

LEGISLATIVE COUNCIL

Thursday 25 August 1983

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

DEATH OF MR H.W. KING

The **PRESIDENT**: It is with profound regret that I draw to the attention of honourable members the death yesterday of Mr Harold Welbourn King, O.B.E., a former member of the House of Assembly from 3 March 1956 to 3 March 1962, and member of the Joint Committee on Subordinate Legislation from 8 May 1956 to 9 June 1959. As President I express the deepest sympathy of the Council to his wife and family in their sad bereavement. I ask honourable members to stand in silence as a tribute to his memory and his meritorious public service.

Members stood in their places in silence.

PERSONAL EXPLANATION: MINISTER'S REMARKS

The **Hon. J.R. CORNWALL (Minister of Health)**: I seek leave to make a personal explanation.

Leave granted.

The **Hon. J.R. CORNWALL**: Yesterday during the debate on the motion to set up a select committee to examine the St John organisation the Hon. Mr Burdett alleged that I had grossly misled the Council. At that time I rose claiming a point of order. The Hon. Gordon Bruce, as Acting President, ruled (I concede, quite properly) that under Standing Orders there was no point of order. At that stage I said that I believed that he had been given poor advice by the Clerk. The complaint, made on the spur of the moment, as I understood it, referred to current Standing Orders and was a complaint against them.

However, on reflection and having read the *Hansard* pull this morning, I now realise, very much to my dismay, that those remarks could be taken as reflecting on the Clerk himself. I want to make it clear to the Council that that was most certainly never intended. If there was any possible inference from a reading of *Hansard* that that was what was intended, that is quite wrong and I apologise.

The **PRESIDENT**: I thank the Minister on behalf of the Clerk.

MINISTERIAL STATEMENT: ROXBY DOWNS

The **Hon. FRANK BLEVINS (Minister of Agriculture)**: I seek leave to make a statement about Roxby Downs.

Leave granted.

The **Hon. FRANK BLEVINS**: Over the coming week South Australia's attention will be focused on the Roxby Downs project with the institution of a blockade, aimed at stopping the mining operation, by anti-nuclear groups organised on a national basis. The organisers have publicly declared that it is their intention that the blockade will be non-violent.

The Government considers that its position on a number of matters should be made clear prior to the blockade commencing. The Roxby Downs joint venturers are operating under an indenture ratified by this Parliament. The project is one which has been approved in terms of Labor Party policy. Nevertheless, this Government recognises every citizen's right to peaceful demonstration as part of the dem-

ocratic process, and a demonstration by people opposed to the Roxby Downs project is no exception. If demonstrators infringe the rights of other people engaged in lawful activity and in so doing contravene the law, then they must expect, and I think do expect, to accept any legal consequences of their action.

In a demonstration of this size, expected to number between 600 and 1 000 people, there are a number of risks. The organisers have already suggested in the media that they fear that some people may take violent action in an attempt to discredit what is intended to be a non-violent protest. The possibility exists that there could be present in a group of that size people who are opposed to the project but who do not share the group's commitment to non-violent action. There is also potential for some kind of counter-demonstration or conflict with people who, whether or not associated with the project, are inconvenienced by the blockade. It is appropriate here to point out that the same standards would be applied in the case of a violent counter-demonstrator as in the case of a violent demonstrator.

The issues associated with the police exercising their discretion in dealing with whatever contingencies may arise in the course of a demonstration have been thoroughly examined in a royal commission by the late Justice Bright. However, it should be remembered that a similarly motivated demonstration at Honeymoon last year passed off without any major breaches of public order. The Chief Secretary, the Minister for Environment and Planning and the Minister of Mines and Energy, as the Ministers responsible for the police, the project area and the project, have been briefed by the police and can assure the Council that they have made the preparations which they think necessary.

QUESTIONS

SOIL CONSERVATION

The **Hon. M.B. CAMERON**: I seek leave to make an explanation before asking the Minister of Agriculture a question about soil conservation.

Leave granted.

The **Hon. M.B. CAMERON**: Prior to the Federal election in March the Federal Labor Party released a policy on soil conservation which committed a future Labor Government to instituting a national programme of soil conservation with an initial outlay of at least \$4 000 000. In the Federal Budget brought down on Tuesday \$1 000 000, rather than \$4 000 000 as promised, was committed, giving rise to significant delays in the promised programme. In February this year the then Minister of Agriculture (Hon. B.A. Chatterton) urged the establishment of a national conservation strategy and blamed the then Liberal Government for the nation's soil conservation problems.

I believe that this is a matter that should be apolitical, because it relates to an issue that is associated with the nation's basic livelihood. This matter became an election issue on 10 February when Mr Kerin, who was the then Labor spokesman on agriculture, said that it was incredible that in 1983 Australia did not have a national soil programme. I think many people on the land would agree with that. He also said:

The Government's neglect was devastatingly obvious in widespread degraded soil and serious salinity problems, Mr Kerin said. A Labor Government would actively assist the States with urgent conservation works. Labor would establish a soil conservation policy with at least \$4 000 000 in year one, rising to at least \$20 000 000 by year four and continue to use taxation incentives.

Mr Kerin then asked the then Government to admit that it had made a mistake. The then Minister of Agriculture and the then Deputy Prime Minister admitted that they had made a mistake and clearly committed the Liberal and Country Parties to a similar programme. Will the Minister of Agriculture raise this matter with his Federal colleague, in view of the fact that South Australia is one of the more seriously affected States, with a view to altering the decision to provide only \$1 000 000 for the programme this year and recommitting the Government to the programme it promised in March this year?

The Hon. FRANK BLEVINS: Like the Hon. Mr Cameron, I was disappointed at the amount that was allocated in the Federal Budget for soil conservation. I had hoped for a great deal more. The very good work that has been done in this State on soil conservation is a credit to the Department of Agriculture and to the landowners concerned.

The Hon. M.B. Cameron: And all Governments.

The Hon. FRANK BLEVINS: Yes, including the local governing bodies in the area. I had the pleasure of looking at a project in the Lower North a few weeks ago that involved the Wakefield River. A light plane was made available for me and some of the farmers concerned to see what was being achieved at extremely low cost. It was a credit to the local governing body and also to the farmers. It really was quite staggering. From the light aircraft, the farmers and I could see what was happening over the whole area and on individual properties. They saw the whole scheme. It was quite a revelation to all of us.

As I said, I was disappointed at the sum allocated in the Federal Budget. The commitment was made before the election, and the Liberals told us before the election that there would be a deficit of \$6.5 billion. Of course, we all know how much that assurance to the electorate was worth, and herein lies the problem. Mr Howard said that the deficit would be \$6.5 billion, but the day after the election it turned into \$9.5 billion. Overnight, almost \$3 billion extra had to be found by the incoming Government. Everyone knows that. Even members opposite cannot claim that the incoming Federal Government spent \$3 billion overnight. That was the problem with which it was confronted.

I appreciate the difficulty, and anyone who has been in Cabinet would appreciate the difficulty that the Federal Government is facing in attempting to contain costs when the revenue side of the Budget is very depressed. The Federal Minister for Primary Industry has a particular interest in soil conservation and I know that, during the period in which he is Minister, any money that can be found for allocation to projects such as this in the Lower North will be found.

The Hon. K.T. Griffin: The problem is that he's a junior Minister.

The Hon. FRANK BLEVINS: The Hon. Mr Griffin has made a rather unnecessary interjection that John Kerin is a junior Minister. I would have thought, particularly after the explanation given by the Hon. Mr Cameron, that this matter would not be politicised. A remark like that is unwarranted.

Members interjecting:

The PRESIDENT: Order!

The Hon. FRANK BLEVINS: I point out that the Hon. Mr Griffin barely made the front bench of the Opposition, so the Hon. Mr Kerin is certainly doing better than the Hon. Mr Griffin, junior Minister or not. I will certainly discuss this matter with John Kerin again when I see him. I see no point in writing to Mr Kerin or sending him a telex; that is easy to do, but pointless. I believe that the Budget is fairly firm, but the next time I see John Kerin I will raise this matter once more, because I know that it is of deep interest to him.

HOSPITAL ACCOUNTING

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Health a question about accounting procedures in recognised hospitals.

Leave granted.

The Hon. J.C. BURDETT: I have been informed that at least some recognised hospitals were instructed by the Health Commission prior to 30 June 1983 to make a journal entry on 30 June 1983 from their capital account to their working account to provide a balanced account. To get it straight, they were told that on 30 June they were to make a general entry from the capital account to the working account to balance the account. They were also told that on 1 July they were permitted to make a journal entry reversing that process, bringing back the situation to what it was before.

I am told that a number of administrators protested strongly about this exercise. It is a most unusual accounting practice and would prevent accounts attached to the annual reports of the hospitals from disclosing their true positions. My questions are:

1. Did this requirement apply to all recognised hospitals or only those incorporated under the South Australian Health Commission Act, or only in some sectors; or were the hospitals otherwise selected and, if so, how?
2. Was the reason to hide overspending?
3. If not, what was the reason?

The Hon. J.R. CORNWALL: I have no idea, but I would be delighted to look into the matter and bring back a considered reply next week. I know nothing of the matter raised by the honourable member at all. I do not know whether it is another one of his furrphies or whether he has documented evidence. It certainly was not done at the instigation of the Minister, I can assure the Council.

HOPE ROYAL COMMISSION

The Hon. K.T. GRIFFIN: I ask the Attorney-General:

1. Has the Government yet made its submission to the Hope Royal Commission in accordance with the State A.L.P. Convention decision in June?
2. Does that submission call for the abolition of ASIO, as the member for Elizabeth in another place and others desire?
3. What other matters are contained in that submission?
4. Who is the Minister responsible for the preparation of that submission?
5. Will it be released?
6. If not yet prepared, when is it expected to be prepared and what will it contain?

The Hon. C.J. SUMNER: The answer is: no, the Government has not yet made a submission to the Hope Royal Commission, but it intends to provide such a submission. I understand from the royal commission that the hearings into the term of reference relating to the Combe-Ivanov relationship will be finished some time in September, that following that there will be a further period allowed for submissions to be made, and that the cut-off date for submissions will then be set by the royal commission. In the light of that information I have deduced that that will probably be not before the end of October. As the submission has not been presented yet, the other questions are irrelevant. I will be the Minister responsible for the preparation of the submission.

SENATOR BENIGNO AQUINO

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General a question

about the assassination of Senator Benigno Aquino in the Philippines.

Leave granted.

The Hon. I. GILFILLAN: I presume to ask this question on the basis that Australia has peculiarly close links with the Philippines, both in trade and culture, and we have a feeling of kinship with the people of the Philippines. Therefore, the sense of tragedy at the assassination of Senator Benigno Aquino in Manila this week is very close to us. I feel that a far from satisfactory explanation has come forward as to how that assassination took place and who was involved in it. My feeling of sympathy and outrage is shared by many thousands of Australians and, I am sure, by the majority of people in this place. It is with some confidence that I feel that I am speaking for most members of this Council when I ask the Attorney, representing the Government, whether the State Government will express to the Foreign Minister (Mr Hayden) this Parliament's horror at the assassination of Senator Benigno Aquino on his return to his homeland in the Philippines, and request the Foreign Minister to convey this Parliament's feelings to the President and the Parliament of the Philippines. Will he also convey this Parliament's deepest sympathy to Senator Aquino's family and supporters?

The Hon. C.J. SUMNER: The question of relations with foreign powers is rightly a matter for the Federal Government. Nevertheless, I am sure that all persons who believe in democratic principles have been shocked by the killing of Senator Aquino, who sought to exercise democratic rights and oppose the Government of President Marcos. I accept the honourable member's personal concern and strong feelings on this matter—sentiments which I am sure are shared by all honourable members.

It is not possible for the Government to convey a view on behalf of the Parliament as such without a motion of one or other or both Houses. However, I will send the honourable member's question, together with my response, to Mr Hayden (the Minister of Foreign Affairs) and assure the honourable member that, at least as far as the Government is concerned, we share the concern that he has expressed during the explanation of his question. Australia's response as a nation to this act of violence will, of course, be determined by the Federal Government. I will refer the question and my response to Mr Hayden for his consideration.

The Hon. M.B. CAMERON (Leader of the Opposition): I seek leave to make a statement.

Leave granted.

The Hon. M.B. CAMERON: If there is any doubt in the Attorney-General's mind as to whether we would support the sentiments contained in the paragraph given to me prior to Question Time by the Hon. Mr Gilfillan, he can rest assured that there would be no restraint on what he might wish to convey in relation to that paragraph. We certainly share the feelings expressed therein.

The Hon. C.J. SUMNER: I appreciate the indication of support from the Leader of the Opposition.

MULTI-CULTURAL TELEVISION

The Hon. C.M. HILL: I seek leave to make a statement prior to asking the Minister of Ethnic Affairs a question on multi-cultural television for South Australia.

Leave granted.

The Hon. C.M. HILL: Honourable members will recall that, as a result of a motion which I moved in this Chamber recently, a resolution was unanimously passed last week to the effect that contact be made with the Federal Government urging it to make an immediate decision to provide ethnic

television to South Australia. I am sure that honourable members waited for an announcement of this nature with the Federal Budget papers and, certainly, several members of ethnic communities have been contacting me in the past 24 hours endeavouring to ascertain whether or not this Council was successful and whether any definite announcements had been made from Canberra since the Budget was brought down indicating that there would be immediate action in relation to extending the existing 0/28 stations in Melbourne and Sydney to provide Adelaide with this form of service?

I have not been able to find from any news or press releases any direct reference by Mr Keating, Mr Hawke or the responsible Minister, Mr Duffy, on this subject, although I was pleased to see that a considerably increased allocation of funds had been made in the Federal Budget to the Special Broadcasting Service. There was no specific reference that I could see to the extension of this service to Adelaide. I do not know, therefore, how increased allocation in the hands of the Special Broadcasting Service will be spent. Will the Minister of Ethnic Affairs indicate whether he has had contact with the Federal authorities about this matter and, if so, can he say whether or not there is any good news for the migrant community in South Australia in regard to this very important issue?

The Hon. C.J. SUMNER: I am pleased to be able to respond to the honourable member's question. Following the announcement of the Budget on Tuesday night, I had the office of the Minister for Communications, Mr Duffy, contacted with a view to ascertaining the Federal Government's attitude to the extension of multi-cultural television to Adelaide as the allocation in the Budget to the Special Broadcasting Service was merely contained in a round sum figure (which I should say constituted a rise of \$4 866 000, or a 16.9 per cent increase on the 1982-83 figure of \$28 857 000).

In response to my inquiry, the Minister for Communications, Mr Duffy, advised me that he had announced in a statement made supplementary to the Budget, by way of press release, that the Government had authorised Telecom Australia to buy four transmitters to allow multi-cultural television to be extended to Newcastle, Wollongong, Adelaide and Brisbane. Mr Duffy said that the four services were scheduled to come on stream in the second half of 1984-85 at an estimated capital cost of \$3 800 000. Extension of the service to Perth, Darwin and Hobart will occur in 1985-86. I should say that this is the first time in any Budget that there has actually been a commitment of funds for the purchase of necessary equipment to enable the extension of multi-cultural television to Adelaide.

Mr Duffy said that the first stage of the extension of the multi-cultural television network around Australia on the U.H.F. band would actually occur in October this year when, as previously announced, Canberra and Queanbeyan would begin receiving the service. An extension to Goulburn and Cooma via transmitters will occur soon after. As honourable members are aware, multi-cultural television is presently provided in Sydney and Melbourne by the Special Broadcasting Service. I trust that the announcement of this firm timetable, and the commitment of funds for the extension of the multi-cultural television network, will be welcomed by all South Australians, not only those of ethnic origin.

In all cases it will provide another television channel in the cities mentioned, including Adelaide, thus broadening viewers' choice of programmes. The total allocation for the Special Broadcasting Service in the 1983-84 Federal Budget is \$33 723 000 which, as I said before, is a 16.9 per cent increase on the funds made available in 1982-83.

The Hon. C.M. Hill: As a result of that statement by the Minister, for which I thank him, I wish to inquire whether I heard correctly that we in South Australia will not have ethnic television until the 1985 calendar year. Is that correct or not?

The Hon. C.J. SUMNER: The timetable is for the second half of the 1984-85 financial year. I understand that there needs to be some flexibility in this area, as indeed in all areas. The actual coming on stream of multi-cultural television in Adelaide will not occur in this financial year—

The Hon. C.M. Hill: It will not be until 1985. Be honest about it.

The Hon. C.J. SUMNER: It will occur in the next financial year.

The Hon. C.M. Hill: In the second half of the next financial year.

The Hon. C.J. SUMNER: The honourable member heard the answer to his question, and I am surprised that he is interjecting.

The Hon. C.M. Hill: The Minister is side-stepping the answer.

The Hon. C.J. SUMNER: I am not side-stepping the answer. I will read it again, if the honourable member would like me to.

The Hon. C.M. Hill: No, don't. Just give me the answer.

The PRESIDENT: Order!

The Hon. C.J. SUMNER: Mr Duffy said that the four services were scheduled to come on stream in the second half of the 1984-85 financial year at an estimated capital cost of \$3 800 000.

The Hon. C.M. Hill: You will have another protest march on your hands.

The Hon. C.J. SUMNER: That is something that the honourable member can cope with. All I say to him is that this is the first time that funds have been committed to this project in a Federal Budget.

The Hon. C.M. Hill: In a Budget, but Fraser committed them.

The Hon. C.J. SUMNER: We know what—

The Hon. C.M. Hill: Yes, he did.

The Hon. C.J. SUMNER: I am not sure what credibility can be given to Mr Fraser's commitment on this or any other matter. The fact is that this is the first time—

The Hon. C.M. Hill: Fraser committed himself for—

The PRESIDENT: Order! The Hon. Mr Hill has asked a supplementary question and now he wants to interject during the answer.

The Hon. C.J. SUMNER: Mr Fraser committed himself to a lot of things in his political lifetime. I think that most people are probably welcoming his retirement on the farm (except, apparently the Liberals in Queensland where the National Party has become somewhat agitated about his return). The fact is that this is the first time in a Federal Budget that funds have actually been committed. They have been committed for the purchase of transmitters to allow multi-cultural television to be extended to Adelaide and other cities.

This is the first time that that commitment has been made, so for the first time funds will be expended in this financial year to enable, in the next financial year, multi-cultural television to be extended to Adelaide. I can seek further information from the Federal Minister as to the timetable involved, but clearly—

The Hon. C.M. Hill: The second half of 1984-85.

The Hon. C.J. SUMNER: Yes, that could mean 1 January 1985. My understanding from discussions is that the timetable has been retarded by approximately six months.

The Hon. C.M. Hill: There was a commitment from Mr Fraser.

The Hon. C.J. SUMNER: There was a commitment that was not budgeted for, I might add, in any way.

The Hon. C.M. Hill: But there was a commitment.

The Hon. C.J. SUMNER: A politician's promise.

The Hon. C.M. Hill: It was not. It was a commitment by the Government of the day.

The Hon. C.J. SUMNER: It was Mr Fraser's statement. No money was made available at any stage; I make that clear to the Council.

The Hon. C.M. Hill: It was committed.

The Hon. C.J. SUMNER: There was no money in the Budget.

The Hon. C.M. Hill: The Attorney knows that Governments spend money in ways other than through the Budget. What are your warrants for?

The Hon. C.J. SUMNER: I am not sure what the honourable member is trying to ascertain. All I know is that the Fraser Government made a statement about multi-cultural television being extended to Adelaide in the 1983-84 financial year.

The Hon. K.T. Griffin: That would have been in the Budget.

The Hon. C.J. SUMNER: There would have been some money in the Budget. There is money in the Budget at present for this extension. On the information that I have received, the receipt of the channel has been deferred, in effect, for about six months. I should have thought that, rather than sniping, as the Hon. Mr Hill seems to be inclined to do, he would have been welcoming the increase of 16.9 per cent in funds to the Special Broadcasting Service, which is responsible for multi-cultural broadcasting, radio and television, in this country. That is an increase of 16.9 per cent in this Budget with a commitment to purchase the equipment necessary for the extension of multi-cultural television to Adelaide.

ROYAL ADELAIDE HOSPITAL

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister of Health a question about the Royal Adelaide Hospital.

Leave granted.

The Hon. ANNE LEVY: Over the past few days the Minister has been asked quite a number of questions in this Council about hospital services and the number of beds at the Royal Adelaide Hospital. I note that many of these questions have been based on stories that are allegedly circulating at that hospital. Can the Minister assure the Council that the administration and management of the Royal Adelaide Hospital is being conducted quite normally and that the patients and public need have no fears?

The Hon. J.R. CORNWALL: I thank the honourable member for her question. It is very timely and gives me an opportunity to explain and give the lie to the so-called 'stories' mentioned by the Hon. Mr Lucas yesterday. As I said in the Council yesterday, I have received briefings from the hospital Administrator, Dr Elvin (in fact, I received those briefings only yesterday, just prior to coming into the Council) and from the Executive Director of the Central Sector of the S.A. Health Commission, Dr McCoy.

I am sure honourable members also recall that I said I would be amazed if the hospital board of management was voluntarily reducing the number of beds when the Sax Committee Report on South Australian hospitals, which will comment on the distribution of hospital beds in the Adelaide metropolitan area, has not even been released for public comment and/or response.

I am now assured (and it certainly does not surprise me) that the Royal Adelaide Hospital Board, like all other boards

and interested parties, is waiting to read the recommendations and findings of the Sax committee and that, at the moment, it has no proposal to reduce bed numbers. Further questions have been asked about the number of sessions. There was an inference at least that there had been some large reductions in the number of sessions at the Royal Adelaide Hospital. I think that matter was raised by the Hon. Dr Ritson.

Honourable members should be aware, to put this matter in context, that there are about 550 sessions for visiting medical officers at the Royal Adelaide Hospital every week. That is a lot of sessions, but it is a big hospital. As a matter of priorities and efficiencies within the hospital, there has been some reorganisation in recent times. The patient load at the hospital has been decreasing for the past three years in relation to in-patients and out-patients. There has been a consistent decrease in that area. The Administrator has advised me that 30 sessions were under negotiation to balance the reduced workload—that is, 30 sessions out of a total of 550.

The latest information that I have received regarding these negotiations is that 17 sessions have been lost through attrition and six are still being negotiated, while seven sessions have been restored. I remind honourable members that that is out of a total starting point of 550 sessions. So, it is a very small reduction, and it takes into account what now appears to be a consistent fall in the number of out-patients and in-patients over the past three years.

Referring specifically to general surgery sessions, although the proposal envisaged possibly seven sessions being removed, four have been restored, and the remaining three are still being considered. Again, to put that in context, that is three in total, with the possibility of even those three being restored, and that is out of a total number of general surgery sessions of 76 per week. Again, that is a very large number of general surgery sessions but, once again, it is a large hospital. As a matter of interest to the Council, there are 292.5 surgery sessions at the Royal Adelaide Hospital each week. Once again, one gets the impression that the R.A.H. is a very large and busy teaching hospital.

The responsibility for reducing or altering the distribution of surgical sessions quite properly rests with the hospital board (as I said yesterday). However, the Health Commission and the Minister should be consulted (indeed, I hope would be consulted) if such cuts resulted in any major change in the amount or standard of services. I believe that the current changes were, quite properly, regarded as a matter within the competence and responsibility of the hospital, and neither the commission nor the Minister were informed. Certainly, as far as I am concerned, minor changes such as that have been, and remain, an internal matter for the administration of the hospital.

In my reply to the Council on 10 August 1983, I said that I did not anticipate that there would be any extension of surgical waiting lists in the long term. Following further extensive inquiries, I am still of the opinion that there will be no extension of surgical waiting lists. The Health Commission has informed me that there is no evidence that waiting times for surgical operations will change significantly over the three-year period from 1980-81 to 1982-83.

A further point was raised about surgical patients being sent home. It is regrettable, but I am informed that it is not unusual at any hospital for patients' operations sometimes to be cancelled when the theatre schedule is over-booked by surgeons or because a major problem arises in the scheduled list of operations. I am sure that the Hon. Dr Ritson would appreciate very well, and better than any of us, that during a 3½-hour session a procedure may be booked which, all things being equal, would take 20 minutes

or 30 minutes; but, something goes amiss in the performance of that surgery and the time has to be extended.

The Hon. R.J. Ritson: In the olden days they would operate until they finished and would not be put off by 5.30, the knock off time.

The Hon. J.R. Cornwall: If this occurs, every effort is made to reschedule the patient as soon as possible, but it is occasionally necessary for the patient to be sent home and return again at an appointed time. The Hon. Dr Ritson referred to the olden days: I cannot recall them, because I am not quite as old as he is. The real difficulty in this day and age is that there is something called overtime. Theatre sisters do not come cheaply; nor should they, because they are very highly trained; nor should they be asked to go back to the good old days of Florence Nightingale when nurses worked 12 hours a day, six days a week (and if they were well behaved they were given the seventh day off). I do not think anyone wants us to return to those days. I am informed that the hospital is implementing a change in administration of patient admissions (and the new admissions centre and computerised system at the hospital will assist this process) so that the possibility of having to cancel operations will be minimised in future.

I have no reason to believe that the re-organisation that is occurring at the Royal Adelaide Hospital warrants any action by me. The proposed changes and the continuing negotiations seem to be a manifestation of prudent management by a hospital which wishes to review its staffing levels in the face of changing demand. Of course, there is always a tendency to resist change. That resistance appears to be coming from a very small number of somewhat disgruntled surgeons. I am unable to identify them, but quite obviously the Hon. Dr Ritson or the Hon. Rob Lucas have had some contact with them.

DIVING SAFETY

The Hon. R.J. Ritson: I seek leave to make a brief explanation before asking the Minister of Fisheries a question about diving safety.

Leave granted.

The Hon. R.J. Ritson: In reply to a question that I asked yesterday about diving safety as applied to divers of his department, the Minister made some statements about diving safety. In particular, I note that the Minister said that the maximum diving depth was 210 feet and that the safety code used is a code of practice determined by an inter-departmental group of Fisheries and Environment and Planning, based on the Australian Standards Association standard 2299. I refer to standard 2299 in the compressed air tables, where the decompression stoppages are listed against depths, with increments of 10 feet, and I note that the tables stop short at a depth of 200 feet.

That is generally regarded as the outer limit of safe diving on compressed air, because of the dangers of nitrogen narcosis. Also in reply the Minister stated that standby divers were employed whenever departmental manpower requirements allow. However, standard 2299 requires a standby diver to be in attendance whenever a diver is under water. Standard 2299 (page 6) provides:

Personnel required. At every diving operation, the following persons shall be present:

- (a) A supervisor.
- (b) A standby diver.
- (c) A diver's attendant.
- (d) A diver.

The supervisor may carry out other surface duties, thereby reducing the crew from four to three, but may not perform the duties of stand-by diver. We find on the subject of the

availability of the recompression chamber in the same set of standards that, where a dive is conducted up to a maximum depth of 30 m, there shall be a recompression chamber within 15 minutes of the site. Where a dive is deeper than that, there must be a recompression chamber on site. I know that the Minister is deeply concerned about the safety of workmen. He displayed great and genuine concern for that aspect of the law when the Workers Compensation Act was debated in this Council some time ago. I ask the following questions:

1. Does the Minister consider that people employed for wages in his department should be protected by the latest safety standards or does that apply only to people working for private industry on construction sites?

2. Will the Minister consider ensuring that there is sufficient diving manpower within his department to ensure an accurate compliance with standard 2299?

3. Will the Minister consider providing or purchasing a small lock-on decompression chamber designed to lock to the larger chamber, which is privately owned and which, fortunately, remains in South Australia at North Haven, so that, if any of the divers who are working in the department at the very limits of safety should suffer any form of pressure related injury, they can be safely transported to the recompression chamber?

The Hon. FRANK BLEVINS: I can assure the honourable member that I will have the issues that he has raised in his question and explanation investigated and I will bring back a considered reply.

HEALTH SECTOR EMPLOYMENT

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister of Health a question about health sector employment.

Leave granted.

The Hon. L.H. DAVIS: On at least two occasions during this month, the Minister of Health has boasted that 300 additional people have been employed in the health sector by the Labor Government because the health sector had been in crisis. On another occasion, the Minister claimed that the major teaching hospitals had increased employment before the last election, the clear inference being that it was a factor beyond the Government's control. Yesterday, the Minister of Health did an astonishing about turn and admitted that no more people had been employed in the health sector during the past financial year, blaming a computer error. The Hon. Dr Cornwall claimed that an error was made by the previous Government dating back to 30 June 1982.

So, Dr Cornwall, in the space of three weeks, has adopted three different positions on employment in the health area. The situation is further confused by a letter to the Editor of the *Advertiser* of 26 April 1983, which was signed by the Hon. Dr Cornwall as Minister of Health. The Minister was responding to claims that cuts had been made in respect of hospital staff and beds, and he stated:

Over the past six months the number of nurses in the main teaching hospitals has been increased by 84 and the number of medical staff has been increased by 47.

In conclusion, it was stated:

In November, on coming to office, one of my first actions was to meet the chairmen of boards of management of all hospitals. As a result, supplementation of their budgets was made to enable them to maintain their staff and, in some cases, undertake increases.

My questions are as follows:

1. Why did the Minister of Health and/or the Health Commission take 14 months to discover that there was an underestimate of 300 employees in the health sector, given

that employment information is regularly updated, presumably by monthly computer printout?

2. Why did the Minister in his letter to the Editor of the *Advertiser* of 26 April claim that staff were being maintained and, in some cases, increased as a result of supplementation of budgets when that was clearly not true?

3. Will the Minister outline the Government's policy for employment levels in the health sector in 1983-84?

The Hon. J.R. CORNWALL: In response to the last question, I am afraid that the member, like everyone else, will have to be patient and wait until the Treasurer introduces the Budget in the House of Assembly in the reasonably near future, when he will learn all about our policies on employment and everything else for 1983-84. It would be quite improper for me to discuss or disclose information at this time. The honourable member further asked why I took 14 months to discover the error and why I claimed that the error was made by the previous Government. It is quite silly. An error occurred in the South Australian Health Commission on 1 October 1981 when the multi-function pay-roll system first came on stream and employees were paid by computer through the multi-function pay-roll.

The Hon. L.H. DAVIS: You said yesterday it was 30 June 1982. That is a fourth position.

The Hon. J.R. CORNWALL: No, I did not say that.

The Hon. L.H. DAVIS: Yes, you did.

The Hon. J.R. CORNWALL: I will try to control myself, Mr President, but it is very difficult.

The PRESIDENT: Order! The Minister has no need to take any notice at all of any interjections.

The Hon. J.R. CORNWALL: I will start again. It is far too important a matter for the parrot to be discussing like that. What I said yesterday (and I will go over it again very slowly for the benefit of the honourable member) was that the error occurred in making comparisons between the staff as registered at the end of June 1982, when the number was understated by 300, and at the end of June 1983, when the correct figure was available. I hope that the honourable member can understand the difference. The original understatement occurred when the commission went on to a multi-function pay-roll system at the beginning of October 1981.

The Hon. L.H. DAVIS: Yesterday you said 30 June 1982.

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: I will go through it again slowly. I said yesterday that an error had occurred, an understatement, at 30 June 1982 that caused, compared with the corrected figure at June 1983, this discrepancy of 300. However, the original error was made and carried forward from 1 October 1981. Is the honourable member not able to understand that?

The Hon. L.H. DAVIS: It is the first we have heard about it. You didn't tell us that yesterday.

The Hon. J.R. CORNWALL: I did not know it yesterday.

The Hon. L.H. DAVIS interjecting:

The Hon. J.R. CORNWALL: Of course I am. Yesterday morning I had the new Chairman of the commission and the most senior officers of the commission who were available in my office for pre-Budget discussions, and this thing has become evident only in the past couple of days. I immediately ordered a high level and full scale inquiry. I have a lot of information available already.

The Hon. M.B. CAMERON interjecting:

The Hon. J.R. CORNWALL: I do not believe it is a laughing matter. The Hon. Mr Cameron seems to find it hilarious.

The Hon. L.H. DAVIS: How do you explain your letter to the Editor?

The PRESIDENT: Order! The Hon. Mr Davis may ask a supplementary question if he wishes to do so. But, if he keeps interjecting, he will have to be stopped.

The Hon. J.R. CORNWALL: I was trying to complete the explanation of what happened within the commission. It would be quite foolish and irresponsible of me to claim that the error was Mr Tonkin's fault, Mrs Adamson's fault, or the fault of the Hon. Mr Davis. Clearly, the thing happened in the commission when it went to the multi-function pay-roll system on 1 October. There is a very simple reason why it happened. Where there was a carry-over of staff who elected to take bulk payments when they took their annual leave instead of staying on the normal fortnightly pay, even then those people did not show up in the statistics as collected.

Obviously the money did because, whether they had taken four or six weeks pay, or whatever the amount might have been, a percentage of those people taking pay took a lump sum in advance. Numerically, they did not show up from 1 October until corrections were subsequently made after 30 June 1982. It did not make any difference to the money values, but it meant that, in a total pay-roll of almost 20 000 people, about 300 did not appear in fortnightly statements. I hope that honourable members can follow it; I have put it fairly simply.

The Hon. M.B. Cameron: You have not explained why you were critical about it.

The Hon. J.R. CORNWALL: I said yesterday that it was an illusion of the computer. What was happening when the former Government picked it up on 30 June 1982, because its policy was one of maximum attrition and the running down of staff numbers in the Public Service (including hospitals and schools), was that it boasted about this 300 that it put off.

The Hon. L.H. Davis: What have you been doing over the past eight months?

The Hon. J.R. CORNWALL: I have been boasting about this illusory 300 that I have put on. I cannot be any fairer than that.

The Hon. M.B. Cameron: But who paid for them?

The Hon. J.R. CORNWALL: I will go through that again, slowly. Obviously, the honourable member does not understand; he is very simple minded; he is as thick as two short planks. I will go through it again slowly.

The PRESIDENT: Order! I do not think that that is necessary.

The Hon. J.R. CORNWALL: They do not understand it. It is necessary. I do not want to disagree with the Chair; I am trying to cultivate a new, low-key, responsible image, and I can do without the quite inane interjections, but that was an important interjection. I do not want to disagree with you, Sir, but the Hon. Mr Cameron said that he did not understand; so, I will go through it again. On 1 October 1981 the number of pays (rather than the number of persons receiving the pay) were coming out of the computer. As I said, if one was receiving four weeks pay in advance because one was going on leave, one offered to receive that instead of getting fortnightly pays. That percentage of people who took the four weeks pay did not show up numerically in the computer; it did not alter the amount that the computer was paying out previously by 1 cent. That is clear—certainly to all members on this side.

Members interjecting:

The Hon. J.R. CORNWALL: I know that they are probably of substantially higher intelligence than the people on the other side, but I would have thought that even they could understand that; I will not go through it again. What this has shown very clearly to me is the need for a far more stringent system of internal audit within the commission itself. That has been criticised in the past three reports of

the Auditor-General. Throughout the life of the previous Government—here, I will be critical of the Tonkin Government for not acting—the Auditor-General pointed out year after year the real need for internal audit.

One of the first things that I did when I became Minister was to get under way, despite the response of certain people in the commission who had blocked the internal auditor's being successfully appointed previously, a very strong system of internal audit. That decision of mine was recognised by the Alexander Report—the internal inquiry that we commissioned very early in the life of the Bannon Government into the internal affairs of the Health Commission.

As a result of one of those specific recommendations and as a result of one of the specific initiatives that I have taken, I am happy to tell the Council that a senior internal auditor starts in the Health Commission next Monday (29 August). So, many things have been done to ensure that these sorts of errors cannot occur in the future. It does not mean, I repeat, that 1c more has been paid out than should have been; it does mean that the head count (the poll count) was inaccurate for quite some time. That has now all been put right. Figures have been produced for me this morning and members know that there are lies, damned lies and statistics; so, I will not go through too much of this. But, there are clearly figures that show that employment in the hospitals (apropos the specific question about my letter to the *Advertiser* in April) for December 1982, January 1983 and February 1983 significantly increased. I do not—

The Hon. R.I. Lucas: Will you give us a copy of those?

The Hon. J.R. CORNWALL: Just hang on. My son, you should learn to control yourself. What I was about to say is that I have specifically asked senior officers in my commission this morning, apropos these initial figures, to do a complete and thorough exercise. I give an undertaking to this Council today that on the Tuesday on which we resume after the traditional break for show week, I will either table or seek leave to insert in *Hansard* comprehensive figures that set out all these matters in precise detail, so that they will be available to all members of Parliament and to the public, and they will be available in advance for the members of the Budget Estimates Committee on health, which will meet a fortnight later. So, there will be adequate time, first, for them to be prepared; secondly, for them to be made publicly available for consideration; and, thirdly, for any questions that might possibly arise out of that to be taken up during the health Budget Estimates Committee proceedings.

WATER SALINITY

The Hon. H.P.K. DUNN: I seek leave to make a brief explanation before asking the Minister of Agriculture, representing the Minister of Water Resources, a question about the high salinity of water in South Australia.

Leave granted.

The Hon. H.P.K. DUNN: The fact that South Australia has reticulated water of extremely high salinity has been reported in provincial and regional press in recent days. The most disturbing fact is the extremely high salt content of the water piped around Eyre Peninsula, originating from the Tod River reservoir. I quote from one of those press reports:

A working party of the National Health and Medical Research Council, investigating sodium in the Australian diet, tested public drinking supplies in all States of Australia. Tod reservoir was reported to contain 27.2 mmol-litre, the highest in Australia, in contrast to Canberra's supply of 0.13, the lowest.

In the *News* of 22 August, Dr Seroggins is quoted as saying:

The Tod River reservoir water salt content exceeds by six times the average maximum recommended level for drinking water.

The benefit of this piped water to the whole community on Eyre Peninsula is well documented and, without it, the stock carrying capacity would be very much depleted. However, it is not the use of this water for stock, gardens and ablutions that worries me, but its use for human consumption. Mr Lewis, Director, E. & W.S. Department, said in the same *News* article that I previously quoted:

Most people in that area relied on water tanks for drinking water.

The fact that most of the people use tank (or rain) water is not questioned, but I can recall during the summer months cases at my local school which has an attendance of 550 of children running out of rainwater and having only tap water containing extremely high salinity to drink.

Therefore, has the Minister given due warning of the high salt content and its health risks to schools and other public places? Also, have consumers been alerted previously to the high salt content in this water and, if not, does the Minister intend to do so?

The Hon. FRANK BLEVINS: I will direct that question to my colleague in another place and bring back a reply.

(b) \$57 000—estimate	
(c) \$6 082.32	
(d) Fees \$26 071.00	
Travelling expenses \$2 274.60	
(e) \$23 147.49	
(f) Staff salaries \$3 983.81	
(g) \$18 260—estimate	
	\$
(h) Witness fees	2 712.50
Travelling expenses	8 828.13
Accommodation expenses	6 984.89
	18 525.52
Scientists fees	99 693.99
(i) Laboratories	1 940.00
Testing materials	4 248.95
(Note: costs paid to scientists for performing tests included in fees paid to scientists (see (h) above))	
Sundry expenses \$5 469.68	
3. \$228 000	

SPLATT ROYAL COMMISSION

The Hon. K.T. GRIFFIN (on notice) asked the Attorney-General:

1. What is the total cost of the Splatt royal commission to 30 June 1983?
2. What is the detail of that cost, including, but without limiting the detail—
 - (a) the fees to solicitors and counsel for each party represented at the commission including fees paid or payable by the Legal Services Commission.
 - (b) the cost of counsel, solicitors and clerks in the Crown Solicitor's office involved in the royal commission.
 - (c) the cost of the secretary to the royal commission.
 - (d) the fees to the royal commissioner and the cost of his accommodation and travel (intra-State and inter-State).
 - (e) the cost of the transcript of proceedings.
 - (f) the cost of orderlies and other staff assisting the commission.
 - (g) the cost of prison officers in arranging Splatt's attendance at the commission.
 - (h) the cost of witnesses, including the costs of such witnesses met by the Legal Services Commission.
 - (i) the costs of any laboratories (Government or private) and testing of materials.
3. What is the estimate of the cost of the royal commission in the 1983-84 financial year?

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

	\$
1. Direct expenditure	227 573.73
Indirect expenditure approx.	75 260.00
Total	302 833.73
2. (a) the Legal Services Commission has not made any payments to solicitors or counsel in respect of the commission. Moreover, as at 30 June 1983, the commission had made available \$100 000 to the Government to assist to defray the legal costs of representation of Mr Splatt before the commission.	
Fees to counsel and solicitors	\$36 136.37

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 24 August. Page 452.)

The Hon. R.C. DeGARIS: I convey my thanks to His Excellency the Governor for opening this Parliamentary session. I also reaffirm my loyalty to Her Majesty, Queen Elizabeth II. Along with other honourable members I convey my sympathy to the family of the late John Coumbe, who served in this Parliament for a period of 21 years and who, for two years, was a Minister. He was also Deputy Leader of the Liberal Party in the House of Assembly. I refer to the Governor's Speech, clause 33, which states:

Detailed studies are being made of the various options for future generation of electricity in this State, and decisions as to the future source of fuel and the site for a new power station should be made by the end of this year. Negotiations directed at ensuring that the State's future gas requirements are satisfied beyond the current contracted period are continuing.

Planning investigations have been under way for some time for the establishment of another power station in South Australia, and it appears certain, following the Port Augusta expansion, that a new power station will be based on coal. I would strongly advocate uranium as the fuel for a new power station, but such advocacy in South Australia is pointless at this stage. Suitable known coal desposits in South Australia are as follows: Anna Creek, Bowmans, Kingston, Lake Phillipson, Leigh Creek, Lochiel, Lock, and Wintinna.

I do not intend examining the merits or demerits of the various deposits available to the State to fuel a coal station, except to say that all the resources available to us have some drawbacks. I hope that, if we do establish a coal burning station, we do use our State resources and not import coal from other States as has been suggested in some biased quarters. The longer term provision of an energy source could be in the development of underground gasification, but considerable research and development work is required before this can be realised. I understand that underground gasification investigations are being undertaken in South Australia.

Not only does this process provide fuel for electricity generation, and has the potential for replacing natural gas, but also it provides a source for liquid transport fuels and petro-chemical feedstocks. At present the cost of petroleum

probably prevents such a process from being a competitor in the liquid fuel market, but I have no doubt that in a relatively short period it will be. The important point to me at this stage is to ensure that our own resource is utilised in the provision of our energy needs.

The question of fuelling our next coal power station will be a continuing argument because of the environmental debates that will revolve around them—irrespective of the deposit finally utilised. For example, the arguments for and against dewatering procedures required for the exploitation of the Kingston deposit have already begun. If we utilise other deposits with high sodium, chlorine or sulphur contents, then the environmental debate on the exploitation of those resources will develop as well. In developing these resources and other resources in this State, I have certain reservations on the procedures involved in environmental impact statements and I feel that, as a Parliament, we should be inquiring into those procedures.

The present procedures provide that the company involved in the proposal provides an environmental impact statement, which is prepared for the company by specialists in that field. The cost of this preparation is high but, in the huge returns to the developing company, this is not an extreme problem.

It is then left to those who wish to argue against such development, or put a different view, to find some way to present an alternative case. It does appear to me that the Crown should provide some sort of questioning in a public forum of the information provided and prepared on behalf of the operating company. For example, the environmental impact statement dealing with the dewatering of the proposed Kingston coal mine is questioned by the rural community in the Kingston area.

How can that group of people really afford the costs of competing with a conglomerate such as Western Mining? It is an area of our environmental procedures that needs further examination. I want to make it clear that I am not taking any sides in the arguments for or against the dewatering proposals in Kingston.

I am suggesting that some method of sharing the views of people needs to be provided without the extremely high cost that must be expended by those groups. I draw the Government's attention to this point and, while there may not be a satisfactory means of achieving this, at least, I believe, it should be examined. Before leaving the point of electricity generation, I would advocate that, as far as cost of production per unit is concerned, a nuclear station would provide the cheapest electricity to consumers in South Australia. The second point is that a nuclear plant is less damaging to the environment.

I know that this will be argued vehemently by those who oppose nuclear power stations but the available evidence will show this to be the case. It may be that the world has already done lasting damage by concentration on the burning of coal and oil. I trust at least that the Government is comparing the advantages and disadvantages of coal and uranium and will be able to provide the necessary information on production costs of electricity, based on coal and uranium.

In previous Address in Reply speeches I have dealt with the declining role of the Parliament and the need for the Parliament to examine its procedures to match the growing power of the now all-powerful Executive. In stressing that point to the Council, I have used in particular the views expressed by Lord Hailsham and the excellent work of Professor Gordon Reid of Western Australia. However, I do not wish to stress again the Hailsham view of the development of what he calls the elected dictatorship, but I do wish to draw attention to other aspects of the problem besetting our Parliamentary system.

Before I develop that line I would like to say that I am pleased that the Parliament has established a joint select committee to report upon certain parts of this problem. Whether that joint select committee can achieve worthwhile objectives, I cannot answer, but I do know that there is a growing number of members of all political Parties who are beginning to understand the need for change. Perhaps I can say that the future problems of this Council are different from those of the House of Assembly, and probably there will be a need for us to examine those problems ourselves, without the assistance of the House of Assembly members.

While I have examined previously the decline in our Parliamentary democracy and have examined some of the factors that have contributed to it, I wish in this speech to examine another factor. The Westminster Parliamentary system was spawned in a free, capitalist society. While our system is still of the capitalist variety, the growth of the public sector and the movements towards the socialist model have had their effect upon the undermining of our system. There are two distinct governmental forms of the socialist variety—the totalitarian and the democratic.

The only countries that call themselves absolutely socialist are those under the totalitarian form. These countries obviously belong to the communist world. Outside the communist world there are socialist Parties that gain Government by democratic process and, while one may classify those countries as part-socialist, they still remain substantially capitalist in structure. Arthur Shenfield, in a recent article in *Quadrant*, says:

Too few democratic socialists perceive the clear truth that full-blooded socialism (that is, the nationalisation of all the means of production, distribution and exchange) must extinguish political democracy not fulfil it, and what no democratic socialist perceives at all is the equal truth that even the part-socialist model strains and enfeebles political democracy.

One must not, however, place all the blame upon those Parties which claim to be democratically socialist for the processes which have enfeebled political democracy. The part-socialist model, of course, can be seen in the massive growth of the public sector in this country, and all political Parties have been a part of that process. As an enlarging percentage of the gross product is expended by Governments or their agencies, so the part-socialist model becomes more entrenched. Apart from the effects of enfeebling our political institutions, the part-socialist model has failed and failed dismally as a system capable of sound economic management. As far as Great Britain is concerned, for example, the nationalisation of industries has been one of the main contributions to that failure.

The Hon. C.J. Sumner: What about Sweden and Austria?

The Hon. R.C. DeGARIS: If one examines Sweden at present, one finds that there is a quite remarkable change taking place and the socialist model there is being examined and moving in the other direction.

The Hon. C.J. Sumner: You cannot say it was not economically successful.

The Hon. R.C. DeGARIS: I do not mind the honourable member's interjections, but I am a little deaf and do not always hear them properly. Perhaps that is for the best.

Apart from the effects of enfeebling our political institutions, the part-socialist model has failed and failed dismally as a system capable of sound economic management. As far as Great Britain is concerned, for example, the nationalisation of industries has been one of the main contributions to that failure. This process has placed an enormous burden on the community—high prices, poor service and consumption of scarce capital. I do not wish to examine at any length the failure of the part-socialist models in Europe, except to say that the Parliamentary system we have inherited is a natural extension of a capitalist society—a free enterprise

society—and it is not designed to cater for a part-socialist model of society.

I said earlier there were two forms of socialism—the totalitarian form and democratic form. The movement towards the left (in other words, towards the totalitarian form) saw a massive split in the British Labour Party and rejection (one may say, massive rejection) by the British people. It is clear to me that, if a similar influence operates in this country, electoral support for the Labor Party will decline just as dramatically.

I believe that both the Federal and South Australian A.L.P. Leaders understand this point very clearly and their future will depend upon their moderate line. But the damage to our Parliamentary system has already been done and the movement towards the part-socialist model is a contributing factor. As I have said before, that is not the only factor. How much more harm would be done if we moved, as the British Labour Party attempted, towards the totalitarian model? It is clear to me that one of the factors in the decline of our Parliamentary system has been the gradual movement to the part-socialist model we have allowed to develop. The main pressure for the part-socialist model, of course, stems from the political aspirations of the Labor Party.

In the Western world the democratic socialist Parties are intimately connected with the trade union movement. In this country the democratic socialist Parties would collapse without the financial backing and support of the trade union movement. Yet it is obvious that free trade unions exist only in countries still operating under the broad heading of capitalist. Organisations which call themselves trade unions in totalitarian socialist countries are Government agencies used for Government control of the worker. The genuine trade union can only exist in countries not yet totally socialist. Free trade unions are part of capitalist society and can only live in a capitalist society. They are as natural to capitalism as free enterprise itself. While the trade union movement is the base of democratic socialism, there is an incompatibility between unionism and socialism. The relationship between trade unionism and democratic socialism is so fundamental that the importance of the paradox of unionism and socialism needs to be stressed.

When the democratic socialists reach their final goal (that is, the nationalisation of means of production, distribution and exchange), what role is there left for trade unions as we know them? Like the Parliament, trade unionism is a natural part of a free capitalist society. Coming back to the Parliament, how can we as Parliamentarians understand what has happened and what steps should we take to overcome the problems? In this speech, as I have already said, I am only examining the growth that has occurred in the size of government and its effect upon the role of Parliament. I am not examining the many other factors that I have referred to in previous speeches.

The next point I wish to make is the need to move to what I will broadly define as 'privatisation'. A major challenge facing us at the moment is to make sure that the impetus towards economic recovery is maintained. I think that question arises in every practical mind. To this end, appropriate long-term policies and adjustments will be vital if progress is to be sustained. Planning needs to be undertaken to ensure that the private sector enjoys that recovery and that recovery is not stifled by rising costs and Government intervention. Without private sector participation there can be no lasting recovery.

In assisting this recovery we need to move away from the part-socialist model we have developed to greater utilisation of the private sector. We should be looking at more involvement of the private sector in education, water supply, pipelines, highways, and looking at more private sector involvement in a number of Government commercial

undertakings, such as woods and forests, transport, land development, housing, health, and hospitals. The privatisation movement in many of our Government activities would assist the general private sector recovery and in the long term provide the public with greater personal interest in the activities accepted now as being only the interest of the public sector. Even if the Government was also involved, such a partial move to privatisation would be of great assistance.

My second point is that the growth of the statutory authority has added to our problems. While we know the extent of the growth in the public sector, so often we have little knowledge of the enormous growth in the use of the statutory authority. I know that this point is of particular interest to the joint select committee appointed; nevertheless, in drawing attention to the declining role of the Parliament, it is necessary to touch upon this question. The statutory authority was born in Australia to remove the political influences in the building of a transport system in Victoria. From that beginning, the statutory authority has grown like Topsy. Not only should Parliament, even on its own motion, take a keener interest in their activities, but we should also be looking at the question of privatisation of a lot of activities undertaken by such authorities.

One has only to look at the work already done by the Senate Committee on Government Finance (a committee established by its own motion) and the work already undertaken by the Victorian Public Bodies Review Committee (established by Statute) to understand the need for close Parliamentary scrutiny. Unless there is a movement away from what I have described as the part-socialist model, then the means of economic recovery will be retarded. I believe that there is no question but that examination is required. If the movement is the other way (that is, away from privatisation)—a movement as suggested by Mr Foot in Great Britain—then we need to look at the future of our Parliamentary system because, as Arthur Shenfield quite clearly points out in his excellent *Quadrant* article, the growth of the public sector to the part-socialist model enfeebles our political democracy. How much more must it be enfeebled in a host of statutory authorities not subject to Ministerial responsibility or any Parliamentary accountability?

The last point that I wish to deal with is the increasing costs to the taxpayer of superannuation commitments, both in the Public Service scheme and some statutory authority schemes. It would have been much better if our superannuation schemes had been instituted by contributions, on an annual basis, by both the employer (the Government or its agencies) and the employee, and the administration of those funds had been in the hands of our mutual societies, which have an expertise in handling superannuation schemes. If this process had been established in the first place, we would not now be looking at what we can only describe as the approaching superannuation disaster. I do not believe it is possible for the Treasuries of the State or the Commonwealth to continue meeting the future payments of huge lump sums, or their commitments to indexed pensions based on c.p.i.

I think if we look at South Australia we will find that in the past 10 years the contribution to superannuation has multiplied tenfold. Whether in the next 10 years it again multiplies by 10, I do not know, but it probably will. I do know that the Federal contribution to superannuation will grow to a massive \$2 000 000 000 per annum in the near future. It is probably too late to look at the privatisation movement in relation to superannuation, but I draw attention to the fact that, if we had in the first place established the scheme in this way, we would not now be facing such a disastrous situation.

Once again the Senate Committee on Government Finance has investigated and reported on this matter and I would advise honourable members to examine that report. The part-socialist model that I have described cannot remain as it is. It must change, which always occurs in politics. The question is: what direction will it take? Will the movement be to a continuing growth of the public sector with a further dose of the part-socialist model, or will we take a step towards a more liberal approach with the movement towards 'privatisation'. The direction we take will have an important and deep effect upon our Parliamentary system.

The Hon. DIANA LAIDLAW: When opening the second session of this Parliament earlier this month, His Excellency the Governor highlighted the severe financial and economic situation confronting this State. In this respect, the Governor's Speech varies little from the Speech he gave when opening the first session of this Parliament last December. The feature that distinguished the Speeches is that only 8½ months later the State's financial and economic situation is deteriorating and in the foreseeable future our prospects for recovery appear bleak.

This decline rests squarely with the Government, although to its everlasting shame it is consistently denying any responsibility in this regard. The Government's decision to raise taxes and charges in 27 areas of its responsibility (despite unqualified claims to the opposite effect last November), its decision to refuse mining at Honeymoon and Beverley, its decision to deny the State the multitude of positive benefits that would flow from these projects, to deny the companies involved any compensation and further erode the meagre profit margins of all businesses, and its decision to introduce a financial institutions duty—these are all instances where the Government, as a matter of deliberate policy, has retarded the development and future prospects of our State since last December.

I appreciate that the economic climate is not easy Australia-wide, or indeed world-wide, but my argument with the State Government is that, in the face of this situation, it steadfastly refuses to take action which will inspire confidence, enterprise and initiative. To the contrary, this Government, which protests long and hard that it alone is concerned for and capable of helping the disadvantaged in our community, especially the unemployed, is bound to policies and is pursuing a path that is creating and entrenching disadvantage and unemployment.

I was not surprised, therefore, to note the reference in the Governor's Speech that 'there is no early prospect of a substantial reduction in unemployment.' It is my intention in this Address in Reply speech to concentrate on unemployment, and to investigate the use of job creation schemes in relieving this blight on our society.

Unemployment was the subject I dwelt on in my last Address in Reply speech. On that occasion, I outlined my concern about the poor school retention rates in this State and country compared to overseas, the fact that those who suffer most in our complex unemployment market are those with the least qualifications as they have so few options, that a more educated population will enable us to contribute more satisfactorily to shifts in our technology and raise the level of understanding about technology, and the need for our education system to pursue excellence as well as providing a broad-based relevant curricula for those students who do not wish, or who are unable, to achieve high scholastic standards. The subsequent passage of the very important Senior Secondary Assessment Board of South Australia Bill, a measure initiated by the former Minister of Education (Hon. Harold Allison), will help to address in the longer term many of the concerns relating to unemployment which I outlined last December. However, while much hope rests

on the successful implementation of this Bill, many benefits may not be realised if the economic climate in the State is not conducive to the business of making a profit, taking on new employees, or generating new jobs. At present, the Government is presiding over an economic climate in this State which is far from satisfactory. Our unemployment rate of 10.8 per cent is 1 per cent above the national average. Our C.P.I. of 11.8 per cent is also above the national average.

These disturbing figures do not take account of recent Government decisions to increase a wide range of Government charges, all of which, as they are passed on to the consumer, either directly or indirectly by way of inflation, will impact directly on people's lives and on the capacity of businesses to employ people. It is not surprising, therefore, that those who are in employment are uneasy, questioning whether they can maintain their livelihood, while those who are unemployed, those who have yet to leave school and seek paid employment and the families of these people, are uneasy, questioning whether they or those close to them will ever have a chance of gaining the dignity which comes from providing for oneself and one's family.

The Government's programme outlined for the forthcoming session, however, will bring little cheer to these people. The programme is weighted in favour of social measures with few positive initiatives to enhance the future prospects of our State or help ensure that South Australians enjoy the quality of life they deserve. There is no sign of any long-term plan to get this State out of the doldrums, and no recognition that unemployment in this State is a complex problem, the culmination, I suggest, of three mutually exclusive factors: the first is of a short-term character, due to the world depression; the second is of a structural nature, due to our failure to adjust to changing world patterns of development; and the third is due to the Government's own insensitive actions. In fact, the only reference in the Governor's Speech on unemployment is the following simple statement:

My Government will continue to work with the Commonwealth Government in developing job creation schemes to benefit as many unemployed individuals as possible, within the financial resources available.

This response to the major economic and social problems facing our State today is totally inadequate. However, as the Government has chosen to place such importance on Commonwealth-funded, community-based job creation schemes in relieving unemployment, I intend to discuss the value of such schemes at more length.

There are two Federal initiated job creation schemes operating nationwide at present. The first was introduced by the former Fraser Government late last year, based on funds saved from that time to June 1983 by the wages pause: \$300 000 000 was involved, with South Australia's share being \$17 540 000. The second scheme, also involving \$300 000 000 this financial year, commenced operation on 1 July last following the passage through the Federal Parliament of the Community Employment Programme Bill. South Australia's share under this scheme is \$21 739 000.

In respect to the wages pause scheme, the State Government was given responsibility for administering the programme. A consultative committee was established to consider all applications and it is serviced by the resuscitated Job Creation Unit within the Department of Labour. It has a set of approved general policy objectives to apply to each application. They are that—

- project funding be directed to community based proposals;
- capital development projects comprise 50 per cent of all projects funded;
- a range of employment categories be provided as well as training and work experience;

- specific projects and positions within projects be developed for females to ensure they have equal access to jobs created, with the aim being to place equal numbers in the programme overall;
- projects complement State and Commonwealth programmes and include development or extension of cultural, tourist, social and recreation facilities and services, conservation and reforestation where practicable;
- project funding be apportioned approximately 70 per cent metropolitan and 30 per cent rural with preference to areas of high unemployment within the State;
- aggregate labour/material projects be of the order of 70/30:
50 per cent of funds be made available to those under 25 years of age and those older unemployed and defined disadvantaged groups.

On the basis of the guidelines, \$12 400 000 of the wage pause moneys has been distributed in South Australia to date for 167 different projects employing 2 000 people for durations of three months to one year. Sponsor contribution towards the cost of all projects approved has amounted to \$18 800 000. The sum of \$5 140 000 remains to be distributed from the scheme's funds before moneys under C.E.P. become available. The consultative committee and the job creation unit will remain as the bodies to administer C.E.P.

For C.E.P., the objectives and guidelines have been amended to meet the Hawke Government's job creation objectives. First, the \$300 000 000 allocated to the scheme this financial year has been apportioned for specific purposes—\$50 000 000 will be set aside for job creation programmes through Commonwealth departments and authorities, \$70 000 000 to enable local government to construct and maintain local roads and \$20 000 000 for projects actively involving water supply improvement programmes in country towns. The remaining \$160 000 000 will be allocated to projects sponsored by State, local government and community organisations.

In addition to this ear-marking, the other major variation to the wage pause programme is that C.E.P. will be targeted to those most disadvantaged in the labour market. Priority is to be given to those who have been unemployed for at least nine months, and to those who have never worked, particularly the very disadvantaged of the labour market, such as Aborigines.

I do not deny that both schemes will infuse capital into the State and provide some temporary relief from unemployment for a few unemployed, and that all projects will have a varying degree of benefit to the community within which they are located. Nevertheless, I have some very basic reservations about the concept and presentation of both schemes. My reservations are more marked in respect to C.E.P. At least under the wage pause programme funding was found from savings in expenditure that would otherwise have been used for non-productive purposes—raising of salaries and wages of Commonwealth public servants. The scheme had the added attraction that a sacrifice was being made by those in paid employment for those of our fellow Australians who were unable to find such employment. However, C.E.P. will be funded not in this manner but from cut-backs in capital works programmes, increases in taxes and charges and by raising the deficit. This approach is highly questionable, as the moneys raised for extra jobs of a temporary nature will be achieved at the expense of increased unemployment among people who have already paid employment of a permanent kind. No wonder that the Economics Editor of the *Age*, Mr Kenneth Davidson, has described the Government's community employment programme as 'simply a cruel delusion' to people who are seeking employment, and the editorial in the *Financial Review* of the same date (20 May), resorted to describing

C.E.P. 'as the Government's greatest failure'. Nor, I suggest, is it surprising that Geoff Kitney in the *National Times* this week reported that some Federal Ministers in Cabinet felt uneasy that they had not made the best use of the funds available to be spent in the Budget to help the unemployed find work, and that a number increasingly were seeing the whole concept of C.E.P. as ill-founded.

Both the present State and Federal Governments went to the people within the past 9½ months on the basis that they would give the highest priority to unemployment. Mr Bannon, in his policy speech and subsequent statements, spoke with flourish and at length about job creation schemes and was supported by the then shadow Minister for Employment and Industrial Relations, Mr Hawke, who announced that South Australia would benefit by the creation of 15 000 jobs if a Federal Labor Government was returned at the next election. As Leader of the Federal A.L.P. some months later, Mr Hawke inflated this earlier promise. In his policy speech he stated that in Government his Party would create 500 000 jobs nationwide over a three-year period. South Australians, I imagine, could have confidently assumed that Mr Hawke was promising that we would receive our per capita share of the new jobs; that is, approximately 50 000.

There are three aspects of the relationship between Mr Hawke's promise of new jobs and the emphasis that both his Government and the Bannon State Government place on job creation schemes in relieving unemployment that should be highlighted. The first is that since the last State election and all the fanfare by the present Government about job creation, our unemployment position in the State has deteriorated in relation to other States. It has risen to 10.8 per cent from 53 700 last November to 57 300 last month, an increase of 2.1 per cent, and it is 1 per cent higher than the national average.

The Hon. C.J. Sumner: That was the position in November.

The Hon. DIANA LAIDLAW: No; it has increased, according to the A.B.S. figures, from 53 700 to 57 300.

The Hon. C.J. Sumner: You mean percentage-wise?

The Hon. DIANA LAIDLAW: Yes, from 8.8 per cent to 10.8 per cent. Moreover, the projections announced in the Federal Budget on Tuesday night that unemployment will rise further this financial year offer little hope that the unemployment situation will improve in South Australia, and that is, as I indicated earlier, what the Governor acknowledged in his Speech. Certainly it will not do so if the State Government continues to rely solely on Federal Government initiatives to boost employment opportunities for South Australians.

My second point concerns the attempts by both Federal and State Governments to cloud their intentions in regard to new jobs and the progress that they are making in this regard. The magical figure is 500 000 new jobs and their strategy in reaching this figure quite clearly appears to be the inclusion of temporary job positions created through artificial job creation schemes with the figures of genuine employment growth of a more permanent nature—jobs generated because of growth in the economy. Whenever approvals of projects are announced under the job creation schemes, the Federal Minister for Employment and Industrial Relations (Mr Willis) and the State Minister of Labour (Mr Wright) in their joint releases refer to 'new jobs'. I have no doubt that if the people of Australia had fully appreciated that the 500 000 new jobs promised by Mr Hawke last February would not necessarily be of a lasting nature they would not have embraced the promise.

My third point is that the 70 000 jobs which the Hawke Government has promised to create through C.E.P. in 1983-84 average six months and will reduce the unemployment rate by less than half of 1 per cent. Moreover, when the

C.E.P. funds are expended most participants on the projects will return to reinflate the ranks of the unemployed. No wonder, as I indicated earlier, Kenneth Davidson of the *Age* described C.E.P. as a cruel delusion.

In embracing C.E.P. as the foundation of their job creation measures, neither the Federal nor the State Government appears to have heeded the lessons of the discredited Regional Employment Development Scheme. Known as the RED scheme, it was introduced by the Whitlam Government on 10 September 1974. Within a week the objectives were changed and it became a national scheme of a general nature rather than one with regional emphasis. Less than a year later the then Federal Treasurer, Mr Hayden, cut the funds dramatically, and over the period 1975-76 the scheme was phased out. The objections to the scheme focused on the administrative slowness in getting projects approved and under way, the excessive interference at Commonwealth level, the costs of the scheme, which doubled over the year, and the concern that the projects approved had no growth factor.

All these points remain an inherent danger in the present C.E.P. scheme. Already delays are occurring. The application forms have been held up for 7½ weeks and will only be available late this week. This delay has frustrated those who wish to apply for funds as they remain unaware of the finer points of eligibility. Of course, it will also delay the processing of the applications, hamper a smooth transition between the wage pause programme and C.E.P. and possibly, as seems likely, prevent the target set for the scheme this financial year being achieved.

Concern should be raised also at this stage about the adequacy of the Federal allocation of \$300 000 000 towards the creation of 70 000 jobs through C.E.P. this financial year. If the record of the six months wage pause programme is to be a guide, jobs created under C.E.P. will fall far short of the target of approximately 7 000 jobs in South Australia unless the allocation is increased.

Under the wage pause programme, 2 000 jobs have been created to date although, when the moneys available are fully expended, this number should rise by about 650. However, even if an optimistic figure of 3 000 jobs is projected for each of the six months of this financial year, the 7 000 jobs promised is unlikely to be achieved. The forthcoming decision of the Arbitration Commission on the application before it for a wage increase of 4.3 per cent will apply further pressure on the adequacy of the allocation to achieve 7 000 jobs in South Australia under the programme. Of course, workers in the building industry, amongst others, are also seeking additional large increases outside the Commission. This poses considerable problems for the administration of C.E.P., as work must be offered at appropriate minimum award rates, while the guidelines define that there is no guarantee of continued funds beyond the duration of the approved period.

If we must have job creation schemes, it would be tragic in my opinion if much of the money allocated had to go towards meeting additional costs of materials and increased wages of those who already have paid employment. Nevertheless, when the Arbitration Commission hands down its verdict, the Federal Government will have to determine whether grants approved for projects that have not yet been completed are to be increased to take account of the increased wage component of the project, whether the sponsor will be required to fund the additional money or, alternatively, whether the project will fail to be completed as originally envisaged because of the short-fall.

With respect to projects not yet approved, the Government will have to determine whether it will increase its allocation to cover increases in wages or, alternatively, condone wage increases eroding the number of projects approved and, in

turn, the number of people employed under C.E.P. I have highlighted these matters which the Federal Government will have to address in the near future, for its decision in each instance will have an impact on the success or otherwise of C.E.P. fulfilling the hopes of the State Government in respect of job creation in South Australia.

One of the most disappointing aspects of the Community Employment Programme (and the same criticism was levelled at the RED scheme at the time) is that the projects approved have little or no growth factor. As I have stated earlier, once the projects of between three months and 12 months duration are completed, the vast majority of those employed will return to dependency on unemployment hand-outs. C.E.P. is a short-term, stop-gap, piecemeal, unimaginative measure, when what is required by young people and those unemployed is a Government that will provide them with opportunities to serve their country in projects that will add something of value to the community and which have a wealth-producing potential as well as a job-producing potential.

While the State Government is relying on Federally funded job creation schemes to help the unemployed find work, it should be creating lasting jobs through investment in new capital works projects. Regrettably, it has opted to make capital works a major target for pruning. An article in today's *News* states that further cuts will be made in the forthcoming Budget, the rationale possibly being that capital works are cuts that do not hurt so much politically. Nevertheless, such cuts have a significant cumulative effect through losses of jobs on Government projects and downstream job losses.

Margaret Currie, the South Australian Director of the Australian Federation of Construction Contractors, in an article in the *News* of 18 May last, highlighted that 2 000 jobs in South Australia have been or will be lost by the State Government's cancellation or deferral of the following capital works projects: the Cobdogla irrigation project; the Finger Point Sewage Treatment Works in the South-East; the O-Bahn; and, the redevelopment of the South Australian Museum. I repeat that 2 000 jobs will be lost through the South Australian Government's decision to defer or cancel these projects. Additional jobs have been lost by its decision not to allow the Honeymoon and Beverley projects to proceed, while the Government's attitude to the giant Roxby Downs project can at best be described as less than supportive. Yet, the Government embraces job creation schemes with enthusiasm—schemes which to date in this State have created 2 000 temporary jobs—jobs with no future prospects or projects that have little wealth generation and little employment potential.

I recall that one of the few programmes approved under the RED scheme that had any growth factor was the grant given to the South Australian Film Corporation to employ a person to develop a formal marketing structure for the distribution of non-feature films. Within 15 months \$500 000 of business had been generated and the original outlay was handsomely recovered. Eventually, six people were employed on a full-time basis as the marketing strategy continued to gain strength and the production of documentary films by the corporation snowballed. In turn, many people found jobs and careers associated with documentary film production through the Corporation.

Yet, it is clear from the guidelines for C.E.P. and the projects approved to date under the wage pause programme that few projects like the South Australian Film Corporation project will emanate from the present job creation schemes. No matter how desirable it is for a community to have more toilet blocks, more recreation parks and more trees planted in its area, it is a tragedy that projects which have a longer-term employment generating capacity, that have a

longer-term benefit for the State, may not be pursued, either because they do not meet present guidelines for C.E.P. or because of the blinkered vision of Governments which cannot see beyond their present enthusiasm for short-term job creation schemes.

I wish to refer to two further aspects of the C.E.P. guidelines. The first involves the priority to be given to the provision of full-time jobs for the longer-term unemployed. It is a fact that some 15 per cent of Australian youths leave school illiterate and innumerate and that for them, and others who are unskilled, there will be few full-time jobs available in a high technology computer society. I regret for their sake that the guidelines for C.E.P. are not more flexible and that, because full-time work is the only employment opportunity available under the criteria, any earlier conditioning suggesting that full-time work was the only job option for them will be reinforced by C.E.P.

It is a fact of life today that, although it may be resisted in the short term, more flexible working hours, job sharing and communal life will become more of the norm in the future if successful inroads are to be made into unemployment in this country. If we are to have job creation schemes in Australia, despite all their inadequacies, such schemes should at least serve the interests of those people currently unemployed. As a first step towards gearing the schemes to this end, the guidelines should, as a matter of priority, be amended to allow for jobs of both a full-time and part-time nature.

It may come as a surprise to members that there is one aspect of both the wage pause programme and C.E.P. which I welcome. It is the emphasis placed on providing equal access to women in jobs to be created. Women in Australia have a higher rate and longer duration of unemployment than do men. The provision of equal access in these schemes aims to help redress this imbalance.

Moreover, I cannot help wondering whether the provision is being met in this State by the projects approved to date. Not one of the joint releases issued by Mr Willis and Mr Wright listing approved projects has given any indication of what jobs will be created for women. By contrast, releases issued in New South Wales have gone to considerable length to identify special projects for women and the number of women that it is anticipated will be employed under general projects. Advice from the Minister of Labour outlining this information would be most helpful to all members in judging the effectiveness of the scheme as a whole in meeting its stated objectives.

It has been my intention today to highlight the many inadequacies of the job creation proposals so enthusiastically endorsed by both the Bannon and Hawke Governments and, in turn, because of the State Government's sole dependence on these projects (as evidenced from the Governor's Speech) to help the unemployed find employment in this State, to highlight the sheer inadequacy of their programme in this regard.

If this State Government genuinely wishes to check unemployment and to help those presently unemployed to find jobs, it is not sufficient that it relies solely on Federal Government schemes of a dubious nature. If it wishes to realise this aim, the Government will have to lift its game and show more responsibility, more imagination and more enterprise. If it does not do so, the future prospects of our State, and the future prospects of those who are unemployed, will remain bleak and His Excellency will be returning to this Chamber at the beginning of the next session, as he has done at the beginning of the past two sessions, highlighting the severe financial and economic situation confronting the State. I support the motion.

The Hon. K.L. MILNE: I join in thanking His Excellency for the way in which he opened this Parliament. From my reading of the Address in Reply speeches, from the press and other media, it is not difficult to discern that South Australia is having a bad time. That, unfortunately, is true. It is also true that we are having a worse time than any other mainland State. There is a world depression, and the Federal Treasurer reminded us on Budget night that Australia is experiencing the worst depression ever. I do not quite believe that, because it would have to be worse than the depression of 1929-30, which it obviously is not—or not from what I can remember of the early 1930s.

That is not really what I want to talk about. The immediate problem which South Australia has to tackle is this: why is South Australia worse off than the other States? There are a number of reasons, but the most important one, and one which we have all forgotten or not understood, is that South Australia is a separate economy. The geography, population, nature of the people and type of industrial base go to make it a different economy—different from the rest of Australia—a difficult economy.

We can all remember that strange report put out by the Government, some two years ago, as to why South Australia was special. In the very first paragraph it said something like this: 'South Australia is ideally situated between the markets of the east and west.' That is wrong, totally wrong. South Australia is in a vacuum between Western Australia and the Eastern States—and do not forget that. Just ask any of those engaged in the metal industry, employers or employees, how they see the future.

The recent joint forum held on the future of the metal industry in South Australia organised by both the metal trades unions (some seven of them) and the Metal Trades Association (the employers) is enough to prove that point. The forum was to discuss together, for the first time ever, how the metal industries could survive in South Australia—not how they could proceed but how they could survive. Both sides were very careful about what they said and naturally blamed multi-nationals, robots, Governments, and so on, for the predicament which they are in. That was to be expected, particularly as it was the first 'get together' in our State's history (and it was genuine, make no mistake about that). However, they all avoided the real problem: that is, that in South Australia our wage and salary levels are too high. Now, when I say that, it upsets the unions, the Public Service permanent employees, but let me explain.

To understand why South Australia has a large industrial base, which is relatively recent in our history, we must go back to the Tom Playford era. Some of us can remember it well, because it was a period of stability and progress for all of us in this State. But what so many of us have forgotten, or never knew, is that in Playford's day there was a differential in wages, salaries, professional fees, prices, and so on, of about 9 per cent to 10 per cent in our favour between South Australia and the Eastern States. That is what Tom Playford used to persuade manufacturers to come here—plus cheap land, housing, electricity, water, and so on. He introduced strict price controls to keep things that way. This enabled manufacturers in South Australia to allow for the added cost of transport of our goods to the big markets and the added expense of selling away from base while still being competitive. This is the basic and most important reason why our cost structure must be lower. And what was the result? The cost of living was lower than that in the Eastern States, but the standard of living was the same or higher, and South Australia flourished. But it did not suit the Eastern States, mainly New South Wales and Victoria, to see South Australia going ahead and there arose a great struggle to attract industry; for example, the New South Wales railways had a deliberate policy of undercutting South

Australia to keep their cost advantage. No matter what we did they went one better.

Each of the three major contenders introduced programmes for inducement and, of course, the battle raged most fiercely in London, through the offices of the three Agents-General. New South Wales, Victoria, and South Australia appointed Trade Commissioners to their London staff, and Western Australia ran its own development programme through frequent visits by the vigorous and remarkable Sir Charles Court.

I know all this, of course, because I was Agent-General and Trade Commissioner for South Australia from 1966-71, when some of the action was still taking place. From about 1965 onwards, South Australia, forgetting what brought our industrial development, set about getting our wage and salary structure up to the level of Eastern States. Everyone joined in, naturally: the doctors, lawyers, architects, accountants, Public Service, teachers and, of course, judges in the various courts, as well as members of Parliament. We were all in it, so it is no use just blaming the unions. What we did not realise was that New South Wales and Victoria set about destroying the cost advantage which we had and they resented—almost feared for some reason. So, they did two things through their equivalent of our Chamber of Commerce and Industry and their trade unions.

First, they encouraged the introduction of Federal awards, which we now take for granted but which are quite illogical as they have done so much to ruin South Australia. They also encouraged the South Australian Conciliation and Arbitration Commission to increase wages under State awards as far as possible to the same level as the Eastern States. Unfortunately, the courts fell for it. In fact, in some of their reports they almost apologise for not having raised the level quickly enough. As a whole, the courts never understood what was happening (or that appears to be the case). The courts have made the most extraordinary and astounding awards for workers compensation and accident claims quite divorced from the actuarial value of premiums charged by insurance companies. The yardstick used by the Industrial Court appears to be 'follow the Eastern States' (and I believe that that almost always occurs under political pressure).

Looking back, we find that as our wages, salaries and fee structures grew closer to those of New South Wales and Victoria, the flow of industry to this State slowed down. In fact, by about 1970 it had virtually stopped, and by 1979-80 it had begun to go the other way. Of course, that is precisely what the Eastern States and the New South Wales and Victorian branches of the relevant trade unions intended—we should make no mistake about that.

Worse still, the South Australian union leadership knew what was happening and was too greedy, or too frightened, to try to stop it. I know, because when I came home on mid-term leave from London in late 1969, I called on the United Trades and Labor Council at Trades Hall and we discussed this very subject. When I put it to them (about eight union secretaries were present) one of them said, 'Yes, we know that, Lance, but you don't expect us to put it to our members, do you? They would never accept it, they want their take-home pay to be the same as their interstate equivalent.' I quite agreed. Nor would anyone else accept it. We all went blindly ahead, and the damage was covered up because of the post 1939-45 war prosperity throughout most of the Western world, followed by the mining boom, the wool boom and the land boom in Australia, in which South Australia shared. The Dunstan Government did not understand this special position which South Australia has or it would have behaved differently. The Tonkin Government did not understand it, or it would not have made some of its 'tax saving' decisions which have proved so wrong and which were made when all the warning signs were visible.

We can only hope that the Bannon Government understands our position in the Australian economy and grasps the nettle or bites the bullet. I believe that it will and, in fact, has started. I hope that it does not stop half-way. But, even more, I hope that when the rectifying and necessary action is taken by the Government, the Opposition refrains from unfair criticism, because some of our problem was created by the former Government while in power recently. The State's deficit for the financial year 1982-83 was \$109 000 000, offset to some extent by a transfer of \$41 000 000. But the actual deficit on current account was \$109 000 000. Now how much of that is the Government's fault? Some of it is, naturally, but not all of it. And what did the Australian Democrats do about it? I complained in a kind of a way; but not enough. I did not realise how serious it was, otherwise I would have made more noise about it. So, let us share the blame and get together and fix it. Let us get business and people flowing back to South Australia. Let us give them confidence in us again. Joh can do it—we can do it.

We must all understand that a State, any State in any federation, is in a different position to the central Government. A central Government, up to a substantial point, can run for a considerable time on deficit budgetting—as we have seen with successive Governments in Canberra. But a State cannot do the same thing. If a State has a deficit, the amount of that deficit comes out of State reserves. If the State has no reserves, and if deficits continue, then the State gets into debt and will eventually go bankrupt. It is not complicated, and I trust that we all understand it. I understand that our State reserves were about \$190 000 000 before this 1982-83 deficit on current account. So, we have dissipated about \$109 000 000 of that or the net loss of \$68 000 000 if you prefer it (after transferring \$41 000 000 from capital works to offset the loss—which is unwise but not illegal and both State Governments have done it).

The Hon. C.J. Sumner: When did a Labor Government do it before 1979?

The Hon. K.L. MILNE: Yes, I think it did.

The Hon. C.J. Sumner: A Labor Government did it three times, but always made it up in the following year. It was not a long-term approach. The first time that it was done on a long-term basis was in the 1980-81 Liberal Budget.

The PRESIDENT: Order!

The Hon. C.J. Sumner: It was not done on a continuing basis; it was done on a yearly basis.

The PRESIDENT: Order! The Attorney will allow the Hon. Mr Milne to continue with his speech.

The Hon. K.L. MILNE: These deficits will continue for at least another two years, in spite of what the Government is doing about it. So let us not get the idea that our problems are over. They are not, and we in South Australia can look forward to tightening our belts still further. I think we should organise a full State economic summit to openly discuss why South Australia is different, what those differences are and what should be done about it. Unless we do that, South Australia is doomed to return to a mainly agricultural and mining economy and the other States will be laughing. Indeed, they have been laughing for some time. I do not feel that the conference suggested by the Hon. Mr Bannon in this morning's newspaper is quite good enough. I am not really interested in what Mr Dawkins from the Federal Government in Canberra has to say about us or the Federal Budget. I want to work out with other South Australians how to ensure that Mr Dawkins and his colleagues look after us better.

What is the role of members of Parliament in all this? Are we going to increase our salaries and allowances yet again? Or are we going to bite the bullet ourselves and head the restraint. The judges and public servants have not done

so (with Government approval) and their selfishness was very unpopular. In fact, I believe that it has done permanent damage to their image, and I hope that we, in this Parliament, do not make the same mistake—however justified an increase may appear and however painful restraint may be.

What is the role of the courts? I simply say to them: will you please stop throwing our money around as if it has gone out of fashion? As I have said many times before, especially when Chairman of the State Government Insurance Commission, the awards given by the Supreme Court for accident and workers compensation frequently appear ludicrous. They are often quite unreal and are often so huge that they bear little relationship to the problem. In any case, enormous lump-sum payments are unfair, unwise and undesirable, because statistics show that in the majority of cases, particularly workers compensation cases, the money is lost after a few years.

As far as the Conciliation and Arbitration Commission is concerned I think it is time that it stopped playing games. The complicated gobbledegook it carries on with, to come up with the answers it first thought of (and most of which we now realise were wrong), should be seriously examined. The process of wage fixing has become a world of its own, far removed from reality, and yet the courts and commissions plough happily on as if it were some sort of competitive game.

While on this subject, let us look for a moment at the concept of increasing wages and salaries each time prices rise. Have you ever heard of anything quite so stupid? Prices rise again, wages and salaries rise, the number of unemployed rises, so taxes rise with unemployment relief and welfare. (Incidentally, South Australia has the highest percentage of people employed in the Public Service welfare sector of any State—22 per cent.) So, salaries and wages have to rise, because the cost of living has risen, unemployment increases, welfare increases, taxation increases—and so it goes on. Those concerned in it all carry on as if they cannot understand what is happening. Why on earth do they not face reality?

What is the role of the Public Service? There is always an argument as to whether there are too many public servants and whether they are overpaid. Let us distinguish between the daily paid Public Service employees and the others.

That there are too many daily paid employees on the various departmental pay-rolls is no longer a secret. The proof of it is the circular issuing instructions to departments, such as the Public Buildings Department, to stop using private sector contractors and services wherever possible (and to get permission before doing so, if it is unavoidable) in order that the department can use the people who are already on its pay-roll. There should be a royal commission into the daily paid Public Service situation, but let us leave it at that for the moment.

Now we come to the white collar Public Service. It is not a matter of whether there are too many of them (I believe there are) or whether they are overpaid (I believe many of them are) or whether they are under-worked (you know as well as I do that many of them are). It is a simple and obvious fact that in South Australia at least the relationship between the public sector and the private sector is out of perspective. If one is a left-wing socialist, then one will hope that this trend will continue until we are all public servants, including members of Parliament. But, if one is not, then one must look at the Public Service with apprehension, envy, and, let us face it, admiration as to how they have got themselves into the position of comparative affluence at a time when the private sector, particularly the manufacturing sector, is on its knees and unemployment is the worst in Australia. It is quite a remarkable exercise in successful self-interest on their part, and a remarkable exercise of

weakness and stupidity by successive Governments. There will be a terrible row when someone tries to rectify the situation, if I am any judge.

One point that we must think about is who will pay for it all when the private sector gets smaller and the public sector gets bigger. There must come a time of crisis. The annual salary bill for our Public Service is enormous. It also has the most expensive and random superannuation scheme in Australia, plus long service leave, plus this, plus that—a very high figure indeed. Superannuation payments have increased, because they are indexed (and because there are more members) by approximately \$10 000 000 per annum over three years. In 1979-80, the figure was \$50 000 000; in 1980-81, \$63 000 000; and in 1981-82, \$68 000 000. We do not yet know what the 1982-83 figure will be. Like the Hon. Mr DeGaris, I am very apprehensive, and I believe that it may be another \$10 000 000.

The Hon. R.C. DeGaris: Multiply it 10 times.

The Hon. K.L. MILNE: I was referring to one year. If everyone was to take a small percentage cut, and that includes Parliamentarians, the deficit might be overcome without overtaxing people out of their mind. One cannot keep on increasing negative non-productive expenses, or taxing people out of their mind, creating more unemployment. It must stop somewhere, and I believe that the Government knows that. I also believe that the Government will do it. Of course, that is all too simple.

Incidentally, we must remember that, when anyone takes a cut in salary, particularly a high salary, a great deal is saved in income tax.

What is the role of the Education Department and/or teachers? How can children leave Education Department schools after 10 to 12 years of schooling and not be able to write English or to speak English properly?

The Hon. M.S. Feleppa: You agree with me, then?

The Hon. K.L. MILNE: Yes, I do. Children are unable to subtract, add, multiply or divide. The Hon. Diana Laidlaw quoted figures in regard to those people, which were disturbing; however, I think that it is higher than that. What unmitigated idiot invented the idea of 'let the pupils do their own thing'? How can any school-leaver with that training, or lack of it, ever hope to get a job? I am not talking about the clever children—I am talking about those who have been channelled into the soft options.

Do not tell me that I am inventing what I have referred to. Members should talk to those involved in trying to help the young unemployed. They should go to any CYSS scheme and ask the staff, who will tell them that they have to see that so many of these young people have to learn the basic skills of writing, speaking, and arithmetic—and that is after 10 to 12 years at school. Someone has perpetrated a crime against a whole generation of innocent children, whom the education system has virtually condemned to a life of failure and disappointment. The system did not foresee the result of that dreadful decision, magnified in times of depression or recession. It is worth noting that the private schools did not fall for that 'do your own thing and no discipline' nonsense, and most of them, expensive as they are, have waiting lists.

What is the role of the trade unions in all of this? I believe that the old, miserable, negative role of confrontation at all times and at all costs is over. The union battle for recognition and power has been won, and there is no need to continue the fight. The employers are on the ropes or on their knees, the referee is counting to 10, and it is time to stop the fight. This is certainly the case in South Australia and there are encouraging signs that both sides (and there have been two opposing sides) realise that no good purpose will be served by creating more dissension, hatred, bitterness—and unemployment. The metal industries forum was

a great success. It was a joint effort of the unions and the employers to get together at last, to discuss their survival. They will meet again, I hope, and next time they can face some more of the real problems.

The 'mini-summit' arranged by the Chamber of Commerce and Industry to prepare a case for the Alice Springs to Darwin railway was another example of our new will to get together. It was held in the board room of the Chamber of Commerce and Industry, and it was fully representative. Those invited included State Parliamentarians from both the House of Assembly and the Legislative Council (Labor, Liberal and Democrat), Federal members from the House of Representatives and the Senate (Labor, Liberal and Democrat), the United Trades and Labor Council, the appropriate trade unions, contractors, defence experts, and all who are interested in the railway being built. The whole object of the meeting was to show a united front to Canberra, to help the Premier to persuade the Prime Minister to allow the railway to be built. And the meeting did exactly that—none too successfully, I am afraid.

The Hon. Jack Wright (representing the Premier, who was actually in Canberra with Mr Paul Everingham, Chief Minister of the Northern Territory, talking to the Prime Minister) started his speech by saying that he had not expected that he and Johnny Scott would ever have been sitting round the board table of the Chamber of Commerce and Industry! Mr Lyle Miller, President of the Chamber, laughed good-humouredly, as did everyone else, and said that he hoped that it was the first of many times. It was a very positive and friendly meeting, a most exciting experience for me, as I have hoped for a reconciliation of this kind for as long as I can remember. I suppose that I have wanted internal peace inside Australia from the time that I wrote my little book on peace and war in 1937. I called it *Ostrich*

Heads because I felt that we, in Australia, were burying our heads in the sand. I believe that we have continued to do so until now, but that we are now beginning to raise our heads, to raise our sights, and to face the facts of life in a world of unprecedented turmoil, change, and bitterness.

That is why I believe that the Premier should call a full State summit. I believe that Mr Bannon is capable and popular enough to make such a meeting a success and that the same applies to Mr John Olsen, Leader of the Opposition. For my part, and on behalf of the Australian Democrats who have discussed this matter and encouraged me in my idea to urge a State summit, I offer our full co-operation.

I finish with the story of Lord Nelson before the Battle of Trafalgar. Nelson had summoned his captains and their second-in-commands to the flagship, the *Victory*. He greeted them as they came on board, and while doing so he found that one of his captains had come alone. On asking where the second-in-command was, the captain explained that they had had an argument and were not speaking, and he felt that it was better for the second-in-command not to come. Lord Nelson was furious and said, 'Yonder on the horizon is the French fleet. There is the enemy, not here. Go and get him, bring him here and together we will discuss how to defeat them.' And they did.

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

ADJOURNMENT

At 4.54 p.m. the Council adjourned until Tuesday 30 August at 2.15 p.m.