apart from the relatively short periods each year when Electricity Trust of South Australia has had a public loan on offer, South Australians wishing to invest in a Government-backed security generally have had to subscribe to loans of interstate or Commonwealth Government authorities.

Thirdly, the restricted size and nature of borrowings by individual authorities have curtailed the development of secondary markets in the State's semi-government securities. This development is necessary if markets are to be tapped in as much depth as we would like and if we are to compete adequately with large semi-government borrowers such as Telecom.

Fourthly, the system has meant that the debt allocations to particular authorities have been determined more by what has been available from lending institutions at the time they borrowed than by their individual needs and

requirements. One example of this is the balance of long and short-term debt. Another example is the timing of allocation of borrowed funds to individual authorities. It has sometimes been difficult to allocate borrowings to them in a financial year in a way that fitted in with their capital expenditures and overall cash flows. Thus, full co-ordination of the capital requirements and cash management of authorities has been hampered. Fifthly, the system has involved diseconomies of small scale in that numerous small authorities have had to maintain systems for servicing debt and associated functions.

The Government has therefore decided to establish arrangements whereby borrowing and on-lending to these authorities can be centralised in a formal way. The simplest procedure would be for the Government itself to be the borrower, but this is precluded by the Financial Agreement. This legislation therefore provides for a new statutory corporation to be established. Its operations will be subject to the gentleman's agreement, the main purposes of which I have already explained.

The proposed authority will borrow in its own name and on-lend to individual authorities as required. It will be able to offer attractive instruments to investors. It will enable most of the problems to which I have referred to be overcome but subject to continuing Loan Council constraints. We intend all semi-government bodies to be covered by the central borrowing authority with the exception of ETSA, which has its own well-established systems and markets. Local government authorities are not included in the scheme, but I understand that the Local Government Association has commissioned a study into the possibility of improved arrangements in that respect. This aspect of the matter will be kept under review. In addition to arranging new borrowings on behalf of authorities, the central authority will also have the capacity to take over and consolidate the existing debts of authorities and to be involved in the investment of the surplus cash holdings of authorities.

The possibility of a central borrowing authority has been under notice for several years in this State. Further impetus to the concept was given by the publication in September last of the Campbell Committee Report into the Australian Financial System which recommended (and I quote) 'that consideration should be given to the establishment of State central borrowing authorities'. If any members are interested in the details of the committee's analysis of this matter I refer them to paragraphs 12.28 through 12.32 of the report. I note that this is but one of the many recommendations in this excellent report that have attracted the support of the Government.

The Council will be interested to know that financial institutions, with which we have been liaising very closely, have unanimously and very strongly welcomed our initiative. There can be no doubt that the proposed new arrangement will have great advantages from a marketing point of view. I should also inform the Council that a number of other States are moving in the same general direction. Western Australia already has legislation on its books, although the detailed nature of its arrangement differs, and we understand that it may not be intended to use it as broadly as we propose. I also understand that Queensland has recently introduced legislation to establish a central borrowing authority similar in concept to that which we propose. The Victorian Government has introduced legislation to facilitate centralised co-ordination of the cash holdings and flow of funds of its authorities, and we believe that it is now looking closely at the central borrowing concept.

The Treasurer has also kept the Federal Treasurer, in his capacity as Chairman of Loan Council, informed of our proposals, and no problems have been raised from that quarter. Indeed, at its last meeting Loan Council, at the Treasurer's request, adopted a resolution that will facilitate the operation of State central borrowing authorities by permitting smaller authority borrowings to be aggregated into one amount which can be borrowed by the central authority and then on-lent to individual bodies.

I have gone through this background at some length to highlight the fact that, although the step we are taking is new and innovative, it is being taken within a context of wide consensus about its desirability and appropriateness. Naturally, the semi-government authorities that will be affected by the proposed new arrangements have also been informed of the Government's intentions. Although consultations between the Treasury and all authorities have not been completed in detail, and although some complexities are still to be finally sorted out, no problems of any significance which would impede progress in implementing the central borrowing concept have been raised.

For reasons that I have explained, it is proposed that the central borrowing authority be established as a separate statutory corporation. Members will also observe that the financial powers of the authority are drawn in reasonably broad terms. This is quite deliberate, the aim being to give sufficient flexibility so that the authority can react speedily and efficiently to developments in capital markets and in the financial requirements of Government agencies. However, it would be quite wrong to assume either that the authority would operate independently of Government or that it will involve a new bureaucracy. The legislation provides for the Under Treasurer to be Chairman of the authority, and it is expected that it will be serviced largely from within existing Treasury resources. The legislation also gives the Treasurer, and hence of course the Cabinet, an unqualified power of control and direction over the policies and operations of the authority. Under the legislation, the terms and conditions on which the authority can assume the existing debts of individual authorities or make new loans to authorities will be decided by the Treasurer only after consultation with the Minister responsible for each authority. Thus, the authority is best regarded as an instrument of Government taking the statutory corporation form for reasons of convenience and having regard to the Financial Agreement and Loan Council arrangements.

I have explained how the proposed authority will enable the semi-government sector in the State to raise and allocate funds in a more co-ordinated, flexible and efficient way. There is, however, another aspect that is worth mentioning. This Government has put a major effort into improving the range and quality of information available to the Parliament and to the public concerning the public finances of the State. Programme budgeting is the principal example, although by no means the only one. One of the main purposes of programme budgeting is, of course, to enable the many programmes of Government and the amount of funds being devoted to them to be more clearly identified than they are in the traditional Budget papers.

The financial relations between the Government and some of its authorities are quite complex and often reflect decisions taken some time ago when circumstances were considerably different from what they are now. The relationships are in some cases such that it is difficult to see clearly the amount of Government financial assistance being currently provided to the activity concerned. This occurs, for example, when such assistance is provided in an indirect way through interest rate concessions and the like. This situation is inconsistent with our programme Budget objectives and, in the Government's view, clearly needs to be improved. The central borrowing authority will provide an opportunity and a means by which reforms in this area might be made, and I have been asked to look at this in detail. Anything that is done in this respect will, however, be incidental to the main

purposes of the central authority and may be regarded as a potential side-benefit. The Government regards the proposed authority as a further step in its overall programme of public sector financial reform and co-ordination. I commend the Bill to the Council. I seek leave to have the detailed explanation of the clauses of the Bill incorporated in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a date to be fixed by proclamation. Clause 3 sets out the arrangement of the measure. Clause 4 sets out definitions of terms used in the measure. Attention is drawn to the definition of a semi-government authority under which the provisions of the measure will apply to a body corporate of the kind described in the definition only if the body is declared to be a semi-government authority by proclamation. Clause 5 provides for the establishment of a 'South Australian Government Financing Authority'. This authority is to be a body corporate with the usual corporate capacities. Clause 6 provides that the authority is to be comprised of three or four members as the Governor determines. The Under Treasurer is to be the Chairman of the authority and the remaining members are to be persons nominated by the Treasurer.

Clause 7 provides for the terms and conditions of office as a member of the authority. Clause 8 regulates the manner in which business is conducted at meetings of the authority. Clause 9 provides for the validity of acts of the authority and immunity of its members from personal liability. Clause 10 requires members of the authority to disclose any conflict of interest. Clause 11 sets out the general powers and functions of the authority. The principal function of the authority will be to develop and implement borrowing and investment programmes for the benefit of the corporations that are declared to be semi-government authorities for the purposes of the measure. The authority may also engage in such other activities relating to the finances of the Government of the State or semi-government authorities as are contemplated by the other provisions of the measure or approved by the Treasurer. Under the clause, the authority is empowered to borrow moneys within or outside Australia. It may lend moneys to semi-government authorities. It may accept moneys on loan or deposit from the Treasurer or a semi-government authority and may invest moneys. The authority is empowered to issue, buy and sell and otherwise deal in or with securities. It may open and maintain accounts with banks and appoint underwriters, managers, trustees or agents. Finally, the authority may provide guarantees, deal with property, enter into any other arrangements or acquire or incur any other rights or liabilities. The exercise of any of these powers is to be subject to the approval of the Treasurer.

Clause 12 provides that the authority is to act in accordance with proper principles of financial management and with a view to avoiding a loss. Under the clause, any surplus of funds remaining after the authority has met its costs in any financial year must be paid into General Revenue or otherwise dealt with as the Treasurer may determine. Clause 13 provides that the authority is to be subject to the control and direction of the Treasurer. Clause 14 provides that moneys provided by the Treasurer to the authority are to be regarded as having been provided upon such terms and conditions as the Treasurer may from time to time determine. Clause 15 provides that liabilities of the authority are guaranteed by the Treasurer. Clause 16 empowers semi-government authorities to borrow from or lend to or deposit moneys with the authority. Under the clause, the Treasurer may direct that a semi-government authority borrow from the authority rather than from any other lender and may direct that any surplus funds of a semi-government authority are to be deposited with or lent to the authority. The terms and conditions of such a transaction are to be as determined by the Treasurer after consultation with the Minister responsible for the semi-government authority.

Clause 17 provides that the Treasurer may deposit with or lend to the authority any moneys under the control of the Treasurer. The Treasurer may determine the terms and conditions upon which such moneys are placed with the authority. Clause 18 makes provision for the Treasurer to rearrange existing financial relations of a semi-government authority. Under the clause, this may only take place after the Treasurer has consulted with the Minister responsible for the particular semi-government authority in question. Under the clause, the liabilities under any existing loan obtained by a semi-government authority from a private source may be taken over by the authority and a new debt-relationship created between the semi-government authority and the authority. Alternatively, where a semi-government authority has an existing debt-relationship with the Treasury, this may be converted into a debt-relationship between it and the central authority. Where a semi-government authority has received any grant from the Treasury for capital purposes, that funding may be consolidated with other funding by the central authority and an appropriate total financial relationship struck between the semi-government authority and the central authority. In general terms, the clause is designed to enable existing borrowing arrangements of a semi-government authority to be put on the same footing as it is proposed will be instituted for the future through the agency of the authority. Attention is drawn to subclause (8), which is designed to enable such a rearrangement to take place in relation to liabilities of the South Australian Meat Corporation, the former Monarto Development Commission and the former South Australian Development Corporation that have already been taken over by the Crown or Ministers of the Crown in their respective corporate capacities.

Clause 19 provides for delegation by the authority. Clause 20 provides for the staffing of the authority. Clause 21 authorises the Treasurer and the authority to charge fees for services provided under the measure. Clause 22 provides that the authority and instruments to which it is a party are not be exempt from State taxes or duties except to the extent provided by proclamation. Clause 23 is an evidentiary provision. Clause 24 provides for the accounts and auditing of the accounts of the authority. Clause 25 requires the authority to prepare an annual report and provides for the report and the audited statement of accounts of the authority to be tabled in Parliament. Clause 26 provides that proceedings for offences are to be disposed of summarily. Clause 27 empowers the Governor to make regulations for the purposes of the measure.

The Hon. ANNE LEVY secured the adjournment of the debate.

PARLIAMENTARY SALARIES AND ALLOWANCES ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

It is a simple amendment to the Parliamentary Salaries and Allowances Act, 1965-1978. The intention of the amendment

is to allow the Parliamentary Salaries Tribunal greater flexibility in reaching its determinations for salary adjustments for members of State Parliament. At present, the tribunal is required to base its determinations largely on general community wage increases. In the current economic climate there is a great need for wage restraint and wage responsibility. In seeking a general moderation in wage demands, it is important that community leaders set a genuine and meaningful example. Under the existing legislation, it is impossible for the Parliamentary Salaries Tribunal to take into account community attitudes, the state of the economy, likely economic effects and other relevant factors in reaching its decision on salary and allowance adjustments for members of Parliament. In introducing these amendments, I would ask all honourable members to consider the need for wage restraint and the example that every member can set for the community.

In 1981 the Government introduced suitable amendments in an Industrial Conciliation and Arbitration Act Amendment Bill which sought to provide a means of restraining members salary increases, but these were defeated in another place. In the Bill now before the Council, clause 1 is formal. Clause 11 amends section 5 of the principal Act. Subsection (1) is redrafted to remove reference to recommendations of the tribunal. The tribunal now makes determinations rather than recommendations. The new subsection (5) is the major provision of the Bill. It provides that, in arriving at a determination, the tribunal shall take into account the need for members of Parliament to set an example of salary restraint in the general community, when the need for such restraint is indicated by general economic circumstances. The tribunal must also have regard to the state of the economy and the likely economic effects of its determinations.

The Hon. ANNE LEVY secured the adjournment of the debate.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2)

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

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

That this Bill be now read a second time.

In 1971 the Government of the day initiated an investigation into the safety of operation of passenger buses. Legislation was subsequently enacted which provided for the establishment of the Central Inspection Authority and for the introduction of regular periodic inspections of buses and the issue of certificates of inspection. Despite these measures, in May 1980, a tragic accident occurred near Hay in New South Wales in which there was considerable loss of life. The bus involved was registered in South Australia and was, at the time, the subject of a current certificate of inspection. It was found, however, in the subsequent investigation that the bus was at the time of the accident in an unsound condition. As a consequence of the circumstances of this accident, the Government established a committee, known as the Bus Inspection Committee, for the purpose of conducting an inquiry, with the following terms of reference:

(1) To examine the present biannual inspection system for buses to determine the effectiveness of its control.

(2) To recommend changes to existing bus inspection arrangements in the State so as to ensure that a common standard applies to all buses regardless of whether buses be privately owned or Government operated.

(3) To determine measures to ensure that adequate maintenance is performed on bus fleets to ensure their safe operation.

The principal purpose of the provisions of this Bill relating to Part IVA of the Act is to give effect to the recommendations of the Bus Inspection Committee which are, in summary, as follows:

1. That existing inspection procedures for buses be replaced by a compulsory passenger bus maintenance programme consisting of:
   (a) A mandatory maintenance schedule with the requirement to maintain specific records.
   (b) Annual inspection of buses by Central Inspection Authority (C.I.A.) or by authorities delegated by C.I.A.
   (c) Random inspection of maintenance records by C.I.A.
   (d) Random inspection of buses as considered necessary.
2. That legislation be introduced to:
   (a) Introduce a compulsory passenger bus maintenance programme.
   (b) Establish the liability of owners/operators of buses.
   (c) Provide inspectors with the relevant authority.
   (d) Establish penalties for non-compliance with the requirements of the legislation.

The committee's inquiries revealed a number of deficiencies in the present arrangements. Present legislative provisions do not create a general obligation for the owner of a bus to ensure that his vehicle is in a safe, roadworthy condition when it is being used for the carriage of passengers. The present provisions do not make allowances for the fact that it is not practicable to test vehicles so thoroughly at the time of inspection that all defects, whether actual or potential, can be discovered. Also, the present arrangements make no allowances for the fact that defects may develop in the period between inspections which may result in a vehicle ceasing to comply with necessary safety requirements, even though a certificate of inspection remains current for the vehicle.

This Bill aims to correct these deficiencies by providing for the introduction of a mandatory scheme of maintenance and the random inspection of buses, in addition to the present system of periodic inspections and the issue of certificates of inspection. The provisions of the Bill require that specific maintenance procedures be carried out at regular intervals and that appropriate records of maintenance work be kept and be available for examination by inspectors of the Central Inspection Authority. They also provide severe penalties for both the owner and the driver of a bus where the bus is driven for the purpose of carrying passengers whilst it is in an unsafe condition or if it has not been maintained in accordance with the prescribed maintenance procedures. The provisions of this Bill also address a number of other minor deficiencies in the present arrangements and provide the necessary powers for the Central Inspection Authority and its Inspectors to effectively administer the scheme. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 makes a change consequential on a previous amending Act. Clause 4 amends section 163c of the principal Act. New paragraph *(b)* of subsection (1) inserted by paragraph *(a)* makes clear that this paragraph applies only to passenger vehicles. As it stands at the moment the paragraph could apply to goods carrying vehicles that ply for hire or reward. This was never

intended. Paragraph *(b)* replaces subsection (1a) with two new subsections that allow the Minister to exempt vehicles from Part IVA or any provision of that Part. An exemption may be made subject to conditions and may be varied or revoked. Paragraph *(c)* replaces subsection (2) of section 163c with a provision of similar, although wider, effect. The new subsection comprehends the driving of a vehicle prescribed under section 163c (1) in prescribed circumstances and broadens the circumstances under which the offence is committed to include failure to comply with conditions or a scheme of maintenance or where the vehicle is unsafe or does not comply with prescribed requirements relating to its construction or safety.

Clause 5 amends section 163d of the principal Act. Paragraph *(b)* inserts new subsections (3) and (3a) which empower the authority to refuse a certificate of inspection where there is a mechanical defect or inadequacy or a non-compliance with a construction or safety requirement or the vehicle has not been maintained in accordance with a prescribed scheme of maintenance. Paragraph *(c)* replaces subsection (5) to ensure that the authority can attach such conditions to a certificate of inspection as it sees fit. Clause 6 replaces section 163e of the principal Act with an expanded provision which will allow random inspections to be made without notice. This is important, as it will prevent operators from making last-minute repairs before an inspection.

Clause 7 adds two paragraphs to section 163f of the principal Act which will allow the authority to cancel a certificate of inspection if the vehicle has not been maintained in accordance with a scheme of maintenance that applies to it or if it does not comply with prescribed requirements relating to construction and safety. Clause 8 inserts new section 163ga in this Part of the principal Act. The new section provides for the keeping of maintenance records and for the examination of those records by inspectors. Such a provision is vital if the authority is to ensure that operators comply with schemes of maintenance applying to their vehicles. Some operators, however, already keep records that are adequate, and subsection (2) gives the authority power to exempt these operators from using the prescribed form for their records. Subsection (7) requires a person to answer a question even though the answer may incriminate him of an offence. The questions that will be asked will relate to the safety of the vehicles concerned and of passengers in those vehicles and of other road users. The Government considers that such questions must be answered.

Clause 9 increases the general penalty under the principal Act from $300 to a more realistic $1 000. Clause 10 amends section 176 by including power to make regulations as to the design, construction and safety of vehicles and prescribing a scheme of maintenance for vehicles to which Part IVA applies.

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

PERSONAL EXPLANATION: STAMP DUTY

The Hon. C. J. SUMNER (Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

The Hon. C. J. SUMNER: In the last question that I asked in Question Time earlier today of the Attorney-General, representing the Premier and Treasurer, I may have used the words 'tax evasion' or 'evaded' in relation to certain schemes to avoid stamp duty that have been raised in this Council over the past three days of sitting. I make clear that I was referring to 'tax avoidance', as I have not alleged that the devices referred to were illegal. As I have made clear earlier, the term 'tax evasion' is usually reserved for schemes that are contrary to the law. The information requested of the Treasurer related to the tax avoidance scheme of multiple transfers.

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, 1982-83.

(Continued from 14 September. Page 1000.)

The Hon. L. H. DAVIS: The State Government, in introducing its fourth Budget since being elected three years ago today, has again sought to improve the presentation of these accounts—both as to their clarity, form and content. I have taken the trouble to examine the Budget documents from each State and can say, without fear of contradiction, even from honourable members opposite, that South Australia easily leaves all other States well behind in respect of quality and detail of its Budget papers.

Both the Commonwealth Government and other State Governments have recognised South Australian initiatives. For example, New South Wales has recently announced a plan to introduce programme performance budgeting and upgrade the presentation of its accounts. In fact, the Wilenski Report on the public accounts of New South Wales observed that the accounts had 'a labyrinthine quality that even the Medici bankers of medieval Florence might have envied'.

I am pleased to observe that the Labor Party has tacitly acknowledged the dramatic improvement in the presentation and scope of the Budget papers and also has taken programme performance budgeting to its heart at the November 1981 convention after earlier denigrating this approach to budgeting.

A particularly welcome addition to the Budget papers this year was a resume of the South Australian economy.

The Hon. C. J. Sumner interjecting:

The Hon. L. H. DAVIS: You will be able to talk about that later. In addition, *Recent Trends in South Australian Public Finances (and the 1981-82) Outlook* published in December 1981, and apparently to be updated on a regular basis, provides a comprehensive summary of the total Budget sector and not only those Government agencies which come under the umbrella of the State Budget.

The Under Treasurer, Mr Ron Barnes, and his officers are to be commended for the excellence of this Budget presentation. The Opposition has to date not chosen to speak on the motion of the Budget papers. However, the Hon. Mr Sumner, in speaking to the Appropriation Bill (No. 1), 1982, on 15 June 1982, expressed concern at the transfer of moneys from Loan Account to Revenue Account. It was a situation that the Premier and Treasurer had foreshadowed in presenting the 1981-82 Budget and had detailed the reasons that made such a transfer necessary.

First, the Premier noted the slow-down in State population growth over recent years. In calendar year 1974, the population increased by 24 200; in 1975 by 10 900; in 1976 by 9 700; in 1977 by 12 900; in 1978 by 6 400; in 1979 by 5 400; in 1980 by 7 700; and in 1981 by 13 100.

It can clearly be seen that there was a dramatic slowing in population growth in the years 1978, 1979 and 1980, and the fall in births during the 1970s has sustained a fall that has been occurring in school enrolments. That slow-down in population growth quite clearly eases the pressure on the capital works programmes, in particular, in the provision of new facilities.

The Hon. Frank Blevins: It is making virtue out of lies; everyone is leaving.

The Hon. L. H. DAVIS: The Hon. Mr Blevins may be forced to retract that. Honourable members would have noticed, particularly those opposite, the full-page advertisement inserted by the Labor Party in this morning's *Advertiser* with the headline 'For the first time ever South Australia has the lowest population of any mainland State'. That advertisement went on to claim that this has been brought about by the economic management of the Tonkin Government resulting in less opportunity, less business activity and fewer jobs.

It cited Commonwealth Budget Paper No. 7 as the authority for the proposition that, in fact, the population was less in South Australia than in Western Australia. It should be noted when looking at that Budget paper that that is only an estimate of what the population will be at the end of 1982, and not what it is now: it is not an official population statistic. Also, it reflects on Mr Bannon's ignorance. South Australia's population growth has been above the national average only in the years 1947 to 1966, in the post-war period when there was strong migration and industrial growth.

The other aspect of the population figures that I have quoted was conveniently ignored by Mr Bannon who, in his usual positive manner, continues to harp about the exodus of people from South Australia. The truth is that the increase in population of 13 100 in 1981 was South Australia's biggest increase since 1974 and was, in fact, equal to the combined increase of 5 400 in 1979 and 7 700 in 1980.

It is quite a distortion for the Labor Party to place a full-page advertisement claiming that the Tonkin Government has been responsible for an exodus from South Australia and for a slow down in population growth. The figures are at variance with the claims that it made.

The second point raised by the Premier and Treasurer in justifying the transfer of moneys from Loan Account to Revenue Account was that new methods of financing buildings such as the law courts (the old Moore's building) means that these projects do not appear as capital expenditure. Thirdly, and most important in examining capital expenditure undertaken by the public sector, account should be taken of non-Budget sector capital works programmes, for example, those undertaken by the Electricity Trust or the Housing Trust. If this was taken into account, there would be an increase in capital expenditure in real terms.

Neither the Hon. Mr Sumner, in speaking to the Appropriation Bill in June, nor Mr Bannon, in his recent second reading speech on the Budget, attempted to present an alternative view or to put forward options that the Government could consider. I find that disappointing, if not revealing. For example, the Hon. Mr Sumner (page 4601 of *Hansard*) stated:

> I indicate the magnitude of the loss of Monarto of $10 000 000 compared with the loss of $100 000 000 lost by the Liberal Party in just two years of Government. It has sunk the State's assets by $100 000 000.

He is, of course, alluding to the fact that there has been a transfer from Capital Account or Loan Account to Revenue Account over that period.

The Hon. C. J. Sumner: Yes, and it is scandalous.

The Hon. L. H. DAVIS: First, the Hon. Mr Sumner concedes a loss of $10 000 000 on Monarto but understates the truth. That was a real loss and there is nothing to show for it. There are no moving walkways and not even a memorial to the folly of its founder.

The Hon. C. J. Sumner: Why did the Liberal Party support the Bill?

The Hon. L. H. DAVIS: It supported the Bill in 1972. Why did the Labor Party proceed with the programme when the Borrie Report and all subsequent demographic figures showed that Monarto was no longer feasible but merely a pipe dream? If one looks at the record of the Liberal Party in Opposition one sees that it was clearly opposed to Monarto many years before it was finally wound down. There was much more than $10 000 000 of taxpayers' money that went for nothing on Monarto.

What about $100 000 000 the Hon. Mr Sumner claims has been lost by the Liberal Government in two years? The Hon. Mr Sumner may be a good lawyer, but he is no economist. The $100 000 000 transferred from Loan Account to Revenue Account has not been lost, as was the case with the Monarto money where there was nothing to show for it. That $100 000 000 has been spent on current operations and largely on salaries and wages of public servants. The Labor Party has attacked the Government for cutting back on the public sector. However, the reduction of approximately 3 200 Government employees since September 1979 has been the only cutback in public sector employment in any State, although other States are now quickly following suit. That cutback effectively saves over $60 000 000 per annum.

It should be pointed out that that cutback in the Public Service started under the former Labor Administration. There had been a small downturn in the number of public servants in the fiscal year 1979-80. Perhaps the Hon. Mr Sumner would care to explain where the Liberal Party has lost this money. Where has money been wasted on extravagant projects? Where could expenditure have been cut back? One must remember that the Labor Party is quite vocal in claiming that more money should be spent in areas such as education and health.

The Hon. Anne Levy: And not on private consultants.

The Hon. L. H. DAVIS: If the honourable member wants to talk about private consultants, I point out that if she cares to examine the record of the Labor Party she will find that it also used private consultants to improve its efficiency in Government. I suggest to honourable members opposite that the Liberal Government has certainly used private consultants with more visible effect than was ever the case with the former Labor Government.

Mr Bannon claims that we should not have increased the taxes and charges. The options are patently clear—if expenditure is to be increased, revenue, through taxation and charges, has to increase and/or the State has to budget for a deficit. The Labor Party policy on taxation is easily understood, provided one is a voter for all seasons. At the November 1981 convention the policy of the Labor Party was unequivocal. That policy states:

> The public expenditure policies of a State Labor Government will . . . where possible . . . regulate its financial position by raising tax rates rather than cutting public expenditure programmes.

As the Labor Party is clearly committed to increased public sector spending, including Public Service employment, taxes clearly have to rise. However, in the May 1982 publication of *South Australia's Economic Future* published by the Labor Party, that Party is on record as saying that it would not change any State taxes or substitute new taxes until an inquiry had been conducted. By the end of August the Leader of the Opposition was saying the following, and I quote from an A.B.C. television programme:

> It may be that a review of some rates is necessary.

Both the Hon. Mr Sumner and Mr Bannon appear to have neglected the valuable information contained in the publication *Recent trends in South Australian public finances.* However, on page 45 of the Labor Party's document 'South Australia's Economic Future' it was conceded that:

> Expenditure of semi-government authorities on capital works programmes must be added in.

The Hon. Mr Sumner ignored this point in his June calculation, and Mr Bannon acknowledged it was true but said

that was equally true in 1978-79. They refused to look at the total public sector spending on capital works. Again, the facts are quite clear. On page 13 of the document 'The South Australian economy', tabled with the 1982-83 Budget papers, the point was made that:

> Total real capital spending in the State public sector declined fairly sharply from peak levels reached in the mid 1970s to levels around 60 per cent to 65 per cent of those levels by 1980-81. On the basis of Budget estimates, real capital spending was expected to increase in 1981-82, reflecting large capital expenditures in the non-Budget sector and in particular by ETSA in respect of the Northern Power Station.

Putting it another way, on page 12 of the same document Treasury noted that for the total State public sector spending on current items as distinct from capital items rose from 50 per cent in 1970-71 to 74 per cent in 1980-81. In other words, during the whole decade of the 1970s when Labor was in Government recurrent expenditure *vis-a-vis* capital works spending rose until by 1980-81 74 per cent of the total public sector expenditure was in recurrent spending and only 26 per cent was on capital items. This trend has been reversed for the first year in the financial year just past, 1981-82. That, again, is a different tune from the one that Mr Bannon plays.

Mr Bannon has conveniently ignored the global budget, which includes both the budget and non-budget sectors within South Australia. Therefore, it can be seen that allegations made by the Labor Party regarding the transfer from Loan Account to Revenue Account do not have the same force when the budget and non-budget sectors are legitimately aggregated.

The presentation of the Budget papers provides an opportunity not only to review the Government's financial management but also to examine alternative proposals for the use and management of public funds. The Labor Party's economic strategy, titled 'South Australia's Economic Future', was released on 27 May 1982. One of the more novel suggestions was for the establishment of a South Australian Enterprise Fund. On pages 76 and 77 of that document it states:

> Initially funds will be drawn from the State financial sector and from private investors, but over time a revolving investment account will enable the fund to become a generator of capital in its own right. It will also provide opportunities for South Australians to invest in the developments that are taking place in their State through the issue of shares.

The Leader of the Opposition in the other place has, so far, been very coy about revealing more details of this fund. For example, what existing State Government owned assets are to be included in the fund? What is meant by the statement 'Initially funds will be drawn from the State financial sector'? Does the State financial sector include the public or private financial sectors, or both? Which State enterprises would be involved—the S.G.I.C. and the South Australian Superannuation Investment Trust? Will the Government have a direct interest in the Enterprise Fund? How will private investors be able to contribute funds? Is it intended to list the shares of the Enterprise Fund on the Stock Exchange? If not, how will investors withdraw their money? The document then goes on to describe how the fund will operate, as follows:

> The fund shall have powers to buy and sell shares, debentures and other securities to companies operating in South Australia and to make loans to such companies. It will also have the powers to acquire or construct buildings or develop industrial sites and lease or sell them to private companies. It will also be able to make guarantees in respect of loans made to companies operating within the States.

The document continues:

> The fund would also seek to be the mechanism for joint ventures and other arrangements between the Government and the private sector. In this way, new opportunities which are at first marginal but which offer scope for future employment and financial returns could be developed. The fund would be operated on strict commercial lines and it would be required by legislation to make a financial return on its operations.

I have quoted from the document at length because obviously it is regarded by the Labor Party as a major initiative. One could be forgiven for thinking that this is a stretched version of the South Australian Development Corporation, and with private participation. One has only to reflect on the record of the Labor Party in operating business enterprises during the 1970s (for example, the Frozen Food Factory and the Clothing Factory) to realise that it is one thing for legislation to require the fund to make a financial return on its operations, but quite another to actually obtain a financial return—whatever the phrase 'financial return' actually means.

Mr Bannon, in both the blueprint and at a luncheon I attended only last week, enthusiastically stated that the concept of an enterprise fund operates successfully in some of the Canadian provinces. I am not sure which provinces he has in mind. The Labor Party Enterprise Fund clearly envisages a partnership between the public and private sector and clearly contemplates the issue of shares.

Yet, when I visited Canada late last year, I saw no such model in operation. The so-called Alberta Heritage Fund does not have private shareholders. This fund, created in 1976, is initially funded from portion of the oil and gas royalties flowing to the Alberta Government. This $7 billion fund makes debt and equity investments in Alberta enterprises, makes loans to other provinces, and takes an interest in capital projects for the long-term economic or social benefit where there is no immediate income return.

The Hon. Mr Bannon has obviously not kept his eye on developments during 1982 because there has been enormous public criticism of the Alberta Heritage Fund, its concept, management and operation and the nature of its investment. The Government has been publicly identified with the fund and the Alberta Parliament has spent many hours debating the merits and operations of the fund.

Whereas the Alberta Heritage Fund is wholly run by Government, there are two other corporations created by Canadian provincial Governments. First, the Alberta Energy Company, originally a Crown corporation, was floated off by the Alberta Government in 1975.

Although at the time it had no significant assets, shares were offered to the public and preference and priority in the purchase of shares was given to Albertans. There are now 54 000 shareholders in the Alberta Energy Company, which invests primarily in natural resource projects. The shares are listed on the Stock Exchange, but there is no Government ownership or participation in this company, which is generally well regarded in investment circles.

Secondly, the British Columbia Resources Investment Corporation was created by the British Columbia Social Credit Government in 1979. Whereas the Alberta Energy Company had no assets at the time of flotation, the British Columbia Resources Investment Corporation acquired substantial existing Government assets, principally in timber. Whereas the Alberta Energy Company had a limited number of shares on offer at incorporation, namely, 7 500 000 issued at $10 Canadian each, subscription to British Columbia Resource Investment Corporation was open-ended.

In the euphoria of 1979, 96 000 000 shares were issued in Britain at $6 Canadian—the biggest share issue in Canada's corporate history. Although the British Columbia Government no longer has an interest in British Columbia Resource Investment Corporation, it is inevitably identified with it because Government-owned assets were initially injected into the corporation. At its birth, British Columbia Resource Investment Corporation was hailed as a revolutionary innovation in people's capitalism. For the three months ended 31 March 1982, British Columbia Resource Investment Cor-

poration reported a loss of Canadian $13 000 000, with losses for each of the last three quarters of 1982 likely to exceed that figure. Yet, the Hon. Mr Bannon tries to pull—

The Hon. J. R. Cornwall: You had better get that right. As Mr Bannon is not a Minister, you are not entitled to use the term 'honourable'.

The Hon. L. H. DAVIS: Some of the people in the Labor Party may not think that Mr Bannon is honourable, but I would like to maintain the respect and dignity of the Council when I am addressing the Chamber. Mr Bannon is seeking to claim that the corporation over there is successfully run, whereas British Columbia Resource Investment Corporation, which is the largest of them all, had a $13 000 000 loss for the three months ended March 1982, and there is going to be an even greater loss by the end of the year. Of course, the Government would now prefer not to know anything about British Columbia Resource Investment Corporation.

Therefore, it can be seen that both the Alberta Energy Company and British Columbia Resource Investment Corporation are listed public companies with no Government ownership, although both were initially sponsored by their respective provincial Governments.

Lastly, could the Hon. Mr Bannon have been referring to the Canadian Development Corporation, which was established in 1971 by the Federal Government for the ostensible purpose of helping to 'Canadianise' ownership of the country's industry? It became a listed company with the Federal Government owning 48.5 per cent of it. The Government in early 1981 proposed to use the corporation to help the troubled Massey-Ferguson group. In May 1981, when the Federal Government tried to instal its own nominee as chairman, the share price plunged from Canadian $16 to $6. Why? The pursuit of profit and a role as a sort of Government industrial welfare agency were simply not compatible. Now the Canadian Government has admitted to reality and has announced that it will sell its 48.5 per cent stake.

What this Parliament is entitled to ask—and more importantly, the people of South Australia are entitled to know—is this: what is this South Australian Enterprise Fund all about? They well may be forgiven for thinking that its pleasant sounding name will render it harmless enough. But, anyone who can remember the Labor Party management of State finances of the 1970s (or rather lack of management) is entitled to see something sinister in the establishment of an enterprise fund.

The Hon. Mr Bannon claimed that the concept had worked successfully in Canada. I have shown that the concept as he has proposed, simply does not exist in Canada—and the present support for Government-run or sponsored funds is very thin indeed in that country.

The Labor Party in this State is lacking in people with financial qualifications and business experience. That is clearly evident from this proposal. The Labor Party is engaging in a hasty and ill-conceived flim-flam finance scheme based on a superficial and inaccurate observation of the Canadian situation. The Labor Party is seeking to establish a fund which will use public funds from State owned authorities. Private individuals are also going to subscribe money to shares in the fund, although we are not told how it will operate or whether the shares are listed on the Stock Exchange. If not, how will individuals quit their holdings?

The fund will obviously result in another statutory authority, with many public servants running around investing public moneys. What is the point of asking for private sector investment in a Government sponsored fund? Mr Bannon and the Labor Party clearly believe that Governments are better equipped to invest money than individuals. They are seeking to transfer funds from the private to the public sector. The fund is not going to increase the pool of money available for investment in South Australia; it will not itself lead to an increase in economic activity in the State. Rather, if people are gullible enough to believe in the fund, in the unlikely event of its being established, it may well weaken the private sector.

I suggest that Mr Bannon has plucked the idea from the Victorian Labor Party which, when in Opposition, made a commitment to create a Victorian Development Fund. The plan was to transfer $675 000 000 from the reserves of statutory authorities to the fund; $200 000 000 would be placed in a cash management account and $475 000 000 would be used for State works to boost the economy and employment.

Although the Victorian Liberal Government consistently denied there was $675 000 000 in statutory authority reserves and suggested that the figure was more like $70 000 000, Mr Cain, said they were wrong. Nothing much has been heard of the Victorian Development Fund in recent months, and there is a growing suspicion that if it does get off the ground it will be in a modified form.

In any event, the Victorian Development Fund is dramatically different from the proposed South Australian Enterprise Fund. For example, it does not contemplate private individuals investing, nor does it propose the issue of shares. Page 6 of the *Age* of 7 September refers to the fact that the Victorian State Government would be legislating to establish a development fund in the spring session of Parliament. Apparently, the Victorian Government has written to statutory authorities and has held a meeting to discuss the operation of the fund. The Government has said that 5 per cent of each authority's assets were targeted for investment.

It appears that many of the Victorian Government's big election promises in areas such as education, health and housing hinge on the successful establishment of that fund. If the fund does not have access to the reserves claimed to exist by the Cain Government within statutory authorities, it is expected that some of the programmes promised before the Victorian election early this year will have to be abandoned. One views with some scepticism and perhaps with some alarm the proposal for a South Australian Enterprise Fund by a Labor Government in South Australia. One would expect that a better title would be 'The 1970s revisited'.

I turn now to a matter which should be of particular concern to members of the community. It is well known that the Liberal Government has effected cuts in public sector employment whilst at the same time undertaking to maintain the level and quality of service to the public. The Public Service Association of South Australia is one of the principal public sector unions. I have had several members of the Public Service express concern at what they consider to be the blatant political bias of this union and, indeed, they have claimed many have resigned from the union. A survey on union membership in Australia earlier this year noted there had been a 13 per cent fall in the membership of the P.S.A. in this State. I have been unable to check this figure but would not be surprised if it is accurate. It certainly is unfortunate that members are resigning because of this so-called political bias. That bias has been confirmed by a letter to key union members dated 15 June 1982, as follows:

> The association has launched into a State election campaign, and considerable moneys have been allocated by our Executive and council to run this campaign.
>
> The strategy is that worksite meetings are being conducted throughout our total membership with the intention to:
>
> 1. Raise the consciousness of the members to the effects of the Government's ideology of small governments.
> 2. To obtain a list of questions to be served on both Parties.
>
> These questions will be carefully structured with the intent to commit the Parties to a particular position. It is therefore unlikely

knowing the present Government's record that our membership will gain any gratification from any answers given by the Liberals.

Emphasis of the campaign will be around the run-down of the public sector and the need to find 3 500 jobs in the first year of office. The need for legislative change in workers compensation, arbitration and conciliation (State Act), and the Public Service Act, and the social wage (redistribution of the State dollars).

It will then be our intention to rally our membership around the log of claims in the form of a mass demonstration either by rally or general meeting. The Public Service Association is anxious to combine our union strengths with other unions who have members in the public sector behind such a campaign and with this in mind we would like to invite you along with the below listed unions—

A.M.W.S.U.,
A.G.W.A.,
F.M.W.U.,
S.A. Institute of Teachers,
R.A.N.F.,
A.W.U.,

to attend a meeting in the P.S.A. Board Room on Monday 21 June 1982, at 10.30 a.m.

This will be the public sector unions' first attempt to initiate such a campaign of this magnitude and we are most anxious to see it succeed. We look forward to your attendance at this meeting. Please contact Jim Douglas or Helma McHugh in the event of further information.

Members will note that there were two stages. First, the six public sector unions would prepare and serve a log of claims on both major Parties. That is exactly what has happened. On 8 September, last week, the log of claims was served and received wide coverage by the media. It included claims for a 38-hour week and a campaign for, eventually, a 35-hour week, quarterly wage adjustment, a return to Public Service job levels of 1979 (which incidentally would add $60 000 000 to $70 000 000 to the State's salary and wages bill,) voluntary retirement at 55 on two-thirds of annual pay, and something which may raise some eyebrows—opposition to uranium treatment of enrichment plants in South Australia. The six unions want a response to their claims in three weeks.

The letter of 15 June clearly states quite unashamedly and unequivocally that the P.S.A. intended to manoeuvre the Liberal Party into a position where it could not win. It is interesting to see the Assistant General Secretary of the Public Service Association, Mr Lachlan Riches, comment on 8 September as follows:

Unions had not decided whether to recommend to members which Party to vote for at a State election. No threat to either Party was implied, but the union expected their views to be taken into account.

In addition, Mr Riches said on *Nationwide* on 8 September that the public sector unions believed that taxes can be raised that are not being raised to finance an increase in the public sector. Stage 1 of the Public Service Association's predicted campaign has been fulfilled.

The second stage of this grossly political action is to rally the membership in the form of a mass demonstration. One can imagine that that should take place comfortably within sight of the next State election. Sadly such an exercise is counterproductive to the interests of public servants generally. The vast majority serve the community loyally and with distinction. I know that a large number of such people resent the politicisation of the P.S.A. That is clearly reflected by the downturn in the membership figures.

In conclusion, it is easy for the Labor Party and public sector unions to attack the Budget strategy of the present Government. However, if expenditure is to be increased to expand or implement programmes, they have a responsibility to explain which programmes will be cut and/or which taxes and charges will be increased. I believe that the Government's diligence in effective and efficient management of the State's finances has been one of its major achievements over the past three years. I support the motion.

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

ADJOURNMENT

At 4.50 p.m. the Council adjourned until Thursday 16 September at 2.15 p.m.