LEGISLATIVE COUNCIL

Wednesday 7 December 1983

The PRESIDENT (Hon. A.M. Whyte) took the Chair at 11 a.m. and read prayers.

QUESTIONS

URANIUM POLICY

The Hon. M.B. CAMERON: I seek leave to make a brief explanation before asking the Attorney-General a question about the uranium policy of the Government.

Leave granted.

An honourable member interjecting:

The Hon. M.B. CAMERON: The member opposite has described this question as boring, but it certainly is not because it is a very relevant question today and will be relevant in two years time, I can assure the honourable member. The *Advertiser* this morning has an article based on the annual report of the Department of Mines and Energy, which clearly lays out that the present Government's uranium policy is seen as a deterrent to exploration in this State, and it clearly lays out also that the problem associated with Aboriginal lands is causing a serious downturn in mineral exploration in this State. It indicates that the value of exploration in 1982 was $45.569 million, compared with $51.116 million in 1981. Mineral production was up by 23 per cent, but that increase must be directly associated with previous exploration. Such an increase is of great benefit to the State, as all honourable members would be aware, but we will not see that sort of increase or further increases in the future if we cannot get further exploration under way.

I raised the question of the Government's uranium policy yesterday, and I will continue to raise that question when matters come up directly associated with the Government's uranium policy. Does the Attorney-General intend to raise with his Government and his Party the question of the Government's uranium policy in order to, first, reverse the present policy associated with Honeymoon and Beverley, and, secondly, clarify the policy so that all uranium projects in South Australia, both present and future, may proceed on an equal basis and not on the basis of some being safe and some unsafe (as is the case at the moment)?

The Hon. C.J. SUMNER: The report to which the honourable member refers will no doubt be considered by the appropriate Minister—the Minister of Mines and Energy. I have no doubt that, following his consideration of the report, there will be some discussions in relation to it. That is a natural part of Government. The question of the general policy of the Labor Party in relation to uranium mining is as I indicated yesterday: the State Government is committed to and will proceed with the Roxby Downs development in so far as it is within our power to do that.

The State Government has argued and will continue to argue that the Roxby Downs development should proceed. The question of the export of uranium is a matter for the Federal Government. That matter has been determined by the Federal Government, backed by the Federal Parliamentary Labor Party. That policy has been outlined on previous occasions and I do not intend to go over it again today. Whether there will be any further change to the policy is not a matter that I can determine or indicate at this stage. There is a national conference of the Australian Labor Party next year, which I am sure will consider this matter.

ACCIDENT AND EMERGENCY SERVICES

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Health a question about accident and emergency services.

Leave granted.

The Hon. J.C. BURDETT: The Minister of Health has expressed concern (both recently and when previously in Opposition) about mistakes in diagnoses of casualty patients made by junior doctors of intern and R.M.O. status. He is on record as having directed that accident and emergency patients be seen by practitioners of at least registrar status.

Furthermore, he has said that hospitals should achieve this standard of care by reallocating their resources rather than by seeking additional funding. Presumably the 'reallocation' of resources would be by reviewing the rostering of the existing registrars.

However, the Lyell McEwin Hospital has grown from a community hospital to something closer to the classical public hospital model by the grafting on of a public casualty section and public beds. However, it has never had the pyramidal hierarchy of registrars, junior specialists, senior specialists, and so on which characterise the large teaching hospitals. Admittedly, there are some senior practitioners employed by the casualty department to work principally during the daylight hours, but the hospital certainly does not have the resources to permit senior supervision of casualty work around the clock, and the casualty department is often manned only by doctors who are inexperienced and through no fault of their own are not able to give the sort of care that the Minister is concerned to see.

In view of the Minister's obvious dedication to patient care and in view of the fact that the Lyell McEwin does not have sufficient resources to allocate in attempting to meet the Minister's direction on this matter, will the Minister consider allocating additional funds to ensure that the Lyell McEwin Hospital casualty service will always be supervised by a person of senior medical status?

The Hon. J.R. CORNWALL: First, let me make clear that I have allocated already additional funds. An additional $112 000 was allocated recently for the employment of additional senior medical staff in the accident and emergency section of the Lyell McEwin Hospital. Let me correct something that the honourable member said. He said that I had issued a direction, or words to that effect, that patients were to be seen by doctors of at least registrar status. The guideline in that respect more specifically was that any patient presenting with severe chest pain was to be seen by a doctor of at least registrar status within 15 minutes. That was quite a specific direction.

With regard to reallocation of resources, the simple fact is that for very many years (and this is a tradition I think in the teaching hospitals) the accident and emergency departments have always been seen as something of a Cinderella area, an area which in many respects doctors saw as part of their essential training at the intern and resident level and something which they aspired to go above and beyond, if one likes, or to go out in the wide world of general practice. We are making very clear that, as a Government and as a Health Commission, we want to see that position change.

There is a recommendation in the Sax Report, which I endorse that, by and large, this can be done by a reallocation of existing hospital budgets. I have said before, and I repeat, that I have not the slightest doubt that the hospitals will come back to us and say that they cannot do it within existing budgets: they will need more resources. That will be a matter for sensible negotiation as those claims are made. However, let me repeat that we have already allocated

an extra $112 000 for the employment of additional senior medical staff at Lyell McEwin Hospital.

We have already put several things in train to upgrade the management at Lyell McEwin Hospital, both in the lay or administration sense and in the medical sense. We have given to each hospital a specific set of recommendations which were prepared as an adjunct to the Sax Report by Dr Ian Brand, of the Preston and Northcote Community Hospital, and we have asked that they react positively and quickly to those recommendations in each of the major hospitals.

CASINO INQUIRY

The Hon. K.T. GRIFFIN: I asked the Attorney-General a question on 29 November in relation to the casino inquiry. Has he an answer to that question?

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

1. The Government is currently examining the remarks made by the Superintendent of Licensed Premises. If it proves the case that the Casino Act is defective, then the Government will take whatever action is necessary to remedy it.
2. No.
3. The advice of the Crown Solicitor has been sought.

FEMALE APPRENTICES

The Hon. ANNE LEVY: I seek leave to make a brief explanation before directing a question to the Attorney-General on the question of female apprentices.

Leave granted.

The Hon. ANNE LEVY: Briefly, I asked a question on this topic in August and received a reply on 18 October. I asked a supplementary question on that date and received a reply last week. The reply I received indicated that the Apprentice Review Committee has, as its first term of reference, to review current Government recruitment and selection procedures and advise whether improvements can be made. The reply indicated that, in accordance with this term of reference, the committee had agreed that an extensive survey of recruitment and selection procedures used in the South Australian Public Service should be undertaken and that the survey would cover not only Government departments but also statutory authorities employing apprentices. It also indicated that the survey would be completed by the end of November 1983. As we have now passed the end of November 1983, I wonder whether the Leader of the House could determine whether that survey is complete and, if so, whether it would be possible to have copies made available to me and, presumably, anyone else in the Parliament who is interested in the matter.

The Hon. C.J. SUMNER: I will obtain that information and bring back a reply.

BREAST SURGERY

The Hon. R.J. RITSON: I seek leave to make an explanation of moderate complexity before asking the Minister of Health a question on breast surgery.

Leave granted.

The Hon. R.J. RITSON: Last week in this Chamber the Minister of Health, in answer to a question by Miss Levy, made a number of moderate and reasonable statements, but was moved to say amongst them that he felt that members on this side had little regard for the possible implications of over-servicing and, in particular, the possible gross abuse of patients in the central northern region. During the explanation that preceded that question, the Hon. Miss Levy, in referring to the operation of mastectomy, suggested that they were unfortunately being done for 'trivial and I would suggest unnecessary reasons'. The answer to those matters lay in the Sax Report. It is important that I have an opportunity to point out what is in the Sax Report in order to explain my question.

First, the Hon. Miss Levy is quite wrong in believing that mastectomies are done only for cancer. There are four types of mastectomy.

The Hon. Anne Levy: I said 'mainly'.

The Hon. R.J. RITSON: Just listen. Not necessarily 'mainly', depending on which criteria one uses.

The Hon. Anne Levy: I said 'mainly'.

The ACTING PRESIDENT (Hon. C.M. Hill): Order! The honourable member has been given leave. I hope he will be brief and to the point.

The Hon. R.J. RITSON: There are four types of mastectomy: first, a radical mastectomy, taking the whole breast, and the glands of the armpit; secondly, a simple mastectomy, taking the whole breast; thirdly, a partial mastectomy, taking a quadrant of the breast; and, fourthly, a subcutaneous mastectomy, taking the whole breast substance and replacing it with a prosthesis, but not taking the skin or nipple. The Sax Report, using the word 'mastectomy', gathered its data from medical fund records and hospital service records and allocated some item number or combination of item numbers (each type of mastectomy has its own item number) according to the post code of the address of the residence of the person. Many people from the Elizabeth area come to the city to gain entree to public hospitals. We do not know in the first instance whether the procedures were done in the Elizabeth area or in other hospitals.

What we do know is that immediately following the publication of those figures an investigation of the pathology reports on specimens received by the I.M.V.S. in the central northern region was made on every whole breast removed. In 100 per cent of cases, the proven diagnosis was cancer. That investigation was done weeks ago, and if the Hon. Miss Levy had done her homework she would have discovered that. The crucial thing is that the data base for the figures—

The Hon. J.R. Cornwall: Could you give us some more detail on that? I would like to know where the data is available from.

The Hon. R.J. RITSON: Which data?

The Hon. J.R. Cornwall: You said that there has been a 100 per cent audit.

The Hon. R.J. RITSON: The Minister should go through the data of the Institute of Medical and Veterinary Science at the Lyell McEwin Hospital, and look at their pathology reports, as well as talk to the administrator. I am sure that it has been done. There have been no—

The ACTING PRESIDENT: Order! The honourable member must keep to his explanation.

The Hon. R.J. RITSON: I was until I was interrupted and side-tracked, Sir. First of all, that has been done, and, secondly, in his report Dr Sax states quite categorically that there was no evidence of the 'bad' type of 'indicated/non-indicated' type of over-servicing. There are some matters that Miss Levy should take into account. It is difficult to ascertain from the report whether the percentage of mastectomies relates to cases per 100 000 of the population or whether it relates to per 100 000 females in the population. Certainly, the details given on the graph at page 48 of the report relating to tonsillectomy, appendectomy, Caesarian section, hysterectomy and cholecystectomy operations relate to a percentage per 100 000 of the whole population rather than female population. But, there are distortions. For

instance, at Elizabeth there may be a higher percentage of female population than in other areas.

The Hon. Anne Levy: What—72 per cent more females in Elizabeth? You are joking!

The Hon. R.J. RITSON: Out of a series of 63 cases. If one divided Elizabeth by the Philip Highway, the Hon. Miss Levy would know that the figures relating to each side of Elizabeth as divided would be different. The smaller the area the more distorted the figures. On those figures, if over the whole State 490 mastectomies were predicted—whatever 'mastectomies' means in terms of this report—490 were performed. Elizabeth appeared at the top of the report: it does not mean that people were operated on out there. Dr Sax says that there is no evidence of the bad type of over-servicing; that is something being done which was not indicated. Because of that, and because of Dr Sax's careful disclaimer about the limitation of the figures, we on this side of the Chamber felt that it was a matter for people interested especially in epidemiology of disease to continue to look at. We saw no reason for concern, and no reason to disagree with Dr Sax's opinion that there was no evidence of 'indicated/non-indicated', type of abuse in that area.

The Hon. C.J. SUMNER: On a point of order, Sir. The honourable member has just expounded the opinions of the Opposition on a whole range of topics which were not factual matters relating to the question. Whilst I realise that some flexibility is given in this place, I really think that the honourable member was making a welter of the leave given to explain his question.

The Hon. R.J. RITSON: Given Dr Sax's statement that there is no evidence of this bad type of over-servicing, given also that that review of cases has been carried out at the Lyell McEwin Hospital, and having regard for the various defects and limitations of the data, will the Minister withdraw his allegation that there is possible gross abuse of patients in this region, and will he advise his colleague Miss Levy to do the same?

The Hon. J.R. CORNWALL: That really was an amazing diatribe. Last week I brought in a very considered response.

The Hon. R.J. Ritson: Until you got to the gross abuse.

The Hon. J.R. CORNWALL: That was until Opposition members abused Standing Orders and shouted and screamed at me across the Chamber when I was trying to reply in a very responsible way to an extremely important question that had been asked by the Hon. Ms Levy. I expressed amazement in response to that myriad of interjections. But, despite the fact that the Sax Report had been tabled some months ago, there was so little concern or ability on the other side that not one question was asked about possible over-servicing. The honourable member should know that those figures were raw figures, in the sense that they were not taken from tissue audits or audit reviews.

The Hon. R.J. Ritson: They were taken from health funds accounts.

The Hon. J.R. CORNWALL: I know damned well what they were taken from. I did not interrupt when the honourable member went on at great and boring length, because I thought that it was a matter of considerable importance. At the Lyell McEwin Hospital they were taken from hospital records. For privately insured patients who had their surgery elsewhere (which quite clearly could have been in local private hospitals or in a myriad of community hospitals around the metropolitan area), they were taken from the health benefit numbers. Different forms of mastectomy that the honourable member described have different numbers.

The Sax figures really show several important things. First, the record-keeping is quite clearly inadequate and, secondly, people may be playing with figures. Of course, we do not know about benefit schedule numbers.

As I said, we do not have in place adequate audit mechanisms even to know whether we are getting pathology reports in every case.

The Hon. R.J. Ritson: The hospital itself did it.

The Hon. J.R. CORNWALL: The honourable member talked very loosely about a review. To the best of my knowledge, there has been no official review. In fact, I asked for a response from the Health Commission many weeks ago. What that investigation showed to me more clearly than anything else was that we did not at that time have, and had not ever had, an adequate mechanism in place to be able to produce such figures.

As a result of that, I asked that a senior academic surgeon—and the honourable member will remember, if he casts his mind back to last week, that that was the thrust of my answer—to put in place and supervise a tissue audit review. The further examination of the crude figures in the Sax Report showed that we do not have the mechanism in place.

The Hon. R.J. Ritson interjecting:

The Hon. J.R. CORNWALL: For goodness sake, man, I have asked the Chairman of the Health Commission, the Executive Director of the Central Sector and just about everyone else that knows about this in the Commission to please produce a response to this matter. The one devastating thing that came out of it all was that it was clear that we did not have in place mechanisms whereby we could call up the audits from all hospitals.

Dr Ritson above all should know that, in terms of this quality assurance and patient care review issue, the Sax Report made the point (from memory) that only three private hospitals were even able to respond. So, to suggest that we have adequate tissue audits or patient care review mechanisms in place, particularly outside the hospital system, is absolute nonsense. It does the honourable member no credit at all and, in fact, shows that he appears to be grossly ignorant in this area.

The Hon. R.J. Ritson: You haven't got the resources to do it properly.

The Hon. J.R. CORNWALL: The Hon. Dr Ritson may well be referring to the Lyell McEwin Hospital, but to suggest that we can undertake tissue audit reports on all those who have mastectomies, whether at St Andrews Hospital, Calvary Hospital, Memorial Hospital, or any one of a number of private or community hospitals, is patently absurd, stupid and foolish. It does the honourable member no credit at all to even suggest that.

KEITH SHERIDAN INSTITUTE

The Hon. DIANA LAIDLAW: I seek leave to make a brief explanation before asking the Attorney-General a question about the Keith Sheridan Institute at North Adelaide.

Leave granted.

The Hon. DIANA LAIDLAW: As the Attorney-General will be aware, the late Miss Anne Sheridan bequeathed her house at 50 MacKinnon Parade, North Adelaide, to the Institutes Association of South Australia 'for the use and benefit of the residents in the neighbourhood as a public institute'. After her death in 1922, the building was used as a community facility for many years by residents in the area. In recent times, however, it has been let by the trustees to the Adelaide Theatre Group. Currently, the building is listed by the National Trust, but is not on the State or the City of Adelaide heritage list and is in what could be called poor condition.

I understand that the fact that the requirements of Miss Sheridan's will have not been complied with has been brought to the attention of the Attorney-General, who in response has asked the Supreme Court to transfer the property to the

Libraries Board, the body responsible for administering the many institutes and institute libraries in this State. I trust that the Attorney would be aware that a number of other options for the future use of this property are being canvassed, including the following:

1. Sale of the property, with the proceeds being given to the North Adelaide Institute in Tynte Street. This would involve the possible demolition of the building and the development of the land for other purposes.

2. Transfer of the property to the North Adelaide Institute, which would administer the property for the benefit of neighbouring residents.

3. This is the option that I understand the trustees favour, which would involve continuing the current use of the building as a low-cost theatre and training centre, subsidised by either the South Australian Housing Trust (as in the case of the Box Factory) or the Festival Centre Trust.

Is it correct that the Attorney-General has started proceedings to transfer the property to the Libraries Board and, if so, does this course of action preclude each or all of the other options that I have outlined from being pursued as alternative options for the site?

The Hon. C.J. SUMNER: The property was probably not being used in accordance with the terms of the trust, and that was drawn to my attention as Attorney-General, as I have general responsibility to ensure that trusts are carried out in the manner intended by the person who created the trust. There was some doubt as to whether that was occurring, so proceedings were taken in the Supreme Court to try to resolve the matter. Although in the proceedings it was claimed that the property could be transferred to the Libraries Board (as I recollect), that is not the only course of action open to the Supreme Court.

Since the proceedings were instituted, there have been discussions between the Crown Law Office, interested parties (which the honourable member mentioned) and the judge of the Supreme Court who is concerned with the matter. I do not believe that the issue has been resolved satisfactorily, but discussions are proceeding.

MEDICARE

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

Leave granted.

The Hon. L.H. DAVIS: The explanatory pamphlet on the operation of Medicare received by all South Australians, under the heading 'What if you want your own doctor in hospital or want to use a private hospital?' states:

> For instance, if you prefer treatment by your own doctor in a public hospital or shared ward accommodation in a private hospital, you will be able to insure your family with a private fund for about $5 per week. (Single rates will be half this amount.)

However, in the *Age* on 3 December the President of the Victorian Private Hospitals Association said that in Victoria the health funds have indicated that the actual cost of basic private insurance will be $6 per week. I also understand that in other States the basic cost of private health insurance is likely to exceed the figure that was claimed in the Medicare pamphlet. Clearly, it is in the interests of the private health funds to keep down the costs of basic health insurance as much as possible so that they can retain as many as possible of their existing members. Will the Minister comment on the prospect—indeed, the widely held view—that the likely weekly cost of basic private health insurance in South Australia, following the introduction of Medicare on 1 February 1984, is also going to exceed $5? Is he in a position to advise the Council what will be the likely cost of basic private health insurance in South Australia?

The Hon. J.R. CORNWALL: I made it clear to the Council some time ago that I was not in a position to give an exact figure. Those figures are a matter for negotiation between the private health insurance funds and the Commonwealth Government under the Federal legislation. They do not involve me in any direct way at all. I have never tried to hazard any sort of estimate in the area at all. I am aware that the Medicare pamphlet said 'about $5'. Apparently, the Hon. Mr Davis, as is his wont in this and many other matters in which he delves into trivia, wants to take great issue with us on whether it might be $5.25, $5.56 or anything else. I hope that it will be as cheap as possible, but I am not in a position to speculate one way or the other, and it would be not only irresponsible but quite uncharacteristically irresponsible of me to hazard any sort of a guess at this time. It is a matter between the funds, the Federal Minister for Health (Dr Blewett) and the Commonwealth department.

REPLIES TO QUESTIONS

The Hon. R.I. LUCAS: I desire to ask the Attorney-General a question about replies to questions.

Leave granted.

The Hon. R.I. LUCAS: As the Attorney knows, unlike members in another place, members in this Council do not have access to Estimates Committees, which are established with respect to the Appropriation Bill and in which they are able to ask a series of questions on Government expenditure and policy. The only opportunity for members in this Council, as I have been advised by my colleagues, is to direct a series of questions in Committee on the Appropriation Bill when it comes into this Chamber. About six weeks ago, on 26 October, I directed about 40 questions to the Attorney on a range of matters covering Government policy and departmental expenditure.

The Attorney indicated the following day that he did not immediately have the answers to the questions. I was prepared to accept that explanation although I am told that the Attorney can have departmental officers available in this Chamber to provide him with answers. However, we did not go through that procedure. The Attorney indicated that I would be receiving some replies in the near future. I can accept that the answers to some of those 40 questions may not be found in six weeks, but clearly there are a number of questions to which any Government ought to be able to find replies.

As we now have only one remaining sitting day prior to the end of this session, is there any likelihood that the Attorney, on behalf of the Government, will respond to the questions that I asked of him six weeks ago. If he is not, what is his best estimate as to when I might receive any response at all to the questions that I asked during the Appropriation Bill debate some six weeks ago.

The Hon. C.J. SUMNER: It is most unlikely that the honourable member will receive answers to his questions before the Parliament rises. I can recall asking a series of questions of the then Attorney-General, Mr Griffin, during my period in Opposition and having to wait four or five months for replies.

The Hon. K.T. Griffin: Rubbish!

The Hon. C.J. SUMNER: I could get the material for the honourable member.

The Hon. R.I. Lucas: Do you think that is acceptable?

The Hon. C.J. SUMNER: No, it is totally unacceptable.

The Hon. R.I. Lucas: Why do it again—be a statesman.

The Hon. C.J. SUMNER: The Hon. Mr Griffin was not a statesman, that is quite right. The answers have to be supplied by Treasury officers. The matter was referred to Treasury officers who came to see me and said, 'Good God, do we have to answer all of these?' and I said, 'Yes, I think you should answer them: try to answer them', and that is what they are doing. Unfortunately, getting answers to those questions takes time. I can see that some of the answers could have been given straight away.

The Hon. R.I. Lucas: Why not give them?

The Hon. C.J. SUMNER: The honourable member did not ask them during the Committee stages of the debate.

The Hon. R.I. Lucas: I asked them at the second reading stage so that the Attorney could answer them during the Committee stage of the debate.

The Hon. C.J. SUMNER: I appreciate that.

The Hon. K.T. Griffin: You haven't answered all the questions.

The PRESIDENT: Order! Let us get the answer.

The Hon. C.J. SUMNER: Some of the questions asked could have been answered in the Chamber, but others require quite a deal of research by Treasury officers. There are 40 questions, and all I can say is that they have been referred to Treasury to co-ordinate the replies. I will again draw this matter to the attention of the Under Treasurer and will, if possible, provide the honourable member with a reply by letter during the recess. However, I can indicate to him that I had a similar experience when I had to wait much longer than six weeks to receive answers from Treasury.

REPLIES TO QUESTIONS

The Hon. C.J. SUMNER: I seek leave to incorporate in *Hansard* without my reading them a number of answers to questions that have been asked previously during the session.

The Hon. C.M. Hill: I hope that all honourable members involved wanted to seek these replies.

The PRESIDENT: Order! The honourable Attorney has sought leave and if the honourable Mr Hill wants to deny him leave he should say so.

Leave granted.

DRUGS

In reply to the **Hon. R.C. DeGARIS** (8 November).

The Hon. C.J. SUMNER: At the date of the last National Prison Census, 30 June 1982, the number of persons in prison whose major offence or charge was a drug offence was as follows:

	Number	Percentage of Prison Population
Possession or use of drugs	12	1.5
Trafficking of drugs	33	4.1
Manufacturer of drugs	17	2.1
Total	62	7.7

These figures apply to the most serious offence or charge. They do not relate to other offences committed whose motivation may have been to support a drug habit.

A.L.P. POLICY DOCUMENT

In reply to the **Hon. J.C. BURDETT** (17 November).

The Hon. C.J. SUMNER: The policy document 'South Australia's Economic Future Stage I' was prepared in May 1982 and up to the election in November 1982 it was the subject of wide public debate. Policy initiatives based on the document were announced in the policy speech on 25 October 1982 and are being implemented by the Government. The economic strategy details which were outlined in the document have been discussed in the Parliament, in the business community, in the union movement, in the media and in the wider community. The Government will continue to implement and publicise its strategy to assist the economic recovery of South Australia.

RED MEAT SALES

In reply to the **Hon. I. GILFILLAN** (15 November).

The Hon. C.J. SUMNER: The Department of Labour recently completed an inquiry into shop trading hours. The purpose of the inquiry was to seek the views of interested groups about the machinery by which shop trading hours should be regulated. In the course of that inquiry the question of extending shop trading hours only arose on an ancillary matter. The inquiry undertaken by the Department was not in any sense a formal inquiry. Rather, it involved a series of informal interviews with interested parties. The views recorded were those of individuals associated with various organisations and their comments do not necessarily represent the official policy of respective organisations. The inquiry has, however, been useful in providing some background to the Government's deliberations on this matter. Given the purpose of the inquiry and the informal nature of the interviews, it is not appropriate to release the full report.

PREFERENCE TO UNIONISTS

In reply to the **Hon. M.B. CAMERON** (13 September).

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

1. The answer to the first question is 'No'. The answer to the second question is that this is unnecessary as the position is clear and does not require a Crown Law opinion.

2. The arrangement with the Federal Government is that where union membership would normally apply, then that principle would be applied to employment generation programmes. It has also been agreed that this is a matter to be administered by the States.

3. There is no compulsory unionism operating in South Australia and there never has been. The Government's policy of preference to unionists will continue to apply to employment generation programmes. No discussions were held with the former Government on the question of guidelines concerning union membership.

EXPLOITATION OF SCHOOLCHILDREN

In reply to the **Hon. R.J. RITSON** (20 October).

The Hon. C.J. SUMNER: Officers of the Department of Labour have been aware of the operations of the business trading as 'Sincerity Products' since November 1982. At that time an investigation was carried out into the operations of that business. It was found that, although young persons employed selling stationery, etc., on a door-to-door basis were covered by the scope of the Retail Outdoor Salespersons Award, the award did not prescribe rates for any junior under the age of 18 years. Because the young persons employed by this business were all under that age, no action could be taken on their behalf.

In August of this year the Industrial Officer of the Shop Distributive and Allied Employees Association (which is a

party to the award) became aware of this situation. That Association lodged an application in the Industrial Commission seeking to have additional junior rates inserted in the award. At a hearing before the Industrial Commission on Friday 25 November 1983 rates of pay for juniors of all ages were inserted into the Retail Outdoor Salespersons Award. These rates operate from Monday 28 November 1983. The exact details of the rates are not yet known, but an award amendment setting out the new rates will be published in the *Industrial Gazette* within a few weeks.

AIR NAIL GUNS

In reply to the **Hon. R.J. RITSON** (16 November).

The Hon. C.J. SUMNER: Officers of the Department of Labour had been concerned with the operation of air-powered nail guns, and approximately eight years ago a concerted effort was made concerning their safety features. The Department is unaware of any air-powered nail guns currently in use or available on the market that are not fitted with a safety assembly to prevent accidental discharge. The safety assembly means that it is necessary to apply these guns firmly to a surface before they can be fired, the level of protection being similar to that specified for explosive power tools. Whilst there are no specific regulations covering the operation of air-powered nail guns, there has been a low incidence of injuries. As such, the necessary level of safety is being provided and regulations to cover these tools do not appear to be warranted at present.

AUSTRALIAN DANCE THEATRE

In reply to the **Hon. L.H. DAVIS** (15 November).

The Hon. C.J. SUMNER: The Department for the Arts is examining various funding options with officers of the Federal Government's arts funding body, the Australia Council, to enable the Australian Dance Theatre to meet its commitments for 1984. The Government is determined that the Australian Dance Theatre fully participates in the 1984 festival in accord with the planned programme.

Yes. The Premier has formally written to the Premier of Victoria, Mr Cain, reminding him of the terms of the agreement between the two States and reiterating points made at a meeting with him earlier this month, which Mr Cain had indicated he would respond to. Also officers of the Department for the Arts are in communication with their counterparts in the Victorian Ministery for the Arts on this issue.

Discussions have been held with the Federal Minister responsible for the Arts and his officers. Also discussions are continuing with the Australia Council. It is understood that the Federal Minister of Home Affairs and Environment is discussing the question of funding for the Australian Dance Theatre with the Chairman of the Australia Council.

FARMERS' TRUCKS

In reply to the **Hon. H.P.K. DUNN** (27 October).

The Hon. C.J. SUMNER: The on-road inspection and, if appropriate, the defecting of vehicles is normally carried out by police officers. Minor defects are referred for clearance at local police stations, while the more serious defects require inspection by inspectors of the Central Inspection Authority, Department of Transport.

In addition to the continuing routine surveillance of vehicles in normal service, the police have mounted some 'campaigns' where it was suspected that considerable numbers of defective vehicles are operating. This has been done with log haulage trucks in the South-East and with grain haulage trucks on Eyre Peninsula, and many vehicles have been found to be defective.

While close liaison has been developed between the Central Inspection Authority and the police in respect of these campaigns, this approach does inevitably cause inconvenience to some operators. The Government is in the process of forming a Commercial Transport Advisory Committee, which will comprise representatives of Government and industry, to report to the Minister of Transport on issues related to the heavy vehicle industry. The question of establishing arrangements whereby operators can voluntarily present their vehicles for inspection in advance of harvest time will be referred to the committee for consideration.

S.G.I.C.

In reply to the **Hon. M.B. CAMERON** (22 September).

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

1. No guidelines have been given to the Commission concerning advertising. In terms of section 12 (1) *(b)* of the Commission's Act, the Commission transacts business (including advertising) according to the manner in which other insurance offices conduct their business. It is worth noting that since the beginning of 1982-83 the Commission has incurred expenditure on extensive road safety television campaigns, the funding of a continuing management scholarship for the disabled, provision of a specially equipped bus to transport disabled persons, the 'tunnel vision' and 'roadwork' child safety programmes, the allocation of more than $90 000 to upgrade road safety education in schools, and $100 000 to assist in a major television campaign directed at alcohol and driving.

2. S.G.I.C.'s competitors do not release details of commission rates or advertising expenditure, and in terms of section 12 (1) *(b)* of the Commission's Act the Commission is not required to make those figures available. However, as a long-standing practice, questions relating to such information are answered in terms of a percentage of total premium income. On that basis, advertising expenditure expressed as a percentage of total premium income was as follows:

1981-82—0.74 per cent.
1982-83—0.55 per cent.

The estimate for 1983-84 is less than one-half of 1 per cent of total premium income.

3. See 2. Percentages are:

1981-82—32 per cent of total advertising.
1982-83—76 per cent of total advertising.

The percentage of the advertising budget spent in 1983-84 on television and radio will be determined as the year progresses.

The Hon. J.R. CORNWALL: In view of the great co-operation and bipartisan approach to these matters that is being exhibited this morning, the goodwill, friendship and so forth—and I wish you, Sir, the compliments of the season also—I seek leave to have incorporated in *Hansard* without my reading them a number of answers to questions that have been asked previously during Question Time.

Leave granted.

SOUTH AUSTRALIAN NATIONAL FOOTBALL LEAGUE RULES

In reply to the **Hon. R.I. LUCAS** (16 November).

The Hon. J.R. CORNWALL: I referred the two specific questions asked by the honourable member to my colleague,

the Minister of Recreation and Sport, who has advised me as follows: the South Australian Government has had no discussions on transfer rules with the South Australian National Football League; and, the State Government is not considering introducing any legislation on transfer rules.

WASTE MANAGEMENT COMMISSION

In reply to the **Hon. K.T. GRIFFIN** (18 October).

The Hon. J.R. CORNWALL: The first question asked by the honourable member requested my colleague the Minister of Local Government to investigate problems within the Waste Management Commission in respect to both applications. This matter refers to two separate applications for licence for a depot, one of which was submitted in the name of Re-Use-It Pty Ltd, of which Mr W.S. Chernabaeff is a proprietor, and the other in the names of W.S. and D.L. Chernabaeff.

The application by Re-Use-It is in respect of premises at the corner of South Terrace and Wingfield Road. A licence was granted by the Commission to the company on 23 September 1982 to operate a resource recovery and transfer depot. Since that time the company has made no attempt to establish the depot in accordance with the plans approved by the Enfield council and the Waste Management Commission. It is understood that, as the company did not proceed with the approved development within 12 months of receiving the Enfield council's consent, that consent has lapsed and a new development application is required.

A very detailed reply, setting down the Waste Management Commission's problems with respect to this particular company and its depot, was provided to the honourable member on 2 June 1983. As the company is being prosecuted for alleged breaches of the South Australian Waste Management Commission Act, it is considered to be inappropriate to comment further on the actions of the company or the Commission until the evidence is heard by the court.

The application by W.S. and D.L. Chernabaeff is in respect of premises at part section 3037, hundred of Munno Para, Pellew Road, Penfield, in the district of the District Council of Munno Para. Although the application is dated 24 July 1980 and was received in the Commission's office on 6 August 1980, the Commission held up consideration of the application because of previous prosecutions for unsanitary conditions laid by the Munno Para Local Board of Health, under the Health Act, against the proprietors and the Commission's doubt about whether the depot had approval of council and was licensed in accordance with the council's by-law No. XII relating to rubbish tips. Furthermore, at the time of lodgement of the application, the depot was not in use.

Information was sought by the Commission from the proprietors by way of letters dated 16 June 1981, 12 March 1982 and 24 February 1983, to which replies were not received. Eventually, some information was supplied through Brian Turner and Associates Pty Ltd, city and regional planners, of 17 Hutt Street, Adelaide, acting on behalf of W.S. & D.L. Chernabaeff, on 7 September. This information was submitted to the Commission at its meeting held on 29 September 1983.

As it appears that the applicants wish to conflict with the purported approvals given by other authorities, the Commission will not consider the application until confirmation of other authorities' approvals has been received. Due to the poor standard of performance of this operator and lack of demonstrated ability and willingness to carry out what is submitted for and is given approval, the Waste Management Commission intends to obtain whatever information it considers necessary so as to be satisfied that:

(a) the granting of the licence would not prejudice proper waste management in the State; and

(b) the exercise of rights conferred by the licence would not, in the circumstances of the case, be likely to result in:

(i) a nuisance or offensive conditions;

(ii) conditions injurious to health or safety; or

(iii) damage to the environment. . . .

as required of it by the provisions of the South Australian Waste Management Commission Act.

As the Chernabaeffs have never personally replied to any correspondence from the Commission, and when others have replied on their behalf it has been only after long delays, Mr Chernabaeff's allegation that they are the victims of bureaucratic bungling and unnecessary delay is difficult to understand. Furthermore, Mr Chernabaeff is not helping towards a harmonious resolution of his licence application by the abusive and threatening attitude which he adopted during recent conversations with Commission staff.

In response to the second question requesting the Minister of Local Government to give a direction to the Commission under section 8 (3) of its Act, compelling it to give top priority, to the application of Mr and Mrs Chernabaeff in view off past delays, the short answer is 'No', as it would be setting a dangerous precedent for my colleague to direct the Commission to consider any application for a licence when it does not have sufficient or adequate information before it to determine the application in accordance with the provisions of the Act. I am assured that when the information required by the Commission is obtained, it will proceed to consider the Chernabaeffs' application with the same priority accorded all other current licence applications.

Finally, in response to the last question, the only obstacle to proper consideration of the licence application is the lack of information, some of which is required from the applicant, which would enable the Commission to carry out its statutory responsibilities in regard to granting of a licence.

MARLA STORE

In reply to the **Hon. H.P.K. DUNN** (9 November).

The Hon. J.R. CORNWALL: My colleague the Minister of Lands has informed me that the town of Marla was established to provide the major road user facility on the Stuart Highway, north of Coober Pedy. The plan for the town created five retail/commercial blocks in addition to the hotel/motel site, and these have been offered to the public for purchase, without result.

At present, the Iwantja community has been offered two of these. Their purchase is dependent upon a feasibility study now being carried out by their consultants. The offer is on the basis that there will be no subsidies involved which are not available to any other purchaser. The reserve price is being insisted upon for the land and full connection costs are required for power, water and sewer. The situation at Marla should be compared with the other new major facility at Glendambo (which replaces Kingoonya), where there are three facilities in competition.

R.A.H. BURNS UNIT

In reply to the **Hon. R.J. RITSON** (15 November).

The Hon. J.R. CORNWALL: The answers to the two specific questions asked by the honourable member are as follows:

1. No.

2. There is no discrepancy between the number of beds physically reserved for burns patients and the number stated in the Sax Report. On page 158 of the Sax Report it is stated that:

South Australia has two burn units, the adult unit comprising eight beds at the Royal Adelaide Hospital and a paediatric unit at the Adelaide Children's Hospital of 15 beds with capability of expansion to 20 beds. At present, the 15-bed unit provides both burn and plastic surgery reconstruction adequately.

With the co-operation of administration and nursing staff, a count of beds available in both these units confirms that at the Adelaide Children's Hospital there are 15 beds in a ward designated 'burns and plastic surgery'. Acute burns patients have priority in this ward. Should it become necessary to accommodate 15 burns patients, plastic surgery cases are transferred to other wards. At the Royal Adelaide Hospital there are eight adult beds in the burns unit.

On 22 November 1983 when the count of beds in burns units was performed, there were five acute cases being treated in the Adelaide Children's Hospital and all eight beds in the Royal Adelaide Hospital were occupied.

O-BAHN

In reply to the **Hon. I. GILFILLAN** (18 October).

The Hon. FRANK BLEVINS: In response to the honourable member's question, the Minister of Transport has advised as follows:

1. The table below compares itemised estimates prepared as follows:

(a) 1979 estimate based on initial review.
(b) 1981 estimate based on preliminary design.
(c) Current estimate to completion (assuming completion to Tea Tree Plaza).

	1979 $m	1981 $m	1983 $m
Bridges	10.7	13.1	18.3
Alignment and track	5.4	14.8	23.3
Stops and depots	0.7	3.4	4.8
Utility service relocations	0.9	2.7	3.1
Private land acquisition	1.8	4.0	5.5
Landscaping	0.7	3.0	4.0
Bus fleet	18.9	15.0	22.8
Administration and design		7.5	5.8
Contingency	3.4	5.0	included above
Totals	42.5	68.5	87.6
Adjustment for inflationary effect to 1983 values	71.8	89.1	87.6

The principle factors which resulted in an increase in the estimate between 1979 and 1981 were:

1. Initial underestimate of track costs.
2. Design change to low level alignment at city end.
3. Upgrading of landscaping standards.
4. Upgrading of bus stop design to improve system connections.

2. *(a)* Options for combinations of conventional busway with O-Bahn track were presented to Cabinet following preliminary design in 1981. Advice was given on factors affecting a decision. Options and advice were prepared by the North-east Busway Project Team.

(b) The possible use of conventional paved roadway in lieu of O-Bahn track beyond Darley Road was suggested by the project team during the review completed in January 1983. A decision on this matter will be made following a review of the outer sector in 1984.

(c) The principal reasons favouring the use of O-Bahn track for the whole route are based on the achievement of a uniform standard of service and operation throughout the busway. The reasons for considering the use of conventional pavement in the outer sector relate principally to economy of construction.

3. No signalling is proposed except at connections to the arterial road system.

4. The proposed city route for buses using the busway is as follows:

Hackney Road
Dequetteville Terrace
Rundle Road
East Terrace
Grenfell/Currie Streets.

Stops will be located adjacent to the kerb in Grenfell and Currie Streets and a terminal is proposed on the north-east corner of Currie Street and Clarendon Street, subject to City Council development approval and negotiations for the required land.

VEGETATION CLEARANCE

Adjourned debate on motion of Hon. M.B. Cameron:

That regulations under the Planning Act, 1982, concerning vegetation clearance, made on 12 May 1983, and laid on the table of this Council on 31 May 1983, be disallowed.

(Continued from 30 November. Page 2101.)

The Hon. H.P.K. DUNN: I do not oppose the matter as it stands, but we need to retain a certain amount of vegetation because every part of the community needs that. However, I do not believe that what we are doing at the moment and the method that the Government is using to attempt to retain the existing vegetation in a small contained area is the correct approach. The Government has said that areas that provide a habitat for specific and rare species of wildlife and vegetation should be retained. I do not disagree with that. A regulation has been promulgated to stop the clearing of country in a specific area, and it is mainly on the periphery of most of the agricultural area of this State.

The Government wants to retain rare wildlife and vegetation across the State where micro-climates provide a habitat for such wildlife and vegetation. It is quite obvious that that will not be achieved under the present regulation. Applicants under the legislation are being forced to retain regulation vegetation not because it is rare but because the Government has decided that it wants a larger area of the State retained for national parks. Those national parks are created at personal cost to the people who own the land in question.

If the State wants more national parks and greater areas of land for the retention of specific species of wildlife and vegetation, setting aside such areas on the periphery of what are basically wheat growing areas or light rainfall areas will not achieve that. Only one type of vegetation and one type of wildlife inhabits those areas. In the past, South Australia was heavily cleared. We have not retained enough vegetation in high rainfall, fertile areas or in cooler parts of the State (apart from Kangaroo Island). At the moment, there are

some areas where landholders have purchased land with the intention of clearing it and making it more viable but, at the moment, they cannot do that. As a matter of fact, the average rate of forced retention is about 50 per cent. That makes a number of landholders very suspect in relation to their viability and it places a great burden on some of them.

The Government has done very little to encourage reafforestation or revegetation in high rainfall areas and in areas with cooler climates. I believe that that is most important. I do not believe that, because a great portion of the Mid North and Yorke Peninsula has been cleared, there is no further responsibility. We should ensure that persons living in outback areas are not disadvantaged in any way because of their distance from Adelaide. Judgments have been made as to what should be retained. Who is making those judgments? It appears that the Department for Environment and Planning is making those judgments. There has been very little consultation with the Department of Agriculture, particularly the Soils Branch. It is quite amazing that that is the criterion used in relation to this question.

Because a group of people says that there is green vegetation or native vegetation in an area, the Department says it should be retained. This very aggressive attitude by the Department has led to alienation of the rural community, because it is feeling threatened. Should the Department continue in this manner, there will be a lot of animosity towards the Department of Environment and Planning, and that has already been indicated. If one carries that argument further, it appears to me that this has become an arm of Government to control land use and it signifies something that is quite hard to justify. Already we see controls being put into the wet lands of the South-East and, if the Department of Environment and Planning is to control rural holdings, then in the long run there will be a lot of animosity towards that Department, and I do not believe that it will achieve what it has set out to do, that is, to retain specific areas of the State for native vegetation.

Some previous speakers have spoken at some length on this, and they have all said that the State needs these areas. I would agree with that. The Liberal Party has a philosophy and it has set down its goals for the future. However, when it was in Government it did have a heritage agreement; it did provide for some relief for the farmer who in his own mind decided to retain a portion of land in its native state; and it did provide for relief of rents, rates and taxes and some help with fencing. I would like to spend a moment on fencing because, if we are to retain native vegetation, it is most important that we keep the introduced animals out of it. I can cite many cases in my own area where large tracts of native vegetation have been retained and not in any circumstances has it been knocked down or logged: it is in its native state.

What has happened is that we have allowed sheep into it, and those sheep graze it and stir up the flora of the area, which allows grasses to grow under trees. Once the grasses have established themselves, very soon trees will not germinate. Unfortunately, in all these regulations that have been provided (and I have had a look at a number of them), there have been areas of 500 square metres or more asked to be retained around fence lines, but they are not being fenced off. The Department is saying, 'Yes, you can graze your sheep,' and let me assure the Council that, if there is any introduction of fertilizer products into that area or, as I said, if the flora gets disturbed in the forest area, then that is the end of regeneration of the native species. Within 30 or 40 years that native vegetation looks nothing like it did prior to the introduction of stock.

Therefore, if those areas are to be retained, they must be fenced and, if they must be fenced, that is an enormous burden put on the landowner. I believe that the Government has to come to the party and help them out because the cost of fencing is quite bizarre. If one looks at some of the plans that have been sent by the Department to the landowners, one will see that very small areas for tillage have been taken out of vast tracts of scrub, and it will require a lot of fencing to get a little bit of land for the purpose. The philosophy of the Liberal Party is that the Department of Agriculture should first inspect an area to be cleared, and its Soils Branch should determine what is suitable for clearing.

On top of that, we are asking that 10 per cent be retained and, if more than that is required because of a specific species, animal or vegetation, the public should be prepared to pay for it to look after it in the correct manner. Anything over the 10 per cent we are suggesting will have to be fenced, and such fencing will be paid for by the people of this State. As well as that, our Party is saying that we encourage reafforestation of the areas denuded now of natural vegetation. That is probably the crux of the matter. If small trees can be provided at a minimal cost or free, landholders can then be encouraged to reafforestate those areas—is a most important aspect.

I reiterate that my greatest concern is that the new method of land control will lead to further controls on land use in this State, and that is something that we cannot afford at this stage. There is not a great deal of profitability, and there is much difficulty in rural producers today maintaining their viability. If further controls are put upon them, their business will be less viable. I agree with the disallowance of these regulations, although I am aware that we must have some vegetation control, but not to this extent.

The Hon. K.L. MILNE secured the adjournment of the debate.

SHOP TRADING HOURS ACT AMENDMENT BILL

Order of the Day, Private Business, No. 6.

The Hon. M.B. CAMERON (Leader of the Opposition): It is with deep regret that I move:

That Order of the Day No. 6 be discharged.

Motion carried.

The Hon. M.B. CAMERON: With the leave of the Council, I move:

That this Bill be withdrawn.

Motion carried.

STOCK DISEASES ACT AMENDMENT BILL

Second reading.

The Hon. M.B. CAMERON (Leader of the Opposition): I move:

That this Bill be now read a second time.

It was introduced by my colleague, the Hon. Ted Chapman, in another place in response to problems that have arisen particularly in the South-East of the State, concerning the movement of diseased sheep which puts at risk flocks on adjacent properties. The South-East is one of several districts that is sometimes affected with foot rot. At the moment there is a spread of this disease of relatively major proportions. One of the major problems in the South-East is that it is in immediate proximity to another State in which, in a number of areas, these same regulations do not apply. This is causing a considerable problem.

I am sure that honourable members would all be aware of the enormous costs and devastation that follow the outbreak of the disease in a flock of sheep. Footrot causes an

enormous loss of weight and value and in some cases death of the sheep that suffer the disease. The Hon. Dr Cornwall would know that that can have devastating effects on a person's farming enterprise.

In an effort to control and wherever possible to eliminate that disease, I support the proposal to amend the Stock Diseases Act, 1934, in order to not only provide penalties for the infringement of good management of livestock flocks, but also for the purpose of providing guidelines for the appropriate management of properties where livestock is kept.

Among other things, the Stock Diseases Act provides clear procedures that should be adopted when a disease has been identified in a flock. In the case of footrot (which has been the stimulus for the introduction of this Bill) the Act provides that the stock inspector of a district shall be notified when a disease is suspected or found to be prevalent in a flock of sheep. Section 19 of the Act provides:

(1) Every owner of diseased stock and every owner of stock which are suspected by the owner to be suffering from disease shall—

(A) within twenty-four hours from the time when the stock are discovered to be diseased or are suspected by the owner to be suffering from disease, notify, by the quickest practicable means, the nearest inspector who is an officer of the Department of Agriculture or the Chief Inspector at Adelaide that the stock are discovered to be suffering from disease, together with a description of the stock, the number thereof and the place where the stock are situated.

Other paragraphs of that section require the stockowner to adhere to certain procedures relating to control and confinement of the disease during the process of its clean-up or eradication. Upon notification of the disease, for example, the Inspector may, by using his or her discretion, advise adjoining landholders of the find, and this obviously could well assist adjoining landholders to better manage their stock and enable them to make every effort to ensure that stock which they have adjacent to properties on which footrot is identified are carefully checked or isolated if necessary.

However, there is no specific requirement under section 19 or any other section of the Stock Disease Act that insists that all neighbours adjacent to properties carrying diseased stock shall be notified at the time of the identification. In other words, such notification relies on the common sense and judgment of the inspector or other persons involved. Mr President, as you would be aware, this is not the same as the provisions that relate to the notification of lice in sheep. In the case of lice, it is necessary for the owner to notify his neighbours immediately. That is a requirement that is necessary.

I have had some experience with this measure myself. In fact, in the past three days I was notified voluntarily by a neighbour that his property is now subject to footrot. I would have been very angry indeed had I not been notified of that, because it is a very virulent disease requiring very careful control to ensure that it does not spread to an adjoining property. Unless the neighbouring owner is aware that the disease is present, stock could stray from one property to the next as often happens, and an owner would not necessarily take immediate action. If an owner is not aware that the disease exists, and if he does not take immediate action in regard to such straying stock, he could find that, because he had not been notified, footrot had been transferred to his property, not through his own negligence but because he had not been notified.

Further, one might pick up stray stock from one's neighbour while travelling stock along the road. If one knows that the disease exists on a neighbour's property, one certainly would not take the risk of travelling stock. So, I believe this is a most essential part of the Act. I am surprised that it was not put in the Act in the first place. I will be very surprised if it proves to be unacceptable to either the farming industry or the Government.

This Bill in part, proposes that such notification should be mandatory for the inspector so that he ensures all owners of properties abutting the property with diseased flocks are advised accordingly. I believe this is a common sense proposal and, as someone who has been involved in primary industry, I know that such a proposal would be strongly supported by everyone who has had experience with footrot, for they know the widespread damage it can do. The other purpose for introducing this Bill is to confine the movement of stock by vehicle only from a property where the disease is prevalent. In other words, we propose that the Bill should be amended to ensure that no diseased stock affected by footrot should be allowed to traverse on a public roadway without the specific permission of an authorised inspector of livestock.

I understand from the Minister that that requirement is already in the regulations, but there is some argument as to whether it is strong enough. That is something that I will be interested in having further discussions on. I intend to move an amendment which will enable the Minister (if further discussions are required) to proclaim this Bill in part, so that the two separate identifiable sections can be proclaimed one after the other, if that is required.

At present, it is urgent that at least the first part of this Bill is proclaimed in order to ensure that no further spread of this disease occurs in the South-East of the State. It certainly is occurring at the moment on a very widespread basis, apparently because of the bushfire problem earlier this year, when, as the Minister would be aware, 10 000 kilometres of fencing was burnt and sheep amalgamated into one flock over a very wide area. One or two properties had footrot within that area and, unfortunately, clean properties were infected by spread of stock that occurred as a result of lack of fencing, which went on for some time. In some cases, the stock are still being scattered and straying.

The Hon. R.C. DeGaris: Would you agree that stock came from Victoria and did a lot of damage?

The Hon. M.B. CAMERON: Yes, that is another problem. We are close to Victoria, and there is not the same attitude towards footrot in some areas of that State. Although some areas are now proclaimed under similar legislation, some are not. In New South Wales there is no footrot legislation, I understand. Because of the shortage of stock immediately after the bushfire, as the Hon. Mr DeGaris indicated, people were forced to go interstate to purchase stock.

In some cases, insufficient care was shown in the selection of stock for purchase. In the summer period it is still very difficult to tell whether or not stock has footrot. If there are no quarantine provisions, as we have in the South-East, there is no way in which to obtain information on the stock or property. We should look at interstate stock movement and perhaps monitor it more closely.

The Opposition's proposal is that the Bill should be amended to ensure that no diseased stock affected by footrot should be allowed to traverse on a public roadway without the specific permission of an authorised inspector of livestock. I repeat that that provision is already in regulations, but there is some argument that it should be included in the Bill. The problem with traversing stock with footrot on public roadways is that, even though one may consider that one has left the area free of stock for seven days, or whatever is the required period, it is possible that on some roads, where there is much cover on the side of the road, stock with footrot can lie down while being travelled. Indeed, this happens quite often, and those stock are left behind.

Unless there is continual monitoring of that road for some time afterwards, one could find stock still limping along the

road or hiding within the vicinity of it. The next person to use the road could pick up the disease from the sheep, which causes a problem. I would almost be inclined to prevent the passage of stock with footrot on roadways; I would even go that far, so seriously do I consider the problem associated with the disease.

The Opposition does not seek at this stage to prevent diseased stock from travelling on public roadways, because we recognise that there may be some occasions when there is a need for feeding and watering of stock by mustering along a roadway. However, I think that we ought to look at that area to see whether that provision should be made more stringent. Provisions are made for an authorised inspector to approve that sort of movement. I stress that that is only a minor clarification and that, other than in very special circumstances, the movement of stock on foot along a public roadway where that stock is diseased should and would be restricted.

There is little need for me to spell out the problems that could arise if diseased stock were allowed to move freely along roadways and follow-up stock covered the same ground. That is one of the reasons for the prohibition in the 1950s and 1960s (particularly the 1950s) in the South-East. There would be every potential for follow-up stock to contract the same disease simply by walking over the same ground on the same grass. While some argue that the risk of picking up footrot on the ground after diseased sheep have been there is minor, people do not deny that the problem exists. I understand that my colleague in another place has been advised by veterinary scientists that in the right conditions footrot disease may survive up to seven days.

I do not know whether the Hon. Dr Cornwall can confirm that, but I believe that that is the case. I do not have to tell members of the value of this industry to our State, and the potential threat that an outbreak of footrot disease would pose to the industry, which is worth millions of dollars. It is essential that we maintain high standards in the industry and police in every way possible any potential threat to its livelihood.

I am aware that it is the view of some that the matter of proving diseased stock may already be covered by regulation 39 under the Stock Diseases Act. However, I am not convinced that that is the case and, more importantly, from my experience, that regulation appears to be very loose indeed and does not deal as specifically, as we believe is necessary, with the sorts of problems to which I have referred. By incorporating these control measures within the Bill, we establish them as a permanent fixture controlling the problem posed by footrot, which is preferable to relying on a regulation which can be more easily varied.

This is a very real problem, although members who have not been associated with the disease may see it as a minor problem. Let me assure members that in the 1950s in the South-East this disease was the cause of enormous loss of production on almost every property. Very few farmers were not affected by the disease. The disease was virtually wiped out as a result of the legislation that we are now seeking to amend, and it is very unfortunate that the disease has re-emerged. There are many reasons for that re-emergence, one of which could be that the farmers of the 1950s are now virtually finished with farming and the younger generation has forgotten or has never experienced the problems that the disease can cause. I guess that is a minor criticism.

Another minor criticism is that perhaps inspectors, through lack of experience with the disease when it was so prevalent, really do not appreciate the problems which it can cause and the spread which can occur. Perhaps there is not sufficient emphasis on the necessity of eradication as soon as possible. I also believe that it is extremely difficult to cure the disease—in fact I know that.

There is a slight variance between my opinion and that of the Hon. Mr DeGaris on this matter but, from my experience, I would say that it is virtually impossible to eradicate the disease without the complete disposal of stock. We must consider that matter if there are further problems with this disease. However, for the time being I believe that it is necessary to make one or two variations to the Act.

The Hon. FRANK BLEVINS (Minister of Agriculture): The Government is happy to assist the Opposition with the passage of this Bill, although I have some reservations, which are not related to the intent of the Bill. After discussions with the Department, members of this place and members of the House of Assembly, I am aware of the magnitude of the problem, and it may well be that more severe measures are necessary in an attempt to contain the disease. My information indicates that the problem will never be eradicated: it is a matter of containing rather than eradicating.

The Hon. M.B. Cameron: That is not necessarily so.

The Hon. FRANK BLEVINS: That is my information. As lawyers disagree, apparently so do veterinary surgeons. I have some reservations not with the principle but because there could be problems in the practical application of the measure. Just to give the Council some idea of what I am saying, the problems that this would create for the Department and for inspectors if this Bill passes should be outlined. I am not convinced at this stage that all the fears of the Department and the inspectors are fully justified, but it has been put to me in certain terms. Clause 2 amends section 19, and the only authority to operate under this Act is with the Chief Inspector or inspectors appointed under the Act. In every case in future the inspector will be obliged to verify that the owner has notified all neighbours even if they do not own susceptible stock. In the event of a neighbour claiming that the owner of diseased stock failed to notify him of the presence or suspected presence of disease or the matter emerging by other means, the inspector would have to endeavour to establish whether the neighbour was in fact a neighbour under the Act and whether notification did or did not take place; if not, the inspector would be required to take a statement from that neighbour to establish that fact.

Secondly, the inspector would have to collect evidence from the owner to establish from him why he had failed to notify and develop a case for the preparation of a brief for submission to the Chief Inspector for assessment and a decision as to whether court action could be taken. The brief would then have to be submitted to Crown Law for verification and preparation of a summons. Thirdly, the inspector would have to appear in court as a witness.

It has been put to me that all of this is to achieve possibly no more in relation to disease security and control than is currently achieved through the departmental policy of the inspector being required to notify and inspect the stock of the identified neighbours. Furthermore, the proposal could have the disadvantage of alienating the department with producers who could tend to see its role as policemen.

In addition, compulsory notification of neighbours by owners of diseased stock in the event of suspected exotic disease could have disastrous results and allow movement of infected animals before the offical response can be mounted. I am not convinced at this stage that those reservations that have been put to me are exactly as are stated, so at this stage I am willing to support the amendment, but I indicate clearly before the Bill is proclaimed that I will be having some further discussions with the industry and, in

particular, the U.F. and S. after it has had discussions with its members in the area affected.

Clause 3 relates to the movement of diseased stock. Again, I have some serious reservations about this clause. The Hon. Mr Cameron said in his second reading explanation that there could be some difficulties. In fact, the argument is that the present provision in regulation 39 of the Stock Diseases Act is not only adequate to deal with the problem but is also better and more effective than the proposed amendment in this Bill.

I could go through all the arguments as to why people feel that the present provision is better: in fact, I have quite extensive arguments in front of me. However, as the Hon. Mr Cameron has heard the arguments, I do not see any point in going through them again. There is an amendment to be moved to the Bill by the Hon. Mr Cameron which in effect means that the Bill can be proclaimed in stages, so that further discussion can take place concerning this amendment. In case what the Bill will be doing is detrimental to the present position, I think that that is a sensible move, and it is one which I support.

I want to stress that in principle I support completely any effective measures that tighten up the law in this area. The measures have to be effective and well thought out. However, one general reservation I have is that I am not convinced that sufficient discussion has taken place with the industry concerning this Bill. When I contacted the U.F. and S., when this Bill was introduced in another place, that organisation stated that it would prefer to wait until December so that it could have discussions with people in its branches or zones in the South-East where the problem is centred. However, the result of waiting until after the U.F. and S. meeting in December would mean that the Bill could not be passed until some time in March or April, and it was felt that the delay was too long. So, I am happy to accede to that.

It means that we have a Bill which can be proclaimed when some further negotiation has taken place, and it can be proclaimed in stages. I do not want to mislead the Council by saying that I support this Bill and then have people thinking that certain actions will flow automatically. I want it clearly on the record that that may not be the case. I need time, and the industry needs more time, to discuss this matter with the people who will be affected. So, with those qualifications, I am happy to support the second reading of the Bill. I want to compliment the members who introduced the measure in both the House of Assembly and this place. It involves a very serious problem, and this Bill is a genuine attempt to do something to address that problem.

The Hon. M.B. CAMERON (Leader of the Opposition): I appreciate the Minister's co-operation in this matter and the fact that he has indicated his reservations in relation to certain sections of the Bill. One of the dangers in this whole exercise is to regard inspectors as other than policemen, because in the terms that we see them that is exactly what they are: they are there to police this Act. That is their job, and they are there to do it properly. Few people in the South-East would be so irresponsible as not to support them in their policing of the Act and regulations to a point where the Act and the regulations worked. That is one of the matters that concern me.

I think that the farm population and the inspectorial staff tended to downgrade the need, not in an irresponsible way but because there has not been any outbreak for a long time on a widespread basis. People tend to think that it is over and that it is finished, but we have seen very clear evidence of widespread proliferation of the disease. I do not accept that any ill feeling will arise. Of course there will be some ill feeling: that is an automatic part of being notified.

I have pointed out to the Minister, and point out again, that there are other stock diseases about which notification has been made; they are T.B. and lice infestation. That problem still exists in pointing out to the Department cases of lice control. Very drastic things have happened sometimes. The present Minister has agreed that there will be sales to abattoirs, but that situation already exists. People have accepted that and the farming community accepts it also.

The farming community would be far happier with inspectors if they knew that they were forcing people to notify them of problems existing next door to them. The anger that comes will be more prevalent if they are not notified. I do not accept that this sort of problem could be caused to the inspectors. That is their job and they do it well. I am sure that they do it to the best of their ability, but, in this case, both the farming community and the inspectors need a bit of gingering up about the way that they are going about the whole exercise. That is not a virulent criticism, but a simple statement of what is happening through the effluxion of time. I accept the statement of the Minister, but with those reservations.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 2)

In Committee.

(Continued from 1 December. Page 2199.)

Clause 2—'Arrangement of Act.'

The Hon. C.M. HILL: I oppose the clause. The following amendments standing in my name all relate to the one matter. With your permission, Mr Chairman, I will explain the thrust of all my amendments. When speaking to the second reading debate I said that the Adelaide City Council had made representations to me to the effect that it was not satisfied with its situation relative to this Bill. I also said then that I supported the Government's thrust in the Bill.

As a result of my amendment, the Adelaide City Council will be removed from the provisions of the Bill so that the Bill applies to all other local governing bodies in this State. If my amendment is supported and the Bill passes in the amended form, the Government will secure all that it seeks in regard to this measure, excepting that the Adelaide City Council, at least for the time being, will not be encompassed by the new provisions.

The Bill attempts to bring local government officers under section 15 (1) *(e)* of the Industrial Conciliation and Arbitration Act, so that all matters relative to dismissal, appeal, suspension, and so-on will be dealt with by that form of industrial determination and will not be dealt with under the provisions of the Local Government Act, as is the case at the moment. In principle, I support that. I can recall on, I think, two occasions when I was Minister of Local Government a similar situation arising. I can recall that I supported the propositions at that time.

I have little doubt that, if the previous Liberal Government had remained in office and I had been Minister of Local Government, this matter would have proceeded along similar lines to that which the Government intends in this Bill. Had I still been in office I feel sure that, in the fine tuning of the measure, in the preparation of the draft Bill and in its consideration before Cabinet, the situation in relation to the Adelaide City Council would have emerged. If at that time the situation in relation to the Adelaide City Council

had been pointed out to me, I am sure that I would have taken the same stand that I am taking now.

The Adelaide City Council believes that, under the M.O.A. City of Adelaide Award, it has some advantages that will be lost if it is lumped in with all the other local government officers under the provisions of section 15 (1) *(e)*. I understand that even now discussions are taking place between the M.O.A., the Minister's office and the Adelaide City Council in an attempt to resolve the situation. At this stage, I think that the Bill should be relative to all other councils apart from the Adelaide City Council. This is the clause which I will oppose, and this will be the test case in regard to the other amendments.

The Hon. K.L. MILNE: I, too, have had discussions with the City Council and will be supporting the Hon. Mr Hill, certainly for the time being. The discussions were with the Rt Hon. the Lord Mayor (Mrs Wendy Chapman), the Town Clerk (Mr Michael Llewellyn-Smith), two officers of the Department of Local Government, and Mr Gordon Hendry, the Controller of Personnel Services of the Adelaide City Council. I would like to define it my way. The discussion was whether the Local Government Act Amendment Bill could apply to the City Council at this stage.

The question is whether the industrial clauses in the Local Government Act should be withdrawn and all industrial matters legislated for under the Federal Conciliation and Arbitration Act. It appears that there is some conflict between the State Local Government Act, the State Conciliation and Arbitration Commissioners and the Federal Commissioners handling the awards which, for all councils, including the City Council, are Federal. I now know that the City Council and the Municipal Officers Association have held discussions with Commissioner Gough of the Federal Conciliation and Arbitration Commission with the intention and at his suggestion (according to the correspondence) of coming to terms with the actual dismissal procedures used by the Adelaide City Council.

These procedures were apparently designed by Mr Gordon Hendry, the Controller of Personnel Services of the Adelaide City Council and apparently have worked satisfactorily. I realise that they are not an award, and any agreement which may still continue concerning the actual procedures for dismissal would be on an exchange of letters. Nevertheless, I am given to understand that those discussions are taking place. The Local Government Association has agreed already to the Minister of Local Government's request that Parts IXA and IXAA be removed from the Local Government Act, thus placing its officers under section 15 (1) *(a)* of the South Australian Industrial Conciliation and Arbitration Commission by reference from their award. It all seems a muddle to me: they are Federal awards and will be placed under the influence of the State Conciliation and Arbitration Commission.

I am not sure that this is the right answer, either, but I certainly want to hold the situation while we find out. It seemed to me, and I said so at the conference on 5 December 1983 that, for the Minister to intervene when discussions are being held between the unions, the Federal Conciliation and Arbitration Commissioner and the City Council, would be quite improper. Also, I said to them, and we all agree, that it was not like the Minister (Hon. Terry Hemmings) to do that kind of thing, and I am not sure that he knew that he was doing that.

The Hon. C.M. Hill: That is not surprising.

The Hon. K.L. MILNE: Well, for some reason he had not been informed, and I would like to know whether the Minister really wants to proceed urgently with this matter, after having been informed of the City Council's attitude. It complained that it was not consulted, but I have a feeling that it probably was, but not to the extent that the Minister thought and not to the extent that the Adelaide City Council would like to have been consulted. Therefore, for all these reasons I suggest that the Council give every consideration to supporting the amendments of the Hon. Murray Hill which will exclude the City Council from the terms of this Bill for the time being, but will in fact put all other councils right away into the position in which the Government wants them to be.

The Hon. J.R. CORNWALL: The Government must oppose these amendments. I make clear that I will call for a division on the test case. Obviously, if we do not carry the day, the grey panthers have got me—between the two of them. We will not further divide in view of the hour.

The Hon. C.M. Hill: You wouldn't be very tasty.

The Hon. J.R. CORNWALL: I put the Hon. Mr Hill in the same category. I said that I was surrounded by the two grey panthers. At least the Hon. Mr Hill was not as patronising as the Hon. Mr Milne was in his remarks concerning the Minister. The Hon. Mr Milne's comments were gratuitous and unfortunate. However, let us leave personalities out of this as I do not like to get into that sort of discussion. It is a simple Bill and I am amazed that the Hon. Mr Hill has become a running dog for the Adelaide City Council. The only reason the council want to keep Parts IXA and IXAA is that it would put some of its white-collar workers at a disadvantage *vis-a-vis* the rest of the work force. It is as simple as that.

Under the existing legislation, and under the proposed amendments that Mr Hill has put on file, they will not have access to the unjust and unreasonable dismissal conditions of section 15 (1) *(e)*. I do not want to go into the history of this whole matter in great length, but Judge Olsson first drew attention to the anomaly of the existing legislation in July 1970 when he was asked to report or referee in a dispute involving officers of the Tea Tree Gully council. He pointed out, as long ago as July 1970, that there are deficiencies in the provisions. The history goes on and on. Judge Stanley, in 1976, pointed out that there was a clear anomaly between the original intent of the legislatiion and the practical effect of it.

As recently as two weeks ago (November 1983) Deputy President Lee, the referee inquiring into Part IXAA in relation to dismisals in the Town of Walkerville and the City of Mount Gambier, raised the question of jurisdiction complicated by the Municipal Officers Association award and Federal status. He said, in both these matters, that the deficiencies that the Government was attempting to overcome in this Bill ought to be addressed. Perhaps even more pertinent, when the Hon. Mr Hill was Minister of Local Government (he was a good Minister—something of a shining star amongst a lacklustre lot), with his substantial knowledge of the local government area, not surprisingly and very sensibly on 17 March 1982 (St Patrick's Day) he wrote to the Secretary of the Municipal Officers Association, S.A. Branch. He said his officers had reported to him and considered the matters.

The intention expressed on that day was very good, far better than the intention of the present day. He said that, after sensible discussions with his officers and after taking advice (the same excellent officers who currently advise the present Minister of Local Government—so nothing has changed, except the man at the top where one good Minister has been replaced with an excellent Minister), he could give the following information:

> Accordingly, I advise that:
>
> As a matter of principle industrial matters concerning local government should reside in the State Industrial codes and State and Federal awards. I therefore consider the present provisions in Parts IXA and IXAA of the Local Government Act have outlived their usefulness in that Act.

'They had outlived their usefulness almost two years ago'—Mr Hill's words, not mine. Of course, a responsible Minister (and Mr Hill was a very responsible Minister) never signs a letter without reading it carefully, considering its contents, talking to his senior officers, and consulting with anyone where necessary. Therefore, we can take it for granted that this was the considered position of Mr Hill on all the best advice available to him at that time. Mr Hill went on to say in the letter:

Because dismissal review and remedial provisions can be introduced into the Municipal South Australia General Conditions Award 1981, by either your association or the Local Government Association, the present Local Government Act revision proposals recommend removal of those sections.

So, we have the classical example, which goes to prove that sometimes things which seem to be the same are different. As I have said, the Hon. Mr Hill was a good and conscientious Minister, well respected by most people with whom he came into contact—not all, of course: even I cannot always please all the people all the time. It seems to me that that sensible decision that he took at that time, outlined in a letter signed by him to a very responsible union, the M.O.A., suddenly has been reversed because of some strange pressure that has been exerted by a small section of the Adelaide City Council.

It is a great shame. Even at this late stage, I would urge the Minister to reconsider the amendment, which, frankly, is a great pity, because it prevents the Government from achieving, at this time at least, the aim of having Parts IXA and IXAA deleted, to provide for uniformity in industrial matters throughout the State in the blue-collar and white-collar areas of local government, which would be highly desirable. I think that the Hon. Mr Milne, fighting against the tide of common sense and joining with the forces of darkness and reaction in this matter—

The Hon. C.M. Hill: Who are the forces of darkness and reaction?

The Hon. J.R. CORNWALL: In the interests of good industrial relations I refuse to name either of them at this time: if the cap fits wear it.

The Hon. C.M. Hill: I think you are referring to the Adelaide City Council.

The Hon. J.R. CORNWALL: I am certainly not referring to the Adelaide City Council.

The Hon. C.M. Hill: Who are you referring to?

The Hon. J.R. CORNWALL: Obviously the honourable member has been nobbled by one or two of the less progressive elements in that council.

The Committee divided on the clause:

Ayes (8)—The Hons G.L. Bruce, B.A. Chatterton, J.R. Cornwall (teller), C.W. Creedon, M.S. Feleppa, Anne Levy, C.J. Sumner, and Barbara Wiese.

Noes (11)—The Hons J.C. Burdett, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, I. Gilfillan, K.T. Griffin, C.M. Hill (teller), Diana Laidlaw, R.I. Lucas, K.L. Milne, and R.J. Ritson.

Pair—Aye—The Hon. Frank Blevins. No—The Hon. M.B. Cameron.

Majority of 3 for the Noes.

Clause thus negatived.

Clause 3 passed.

Clause 4—'Parts IXA and IXAA.'

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

Page 2, line 4—Leave out this clause and substitute new clauses as follows:

4. The following section is inserted immediately before section 163a of the principal Act:

163aa. As from the commencement of the Local Government Act Amendment Act (No. 2), 1983, this part shall apply only to the Town Clerk of the Corporation of the City of Adelaide.

5. The following section is inserted immediately before section 163ja of the principal Act:

163jaa. As from the commencement of the Local Government Act Amendment Act (No. 2), 1983, this part shall apply only to officers employed by the Corporation of the City of Adelaide.

These amendments relate directly to the matter which has been under debate in this Committee and upon which a decision was made a few moments ago in the test case.

Existing clause struck out; new clauses inserted.

Title passed.

Bill read a third time and passed.

[Sitting suspended from 1 to 2.15 p.m.]

STATUTES AMENDMENT (FLOOD MANAGEMENT) BILL

In Committee.

(Continued from 1 December. Page 2201.)

Clause 6—'Repeal of Part XXXV and substitution of new Part.'

The Hon. K.L. MILNE: I move:

Page 2—After line 28 insert new subsection as follows:

'(2) A council shall inspect all water courses within its area at least once during the period between the first of November in each year and 31 January in the next ensuing year.'

It has been suggested that a council can ask ratepayers to take refuse from a creek, a river or a waterway running through their property. I believe that that is unfair, because the refuse might have come from higher up the waterway. I believe that everyone agrees with the principle, but I believe that creeks should be inspected during summer when they are not running so that the council can ensure that the creeks are clear. However, that would be a difficult task particularly for councils such as Campbelltown and Onkaparinga, because through those council areas there are hundreds of miles of creeks.

There was a conference between the Department of Water Resources, the Department of Local Government, the Local Government Association and the councils, and it was agreed that it should be suggested to the Government that it might be fairer if the councils, when giving notice to a person to remove rubbish from the water courses on properties, were to state that there is a right of appeal. Since the right of appeal is not to the local council but to the Department of Water Resources, that notice should also state the procedure as to how the appeal can be made and where it should be made. That seems to be reasonable, and I ask the Government whether it will be kind enough to accept the amendment.

The Hon. FRANK BLEVINS: I am not sure whether the Government and the Hon. Mr Milne were at cross purposes. My information is that the meeting to which the honourable member referred was between Dr McPhail, Mr Bell, Mr Hullick, Mr Morris, Mr Sievers and Mr Tuckwell. I understand that, as a result of discussions at that meeting, the Hon. Mr Milne would not proceed with this amendment but would move a different amendment in lieu.

The Hon. K.L. MILNE: That is correct. I seek leave to withdraw my amendment.

Leave granted; amendment withdrawn.

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

Page 3, after line 13—Insert new subsection as follows:

'(1a) An owner of land shall not be required under this section to remove obstructions from a water course if those obstructions have been carried onto his land by the current from land further upstream.'

The thrust of this amendment is to rectify what could develop under this measure, whereby a person could be

asked at his own expense to clear the water course or alternatively the council could do the work and charge for that work, where the obstruction has not occurred because of the owner's negligence. In other words, logs, debris and so on can be washed down from upstream and it is grossly unfair that an owner be asked to meet the cost of removing that obstruction if he was not the cause of the obstruction being in the stream in the first place. The point is so important that it should be made quite clear in the Bill. I note that the Bill provides that, if a person receives an order from the council to remove an obstruction, or if he receives an account from a council relating to the cost after the council has carried out the work, there are some rights of appeal.

That is one thing, and one certainly never quite knows how appeals are going to finish up. Surely the position should be made clear that if an owner has a watercourse going through his land and if, on the occasion of a flood, obstructions are brought down by the current and rest in that watercourse on that owner's land, that owner should without any argument, doubt, appeal, or future negotiation not be responsible.

I know that it can be said that it might be difficult to ascertain who was responsible. That could well be so. If a council finds it impossible to ascertain who might be at fault, let the council bear the cost, and so be it because, in the council's bearing the cost, it means that ratepayers in the region bear the cost. That is not an unreasonable alternative. If the council can ascertain that someone upstream has been at fault, then the council should proceed against that party, but not against the innocent victim. The law should state the position clearly, not just leaving the legislation as it is, whereby if a person believes that he is hard done by he can take the case to a tribunal and fight it out with a council.

We all know what these local dog fights are like: feeling gets generated and so forth and half the time the poor individual citizen does not win out any way—it gets into the hands of legal representatives and gets complicated, whereas it should be made quite clear in this relatively simple legislation dealing with floods that that owner should be exempt from penalty when he is not at fault.

The Hon. FRANK BLEVINS: The amendment was moved by the Hon. Mr Hill with such passion that we are led to believe that it results almost from personal experience perhaps resulting from some debris falling in a watercourse adjacent to where the Hon. Mr Hill was living. However, after the drama we will now get to the facts, and in regard to this clause, these are the facts: in the discharge of its functions under the provisions set out in this Bill it must be presumed that a council will act in a just and equitable manner whereby, if a situation of great magnitude occurred (such as the alleged mass of debris washed from bushfire areas in Cleland National Park and lodged in a watercourse through private land) the council could be expected not to impose extreme financial hardship on a private landholder. The proposed section 636 of the Local Government Act will retain discretionary power of a council to require the removal of obstructions by notice issued to a landholder.

The proposed section 636 does not contain a new concept in respect of the powers of a council. Currently, section 643 of the Local Government Act, a provision within Part XXXV being repeated by this Bill, enables a council to issue a notice requiring a landholder to remove an obstruction from a watercourse and, if the work is not undertaken, to remove the obstruction and charge the landholder the cost of the removal. What is new in this Bill is the provision, in proposed section 642, to give a landholder the right to appeal to an independent tribunal against the issue of such a notice and against the terms and conditions of the notice.

The Water Resources Appeal Tribunal, which will hear such appeals, is required in any proceedings to act according to equity, good conscience and the substantial merits of the case. The great majority of obstructions occurring in South Australia's ephemeral watercourses will develop during flow conditions and will invariably result from the transport of material from upstream of the obstruction point. However, in many cases, the lodgment of such debris at a particular point would be the result of the presence of some bar to its free flow down the watercourse—vegetation which has been allowed to grow in the watercourse or has fallen into the watercourse. By virtue of the power given to councils to order landholders to remove obstructions, landholders have always had a general obligation to maintain the free flow of water through their properties. Acceptance of the amendment would enable an unco-operative landholder to claim, in most instances, that the obstruction was caused by transported debris and so avoid his general obligations. How can one prove it? In cases such as the Cleland National Park example a council, considering action to require a landholder to undertake high cost work, will be constrained by the likelihood of a successful appeal against the issue by an inequitable notice.

This Bill, therefore, retains the necessary power, as a discretion, to order a landholder to remove an obstruction, but provides for the first time some protection for a landholder in the unlikely event of a council acting irresponsibly by providing in section 642 *(c)*—page 5 of the Bill, lines 1 to 3—a right of appeal against such an order. The amendment is, therefore, not acceptable on the grounds that it is not necessary and that, if passed, will cause the management of watercourses in council areas to be unworkable.

The Hon. C.M. HILL: If we cut the fat away from all of that and get down to the lean meat, all the Minister is asking us to do as a Legislature is to trust the councils. He is saying, 'There is discretion in there and you can trust them to act responsibly (and so forth).' There is not anyone in the Chamber who has a higher opinion of local government than I have, but I also have a clear duty to the citizens who have sent me here to give them some protection in case once in a while a council does not act as it should.

I do not know where the Hon. Mr Milne stands on this point, but he and I are old practitioners in local government and earlier in the day we joined together very well and certainly most effectively in regard to an important local government issue. I hope that the Hon. Mr Milne sees my point in regard to this amendment because, as we know, we have not much time before the end of this session and I do not want to waste words: I have not got much hope here unless my friend joins with me against the dangers of irresponsible local government, small though those dangers might be. I still believe that we should protect the citizens clearly, properly and without question in this legislation and keep away from the ratepayers letterboxes, into which accounts as it will come from councils, or the notice that will come from the council alternatively that the owner, at his expense, must remove that obstruction brought down by flood and being on the owner's land. Despite the reasons just given by the Minister, if my amendment were agreed to it would improve the legislation.

The Hon. K.L. MILNE: I hardly know what to say! I know how the Committee feels, but I believe that my own amendment is probably going to protect ratepayers as well.

The Hon. FRANK BLEVINS: I am delighted to see that the Hon. Mr Milne, as usual, is on the side of reason and commonsense.

The Hon. L.H. Davis: We are not yet sure.

The Hon. FRANK BLEVINS: So far. If I thought that there was any merit at all in the case proposed by the Hon. Mr Hill, I would have it further investigated. I have clearly

spelt out the provisions of the Bill which, for the first time, provide the protection sought by the Hon. Mr Hill. I37some perceived injury has been done to the Hon. Mr Hill in the past, he will have some redress under the new provisions. If the Hon. Mr Hill turns to page 5 of the Bill and reads the first three lines, he will find the provision that he seeks. I appeal to the Committee to reject the Hon. Mr Hill's amendment and to leave the clause as it now stands.

The Hon. C.M. HILL: The provision to which I have been referred simply provides that an appeal lies in the hands of the ratepayer to the water resources authority against any term or condition of a notice issued by a council. I am not denying that the Government has provided an appeal provision in the legislation. I am saying that the situation is so crystal clear that there is no need to complicate it by providing for appeals. There is no need to give councils a discretion, and there is no need to trust a council. To highlight what I am saying, I refer to the example of a man who finds a large poplar tree deposited in his back yard as a result of overnight flooding in a creek running through his property. The man knows full well that the tree did not come from his property, and I want him to know that the council must remove it—but not at his expense. I want the situation to be clear and simple.

I do not want to complicate the matter with tribunals and the poor old ratepayer having to fill out a dozen forms, then having to wait months for an appeal, having to get his lawyer on the job, having to see his local councillor and the Mayor of the district, and so on. I do not want all that. I want it to be quite clear. The example that I just gave is crystal clear. The ratepayer in that situation should not have to bear the cost of removal. There is no need for a tribunal to sit and decide the matter. Let us be perfectly clear about it: if the poplar tree did not come from the ratepayer's property, he should not have to bear the cost of its removal. That is what I am trying to do.

The Hon. FRANK BLEVINS: It may well be that the Hon. Mr Hill has had a great deal more experience in local government than I. As a responsible ratepayer, I assume that my council acts in a fair, honest, open manner and with equity. The Hon. Mr Hill, having a great deal more experience from the inside, may know that that is not the case. If the Hon. Mr Hill knows something that we do not know about the workings of local government and the way that it operates, he should tell us. I refer to the Hon. Mr Hill's example and provide one of my own.

I refer to someone who lives in a unit with a small back yard with a water course running through it. If a poplar tree appears in the water course overnight, the council will not come along and tell the ratepayer that it is his tree and that he must dispose of it. It will be quite clear to everyone concerned that there was no room to grow the tree and there would be no evidence to suggest that it was once growing in the garden. No council would send a ratepayer a bill for the removal of a tree in that situation. If so, the Bill contains a remedy. I think that the Hon. Mr Hill has had a particularly bad experience with local government at some time in the past. I think to some extent, and this is regrettable, that it has warped his view of local government. That is a great pity. My dealings with local government suggest to me that it acts responsibly. However, if that is not the case there is a remedy.

The Hon. ANNE LEVY: I wish to reinforce the Minister's remarks. It may be true that the Hon. Mr Hill had an unfortunate experience in the past. I, too, have a water course flowing through my back yard and, as such, I have often had debris accumulate in it.

The Hon. C.M. Hill: At the second reading stage, you said that the council dumped it there.

The Hon. ANNE LEVY: I am sure that quite a bit of the debris comes from the creek as it flows through a council park before reaching my property. Despite the considerable amount of debris that I receive on my property whenever it rains, I have every faith in my local council that it will treat me fairly. I do not oppose the clause, and I would not dream of supporting the Hon. Mr Hill's amendment. I have complete faith in my local council and I am quite sure that, despite the fact that my property is situated on a bend in a creek, considerable debris acccumulates at that point through no fault of my own or anyone else's. I have never had other than complete co-operation from my local council when dealing with problems relating to the creek on my property.

The Committee divided on the amendment:

Ayes (9)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin, C.M. Hill (teller), R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, M.S. Feleppa, I. Gilfillan, Anne Levy, K.L. Milne, C.J. Sumner, and Barbara Wiese.

Pair—Aye—The Hon. Diana Laidlaw. No—The Hon. C.W. Creedon.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.L. MILNE: I move:

Page 3, after line 16—Insert new subsection as follows:

(3) A notice given to a person pursuant to subsection (1) must contain particulars of the person's right of appeal under this Act against the notice, or a term or condition of the notice, and also of the procedure whereby such an appeal may be instituted.

It was agreed at the conference to which I referred and which the Minister quoted (I am talking about the same thing). A copy of this suggested amendment at which the Minister was looking is slightly different, but the meaning was the same and this was what the Parliamentary Counsel came up with. The intention is that if a person is requested by a council to remove debris from a watercourse, that person is notified on the notice that there is a right of appeal and, since the right of appeal is not to the council but to a different authority (namely, the Water Resources Board), that that also be stated on the notice so that a person can know how to go about the appeal. That certainly allays my fears, and I hope that to some extent it allays some of the fears of the Hon. Mr Hill so that people know what their rights are and how to go about it. I ask the Committee to accept it.

The Hon. C.M. HILL: When one is on the losing side and starved for votes one tends to glean whatever scraps are thrown out. This goes a little way to assist the position which existed under the Bill. I suppose that one might say that even by the Government's acceptance of it the Government might be admitting that the Bill was not that good after all. I support the amendment.

The Hon. FRANK BLEVINS: The Government is persuaded that it ought to support this amendment, if for no other reason than to assuage the fears of the Hon. Mr Milne. The point that he makes is a fair one. The degree of importance that one gives to it could be argued, but there is a point there. This Government, as always, is totally reasonable. If a member of this Council or of the other House makes a point that has some validity in it, the Government, if it can possibly bring itself to support it, will do so. It gives me a degree of pleasure to support the Hon. Mr Milne's amendment.

Amendment carried.

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

Page 4, lines 9 to 11—Leave out section 640.

This deals with the question of compulsory acquisition of land, a very sensitive subject at any time and a subject in

which we have a clear duty to protect the rights of the individual within our society. I do not object to the compulsory acquisition of land if it is for a proven public purpose, but I object most strongly when land is acquired that is not really needed for public purposes.

In this case, I object, as the Government has rushed in to insert this compulsory acquisition power in this new legislation when it already exists in the Local Government Act. It is nothing else but duplication. This provision exists in section 407 of the Local Government Act, and the same matter is dealt with in subsequent sections, going right up to section 415. The procedure is all set out there, and also related to the question of procedure is the Land Acquisition Act of 1969-1972 and the procedure of the acquiring power there to take early possession to put the money into a court pending settlement of the actual amount of compensation, and so forth. Therefore, I see no need at all for this clause to be included in this Bill, which gives a council the right, subject to the Land Acquisition Act, to acquire land for the purpose of carrying out works for the prevention or mitigation of floods.

Let us again take another example, although my poplar example did not win too much support a few moments ago. If, after a flood, it is evident that a rather sharp bend in a watercourse is the cause for obstructions to bank up and more flooding to occur at that point than should occur, it might well be in the interests of the whole community that some land on that bend in the river should be owned by the council and a permanent and more substantial embankment arranged for the smooth flow of floodwater. In an example like that, under the present Local Government Act, section 407, the council can proceed and compulsorily acquire that piece of land. Why, therefore, do we have to see this duplicated legislation? Why clog up the Statute Book unnecessarily by duplication when there is absolutely no need for it? That is the reason for my amendment to take this clause out of the Bill so that a council can rely on the Local Government Act.

The Hon. FRANK BLEVINS: We are again in the position of the Hon. Mr Hill's opposing the Government's proposition; yet the premise of his argument is that the powers are there already and that therefore these provisions are not necessary. Really, that is not the case: this amendment proposes the deletion of the proposed section 640 of the Local Government Act, which enables compulsory acquisition of land for the purposes of carrying out work for the prevention and mitigation of floods in accordance with the Land Acquisition Act. It is claimed by the Hon. Mr Hill that this provision is unnecessary because the Local Government Act already gives councils land acquisition powers.

The current land acquisition powers of councils (*vide* Part XX, Local Government Act) provide a very long-winded process to acquire land for works. Although there is usually a lead time in the development of proposals for works for the prevention or mitigation of floods, it is likely that the lessons learnt in one winter need to be addressed at the earliest opportunity. Even a few months gained could be important. Acquisition in accordance with the Land Acquisition Act provides appropriate checks and balances in respect of actions by a council, but requires a shorter period to effect such an acquistion.

I am advised that, after the necessary survey, the maximum time from the service of the first notice of intention, under the Land Acquisition Act, to gaining entry to the property to be acquired, would be about 36 weeks. In many instances works required for flood prevention or mitigation are relatively minor and could be completed in a few weeks or even a few days. Generally, a problem is identified during winter, and a landholder would co-operate and allow access for such work to be carried out before the following winter. Where this co-operation is not forthcoming, and land acquisition is necessary before the works can be carried out, the use of the Land Acquisition Act would be appropriate.

My advice is that the time factor, when acting under the Part XX powers of the Local Government Act, would be at least three months longer than if a council was able to act under the Land Acquisition Act only. I am also advised that Part XX of the Local Government Act limits councils to the acquisition of land ownership and does not allow the acquisition of an easement connected with the undertaking of works. Acquisition simply in accordance with the land Acquisition Act would allow for the less Draconian acquisition of easements where appropriate for flood management. It is therefore considered that the retention of the proposed section 640 is highly desirable and that the amendment should be opposed. I therefore oppose the Hon. Mr Hill's amendment.

The Hon. K.L. MILNE: Will the Minister say whether, if this section is allowed to stand, it will bring this legislation, the Land Acquisition Act and the Local Government Act in line so that we do not have three different provisions?

The Hon. FRANK BLEVINS: My advice is that they will all comply, as outlined by the Hon. Mr Milne.

The Hon. C.M. HILL: If, as the Minister claims, councils do not have a right to acquire an easement under 407 and other sections of the Local Government Act, why did he not write into the Bill that they should have the right to acquire an easement? Although I have not had long to look at this point, I question the Minister's remarks on that matter, because I think that the definition of 'land' includes an 'interest in land'. An 'interest in land', of course, is an easement. 'Land' has a very wide definition which includes improvements on the land, and so forth.

If authorities do not have a right to acquire an easement compulsorily, it is a pity that the Government did not put that power into its Bill; but, it has not done so. The word 'land' has been used in the Bill, so I question whether or not the word 'land' in the Bill means 'easement' as well as its other meanings.

How does the Minister get out of that? He has not mentioned 'easement' in his Bill. He says that under the Local Government Act there is a right to acquire an easement. He will admit, of course, that under section 407 there is a right to acquire land. He is seeking in this Bill, which I claim is a duplication, to insert a right to acquire land. I think that the truth of the matter is that the word 'land' includes 'easement' within its definition. This is a point that ought to be considered closely. However, this is not the main thrust of my argument, which is that we should be sensitive to the rights of individuals regarding compulsory acquisition by Governments (whether local, State, or Federal) or any other statutory authority, and should not be giving our blessing to a duplication of this power in the Local Government Act.

The Minister now says that the procedure might be too long. If authorities err at all regarding compulsory acquisition they should err on the side of caution. The period of 36 weeks seemed a long period to me until I noticed, on looking through the Land Acquisition Act, that a period of three months is stipulated regarding claims for compensation. What is wrong with some checks and balances or with having a fairly long period of time involved with compulsory acquisition of land?

Councils have the period between winter seasons to sort out problems of this nature which have been caused as a result of floods. As a result of such floods they might have to go on to land immediately, within the next week or month, to clear watercourses. However, when it comes to

major matters such as the acquisition of land or easements, or the construction of new, permanent stone embankments, for instance, a council would not attempt to do such work in the middle of winter. Councils, therefore, have this long period between winters to do this major and more permanent work which involves compulsory acquisition of land.

If we find that councils are rushing in after a matter of weeks and demanding compulsory acquisition, the individual citizens involved will dig in and all sorts of confrontations will result. Land acquisition is a process which, by its very machinery, has always taken a considerable time and, as a safety measure for the citizen, compulsory acquisition procedures should take a considerable time. I come back to the point that I believe we are duplicating this power, which exists in the Local Government Act, and that the word 'land' is in this Bill, so that dispenses with his argument.

On the Minister's second point about the necessity of time being crucial to a council's programme, I comment that the individual should have the right to have time on his side. The question of risk to life and property really is not in question because it is a question of permanent work being done between the winter seasons, and we all know that there is a long period between those seasons. I therefore suggest that the Minister's arguments are not strong. I believe that we should pursue this amendment and remove the clause from the Bill.

The Hon. FRANK BLEVINS: It may well be, as the Hon. Murray Hill says, that there are other ways in which to address this problem. However, the position is that the Government, with the complete concurrence of the Local Government Association, has stated that this is the best way in which to handle the matter and that this is the way that we want it done. Therefore, whilst what the Hon. Murray Hill says is possibly correct, namely, that we could use some other machinery for this process (although I am not conceding for a moment that he is correct), if the Government says that this is the most effective right, and the Local Government Association (hardly a body that will interfere with the rights of councils) concurs with the Government's view completely that the provisions of this clause are desirable and necessary, I really fail to see the Hon. Mr Hill's complaint.

If the Hon. Mr Hill is saying that the Local Government Association wants these powers so that it can do something drastic to ratepayers, he really should come straight out and say so. I concede that the Association is not perfect, but from my dealings with that body I believe that it is responsible, and I do not believe for one moment that it is agreeing, for nefarious reasons, to the Government's providing these powers under the Act. What motive does the Hon. Mr Hill attribute to the Local Government Association in its supporting these proposals?

The problem is that we are talking about a council having the ability to respond quickly to a problem, and we are talking about flood management, in regard to which there could be quite devastating problems, and it could prove to be expensive for those affected. If the present provisions are too slow and ratepayers are disadvantaged by the local councils either hesitating to use the powers because of their complexity or because of the time that it takes to achieve the desired results, then councils would be rightly criticised for being too slow or too long winded. It could be said that the problem had passed, that a new problem had emerged, or that the problem could have been solved in five minutes. There would be a complaint by ratepayers, and I would agree with those ratepayers, but on occasion it is necessary for the council to act quickly to sort out a particular problem.

I believe that these powers will be used by local government in a completely responsible manner—I have no doubt about that whatsoever. If anyone is in doubt that local councils will not be responsible, I invite him to say that to the Committee. I oppose the Hon. Mr Hill's amendment not from bloodymindedness but because I believe that the provision in the Bill is desirable and necessary for the good management of what could be an extremely difficult, costly and dangerous problem.

The Hon. C.M. HILL: I do not want to delay the Committee overmuch, but I am rather amused by the Minister's attitude. The Minister has implied the Government's blind faith in the Local Government Association. Certainly, I do not know whether that same faith has been extended over the past 12 months, when the Local Government Association and the Minister of Local Government were negotiating in regard to the new local government revision proposals. I simply state my case.

I have never had, nor have I now, blind faith in the Local Government Association. I have a huge respect for the Association, but I will never accept its decisions without question, and I do not believe that the Association would ever want me to do that. There must be understanding and respect between the Local Government Association, Governments and State legislators, but just because the Local Government Association supports the power to compulsorily acquire does not lead me to give the stamp of approval without question.

The second point that the Minister made related to the very point I was trying to stress a moment ago. The Minister said that there may be a need to rush in on this question of compulsory acquisition. Heaven forbid that authorities ever rush in and serve on an individual citizen of this State—

The Hon. Frank Blevins: I said 'act quickly', not 'rush in'.

The Hon. C.M. HILL: I wrote down 'rush in', but perhaps the Minister did not use those words. Perhaps that was my interpretation. However, that is what I am trying to avoid. No local government authority should ever rush in and serve compulsory acquisition notices. They must consider those matters very deeply and deliberately, and eventually, if the land is required in the public interest, I would support the right to proceed. I simply cannot concede the point that the Minister has made in support of this clause, and I maintain my view that this would not be the best legislation that could be passed by this Parliament if the clause relating to compulsory acquisition of land remained.

The Committee divided on the amendment:

Ayes (10)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin, C.M. Hill (teller), Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (11)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, K.L. Milne, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived; clause as amended passed.

Clauses 7 to 10 passed.

Clause 11—'Crown rights in respect of orders.'

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

Page 6, after line 10—Insert new subsection as follows:

(3) Subsection (2) shall be deemed to have come into operation on the day that this Act came into operation.

The Minister has already indicated that the Government will support the amendment, which is to ensure that those riparian rights which clause 11 revives are in fact those rights which existed at the date of the commencement of the principal Act. I am pleased that the Government is willing to accept the amendment.

Amendment carried; clause as amended passed.

Clause 12 passed.

Clause 13—'Insertion of new Part IIIA.'

The Hon. K.L. MILNE: I move:

Page 6, after line 28—Insert new section as follows:

40ba. The appropriate authority in relation to a watercourse shall inspect that watercourse at least once during the period between 1 November in each year and 31 January in the next ensuing year.

This amendment is consequential on the amendment to clause 6 and has the same effect.

Amendment carried.

The Hon. C.M. HILL: I do not intend to move my foreshadowed amendment, which is consequential on one that was defeated earlier.

The Hon. K.L. MILNE: I move:

Page 7, after line 19—Insert new subsection as follows:

(3) An order given to a person pursuant to subsection (1) must contain particulars of the person's right of appeal under this Act against the notice, or a term or condition of the notice, and also of the procedure whereby such an appeal may be instituted.

This amendment is consequential on an amendment carried earlier.

Amendment carried; clause as amended passed.

Remaining clauses (14 to 18) and title passed.

Bill recommitted.

Clause 13—'Insertion of new Part IIIA'—reconsidered.

The Hon. K.L. MILNE: As a result of a misunderstanding, I ask that my earlier amendment to page 6 after line 28 be withdrawn.

Leave granted; amendment withdrawn.

Bill read a third time and passed.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL (No. 3)

Adjourned debate on second reading.

(Continued from 1 December. Page 2204.)

The Hon. J.C. BURDETT: I support the Bill. The Deputy Leader of the Opposition in another place, when speaking to this Bill, said that the Deputy Premier had been good enough to consult him on this issue some time before and there was no problem with the measure. The Deputy Leader observed, and I observe, that it is a pity that the Deputy Premier's Cabinet colleagues did not take a leaf out of his book.

At the end of this part of the session we have had many and much more major measures than this small Bill brought into Parliament with no prior notice of the substance of the Bills and with the expectation that the Bills would pass through all stages in both Houses in the shortest time possible—or impossible. The Prisons Act Amendment Bill is perhaps—

The Hon. C.J. SUMNER: Mr President, I rise on a point of order. The Hon. Mr Burdett's comments have nothing to do with the Bill now before the Council. We are debating the Industrial Conciliation and Arbitration Act Amendment Bill, which has a simple compass: it has nothing to do with the Prisons Act and it has nothing to do with other Bills introduced into Parliament during this session. Mr President, I ask you to encourage the honourable member to make his comments relevant.

The PRESIDENT: I accept the point of order. I ask the honourable member to confine his remarks to the Bill before the Council.

The Hon. J.C. BURDETT: I propose to do that, Mr President. I refer to the history behind the introduction of this Bill—and that is quite proper. This present Bill itself simply seeks to remove the present requirement under section 10 (1) of the Industrial Conciliation and Arbitration Act, which provides that, where the President of the Industrial Court is for any reason unable to perform his duties, the most senior in office of the Deputy Presidents of the court shall act during the period of that incapacity.

The problem that has arisen is that the President will be on six months sabbatical leave from 19 March next and the most senior Deputy President does not wish to act in the office of President during that period. The Bill provides that, where the President is not available to perform his duties, an Acting President may be appointed from the ranks of the Deputy Presidents. Where the absence is a fortnight or less the President himself may make the appointment. For longer periods the appointment is made by the Governor. One would expect that the appointment would usually be the senior Deputy President willing to act, but the flexibility will certainly make the system more workable.

I have too frequently had cause to comment that the second reading explanations read to this Council have not been completely and suitably amended from those made in the other place. This explanation is no exception, because it states:

In accordance with the established procedure, the draft Bill has been considered by members of my Industrial Relations Advisory Council.

Well, it certainly was not the Advisory Council of the Attorney-General, who had the explanation incorporated in *Hansard*, or any other Minister in this Council: it was the Advisory Council of the Minister of Labour. The discrepancy is a small one, but I think that Ministers should have the courtesy to make second reading explanations in this Council which are appropriately adopted for presentation in this place. I support the second reading.

Bill read a second time and taken through its remaining stages.

DAVID JONES EMPLOYEES' WELFARE TRUST (S.A. STORES) BILL

Adjourned debate on second reading.

(Continued from 6 December. Page 2322.)

The Hon. K.T. GRIFFIN: The Opposition supports the Bill, which is a private Bill because it deals only with the trust deed of the David Jones Employees Welfare Trust. The trust deed provides certain benefits for the employees and former employees of David Jones (Adelaide) Limited. Because of some restructuring within the group, it is necessary to amend the trust deed but, because there is no power in the trust deed for that to occur it is necessary to ensure that it is done through an Act of Parliament.

This Bill has been in the pipeline for several years. I recall that the matter was referred to me as Attorney-General and that I gave support in principle to a private member's Bill to facilitate the changes now evidenced in the Bill. However, the Bill is complicated in that it refers to specific clauses of the trust deed which are not annexed to the Bill and to which I have not been able to gain access up to the present time. For that reason I believe that the Bill should be considered by a Select Committee, with a view to reporting in March next year.

There are other reasons why a Select Committee should inquire into the Bill: principally because the amendments will to some extent prejudice the rights of former employees of David Jones (Adelaide) Limited to the extent that the benefits paid through the trust deed will relate to all employees of David Jones (Australia) Pty Limited working in the Adelaide store. There is also a variation in the proposed rights. There was a suggestion that some bonuses might be

prejudiced as a result of this Bill not passing before Christmas. I have received assurances that that will not be the case. Nevertheless, it is desirable to proceed with the Bill as quickly as possible.

The other unusual feature of the Bill is that, as I understand it, it was approved by Cabinet for introduction but was subject to approval by the Shop Distributive and Allied Employees Union. I find it rather curious that a Bill of this type relating to a trust deed should be subject to the approval of a body such as that union.

The Hon. C.J. Sumner: Where did you get that from?

The Hon. K.T. GRIFFIN: That is how I understand the situation.

The Hon. C.J. Sumner: From a solicitor, no doubt. That's the last time I trust them.

The Hon. K.T. GRIFFIN: I think that the Attorney's problem is that he does not like me to place on public record that the Government's decisions are subject to approval by a union—a non-elected body. I place that fact on the record because I think it is a significant matter that should be considered in the context of the Bill. I am not sure how often that occurs in relation to Government legislation, but I see no reason at all why it should have occurred on this occasion. As I have said, the Opposition is prepared to support the Bill and will facilitate consideration of the second reading to allow it to be referred to a Select Committee.

The Hon. C.J. SUMNER (Attorney-General): To respond to the one standard point that the honourable member made about the discussions with the Shop Distributive and Allied Employees Association, I would have thought that it was a very obvious thing for a Government to do, when considering a matter that has the potential to affect benefits that employees might perceive, as a check.

The Hon. K.T. Griffin: It grants benefits; it does not remove benefits from current employees.

The Hon. C.J. SUMNER: Of course it grants benefits; that is quite right. It is a matter of checking whether or not in granting those benefits there is any detraction from or increase in the benefits. Employees have been receiving the benefits, and it seems to me appropriate and, indeed, prudent and good management to check with the organisation that represents the employees concerned. To suggest otherwise is absolute nonsense. Obviously, there is no problem with it particularly. The honourable member has been in touch with the solicitors acting for David Jones, who have given him some details of correspondence between—

The Hon. K.T. Griffin: They have not given me details of any correspondence.

The Hon. C.J. SUMNER: They have given the honourable member details of communication, verbal or otherwise, between my office and them.

The Hon. J.C. Burdett: You have just made an unwarranted assumption.

The Hon. C.J. SUMNER: The honourable member obtained the information—I am not worried about it—clearly from the solicitors acting for David Jones.

The Hon. K.T. Griffin: You do not know where I obtained it.

The Hon. C.J. SUMNER: The honourable member denies it.

The Hon. K.T. Griffin: I am not denying it.

The Hon. C.J. SUMNER: That is where the honourable member got it from. There is no problem with it. Cabinet approved the Bill.

The Hon. K.T. Griffin: Subject to approval by the union.

The Hon. C.J. SUMNER: Wrong! The honourable member is quite wrong again. He has not seen the Cabinet docket. The David Jones Employees Welfare Trust approached the Government to facilitate the amendment to the Trust by way of an Act of Parliament; so it had to go through Cabinet for approval. It was approved. When it was approved the Government thought it prudent—and I would have thought that all honourable members would agree—to check with the Shop Distributive and Allied Employees Association. That was the approval: it was approved subject to checking with the S.D.A.

The Hon. K.T. Griffin: That is what I said, and you just denied it.

The Hon. C.J. SUMNER: No, I did not. The honourable member said, 'Approved subject to the approval of the S.D.A.,' and that was not the decision. It was approved subject to checking with the S.D.A.; it was not a matter of approval. Even it it were, it seems to me a very good thing to have done—to have checked with the union that represents the employees affected by this—but I can tell the honourable member that the note says, 'Approved subject to a check with the S.D.A.' I do not see that there is anything particularly wrong with that.

The solicitors for the David Jones Employees Welfare Trust were contacted. They communicated with the Shop Distributive and Allied Employees Association, and the S.D.A. indicated that it had no objection to the legislation proceeding. That was all that occurred—a quite satisfactory arrangement, I would have thought, and nothing for the honourable member to make any criticism about as he did or to feel that he had to explore it in great depths in any Select Committee. The matter will go to a Select Committee, and I trust that it will then be able to be passed in March.

Bill read a second time.

The PRESIDENT: A Bill of this nature, in accordance with the practice of the Legislative Council, must be referred to a Select Committee.

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

A quorum having been formed:

Bill referred to a Select Committee consisting of the Hons B.A. Chatterton, C.W. Creedon, K.T. Griffin, Diana Laidlaw, R.I. Lucas, and Barbara Wiese; the quorum of members necessary to be present at all meetings of the committee to be fixed at four members; Standing Order 389 to be so far suspended as to enable the Chairman of the committee to have a deliberative vote only; the Committee to have power to send for persons, papers and records, and to adjourn from place to place; the Committee to report on 20 March 1984.

STATE LOTTERIES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 1 December. Page 2204.)

The Hon. R.I. LUCAS: The present Act requires the Lotteries Commission to offer prizes in any individual lottery of 60 per cent of the value of tickets offered in that lottery. This Bill seeks to allow the Lotteries Commission to offer prizes to a value of less than 60 per cent in certain competitions on the strict understanding that the money withheld will be added to the pool prizes of subsequent lotteries. The proposal has been received, evidently from the Lotto Bloc, of which South Australia is a member, and the scheme if it is passed is meant to operate from 1 January 1984.

Debate in another place indicated that a similar scheme is already operating, evidently quite successfully, in New South Wales—that State not being a member of the Lotto Bloc operation. Whilst it is not mentioned in the legislation that we have before us as to how much lower than 60 per cent this new level will be, the Premier in another place indicated that the figure that was being contemplated was

58 per cent and that therefore 2 per cent in each competition would be accumulated and used as a bonus pool for subsequent competitions.

I have indicated concern that no minimum level has been stipulated. There is nothing in the Bill before us to ensure that a figure of less than 60 per cent (or the 58 per cent mentioned by the Premier in another place) will be the level struck by the Lotteries Commission. I wonder at the advisability of not setting a level of, perhaps, 55 per cent if it is not envisaged that the amount would not go much below a figure of that sort. I wonder why a minimum provision was not set. If the Minister can answer that question I will be interested to hear that answer.

The Hon. C.J. Sumner: What was that?

The Hon. R.I. LUCAS: The legislation mentions a figure of less than 60 per cent but does not set a minimum provision. Why can a minimum provision of not less than 55 per cent not be set? The Premier mentioned a figure of 58 per cent in the other place. Why did he not place a minimum provision in the legislation? The operation of the Lotteries Commission is important to South Australia because profits from it are channelled into the Hospitals Fund, so it is essential that it maintains a competitive position in its constant quest for the South Australian consumers' gambling dollar. This is even more important when other forms of gambling are introducing more innovative ways of attracting the gambling dollar. Clearly the Lotteries Commission has to come up with new, innovative schemes, to attract its percentage of the gambling dollar. We support the proposed move, as we did in the other place. The Opposition believes that it will allow flexibility for the operation of the Lotteries Commission. However, I give warning that we will be seeking to move an amendment later similar to one moved in the other place. That amendment will relate to the open-ended nature of the proposal before us.

There is in this proposal no end to the period during which the Lotteries Commission can accumulate the deductions it makes. As I have said previously, the Premier has indicated that it will take possibly 2 per cent by way of deductions, but there is nothing to preclude the Commission from deducting this amount for ever. It seems sensible to place some restriction on that open-ended provision. The amendment that I will be moving during the Committee stages will be to place a restriction of 12 months on the time involved for the accumulation of this 2 per cent that will be deducted. That will mean that, at the end of the 12-month period, if those bonuses or deductions have not been distributed, the Lotteries Commission will have to make arrangements to distribute them. I give the Attorney-General forewarning of this amendment and indicate that, with that proviso, we support the Bill.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

SOUTH AUSTRALIAN WASTE MANAGEMENT COMMISSION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 1 December. Page 2227.)

The Hon. C.M. HILL: The Bill before us makes two changes to the Waste Management Commission. First, it increases the number of members on the Board from seven to nine. The extra two members shall, first, be a person nominated by the Minister for Environment and Planning and, secondly, a person with experience in environmental management. I have no complaint about that stipulation. Indeed, I think it is a good idea to introduce such an influence of environmental management into this organisation. The second change is a simple one altering the title from 'South Australian Chamber of Commerce and Industry' to the 'Chamber of Commerce and Industry South Australia Incorporated'. Obviously, Ministers' portfolios change and the Bill also makes such corrections.

I take this opportunity, because this statutory body came under my administration from 1979 until 1982 and therefore I have some knowledge of its workings, to commend those who have been involved in its running and management. They are officers who are committed to that task and have carried out their work exceptionally well. The Commission, generally speaking, has a role of advising on the matter of management of tips and dumps for rubbish dumping on a State-wide basis. I give these people credit because the pollution suffered in the northern suburbs because of fires at Wingfield Dump seems to have been overcome and they can take a lot of credit for that fact.

The Commission also deals with the matter of industrial waste collection, transport and disposal. This body has an influence on planning on a regional basis of waste disposal and in encouraging tips and rubbish dumps to be joint ventures between councils. The last area I would like to see it play a strong part in (although I know this would require negotiation with local government), is finally to achieve a total collection of rubbish by local government in urban areas of South Australia. I hope that we shall see the day when this happens, particularly in the metropolitan area of Adelaide, a day when all rubbish, be it garden, household or other refuse, can be left at one's gate to be taken away. If that is achieved the menace of backyard burning will be overcome.

It is pleasing to see that some councils are interested in this general area at present and that there has been recent publicity about this matter. I feel that the influence of the Waste Management Commission could be brought to bear a little more and perhaps it could communicate a little more with, and relate more closely to, local government on this subject so that this change can be achieved more quickly than it would otherwise be achieved. I commend the Chairman, General Manager, Board and staff of the Commission for their dedication and work. With the changes that this Bill provides, I wish the Commission well in the future. I support the second reading.

Bill read a second time.

In Committee.

Clause 1 —'Short title.'

The Hon. R.I. LUCAS: I had some representations about three or four weeks ago with respect to the possibility of the South Australian Waste Management Commission being removed from the responsibility of the Minister of Local Government and placed within the responsibility of the Minister for Environment and Planning. The person to whom I spoke was involved in the waste management industry, and he and his company were not happy about that. Will the Minister say whether the Government proposes such a change within the term of this Parliament?

The Hon. J.R. CORNWALL: These suggestions come up from time to time. I understand that this matter was discussed during the period of the previous Administration.

The Hon. C.M. Hill: And not pursued.

The Hon. J.R. CORNWALL: But not pursued. This matter was discussed not so very long ago by one or two Cabinet subcommittees of the Bannon Government, but again it was not pursued.

The Hon. R.I. Lucas: The decision has been taken not to pursue it?

The Hon. J.R. CORNWALL: It was not pursued, and it is my understanding that there is no intention at this time to place the Waste Management Commission under the responsibility of any Minister other than the Minister of Local Government.

The Hon. C.M. Hill: This is a compromise.

The Hon. J.R. CORNWALL: It is a sensible compromise in that the environment input has been strengthened and expertise from the local government area is involved. A case could be made in favour of directing responsibility to the environment and planning area, but an argument could also be put for leaving it exactly where it is, and that is what the Government seeks to do.

Clause passed.

Clause 2—'Membership of the Commission.'

The Hon. R.I. LUCAS: In recent weeks in regard to a number of other matters, such as the South Australian Ethnic Affairs Commission and the new Technical and Further Education Council, the Government as a matter of policy has included provisions for a minimum number of women and men on boards. In relation to the Ethnic Affairs Commission, there was a minimum number of two of each sex, and under the TAFE legislation (which we will discuss later this afternoon) a minimum number of five of each sex has been stipulated.

There is no similar provision under the parent Act in this case, and the Bill does not make such a change. Has the Government considered this matter and does it believe that it is inappropriate in this case to take that action? Is the Government likely to consider this matter in the future and introduce amendments to that end?

The Hon. J.R. CORNWALL: Three very simple and straightforward answers can be given to those questions. In the first place, it is primarily a question of expertise, and I am sure that the honourable member and other members will be aware of that. The matter has been left open. Secondly, when names come before the current Cabinet, we endeavour in all cases to try to implement equal opportunity policies, where that is possible. Quite clearly, if the expertise lies with two males or two females, and if we are looking for two members, we do not jettison expertise in favour of a token woman appointment. Wherever possible, as the honourable member is probably aware, equal opportunity policies are followed, where it is reasonable to do so. The third reason why I think this provision probably does not appear in the Bill is that Ms Levy is not on the Caucus committee on local government.

The Hon. R.I. LUCAS: Will the Minister agree that one can achieve what one sets out to achieve without being legislatively prescriptive?

The Hon. J.R. CORNWALL: There is an old saying 'horses for courses'. In this case common sense is required, and there is a lot of common sense in our Administration.

Clause passed.

Remaining clauses (3 and 4) and title passed.

Bill read a third time and passed.

LOCAL GOVERNMENT FINANCE AUTHORITY BILL

Adjourned debate on second reading.

(Continued from 1 December. Page 2229.)

The Hon. C.M. HILL: I support this Bill, which establishes a statutory authority to be known as the Local Government Finance Authority. I commend the Local Government Association for its initiative in establishing this new body. This issue has been discussed for some years, and the Local Government Association has been a driving force in planning the establishment of this body. This Bill is a feather in the cap of the Local Government Association and it indicates its growing status within the local government area generally in that it has shown this leadership to get the idea off the ground.

The Authority is somewhat similar to bodies which operate in New South Wales and Victoria, although in those States the activities of the institutions deal more with the investment of surplus funds rather than the borrowing of moneys for local government. In the establishment of this Authority the Departments of Local Government, Treasury, and Premier and Cabinet have also co-operated, and it is pleasing that there has been a positive approach by such Public Service Departments to assist local government in this way. The final decision to proceed was taken by the Local Government Association on 19 August 1983.

The Board shall be comprised of seven members, two of whom will be elected by the Authority itself; two will come from the Local Government Association; the Secretary-General of the Association will be a member, the Director of Local Government or his nominee, and the Under-Treasurer or his nominee also shall be a member of the Board. Treasury reserves the right to charge a fee whenever the Government guarantees loans made to the Authority, and I do not think that that is unreasonable. There is a paragraph in the Minister's explanation touching on another Bill that is on the Notice Paper; namely, the Local Government Act Amendment Bill (No. 3), and I want to make the position clear that one of these Bills is certainly not contingent upon the other.

It may cause some embarrassment to local government if it applies for loans from this Authority and then finds that ratepayers in the area concerned conduct a poll to oppose that council's borrowing (if the poll was carried). Some embarrassment might occur for that council. I do not think that it is a big issue, and I stress that the passing of one Bill is certainly not contingent upon the passing of the other. I add a warning that the new Authority should watch its costs, because considerable costs will eventually accrue; for example, items such as fees to directors (I notice that expenses can be provided to directors, too, staff salaries and wages, office overheads, and fees to Treasury for Government guarantee. Doubtless, there are other costs as well and, when a body such as this is established, it should be most careful in its outgoings and expenditures, otherwise it might be found that the financial advantage to councils in the end might not be as great as is the case at present.

I wish to make two other points. One is that I notice that councils are not in a position where they can join the Authority voluntarily. They are all part of the Authority with the passing of this Bill. That amounts to compulsion and, of course, compulsion in local government is a principle that I oppose strongly. I notice that the Authority in its powers and functions can sue and be sued, and this means that some councils might be in a situation where they find by the passing of this Bill that they are automatically part of the Authority and are in a position where the Authority can be sued, and that might cause some problems at a later date.

I would prefer that councils were given the right to join the Authority voluntarily rather than be lumped in the net by the initial Bill. The other point of concern is that the Authority is not under the direction and control of the Minister of Local Government. I believe it should be. I know that this immediately raises hackles with some people who say that the Minister can unduly influence a Board when such a provision is in a Bill of this kind. Conversely, I would not object to a provision being included that, if the Minister does override the Board, such an instruction to override should be tabled in Parliament for everyone to see.

I believe that all statutory bodies should be under the control and direction of the Minister, as the Minister is answerable to Parliament for the activities of the semi-government bodies.

Treasury is going to invest an initial sum of $10 million of the people's money with the Authority. If something happened to go wrong—I do not dream for one moment that it will in the foreseeable future—the people's representatives in Parliament should be in a position to ask the responsible Minister accountable to Parliament to explain the activities of the Authority. The Minister of Local Government is referred to often in the Bill as the Minister, but the Government has not gone that little extra step of placing the Authority under his control and direction.

It is an important principle in the democratic process that all statutory bodies that involve the investment and spending of public moneys must be accountable to Parliament. They are accountable in this instance in this Bill to the degree that an annual report must be laid on the table of both Houses of Parliament, but there should also be a Minister within Parliament who has got to accept responsibility for the activities and decisions of those Boards. However, I am not pressing those points now, not only because of my high admiration for the Local Government Association but with the involvement of Treasury and the Minister of Local Government to the degree provided, I would not think that anything could go wrong.

Nevertheless, there are points of principle which Parliament ought to look at from time to time and perhaps on some future occasion, if amendments are made to this Bill, those matters can be looked at by way of amendments then. I wish the Authority well. I hope that it measures up to all the hopes and aspirations that local government has for it. Again, I congratulate all those local government people who have been instrumental in its establishment. I support the second reading.

The Hon. L.H. DAVIS: I, too, support this Bill, which is an important and innovative step for local government, and it is pleasing to see that local government has the active support of the State Government, which has backed this method of raising funds on behalf of some or all of the 125 councils which exist in South Australia. In many ways this initiative mirrors the recent formation of the South Australian Government Financing Authority which seeks to borrow funds on behalf of the statutory authorities and other Government organisations requiring loan funds. That was justified on the grounds that it was an effective, efficient and ultimately in the long term hopefully a cheaper way of raising funds. Already we have seen in New South Wales and Victoria a move to create a Local Government Finance Authority and, as far as I am aware, it operates successfully in both those States. Indeed, the Authority will not only have the power to borrow funds but also invest funds on behalf of those councils that seek to be associated with it.

It is interesting to note that the State Government has chosen to support the establishment of the Authority to the extent of lodging $10 million of State funds with it on its formation. I am not sure whether the Governments in New South Wales or Victoria were as generous, but certainly that is a significant measure of support from the State Government and should go a long way towards ensuring the success of the Authority.

Of course, there are the necessary establishment and administrative costs associated with the maintenance of the authority. As the Hon. Mr Hill rightly observed, it will be interesting to see whether the establishment and maintenance costs are more than offset by the benefits that are expected to flow from it. I believe that the benefits will include an administrative benefit to those councils that choose to participate in the authority. It will save smaller councils, for example, having to concern themselves with raising loan funds—an area where they often do not have the necessary expertise.

There is a saving in relation to the administrative burden on councils. There will also be a financial advantage in the sense that, hopefully, by borrowing large blocks of money the authority will be able to borrow at lower and more competitive interest rates. On the other side, there is some advantage to be gained, in that it will be able to invest in large blocks of money. Honourable members will be familiar with the recent and very popular introduction of cash management trusts, which take small blocks of money, aggregate them and in that way are able to buy large blocks of securities at more advantageous rates of interest. That principle will be in operation when the Local Government Finance Authority of South Australia comes into existence.

It seems to me that there will be advantages both in terms of borrowing and in terms of investing. The administration of the authority is in the hands of seven trustees with representatives from local government and the Under Treasurer or his nominee. I think that representation by the Under Treasurer is a desirable check on the operation of the authority, given that it will be handling large sums of money. In recent weeks, I have noticed an advertisement for staff of the authority, and I am pleased to note the high standards that are being kept. Quite clearly, highly professional and competent people will be required to administer the authority.

In Committee, I will be interested to hear the view of the Minister on the guarantee that will be provided by the State Government in relation to borrowings undertaken by the authority, and as to whether or not an advantage will be given to the authority in terms of the fee charged for a guarantee. Clause 34 requires the authority to report annually to the Minister on the administration of the authority. That is a necessary and desirable feature of the legislation.

One of the key clauses of the Bill is clause 21, which sets out the functions and powers of the authority, as follows:

(a) to develop and implement borrowing and investment programmes for the benefit of councils and prescribed local government bodies;

and

(b) to engage in such other activities relating to the finances of councils and prescribed local government bodies as are contemplated by this Act or approved by the Minister.

The authority will not be adopting a passive role. It will be discussing financial matters with councils and assisting them, whether it be in relation to borrowing or investment programmes. The authority will be of benefit to all councils that decide to involve themselves with the authority.

One matter of concern is the appearance of clause 21 (2) *(d)*, which appears to be somewhat open ended. It states:

For the purposes of this Act, the authority may invest moneys held by the authority.

There is no requirement as to what the investments should be and there is no limitation on the investments. At first glance, the clause appears to be slightly open ended. I seek a reassurance in relation to that point because of the unseemly haste with which we have had to deal with important legislation such as this. I have not had an opportunity to peruse the Bill, as would normally be the case. However, the more that I look at it the more I am concerned that that provision is somewhat open ended. I will pursue that matter in the Committee stage.

I very much support the concept of the Local Government Finance Authority of South Australia and the method by which it is begin formed. It seems to be a good reply to the Commonwealth Minister for Territories and Local Government, Mr Uren, who in the past couple of weeks attacked State Governments for 'plundering' local government. I

refer to the *Weekend Australian* of 26 and 27 November, which quotes him as follows:

> There is a tendency for State Governments to sap local governments of power, in some cases by throwing them responsibilities but not giving them financial resources. Local government has the potential to become a genuine partner in the nation's system of government.

I believe that this legislation, which has received a degree of bipartisan support and which was considered by the previous Government, indicates that there is a partnership between State Government and local government. This measure has the active support and sponsorship of Parliament; indeed it has also had the support of Treasury to the extent of $10 million. I support the second reading of the Bill and indicate my support for the measure. However, as I have said, I will be asking questions during the Committee stage.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. J.R. CORNWALL: The representative from Treasury who was to be here to guide me has the flu. I will therefore have to send for the 19th man or woman, as it were. In his very good contribution the Hon. Mr Davis raised several matters, and I think it would be very wise for me to take advice on them because I do not wish to mislead the Committee in any way. I therefore suggest that the Committee report progress.

Progress reported; Committee to sit again.

FURTHER EDUCATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 1 December. Page 2232.)

The Hon. R.I. LUCAS: This Bill seeks to make three major changes to the Further Education Act: first, to change the title from Further Education to Technical and Further Education; secondly, to establish a South Australian Council of TAFE; and, thirdly, to provide specific power in the Act to charge fees for certain courses. At the outset, I say that the Liberal Party will support the Bill.

The first change—the change in title from Further Education to Technical and Further Education—indicates that at least some progress is being made towards uniformity in name. The term 'Technical and Further Education', which was suggested by the Kangan Committee in 1974, is widespread in usage throughout Australia; for example, there is the New South Wales Department of Technical and Further Education and the Victorian Technical and Further Education Board. I note in the second reading explanation, whilst discussing titles and names, that some flexibility will be allowed in the naming of individual colleges and that colleges that have called themselves 'community colleges' will be allowed to continue to call themselves 'community colleges', with the acronym 'TAFE' in brackets afterwards.

The major change envisaged in the Bill was the second one to which I referred: the establishment of a South Australian Council of Technical and Further Education. To operate effectively, TAFE needs to have close links with industry to be sure that it responds correctly to the subtle signals of the job market. During 1982, further steps were taken in the development of a system of college councils to ensure systematic community participation in technical and further education. Also, curriculum committees generally have had majority industry representation. Obviously, that industry representation is much needed in the operation of committees in technical and further education. This South Australian Council of Technical and Further Education will sit at the top of the tree, in effect, to advise the Minister and the Department on community needs: that is the brief that it has been given.

The council will certainly have a very wide brief. We have been informed that since March of this year an Interim Council of TAFE has already been operating. I ask the Minister in charge of the debate whether he would be able to provide members with a list of the membership of that Interim Council of TAFE and the backgrounds of those members.

The Minister of Education in another place said in his second reading explanation that this new council was to advise on the accreditation of courses and academic awards. He went on further to say that that job of accreditation was currently being done by the Director-General of the Department of Further Education. I put another question to the Minister: will the Director-General of Further Education have any role at all in future with respect to the accreditation of courses; will the sole responsibility for accreditation rest with the new council; or will there be some mixture of responsibilities and roles between the Director-General and his or her Department and the South Australian Council of TAFE?

It was interesting to note in the second reading explanation the hope of the Minister that TEASA would eventually delegate some of its assessment responsibilities to the Department. It was only some weeks ago that we debated the TEASA (Tertiary Education Authority of South Australia) Bill and at some length the devolution of accreditation also to the individual tertiary institutions. That initiative was supported by the Liberal Party. Whilst it was interesting to note the Minister's hope that TEASA would eventually delegate some of the assessment responsibilities to the Department, I wonder how that statement about devolution of responsibility for acts of the Department rests with the earlier statement that accreditation of courses would now be done by the South Australian Council. Those two statements, when taken together, could indicate a conflict, but probably they indicate that there will be a role for both the Director-General and his Department and the Council. I seek further information from the Minister as to the exact relationship between the South Australian Council of Technical and Further Education and the Director-General in relation to accreditation matters.

The third change in the Bill is in the area of fees. Most TAFE courses, as members would be aware, at the moment are free. This Bill will not change that situation as Federal legislation affects that provision. Evidently there has been some doubt about the legality of charging fees for some TAFE courses; this amendment will resolve it, and the Opposition is happy to support it.

I raise two further matters: one relates to the make-up of the TAFE Council and, in particular, to clause 10 (3), which says that not less than five members of the council shall be men and not less than five shall be women. I must once again record my personal opposition to that provision. We have had a similar debate under a similar provision in the Ethnic Affairs Commission Bill; so, I will not pursue at length that argument again, but I want to canvass some of it now.

Once again, I personally believe that the criterion for selection should be ability and that that ought to be the sole criterion for appointment to boards, authorities or councils. I am sure that under that provision if any political Party is attuned to the changing community perception of equality of opportunity, men and women will be appointed in sufficient numbers to ensure such equality of opportunity.

I must say, also, that I have personal doubts about clause 10 (2), which is quite common in relation to many of these

councils and committees. That subclause applies to a nominee from the United Trades and Labor Council and one from the Chamber of Commerce. I must concede that this provision is marginally better than that in the Ethnic Affairs Commission in that at least there is a nomination—and this is not the phrase that I should use—from both sides of the fence (from the employers and the employees sides).

I repeat the argument that I put during debate on the ethnic affairs Bill, namely, that I do not believe that the United Trades and Labor Council is representative of all employees.

The Hon. M.S. Feleppa: It is of the majority of them.

The Hon. R.I. LUCAS: I agree with the Hon. Mr Feleppa.

The Hon. M.S. Feleppa: And of all those people who need to be better represented.

The Hon. R.I. LUCAS: Not all. There are many people who, for conscientious or other reasons, are not in a trade union. Therefore, the United Trades and Labor Council does not represent them and there is a need for them to be represented, also. I accept the honourable member's argument that the United Trades and Labor Council represents the majority of working employees. However, those who are not represented by it also need to be represented. A working class person, whether a member of a trade union or not, ought to be represented. Representation ought not to be on the basis of whether or not a person is a member of a trade union.

I make the same comments in relation to the Chamber of Commerce: I do not believe that that body is representative of all employers. Small business employers are represented by the Small Business Association, or the Mixed Business Association. Also, it is not representative of professional and a whole range of other employers. The Minister has complete control, I believe, with respect to appointments to the council. I believe that the problem here does not involve legislation and that we do not need legislative prescriptions to handle it. What we need is a willingness on the part of political Parties (and the Party to which I belong is as much to blame as the Labor Party in this respect) to appoint women to boards, councils and committees. Political Parties should appoint women to these positions in sufficient numbers without there having to be Bills like this one containing legislative descriptions about equality of numbers and minimum requirements. This sort of equality, in my view, cannot be achieved overnight.

One cannot expect greater equality of opportunity at the top—at council, board and authority level—when there is not a greater opportunity of equality at middle and senior management levels just below these top levels. It is middle and senior management levels that provide the pool of quality people from which people on boards, authorities and councils are selected. Until there are greater numbers of men and women, Anglo Saxons and non-Anglo Saxons and a great number of other groups through middle and senior management, one will never be able to prescribe for equality of opportunity at the top.

For instance, one cannot expect to prescribe that 30 per cent to 40 per cent of Directors-General of Public Service departments must be women if there are not approximately 30 per cent to 40 per cent of senior management positions beneath the Director-General positions in the Public Service already held by women, because there are neither the skills nor a sufficient number of people available from whom those Directors-General can be selected.

The final matter that I raise relates to access to tertiary and further education courses. Two months ago I attended the annual conference of SASPAC. At that conference one parent, I think from the Lameroo-Pinnaroo area, raised the matter of the lack of facilities to study technical studies in a particular school and how they had attempted to gain access to technical facilities available at Murray Bridge Community College. For varying reasons, they were not able to be accommodated at Murray Bridge. That is a specific example of what I believe is a general problem, particularly in country areas or in areas where schools do not have the high quality technical, woodworking and metal working facilities which provide courses for interested students because the schools are small and disadvantaged.

The result of such a situation should not be that students of families in such areas are disadvantaged and do not have access to that form of training if a nearby community college under the control of the Technical and Further Education Department has those facilities available. I hope that common sense can be achieved in such situations and that those facilities can be made available to enable students to undertake training in areas in which they wish to train.

I accept that there is a mountain of problems in the co-ordination of technical and further education, with its specific funding arrangements, and schools under the State Education Department, or even schools in the non-government sector. However, I believe that we need to look seriously at solving these problems to ensure that students in all areas are not disadvantaged in their wish to gain access to technical studies.

I will be interested to hear the Minister's response as to what the problems are and how they may be solved in the future. Will the Minister indicate whether any further work is being done on this problem, as I would be most interested to hear his answer? This Bill seeks to make three changes that the Liberal Party supports so we will not be seeking to amend it during the Committee stage.

The Hon. FRANK BLEVINS (Minister of Agriculture): I thank the honourable member for his contribution on behalf of the Opposition. As always, his contribution was a thoughtful one. I am delighted to be able to respond to some of the questions that the honourable member asked. I suppose we could list those as questions 1, 2 and 3. The first question related to membership of the Interim Council. I am happy to have the names and positions of the members of that Interim Council, and will make them available to the honourable member rather than read them into *Hansard*. He will see from the list that it is a broad based council and, I think, one that has worked very effectively.

The second point the Hon. Mr Lucas raised related to clarification about the Director-General's role in accreditation once a TAFE college is operative. The formal responsibility for the accreditation of TAFE courses lies with the Director-General, and this will continue. At present, TAFE courses are developed by curriculum committees involving representatives of the industry concerned, professional bodies, college staff and departmental officers. Their development is assessed by the Superintendent of Curriculum Development and passed on to the Director-General of TAFE for approval and accreditation.

Because of the great diversity of TAFE courses, the Director-General feels the need for a 'sounding board' composed of people with experience in academic matters, employment issues and community interests to advise him when exercising his accrediting function.

Because of the impressive qualifications and experience of those who have accepted appointment to the interim council, it is likely that it will effectively be the accrediting body; but the formality is that it advises the Director-General when he decides to accredit a course.

Certain types of TAFE courses are required by legislation to be referred either to the industry, the Industrial and Commercial Training Commission or to the Tertiary Education Authority (TEASA) for an accreditation in accordance with their own criteria. TEASA, in particular has indicated a desire to devolve its accreditation functions to the insti-

tutions concerned to satisfy it that internal accreditation processes are satisfactory. It is believed that the accreditation advisory role of the TAFE Council will assist that devolution.

TEASA may devolve its Authority to institutions listed in the schedule of its Act. The Department of Technical and Further Education is one of the listed institutions. This means that the devolution would be formally to the Director-General, who is given responsibility for the general administration of the Department by the Act.

I hope that that makes clear to the Hon. Mr Lucas and the Council precisely what is the Director-General's role in accreditation once the TAFE council is operative. The Hon. Mr Lucas also raised another very interesting point relating to access by schools to TAFE institutions. The Department of TAFE, wherever possible, makes it facilities available to students in Government and non-Government schools for 'link' courses, which provide a first introduction to TAFE vocational disciplines, often on a 'family of trades' approach.

Link course availability is, of course, constrained by demands on TAFE facilities for their main courses for adults and school leavers. This may be complicated in country centres by the fact that smaller TAFE colleges may have minimal or no technical and workshop facilities. The Department is attempting to help schools needing technical courses in various ways. For example, Mr Lucas may mention schools within the ambit of the Murraylands College of TAFE. The Deputy Director-General of TAFE held discussions in Murray Bridge two weeks ago with college and high school representatives to devise greater means of access to link courses by school students. One solution under consideration is sending TAFE lecturers to conduct courses in school workshops.

The funding of link courses comes principally from grants made by the Commonwealth for transition education in what is now referred to as the participation and equity programme. The guidelines for that programme are still being finalised and it is, therefore, not yet clear what will be the scale and method of operation of the link course programme for 1984. The Minister of Education would be glad to make available further information to Mr Lucas, including reports and policy statements by the Directors-General of TAFE and of Education on TAFE-school co-operation. Earlier this year a two-man committee comprising the Deputy Director-General of TAFE (Mr B. Grear) and the Assistant Director-General of Education (Mr J. Giles) was appointed to ensure co-operative working relationships between the two departments.

Again I thank the Hon. Mr Lucas for the interest he has shown in this Bill and the questions he has asked. I hope that I have been able to answer his questions fully. I urge the Council to support the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 9 passed.

Clause 10—'Repeal of s.10 and substitution of new sections.'

The Hon. R.I. LUCAS: I thank the Minister for the information he provided in response to my questions in the second reading stage. I note that there will be 17 or 18 members of the interim council of TAFE, and I agree that there is a very impressive list of people with diverse experience. Most importantly, I note that six women have been appointed to the interim council. I applaud the Minister for that initiative which, I might add, was taken without prescription under the Act.

Clause passed.

Remaining clauses (11 to 16) and title passed.

Bill read a third time and passed.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)

Adjourned debate on second reading.

(Continued from 1 December. Page 2232.)

The Hon. C.M. HILL: This Bill removes from the Local Government Act the provision whereby ratepayers can object to a council's borrowing moneys. This has been a traditional process in relation to local government loans over a certain sum. Councils must advertise their intention to borrow a certain sum for a certain purpose and, if 10 per cent of ratepayers in the area object, they can cause a poll to be arranged. If a majority of ratepayers carry that poll in objection to the loan and if the total number of those voting exceeds 30 per cent of the overall number of ratepayers, there is a check on the council and the loan cannot proceed.

The Minister has decided that this provision is a bit antiquated and that we are dealing in more modern times so that councils should be given the responsibility to make decisions to borrow without having to encounter the possibility of challenge. I suppose that, after all, the councillors must come up within their two years of office for challenge by ratepayers at the normal elections and that, if they act in an irrational way or in a way that is contrary to the thinking of local ratepayers, they are likely to be defeated. This has been a very traditional machinery measure in local government. Because of the statistics that I outlined and the number of ratepayers who can challenge the council and who must vote and the proportion of the poll of the ratepayer population involved, polls are not held very often in the larger council areas, such as metropolitan councils.

However, the situation is different in small councils throughout the rural areas of the State. I recall that there was a poll a little time ago in Clare, and there was also one down at Penola. There was one in the new District Council of Mount Remarkable, and there was another poll that I cannot now recall.

So, it has been a measure that ratepayers have resorted to as they oversee the activities and the decision making of their local council. While I can understand the Government's wanting to progress in this area, I am seeking to try to have this Council and the Government accept a compromise in the general plan. The compromise is that the actual project for which the borrowing is needed should be publicised locally—in a local paper and in the *Gazette*—and that the particular project should withstand the possibility of challenge. In that way some embarrassment is avoided that can occur from time to time. The embarrassment involves councils making arrangements to borrow; in future, they will be making those arrangements with the new funding authority but in the past they have made their own arrangements with banks or lending institutions directly.

In these instances arrangements are sometimes made to borrow and then subsequently a ratepayers' poll negates the whole scheme, and this might involve some fees for holding funds by the lending authority or, more likely, it simply causes some embarrassment in the council which has made the approach to the lending institution and then the whole deal falls through if the ratepayers object successfully through a poll.

Under the proposal that I have in mind there need not be any premature approach for funds for the prospective purpose. The project can be made known to ratepayers and, if they so desire, they can challenge that. If they are successful, the council has not made any tentative arrangements to borrow and that embarrassment does not occur. If they fail in their challenge, the council proceeds to make its borrowing arrangements in the certainty that the project will proceed. Such a compromise would be in the best interests of local

government and the Local Government Act, and I cannot see how strong objection can be taken to it.

Also, I point out to the Council that, in the proposed revision of the Local Government Act, the Government wants local government terms to be extended from two years to three years. I hope that that will not succeed, but that is what the Government proposes to put to Parliament. I should say that that is still subject to a consultation period, because the draft Bill still has been put out for responses and further consultation. There are many people in local government who like the thought of a three-year term rather than a two-year term. We are all human, and it means the possibility of fewer elections.

Nevertheless, if three-year terms become part of local government life, the need is even stronger for some check to be placed on major decisions of local government during that three-year span of office. The projects of which I am talking and the amounts of money involved for projects are major in local government activity, and I submit that that is another reason why the Council should look seriously, first, at this Bill—I believe that the Council should say, 'No, this traditional check in the hands of local ratepayers should not be thrown overboard entirely.' Secondly, the opportunity for ratepayers to challenge a project in its proposal stage rather than at the stage of actual borrowing of money is an improvement on the old traditional approach.

I have an amendment along those lines, and that can be argued further in Committee. That is the import of the relatively short Bill now before the Council and that is, in a broad-brush description, how I would like to see the legislation amended. I support the second reading.

The Hon. K.L. MILNE: I do not wish to take up the time of the Council at this stage, other than to simply say that this Bill amends Part XXI, which provides the borrowing provisions of the Act. It removes the right of electors to demand a poll. The position is not as simple as that. In practice, only country councils have polls because the terms of holding a poll are so difficult for metropolitan councils to meet. For a poll, 10 per cent of electors are required to demand a poll, and it is certainly difficult to get 10 per cent of electors in a suburban council area to sign a document demanding a poll. Clearly, 10 per cent of electors is a lot of people.

After that, 30 per cent of electors must vote 'No'. Penola and Mount Remarkable councils had polls defeated recently, and I can understand why. Borrowing is a normal part of council practice, but it is the only part of their management which can be restricted in this way. Sometimes councils pay for a project out of revenue and then borrow for, say, a road. If they know that a project will be unpopular they finance it out of revenue and then have a poll to borrow for the provision of roads.

In such circumstances people will say, 'How wonderful, because the council is borrowing for roads.' It would not necessarily be a great improvement if this provision stayed in the Act. As far as I can gather from the Local Government Association, which I presume discussed the matter with its members in both city and country areas, it thoroughly approves of the polls being discontinued. Also, I understand that the Local Government Department is in favour of polls being discontinued on the grounds that it is uncertain—

The Hon. C.M. Hill: What about the consumer, the ratepayer?

The Hon. K.L. MILNE: I cannot recall ever hearing of any ratepayers demanding a poll in the areas of local government in which I have worked. I have an amendment on file which will provide that councils will still have to publish their intention to borrow, the amount to be borrowed and the purpose for which it is borrowed. At that stage ratepayers will be able to make a fuss, if they desire. In this day and age ratepayers have many ways available to them of making a fuss—ways that were not available to our ancestors. On the whole, I believe that councils have developed considerably over the past 10 to 15 years. Today, councillors are more sophisticated, town clerks are much better trained, and ratepayers are more knowledgeable in relation to their rights and, in fact, are closer to their councils and are more aware of the importance of local government. The responsibilities of local government have increased and the rates have increased, so ratepayers now take a closer interest in local government.

Polls are compulsory; they are also time consuming, uncertain and probably archaic. We must remember that a large proportion of the polls conducted in the local government area come to the wrong conclusion. Those who vote 'No' usually do so for the wrong reasons. As an example, I refer to a recent occurrence in the South-East where a poll was demanded because machinery appeared in a council shed before ratepayers had been given time to discuss the issue. That was a misunderstanding; the ratepayers thought that the council was bulldozing them, and they were determined to stop it. They did stop it, although what was proposed was a good idea. For that reason, among others, I believe that we have reached a stage in South Australia where the large sums of money being handled by local government must be considered in the proper context.

We cannot expect local government to make financial arrangements that may be upset by a group of people who do not understand what is happening. Most councils now employ engineers and accountants, have proper budgets and better supervision and auditing. I think that the financial management of councils should be treated in the same way as the administration of other areas of their activities. I know that the Hon. Mr Hill does not entirely agree with me, but I believe that this Bill should be considered in conjunction with the Local Government Finance Authority Bill.

A finance authority cannot circularise councils to determine what they want to borrow, borrow the amount required and then be told some time later that certain councils no longer want the money. A finance authority cannot work in that way. I think that that is another reason for discontinuing these polls. The Local Government Association is entirely in favour of that approach. I cannot support the Hon. Mr Hill's amendment. I acknowledge his point of view and I believe that he was quite right in raising it. The Hon. Mr Hill's remarks should be considered. However, I believe that the Hon. Mr Hill's proposal leaves councils and the Local Government Finance Authority with a degree of uncertainty. I do not think that the Hon. Mr Hill's proposal solves the problem. I hope that my amendment is passed, because I believe that it is the next best thing.

The Hon. J.R. CORNWALL (Minister of Health): I think that it will save a considerable amount of time in the Committee stage if I state the Government's position now. I will refer to two matters that were canvassed by the Hon. Mr Milne. This Bill is consequential on the Local Government Finance Authority Bill, which is presently under active consideration. The Hon. Mr Milne, who has had vast experience in local government and is well respected at least in some areas of that community—

The Hon. C.M. Hill: Do you believe everything that he says?

The Hon. J.R. CORNWALL: Certainly not, but I respect his honesty and integrity, although not always his judgment. However, in relation to this matter he scores in all three areas. The Hon. Mr Milne rightly pointed out that the Hon. Mr Hill's amendment will place local government and the

Local Government Finance Authority in an untenable position. Like the Hon. Mr Milne, I think that local government has come of age. I find it surprising, if not rather startling, that the Hon. Mr Hill, the champion of the little people in local government—

The Hon. C.M. Hill: The ratepayers.

The Hon. J.R. CORNWALL: Of course, the ratepayers. They have a democratic right to exercise, which they can do every two or three years, according to the democratic will of the people, which is presumably determined in this place. Once that democratic right has been exercised, I do not think that local government can be completely fettered in financial matters. Financial responsibility and accountability must operate at all levels, and I am convinced that in most matters local government is responsible and accountable. It is a two-way process. If there are any gross or grave irregularities, as occur on rare occasions, there are other provisions in the Local Government Act that can deal with those matters quite satisfactorily—in fact, entirely satisfactorily. I refer to the case where the Hon. Mr Hill, as Minister of Local Government, appointed an administrator to the Victor Harbor council. I conclude as I began by saying that in most respects, if not in all respects, I believe that local government has come of age. In financial matters I think that this Bill takes account of that position.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Additional borrowing powers.'

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

Page 1, lines 20 to 24—Leave out all words in these lines.

I will use my first amendment as a test case, and I will not pursue my other amendments if this one is defeated. I am disappointed with the remarks of the Hon. Mr Milne and the Minister of Health.

They talk about looking at this question from the point of view of the Local Government Association; they talk about it from the point of view of councils; but they should be talking about it from the point of view of the little people—the ratepayers. They are the people whom administrators at our level of Government should bear in mind. Of course, the Local Government Association does not want to be fettered by this messy procedure of polls; of course, councils do not want to be challenged in their borrowing. That is understandable if one looks at this problem from their points of view, but look at it from the point of view of the little ratepayer, especially in the smaller areas in the country—the small district councils. That is where this is a big issue. The Hon. Mr Milne does not know very much about that side of local government.

The Hon. J.R. Cornwall: You are a bit of a towner yourself, aren't you?

The Hon. C.M. HILL: Yes, but I have had experience of the country, too.

The Hon. K.L. Milne: So have I.

The Hon. C.M. HILL: The honourable member's experience—and it was a very fine one—was in the Walkerville City Council.

The Hon. K.T. Griffin: They never had to borrow much there.

The Hon. C.M. HILL: They did not. Their rates were high.

The Hon. K.L. Milne: I was President of the Municipal Association.

The Hon. C.M. HILL: That is right; that was when the Municipal Association represented only the metropolitan councils, not the district councils.

The Hon. K.L. Milne: And the country councils.

The Hon. C.M. HILL: The corporations in the country towns.

The Hon. K.L. Milne: Yes, the corporations.

The Hon. C.M. HILL: The country corporations. I must say that the Hon. Mr Milne's contribution in this debate did smack a little bit of an autocratic approach, and he overlooked those little rural councils where this is a big issue. There is a big difference between the attitudes, the outlooks and the machinery measures of local government—the ratepayers of those small district councils—compared with the situation of the larger councils in this State.

The Hon. K.T. Griffin: Even a larger one needs to be kept in check sometimes.

The Hon. C.M. HILL: Yes, that is so. What I am saying is borne out by the fact that these polls have been required at Clare, Mount Remarkable, and Penola.

The Hon. Diana Laidlaw: And Port Lincoln, in regard to the community centre.

The Hon. C.M. HILL: The Port Lincoln community centre, the Hon. Miss Laidlaw says. We should look at this question as we should look at all questions, from the point of view of the consumer. I am sure that when it becomes known through those small country councils that the Government has introduced this Bill and that this Parliament has passed it, they will be very upset indeed because this is one of those powers that ratepayers in those small district councils have always had at their disposal.

Let us be quite frank: they take a much greater interest in government at all levels than do people in the larger urban areas. I am not being critical of the people in the larger urban areas when I say that: life is more complex there, and in the small rural areas people have more time to think, and they think about government at State and Federal levels, and they think about their own local governments. So they rather treasure this right, but this Government, yielding to the Local Government Association, and following the advice of the Minister, wants to throw out this established right of ratepayers throughout the length and breadth of South Australia, and it does it in the cause of progress and maturity of local government.

I admit that local government has matured, and I give it full marks for that, but I will never overlook the point of view of the ratepayers in the small councils on this or any other local government matter. Therefore, I feel very deeply that this is going too far. As I said, I am not trying to hold to the old system; I am putting forward a compromise in these amendments. As I explained earlier, that compromise is that the people will have the right to challenge the project that is to be undertaken and thereby save the embarrassment that sometimes comes to councils when they have arranged to borrow money and find that they must cancel those arrangements because of a successful ratepayers poll to cancel the loan. That embarrassment has occurred, but it will not occur under my amendments. I move the first amendment as a test case.

The Hon. K.L. MILNE: The Hon. Mr Hill is not quite correct in saying that this is not a question of objecting to its being looked at through the eyes of the Local Government Association but that it should be looked at from the point of view of the consumer. We are not looking at it from the point of view of the Local Government Association because we surely assume that, since the Local Government Association represents both town and country councils, all of which are represented on the Local Government Association itself, it has consulted the country councils and that the country councils have agreed.

I have not asked the country councils, and I doubt whether the Hon. Mr Hill has asked any ratepayers. How many ratepayers have been asked personally what they think about having the option of a poll taken away? They would not

understand the significance of it; they would not worry about it. I honestly believe that removing the right to demand a poll, which is a rare occurrence, will be more than offset by the council's ability to borrow more sensibly and more cheaply through the finance authority when everybody knows that there is not any cause for uncertainty.

The Hon. DIANA LAIDLAW: I ask the Hon. Mr Milne whether he would continue to oppose this amendment moved by the Hon. Mr Hill if the term of councillors was three years and not two years as at present, and whether he could indicate that, if this Bill were introduced after the Local Government Act Amendment Bill is debated next year, his opinion of this amendment would be different.

The Hon. K.L. MILNE: No.

The Hon. J.R. CORNWALL: This is one of those pleasant occasions for me when the Government has on its side the logic, common sense and the numbers. I need say no more.

The Committee divided on the amendment:

Ayes (10)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin, C.M. Hill (teller), Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (11)—The Hons Frank Blevins, G.L. Bruce, B.A. Chatterton, J.R. Cornwall (teller), C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, K.L. Milne, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived; clause passed.

Clause 5—'Repeal of sections 426, 427 and 429.'

The Hon. C.M. HILL: As I said earlier, the amendment proposed to this clause and other proposed amendments are consequential upon the amendment just lost, so I do not propose to move them.

Clause passed.

Clause 6—'Repeal of section 430 and substitution of new section.'

The Hon. K.L. MILNE: I move:

Page 2, lines 7 and 8—Leave out subsection (3) and insert new subsection as follows:

(3) The council shall not resolve to borrow money unless the council has given, not less than fourteen days previously, public notice of the proposal that the council borrow the money and of the proposed expenditure of that money.

Under this amendment a council shall not resolve to borrow money unless it has given not less than 14 days previous public notice of such proposal to borrow money and of the proposed area of expenditure of that money. Before a council resolves that it will borrow money it has to announce in the *Gazette* and the newspaper circulating in the area its intention to borrow that money, the amount involved, and what it is intended that that money be spent on. I think that that should be sufficient. If people want to make a fuss about such expenditure there are plenty of ways for them to do so. People are much closer to councillors than they are to members of Parliament and it would be a very brave council that went ahead with such advertised expenditure if there were a sufficient groundswell to prevent that expenditure. Therefore, I think this amendment is a sufficient safeguard in this modern day and age and ask honourable members to support it.

The Hon. C.M. HILL: This is a toothless tiger which gives no power whatever to ratepayers. It is simply window-dressing. It allows a ratepayer to thump his fist on the door of the council chamber only to find that the door does not open and that he has to put his tail between his legs and walk home. I do not believe that ratepayers should be treated in this fashion. I think that, when publicity of this nature is involved, ratepayers should have proper recourse to challenge a council and that, if there is a sufficient number of ratepayers thinking along similar lines who object to a council decision, they should be able to reverse that decision by ratepayer power—it is as simple as that. Such a provision has been available since time immemorial in the Local Government Act, and in similar Acts elsewhere in the world, going right back in the British system of local government. That is now going overboard here. However, as a sop, the Democrats are moving that councils have to advertise intention of such expenditure, but the matter rests there. I think that it is a great pity that we are going along this line with this measure.

The Hon. J.R. CORNWALL: The Government supports this very sensible middle-of-the-road amendment. It rejects the way in which the Opposition wants to treat councils as though they are children. It seems to me that the Opposition is heavily into decision-making by minority. This is not even Government by referendum, and that can be unworkable enough. This is not Government by referendum, if one looks at a majority view of the ratepayers eligible to vote. For that reason, and because I think that the amendment is a sensible, reasonable one that takes account of contemporary practices in democratic process, the Government supports the amendment.

Amendment carried; clause as amended passed.

Remaining clauses (7 to 13) and title passed.

Bill read a third time and passed.

LOCAL GOVERNMENT FINANCE AUTHORITY BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 2437.)

Clauses 2 to 6 passed.

Clause 7—'Constitution of the Board.'

The Hon. R.I. LUCAS: Does the Minister believe that there should be an equal opportunity requirement under this clause?

The Hon. J.R. CORNWALL: Two members of the Board shall be elected by the annual general meeting of the Authority, so I hardly think that the Government would have any control in regard to its equal opportunities policy. Two members will be appointed by an annual general meeting of the Authority upon the nomination of the Local Government Association, and I would hope that the Association (which, as we now know, is a mature body of persons) would be conscious of the Government's policy and would take that policy into account to the extent that is possible and desirable. One member of the Board shall be the person for the time being holding or acting in the office of permanent head in the Department of Local Government, or any other office of that Department from time to time nominated by the permanent head: one would hope that there would be anything up to a 50/50 chance that that person would be female.

The same applies to the Treasury. One member shall be the person for the time being holding or acting in the office of Under Treasurer, or any other office in the Treasury Department from time to time nominated by the Under Treasurer. Again, that applies to the office of Secretary-General of the Local Government Association. It would be very difficult in the drafting to stipulate that one, two or three members shall be men or women. I reinforce the point I made earlier in the day that, as a matter of policy, the Government is committed to the principle of equal opportunity.

The Hon. Diana Laidlaw: It is applying it very inconsistently.

The Hon. J.R. CORNWALL: We have applied that policy very actively—so vigorously, in fact, that we have almost gone into overdraft with it.

Clause passed.

Clauses 8 to 20 passed.

Clause 21—'Functions and powers of the Authority.'

The Hon. L.H. DAVIS: I move:

Page 7, line 10—After 'Authority' insert 'in such investments as are approved by the Minister'.

This amendment seeks to strengthen clause 21 (2) *(d)*, under which the Authority may invest moneys held by it. As was noted in the second reading stage, the Authority has the power not only to borrow money on behalf of those councils that use the Authority but also to invest money. The provision is open ended, and I seek to strengthen it. In practice, the Minister will prescribe suitable authorities.

Such a provision is not uncommon in relation to statutory authorities. For example, the State Government Insurance Commission can invest in securities that are approved by the Treasurer from time to time. This does not mean that the Authority will have to go cap in hand every time it wishes to invest: it will simply mean that there is an agreement as to what will be a suitable investment by the Authority. That may well take in short-term deposits with certain approved merchant banks or perhaps cash management trusts. Obviously, the banks and institutions would be approved, as may be certain longer-term deposits. There is nothing terribly Draconian about this amendment, and I urge honourable members to support it.

The Hon. K.L. MILNE: I support this amendment in principle, because it is a good amendment, but I believe that the honourable member has missed the core point. In the case of S.G.I.C., the Minister is the Treasurer, and it is usual that the Treasurer is referred to. Perhaps the amendment could be altered, so that it would be even better, and we could provide a precaution. To my knowledge, this has never hampered S.G.I.C. in its investments, or at least not while I was there. Perhaps the Hon. Mr Davis would be prepared to concede my point. I would then support the amendment entirely.

The Hon. L.H. DAVIS: I am quite willing to accept the Hon. Mr Milne's point. I move:

That the amendment be amended by striking out 'Minister' and inserting 'Treasurer'.

The Hon. Mr Milne has raised a sensible point. After all, the Treasurer is the person who would be in the best position to make judgment on Crown investments. I must say it is not uncommon in other Acts such as the Residential Tenancies Act to prescribe the person to be the Minister. In that case, I agree with the Hon. Mr Milne's observations.

The Hon. J.R. CORNWALL: I am required to make a fast decision. Obviously, I have not had an opportunity to consult with the Premier and Treasurer or my Cabinet colleagues. It might be said by both the Treasurer and the Under Treasurer that the Minister of Health—not only the present Minister but previous incumbents—are not the best people to make judgments on matters of money. Naturally, I would contest that. However, in the circumstances and on the advice available to me, as the amendment relates to the finance authority which will be under the purview of the Treasurer, it probably does not add a great deal.

However, it certainly does not take anything away and, in view of the emerging consensus, it appears to be a sensible minor amendment which I am willing to accept at this stage, although there is a possibility that my Government colleagues in another place may find some reason why it is not entirely acceptable. I would be surprised if that were to happen, and I feel confident that my job is not yet on the line. In those circumstances, and with all those hedges, I support the amendment on behalf of the Government.

Motion carried.

Amendment, as amended, carried; clause as amended passed.

Clause 22—'Financial management.'

The Hon. L.H. DAVIS: I merely observe that it seems rather peculiar to include a provision that the Authority shall act in accordance with proper principles of financial management with a view to avoiding a loss. I would have thought that in the circumstances that would be a fairly normal objective. Although it amounts to another clause, I do not have any particular objection to it. However it does not achieve anything.

The Hon. J.R. CORNWALL: It is a fairly standard clause that can be found in much legislation. I remember when I was in Opposition making great play when this provision appeared in a Bill that I was handling on behalf of the Opposition. I do not know that it adds a great deal, but I hope that all Governments, public servants and those in public employment in statutory authorities will be diligent at all times. I am sure that others will learn, like the Hon. Mr Burdett who is skilled in law, I am sure, and the Hon. Mr Davis, and have no difficulty in finding similar clauses in other legislation.

Clause passed.

Remaining clauses (23 to 36) and title passed.

Bill read a third time and passed.

[Sitting suspended from 5.50 to 7.45 p.m.]

WRONGS ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

EDUCATION ACT AMENDMENT BILL

The House of Assembly intimated that it had agreed to the Legislative Council's amendments Nos 3, 4 and 6, and had disagreed to amendments Nos 1, 2 and 5.

Consideration in Committee.

The Hon. FRANK BLEVINS: I move:

That the Council do not insist on its amendments Nos 1, 2 and 5, to which the House of Assembly has disagreed.

Debate on this Bill was quite extensive in this Chamber. The Bill was then transmitted to another place, where further extensive debate took place. As honourable members can see from the schedule before them, the House of Assembly acted reasonably and went some way towards meeting the Council. However, the House of Assembly felt that three of the Council's amendments were so far outside the principles of the Bill that it could not accept them. I believe that the reasons stated in that regard when the Bill passed another place are compelling. I urge the Committee to support the motion.

The Hon. M.B. CAMERON: I urge honourable members to oppose the motion. The amendments were fully debated in this Chamber, which made its decision. The effect of the motion would be to put aside the decision made in this Chamber. In this case, I believe that the motion must be opposed so that the matter can be further considered by the processes of Parliament. I am pleased that in this case the proper processes of Parliament will occur in relation to this Bill.

This is an important Bill which, if agreed to, effects an important change to the education system of this State. Many people in the community do not agree with that change. The Bill provides for a majority of Government members on committees dealing with independent education

in this State. It also cuts across regulations that deal with independent schools. Neither House of Parliament has identified any problem with independent schools. I believe that it is essential that the Committee opposes the motion so that the Bill can go through the processes of Parliament as laid down in the Standing Orders.

The Hon. R.J. RITSON: I oppose the motion. The Bill was introduced in another place last Thursday and, since its passage in that House there has been an amount of public awareness, resulting in a good deal of public input to members of this Chamber. If this Chamber is to function as a House of Review, it must respond to public debate and exercise its review role. I believe that that has occurred in this instance. The Government has put forward no evidence to suggest that the changes in the legislation are other than theoretical. For that reason, I believe that the Council should insist on its amendments.

The Hon. ANNE LEVY: I urge the Council not to insist on its amendments. The Hon. Dr Ritson spoke—

The CHAIRMAN: Order! There must be a better place than the gallery to conduct an acrobatic show for discussion of this matter.

The Hon. ANNE LEVY: The Hon. Dr Ritson referred to the fact that during the past few days there has been pressure from some members of the public concerning this Bill. I point out to him that that pressure, which culminated in a meeting on Monday evening and a series of letters to all members of Parliament, came from groups who wished that the whole Bill be rejected and whose most vociferous opposition was to clauses in the Bill which caused no controversy in this Council. Those clauses, which were unanimously agreed to by the Council, were rejected most strongly by certain outside groups.

So that the Non-Government Schools Registration Board can function properly, it is urgent that those sections of the legislation with which we all agreed should become operative as soon as possible. Therefore, I urge all members not to insist on these other amendments, which could lead to the Bill failing and thereby preventing the proper operation of the Non-Government Schools Registration Board in the manner in which every member in this Council was united in agreeing should happen.

The Hon. R.I. LUCAS: I believe that this Council must insist on its amendments made last night, only 12 to 18 hours ago. The Council engaged in extensive debate last night on this Bill, which sought to give the Non-Government Schools Registration Board wider powers. As the Hon. Ms Levy indicated, all members of this Chamber agreed with the move by the Minister and the Government to give the Non-Government Schools Registration Board those wider powers.

However, this Council agreed with the extension of those powers on the basis that the control of the Board remain with the non-government sector. That was the reason for this Council agreeing to the very wide extension in those powers. This Council did not agree to the extension of powers, together with the extension of control by the Government and the Minister of the Non-Government Schools Registration Board.

I suggest that the situation at which we would be looking would be quite different if this Council had not supported the present situation where the non-government schools retained control of the registration board. I think there would then have been considerable doubt about whether or not those powers should be extended. That was the decision we took as a Council last evening. Not one shred of evidence has been offered by the Minister in another place or by Government members in this Chamber for changing the way in which the Council voted last evening. I strongly urge honourable members to insist on the amendments that were carried last night.

The Committee divided on the motion:

Ayes (7)—The Hons Frank Blevins (teller), B.A. Chatterton, C.W. Creedon, M.S. Feleppa, Anne Levy, C.J. Sumner, and Barbara Wiese.

Noes (10)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, I. Gilfillan, K.T. Griffin, Diana Laidlaw, R.I. Lucas (teller), and R.J. Ritson.

Pairs—Ayes—The Hons G.L. Bruce and J.R. Cornwall. Noes—The Hons C.M. Hill and K.L. Milne.

Majority of 3 for the Noes.

Motion thus negatived.

MOTOR VEHICLES ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

CLASSIFICATION OF PUBLICATIONS ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

STATUTES AMENDMENT (CRIMINAL LAW CONSOLIDATION AND POLICE OFFENCES) BILL

Returned from the House of Assembly without amendment.

FILM CLASSIFICATION ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

STOCK MORTGAGES AND WOOL LIENS ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

STATE BANK OF SOUTH AUSTRALIA BILL

In Committee.

(Continued from 6 December. Page 2362.)

Clauses 2 to 6 passed.

Clause 7—'Membership of the Board.'

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

Page 3, after line 13—Insert subclause as follows:

(3a) No person who is of, or above, the age of 72 years is eligible for appointment as a Director of the bank.

This clause refers to the membership of the Board. My amendment deals with the age beyond which a person may not be appointed a Director. That amendment is also related to substantive amendments to clause 8. So, whilst they are separate, it is appropriate to deal with them as a whole in speaking to the amendment to clause 7. The clause specifies that the term of office of Director will be a period not exceeding five years and the appointment is to be made upon such conditions as are specified in the instrument of his appointment. The concern I have with respect to that provision is that it is possible for persons to be appointed

as Directors for short periods of time, for example, one year.

It is possible that, as a result of such appointment, a Government may be able to unduly influence a Director in the exercise of his or her duties as a Director by either directly or indirectly indicating that, if that Director did not toe the line, the reappointment of a Director would not be made at the end of that relatively short period of time. With a longer period of time, such as five years, that risk is very much reduced. It is a much more permanent appointment and any Director whom the Government sought to influence would already have security over a longer term and would be much less likely to bow to that influence.

The Liberal Government proposed, when last in Opposition and also in some of its legislation introduced during its three years in Government, that the initial appointments of Directors be for terms up to a maximum period but, after the first appointment, subsequent appointments would be made for a fixed term. That gave the appointing authority the opportunity to make staggered appointments so that, if the appointing authority was so inclined, one or two Directors could retire each year. One of the difficulties with the subsequent fixed period (in this case, five years) is that we may have a person who, as a Director, is approaching retiring age but there may be some value in keeping that person on as Director until the retiring age is reached. So, the amendments which I am moving to clauses 7 and 8 accommodate that situation by providing, first, that a person who is of or above the age of 72 is not eligible for appointment as a Director and, where a person appointed as a Director would attain the age of 72 years during the five-year appointment, such appointment may be for a period less than five years; that is, expiring at the age of 72.

The age of 72 is the age fixed by the Companies (S.A.) Code for Directors of companies. When Directors reach the age of 72, thereafter each annual general meeting of the company must, by special resolution, appoint such a person a Director but only for a period expiring at the next general meeting of the company. To the extent that it is possible to do so, the appointment of Directors in respect of that age limit is linked with the Companies Code. We are trying to make it as near to being a private enterprise corporation as possible. Without share capital it is not possible to put it on all fours, but we are seeking to put it in a position akin to a private sector bank.

So, I suggest to the Committee that the flexibility which the Government requires, at least in the first set of appointments, is now accommodated and the possible difficulty with the Director reaching the age of 72 but not being able to serve out a full five years is also accommodated.

Rather than removing the provision that specifies that the appointment is to be upon such conditions as are specified in the instrument of his appointment (which was part of the amendment moved by the Leader of the Opposition in the House of Assembly—that is left in the clause), there is a requirement that, if there are any conditions, they be published by notice in the *Gazette* so that they become public knowledge. The amendment that I am moving is somewhat different from the amendment that was moved in the House of Assembly, but I suggest to the Committee that it accommodates the difficulties that were debated when the amendment was considered in the House of Assembly. The amendment to clause 7 (on page 3) is not necessarily dependent on the amendments to clause 8 passing, but they are related.

The Hon. C.J. SUMNER: I oppose the amendment. The Government believes that there is an advantage in flexibility in the appointment of directors to a board such as this and that the provision requiring appointment for up to five years is the best solution. There are many examples where it is useful, practical and convenient to everyone concerned to be able to appoint a person for less than a fixed term such as five years. It may be that it is a person whose expertise one might want for a period but who, for some reason, is available for only 12 or 18 months. It may be that a person has served on a bank board for five or 10 years and then wishes to serve for another 12 or 18 months or two years on a particular project and then to retire. The sort of flexibility that is in the Government proposition accommodates that situation. I do not see any compelling need in this legislation—it may be justified in others—for having, in effect, a fixed five-year term.

The other point that the honourable member raised related to the retiring age of 72 years for directors. He has equated his amendment, which is to the effect that no person who is of or above 72 years is eligible for appointment as director of the bank, to the situation of the Companies Code of South Australia. However, I understand that the Companies Code allows the appointment of a director over 72 years, provided that he is re-elected every 12 months. That is a distinction; in this case the honourable member's amendment would totally preclude anyone over the age of 72 years from appointment to the Board.

That may be desirable as a matter of policy; it probably is as a general rule. I think that the previous Government adopted a policy in connection with Government boards and authorities of not appointing anyone over 70. That certainly applied in the case of justices of the peace sitting on the bench, for instance; it also applied to the appointment of boards. The present Government has continued what possibly is a policy of both previous Governments. So it is a matter of policy for Governments and a matter of principle, for example, that people over 70 should not be appointed to Government boards and instrumentalities. However, it is not a hard and fast rule and is not written into the legislation.

There are circumstances where it is useful for practical reasons to be able to appoint people over that age; for example, a person who had long experience on a board, who is reaching the retiring age and whom it might be useful to appoint for a short period beyond that retiring age to assist in a particular project in which he had an interest for some considerable time. That sort of flexibility is built into the legislation; I do not believe any harm can come by it.

The honourable member says that it may be that the Government could unduly influence a director if short-term appointments were allowed. I do not really see that as a danger; if a Government were silly enough to operate in that way—to try to stack the board to give effect to a particular policy—that would become known and the Government would be judged in the public arena and ultimately at an election if there was any suggestion that what had been done was improper. So I do not believe, as a matter of practicality, that the Government would attempt to manipulate the Board in such a blatant way and, if it did, it would presumably be in pursuit of some policy that was publicly known and could be criticised in Parliament, and ultimately taken to the electors. The Government believes that the Bill as it stands is desirable and really has that very necessary degree of flexibility in appointments that would make far more practical operation of the Board.

The Hon. K.T. GRIFFIN: Certainly, there may be occasions where it is much more convenient to be able to appoint for a short term than a long term, but that is one of the factors that Governments have to take into account in making appointments: that there may be constraints on a Government in respect of the period of appointment. But it has to be remembered that we are now dealing with a

new bank, which will have something in excess of $2.4 billion of assets, of which only $42 million will be capital subscribed by the Government of South Australia and a very substantial amount of those assets will be the funds of depositors.

We have to ensure that as much as possible this Bank is independent of the Government in respect of its day-to-day operations and the use of its assets. Although I hope (this view has been expressed by the Leader of the Opposition in another place as well) that this Bank would be sensitive to the needs of South Australia—and it is required to have some recognition of that under clause 15—it would nevertheless be free of the sort of influence to which I referred in the appointment of directors for relatively short terms. I suppose that it is unlikely in the foreseeable future that there will be any inclination for the appointment of directors for short periods, but we are passing legislation to establish a Bank that will hopefully be a thriving Bank, serving South Australia and South Australians well into the next century. We have to get it right from the start.

If there are some problems that Governments face in respect of lack of flexibility in the appointment of directors, I strongly suggest that that is more than balanced by the fact that directors, when appointed, will have some security, will be able to make decisions without fear or favour, and without any concern that their appointments may or may not be renewed because of the way in which they have taken decisions in the pursuit of the objectives that have been laid down in the Statute.

I believe that from time to time Governments, directly or indirectly, place pressures upon members of boards or councils to take particular decisions, and those members who may be coming up for election could well be under some sort of threat if they did not pursue a particular course. I am trying to ensure that as much as possible that sort of tension is eliminated. I hope that the amendment will be supported, because it minimises quite significantly the risk to which I have referred.

The Hon. C.J. SUMNER: If I thought there was significant risk in what the Government is putting forward, I would perhaps concede the honourable member's point, but I do not see any problem. I do not believe that the flexibility of determining appointments of less than five years will lead to difficulties. Obviously, the Government has some input into the bank's policy, and if the Government attempts some kind of stacking exercise that is not acceptable, it will answer at the polls. However, I am sure that no responsible Government could go in for a blatant exercise of that kind. There will certainly be a strong case for flexibility to meet the sorts of examples that I have given. In a great majority of cases these people will be appointed for the full period, but there is a case for the Government's being able to exercise that degree of flexibility that I have indicated.

The Committee divided on the amendment:

Ayes (8)—The Hons M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin (teller), Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (9)—The Hons Frank Blevins, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, C.J. Sumner (teller), and Barbara Wiese.

Pairs—Ayes—The Hons J.C. Burdett and C.M. Hill. Noes—The Hons G.L. Bruce and K.L. Milne.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. R.I. LUCAS: Legislation in regard to the South Australian Ethnic Affairs Commission and the South Australian Council of TAFE has adopted equal opportunity provisions. Did the Attorney-General and the Government consider such a provision in relation to the Savings Bank Board and, if so, why was it rejected?

The Hon. C.J. SUMNER: The Government has an equal opportunity policy, which has been given effect to in a number of areas. There is no provision under clause 7 relating to membership of the Board in that regard. I suppose that there could be such a provision, although it is probably worth saying that the Ethnic Affairs Commission, for instance, is a larger body, probably designed to attempt to be representative in the sense that the appointees are closely concerned with ethnic minority communities. Again, the council of TAFE is a much larger body, which attempts to bring together very diverse interests.

While that matter probably could have been dealt with in this Bill, I believe there is probably some difference in function between the Board of the Bank and the Ethnic Affairs Commission or the Council of TAFE. I am sure that, in relation to this Board and appointments to it, the Government will have regard to its equal opportunity policy, but it is also important that a Board such as this (as the Hon. Mr Griffin has pointed out) has the confidence of the people of South Australia. It must ensure that well-qualified people are appointed, and I am sure that there are many women who are well qualified and who could be appointed as Board members.

It is not a matter about which I have strong feelings. If the honourable member has a point of view to put about it I am happy to hear it. There is a distinction between the Ethnic Affairs Commission, the TAFE Council and the Bank Board. In regard to the Bank Board, I am sure the Government will have regard to its policy of equal opportunity.

The Hon. K.T. GRIFFIN: I have one question about the Chief Executive Officer.

The Hon. C.J. Sumner: Do you want to know who it is?

The Hon. K.T. GRIFFIN: I am not going to ask, although I would like to know. It is appropriate for the Government to make the announcement at the proper time. Is it the Government's intention to appoint the Chief Executive Officer as a member of the Board? Were applicants for the position offered a position on the Board, or did the applicants request a Board appointment as a condition of acceptance of the contract?

The Hon. C.J. SUMNER: I do not think it would be fair to answer the second question. In regard to the Government's general policy, there has been no general policy as to the appointment of the Chief Executive Officer of the Board, but I understand, in regard to the first appointee, that he will be a member of the Board.

The Hon. DIANA LAIDLAW: I seek clarification from the Minister in regard to his reply to the Hon. Mr Lucas. I did not intend raising this matter, but it appears to be a selective application of the policy which the Government heralded loudly at the last election and which it continues now. Perhaps I misunderstood the Minister. Is he saying that on bodies such as the Ethnic Affairs Commission and TAFE, where the hard and tough economic decisions are not being made, it is appropriate to have women represented on the Board and stipulated in Acts, and when it comes to Bills on matters such as this, he does not see the same need? I suggest that to a vast majority of bank customers a woman may be welcome on the Board. From my experience in working in housing in the former Government, the policy of the Board would be far more sensitive to loan applications for housing purposes if there were more women on the Board. I find it an extraordinarily selective application of a policy with which I agreed. Will the Minister elaborate?

The Hon. C.J. SUMNER: I think the honourable member misunderstood me. I was not saying that, because the Board would be making such decisions, it was therefore a place where the equal opportunity policy would not be written into the Statute. What I did say, and what is valid, is that

the Ethnic Affairs Commission makes decisions as well as the TAFE Council, but it goes out of its way to attempt as an organisation to be 'representative', that is, to try to draw in as a positive act members of the community from different ethnic groups and backgrounds and also different sexes.

In that sense they are more broadly based community-type bodies than the Bank Board, which is essentially a Board operating in a commercial context. I do not suggest for one moment that women cannot be appointed to the Bank Board. As I said, the Government's equal opportunity policy will apply. The appointment of women to the Board will be made if there are women who are well qualified and who meet the sort of criteria applicable for such appointment. I have not strong views on the matter, but the Government has an equal opportunity policy which is being implemented in several areas. It has been included specifically in some Acts establishing boards. It was not included in this Bill, but the policy is still applicable. Although there are no so-called reserved positions for either men or women, if there are women with the ability and qualifications needed to be directors of this important Board in South Australia, I am sure the Government will see to their appointment.

Clause passed.

Clause 8—'Term of office.'

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

Page 3, lines 17 to 19—Leave out subclause (1) and insert new suclause as follows:

(1) Subject to this section, a Director of the Bank shall be appointed—

(a) if he is one of the first to be appointed—for a term of office not exceeding five years;

or

(b) in any other case—for a term of office of five years,

and his appointment shall be upon such conditions as are specified in the instrument of his appointment and published by notice in the *Gazette*.

To a large extent I have dealt with the reason for this amendment, which is not contingent upon the amendment moved to clause 7 but which obviously relates to it. It is an important provision seeking to minimise potential disruption in regard to some appointments.

The Hon. C.J. SUMNER: For the reasons previously outlined, I oppose the amendment.

The Hon. L.H. DAVIS: I support the amendment. Heavy emphasis has been placed on the fact that the State Bank of South Australia is as much as possible to mirror other private banks. It is a regular practice in the private sector for directors to be appointed on a regular basis, and they come up for re-election every three or four years or whenever the articles of association so provide. There is a strong argument to ensure that this is also the case in the newly-formed Bank. Not only is it common sense and provides for continuity on the Board and some ability to have an understanding of what has gone on before, and especially important in the formative years of this newly-merged Bank, but it also picks up the point that the Hon. Mr Griffin has made—that the Bank should be above any suggestion that Board appointments are subject to the power of the political Party that may be in office at a particular time. I urge the Committee to support the amendment.

The Committee divided on the amendment:

Ayes (8)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin (teller), R.I. Lucas, and R.J. Ritson.

Noes (9)—The Hons Frank Blevins, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, C.J. Sumner (teller), and Barbara Wiese.

Pairs—Ayes—The Hons C.M. Hill and Diana Laidlaw. Noes—The Hons G.L. Bruce and K.L. Milne.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.T. GRIFFIN: My other amendment to this clause is consequential on the amendment that was just lost. Accordingly, I will not proceed with my other amendment to this clause.

Clause passed.

Clause 9—'Casual vacancies.'

The Hon. K.T. GRIFFIN: The amendment that I have on file to this clause is consequential on my amendment to clause 7, which was lost following a division. Accordingly, I will not proceed with my amendment.

Clause passed.

Clause 10 passed.

Clause 11—'Disclosure of interest.'

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

Page 4, lines 15 to 18—Leave out paragraph *(b)* and insert paragraph as follows:

(b) in respect of an interest—

(i) that arises by virtue of the fact that the Director has a shareholding (not being a substantial shareholding within the meaning of Division 4 of Part IV of the Companies (South Australia) Code) in a public company;

and

(ii) that is shared in common with the other shareholders in that company.

My amendment deals with a particular interest that a Director must disclose to the Board, where a Director has a substantial shareholding in a public company seeking accommodation with the new bank. The amendment specifically refers to a substantial shareholding under Division 4 of Part IV of the Companies (South Australia) Code. A substantial shareholding is defined as 10 per cent or more of the shares.

Where a Director of the new bank is a shareholder in a public company seeking accommodation with the bank and holds 10 per cent or more of the shares of the company, whether or not it is listed, that interest should be declared to the Board. Ordinarily, I presume that would occur. However, to put the matter beyond doubt and to make it a positive obligation, I commend the amendment to the Committee.

The Hon. C.J. SUMNER: The Government believes that there is merit in the amendment. Accordingly, it accepts the amendment.

Amendment carried; clause as amended passed.

Clauses 12 to 14 passed.

Clause 15—'Policies of the Board.'

The Hon. DIANA LAIDLAW: This is one of the clauses dealing with the functions and policies of the Board. Subclause (4) provides:

The Board shall consider any proposals made by the Treasurer in relation to the administration of the bank's affairs and shall, if so requested, report to the Treasurer on any such proposals.

I recognise that subclause (1) provides that the administration of the bank's affairs must take account of the importance of the availability of housing loans in relation to the State's economy and to the people of the State.

My questions relate to subclause (4) and housing loans. What assurance does this clause provide to a Government that the banks will implement undertakings made by a Party during an election campaign and after it takes office in regard to commitments made by a Party in relation to housing programmes? What assurances does the clause give to a Government that the bank will co-operate with any agreements made by a Government in respect of the Commonwealth/State Housing Agreement?

The Hon. C.J. SUMNER: There are no assurances whatsoever. Clause 14 (1) provides that the Board has power to transact the business of the bank. The Government, I suppose, has an input regarding the policy of the bank by way of appointments to the Board and by way of clause 15 (4), which means that the Board is obliged to consider proposals

made by the Treasurer and, indeed, provide a report to the Treasurer in relation to any such proposals. The only statutory obligation on the Board of the bank is to consider the proposal.

If the Treasurer writes to the Board of the bank and the Chief Executive Officer puts the letter in the wastepaper bin then, obviously, the Board will not consider it and the Board would, I submit, then be in breach of the legislation. However, if the Board receives a letter from the Treasurer, circulates it for discussion and gives it proper consideration at a meeting of the Board, but determines not to accede to the Treasurer's request, whatever it is, the Board would be acting in accordance with the Act. So, there are no assurances, but the Board of the bank can carry out the undertakings that a Party might make during an election campaign.

Certainly, the Treasurer or the Government of the day can put to the Board certain things that it might like to see done under clause 15 (4). The only obligation on the Board is to consider it. There is no obligation on the Board to accept the Government's proposal but, as the Hon. Ms Laidlaw is well aware, there are usually discussions between State instrumentality boards and Ministers of the Government. Clearly, in most cases agreement is reached on a particular course of action. All clause 15 (4) does is give some formal sanction to that sort of discussion.

The Hon. DIANA LAIDLAW: If the Minister, as he indicated, recognises that the Board does not have an obligation to honour commitments made in the election promises of Parties or agreements (for instance, the Commonwealth/State Housing Agreement, which has been entered into by the Commonwealth and State Governments and passed by this Parliament) and has no obligation to administer those policies, does the Government have a fall-back position or some other means or source of funding that it can reassure this Council is available for the administration of what, I suggest, are vital community projects which have been endorsed by the people through an election or, in the case of the Commonwealth/State Housing Agreement, by this Parliament?

The Hon. C.J. SUMNER: I do not imagine that that situation would be reached. If certain obligations were imposed directly on the State Bank by way of legislative mandate approved by the Parliament then, clearly, the bank would be forced to abide by that legislation. But, on the face of it, there is nothing to require the bank to do the Government's bidding. If the Commonwealth/State Housing Agreement were established and the bank said, 'No, we are not having anything to do with that; we are into a more respectable business,' or for whatever reason, the Government would have to find an alternative means of carrying out its policy under such an agreement—perhaps by way of the Housing Trust or, indeed, some other organisation. It is hard to concede that situation would come about.

However, we could legislatively sanction the agreement. If legislation was passed by the Parliament which gave to the new State Bank certain obligations, under Federal/State agreement, the bank would be obliged to carry them out. However, in the absence of any such legislative sanction, there is nothing that the Government can do to force the bank to take on that particular business. But, it is the intention of the bank, I understand, to continue the sort of work that the State Bank has been doing in the housing area in the past.

Clause passed.

Clauses 16 to 18 passed.

Clause 19—'General functions of the bank.'

The Hon. R.I. LUCAS: At the November 1981 A.L.P. State Convention it was resolved that a possible means of mobilising funds for the purpose of shares in the State Investment Fund or Enterprise Fund—and notice was again given on the weekend by the Premier that the Government was proceeding with plans for the Enterprise Fund—may include legislating for all the State banks to purchase shares issued by the State Investment Fund/Enterprise Fund and requesting them to do so. Does the Government intend to enforce the effect of that resolution?

The Hon. C.J. SUMNER: There is no such provision in clause 19. The question of the Enterprise Fund is a matter for the Government, which has recently reaffirmed its intention to proceed with some form of Enterprise Fund. I suggest that the honourable member await the announcement of that proposal and any legislation that the Government needs to establish it.

The Hon. L.H. DAVIS: Clause 19 sets down in some detail the general functions of the bank. It may be premature to give a firm answer to this question, but has the working party discussing the merger made any firm decisions as to the benefits which currently accrue to the customers of both the State Bank and the Savings Bank, and whether or not those benefits will remain with the merged bank? For example, I instance the interest on personal cheque accounts currently paid to customers of the Savings Bank of South Australia. Will those significant benefits which are currently being picked up by many customers of the Savings Bank remain with the newly formed State Bank of South Australia?

The Hon. C.J. SUMNER: As the honourable member knows, this is a new entity which one hopes will be an aggressive competitor in the banking world in South Australia, as it will be the only South Australian-owned bank left in our State. No doubt commercial decisions will be taken by the Board, when it is appointed, and by the Chief Executive Officer, when he is appointed. I do not think that it is proper for me to say what particular decisions might flow from the Board once it is appointed.

One would hope that customer benefits which the existing banks grant would be able to be continued. Clearly, important commercial decisions will have to be made in the light of circumstances in the future and as the Board, which is independent, sees as necessary in order to ensure its commercial viability in the area in which it operates.

The Hon. DIANA LAIDLAW: I refer to clause 19 (3). Which of the powers listed will empower the bank to carry out the terms of the Commonwealth-State Housing Agreement?

The Hon. C.J. SUMNER: I would have thought that clause 19 (2) would provide sufficient power for the bank to act as agent for the State Government in the implementation of such an agreement. The Government does not envisage any difficulty in that respect.

The Hon. DIANA LAIDLAW: The Minister does not seem to define, under subclause (3), the administration of the Commonwealth-State Housing Agreement. Does the enlarged bank still have a role to play in subsidising housing loans?

The Hon. C.J. SUMNER: Clause 19 (3) outlines the sorts of activities in which the bank may engage but does not limit the activities in which it may engage. The clause begins with the words 'without limiting the generality of the foregoing'; that is indicative of what the bank can do. It is not limiting in the sense that it only covers those matters mentioned under subclause (3). Clause 19 (1) gives the bank a broad mandate to carry on the general business of banking and invests the bank with all such powers necessary for that purpose.

If the administration of the Commonwealth-State Housing Agreement was formerly part of its general banking activities, as I am sure it would be, there will be sufficient power for it to continue to do that. It could act as an agent for the State Government in relation to such an agreement if that was felt necessary.

The Hon. R.I. LUCAS: Following A.L.P. policy, does the Government intend to legislate for the State Bank to be involved in the enterprise fund? The Attorney-General previously said that we would have to wait and see. If the Government chose to follow its Party policy and legislate in this respect, does the Attorney-General believe that this will place the State Bank at any competitive commercial disadvantage with other banks in South Australia?

The Hon. C.J. SUMNER: We have gone from one hypothetical question to two hypothetical questions. To answer a question based on the supposition of the first hypothetical question is asking me to do something which even I am incapable of doing. The Treasurer has in hand the question of the enterprise fund. The State Bank set up under this legislation is designed to be basically independent and will operate in the interests of the people of South Australia with some input from Government but, basically, will be independent and make commercial decisions about matters somewhat more community orientated than one might get in the commercial arena. It will have to compete in that very competitive commercial environment.

There is nothing in this legislation compelling the State Bank to invest anywhere on the direction of the Government. The honourable member will have to wait for any decisions that flow from the Treasurer about the enterprise fund, but I understand that this is the Act which will give the charter to the State Bank. Nothing under this Bill requires it to invest anything at the direction of the Government. That being the case, it would require a very persuasive reason as well as an amendment to the Act, if the Government wanted to force the State Bank to invest in the enterprise fund. I do not believe that that is the intention but I cannot categorically respond as the enterprise fund decisions are still being worked out.

The Hon. DIANA LAIDLAW: I refer to clause 19 (4), which provides for the bank to establish branches and agencies within and outside the State. Is the Government aware of how many branches it is planned to merge, and has any time been set down for the completion of the merger programme of those branches? Finally, does the bank have any plans to open any off-shore representative offices or branches and, if so, where?

The Hon. C.J. SUMNER: I believe 19 branches are likely to be merged. No specific programme exists in relation to off-shore or overseas agencies, although I am sure honourable members would like to see their bank established in the areas of the world to which they like to travel from time to time. I understand that it has an agency in London. The question of other expansion outside Australia will be subject to consideration.

The Hon. DIANA LAIDLAW: One of my questions was: is there a programme for the merger so that the staff might have an idea whether the merger will take place in one, two or three years?

The Hon. C.J. SUMNER: I am sure that there will be a programme. It is a matter for the Bank Board to consider once it is appointed. The preliminary programme that I have is that 19 branches are to be merged, but it will have to be considered over time.

The Hon. L.H. DAVIS: With the formation of the State Bank of South Australia there will be three major financial institutions with a Government flavour in South Australia, namely, the State Government Insurance Commission, the State Superannuation Board and this newly formed Bank—the State Bank of South Australia. If one looks at the annual reports of the first two institutions, it can be seen that the State Government Insurance Commission over the past several years has followed a most aggressive and commendable investment policy in that it has sought always to invest in securities with a South Australian flavour and has invested not only in fixed interest securities but in shares in public listed companies in South Australia.

In that respect, it has followed the lead of most other State Government insurance offices, most notably the State Government Insurance Office of Queensland which, notwithstanding the free enterprise claims of the National Party in Queensland, has emerged as one of the main forces to protect Queensland-based companies. It can be noticed from the holdings in the State Government Insurance Commission that it has significant—but not over large holdings—shares in a number of public listed companies that could genuinely be said to be vulnerable to take-over. I have no quibble with that investment strategy, which has had substantial capital gain in recent months.

On the other hand, the Superannuation Investment Trust has had a penchant for property. It has tended to divest itself of shares and convertible notes. It occurs to me that this newly formed State Bank, which as far as I can see will be the largest bank in terms of share of the market in South Australia, may have a role in defending South Australian companies from takeover.

Certainly, one can say that private banks do not make a practice of building portfolios, but have big funds to invest and can be seen to have large holdings in certain public listed companies. There is provision in clause 19 (3) for the Bank to acquire shares; there is a provision in subclause (7) that the Bank shall not acquire more than 10 per cent of the issued shares of a body corporate without the approval of the Treasurer. Again, it may well be that it is premature to expect the Attorney-General to have a definite answer to this question, but I wonder whether he can advise the Council whether any thought has been given by the State Government to using the State Bank in a very limited way in this direction.

Certainly, it may provide funds to assist in take-over defences, as has been recently instanced by the State Bank's joining a consortium to assist the W.R. Carpenter take-over operation, but I wonder whether, in addition to providing funds in the normal course of banking, in defending South Australian companies it may also have a limited role in acquiring equity in South Australian companies if it is deemed to be an appropriate investment.

The Hon. C.J. SUMNER: One cannot have it both ways. Either one wants a bank which is substantially independent of the Government and which the Government can influence only indirectly by appointments to the Board and by the Treasurer's making suggestions to the Bank under the clause that we have already mentioned, clause 15 (4), which requires the Bank to consider any proposals that the Treasurer makes; on the other hand, some people might expect a policy that involves acting as a white knight in take-overs or in other ways influencing the Bank's investment decisions.

The honourable member can see from clause 19 that the Bank will have the power to deal in securities, and it will be able under clause 19 (7) to acquire up to 10 per cent of the issued shares of a body corporate without the approval of the Treasurer. Beyond that, it needs the approval of the Treasurer, but that surely gives the Bank considerable flexibility in the investment decisions that it can make without Government intervention. Clearly, the Government may wish to put things to the Bank, which it can do through the Treasurer under the clause that I have mentioned, but one just cannot have a bank that is independent and at the same time expect the Government to have a direct influence on its investment decisions. The Bank is not subject to the same sort of control as the S.G.I.C., which the honourable member has mentioned; the S.G.I.C. is much more directly under the authority of the State Government.

The Hon. K.T. Griffin: It is subject to direction by the Treasury.

The Hon. C.J. SUMNER: Yes, I understand that it is subject to the Treasury. Under this merged organisation, as the honourable member will know, knowing the history of suggestions of the merger, it would probably not be politic for this or any Government to have decided to place the Bank under the direct control of the Treasurer or of the Government. The situation has a considerable history. Given that history, the people of South Australia would require the Bank to be as independent as is provided for in this Bill. The Savings Bank is a community Bank; the State Bank is more a direct Government instrumentality. However, in the merger of those two community banks it was felt that a degree of independence should be maintained—a greater degree of independence than applies to the S.G.I.C.

Whilst the Treasurer may be able to say to the S.G.I.C., 'You had better be in there and be a white knight and do something about this intended take-over'—I am not suggesting that the previous Government did that—there is a capacity for the Government to do that more directly with the S.G.I.C. than it can with this Bank, which is basically independent and operating independently in the merger environment. The Government can indirectly influence its decisions, but hopefully the decisions of the Board will be taken with a South Australian flavour and bias, and that has to be considered in the context of the world in which it operates.

The Hon. R.I. LUCAS: Is there any intention for the merged banks to seek extra participation in the Australian Resources Development Bank? I understand that similar banks in New South Wales and Western Australia have pursued equity participation in the Australian Resources Development Bank. I do not expect a response to the following question immediately—is the Attorney prepared to say whether either of the current banks hold shares in C.C.F. Australia Limited, C.C.S.L. (the operators of Bankcard), Beneficial Finance Corporation, or the Primary Industry Bank of Australia? Will the Attorney bring back a reply on the present situation, not on what is likely to happen in the future?

The Hon. C.J. SUMNER: Again, I really think there is little point in asking questions relating to the future policy of the bank. We cannot have it both ways. Either an independent organisation is established, or it is not, and that is basically what this bank will be. It will take decisions in a commercial environment in accordance with the charter established under the Act, and whether that means that it will become involved in investing in particular South Australian companies, in participation in the Australian Resources Development Bank, or in participation in some other financial institution must be a matter for the Board to decide.

It would be quite ludicrous for the current Boards of the two banks to have got together and made decisions in this regard. There is a charter, the honourable member can understand the charter, and he can draw his own conclusions. There will be a new Board and hopefully it will operate with a South Australian flavour in its activities. It is not possible for me to say whether or not it would be involved in particular investment, such as iron and steel investment. In reply to the second question, there are no orders in relation to C.C.F.A., C.C.S.L., Beneficial Finance, or the Primary Industry Bank of Australia.

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

Page 7, after line 9—Insert new subclause as follows:

(6a) The Bank shall not—

(a) require any person to obtain insurance, in respect of land mortgaged, or to be mortgaged, from a particular person or company; or

(b) require any person who is, or may be, indebted to the Bank to enter into a policy of life insurance on his life.

The Opposition appreciates the information that the Attorney-General has been able to give in reply to our questions. The proposed new subsection relates to new subsections (5) and (6). I am concerned that subclause (5) allows the bank to make it a condition of a loan that insurance be entered into with a particular company or organisation, at least while the loan is current. Under the Trade Practices Act, private banks are not permitted to make it a condition of a loan that insurance be taken out with a particular company or organisation. The first part of the amendment makes quite clear that that position will apply to the new State Bank, so that the bank shall not require any person to obtain insurance in respect of land mortgaged or to be mortgaged from a particular person or company.

I have two concerns about subclause (6). First, the bank may enter into the business of providing life insurance, and I do not believe that that was ever intended. The drafting certainly allows that, but only in relation to a person who is indebted to the bank. It allows the bank to make it obligatory to take out that insurance. I understand that the present practice of the bank is to offer insurance through another company or corporation that is in effect life insurance in respect of a loan. Generally, it is a personal loan, but there is no obligation on a debtor to take out that life insurance.

The amendment ensures that that is clear and that the bank shall not require a person who is or who may be indebted to the bank to enter into a policy of life insurance on his life. Thus, the voluntary aspect that currently applies will continue under this Statute in relation to the operations of the new bank.

The Hon. C.J. SUMNER: I oppose the amendment. I understand what the honourable member is saying, but I believe that the new bank will continue the practices that the old banks that are to be merged have followed in more recent times. There are a number of things that the bank intends to do which is not in the legislation.

Likewise, I believe that the Board intends to operate within the State Bank Act provisions in relation to the sorts of things that the honourable member has mentioned. I do not believe there is a case for inserting all these matters in the legislation. There seems to be no point in that. If the bank adopted some kind of wrong practice, the Directors would hear all about it and no doubt the Government would hear all about it.

Clause 19 (5) will work for the benefit of the borrower in particular and will ensure the continuance of cover on repayment of the loan. However, there is no obligation on the borrower to insure with the bank. A person may insure with whoever he wishes. I do not believe it is necessary to specify that more particularly in the legislation. Subclause (5) is drawn in a way as to indicate that the bank may provide such insurance. The bank may continue to provide insurance, but it does not place any obligation on the customer to insure at the direction of the bank.

I suppose it is a matter of practice and the bank could require it, but I think it would be against the spirit of clause 19 (5) and against the spirit of the trade practices determinations. I understand that it is not the Bank's intention to require that insurance be taken out.

The Hon. K.T. GRIFFIN: Certainly, there is no objection to the requirement that the security be insured. In fact, that would be quite a proper provision in any security documents. While I appreciate the response of the Attorney-General that there is no intention to make it compulsory for any person to take out insurance with any corporation or person, I believe it ought to be specifically provided that that is the position.

Although it will have an intention to comply with the Banking Act and the Trade Practices Act, as a State instru-

mentality as the law stands at present, it is not obliged to do so. Of course, that raises interesting questions about the power of the Commonwealth in respect of financial corporations and some recent decisions, especially the Tasmanian dam case, which may impinge upon this bank as an instrumentality of the Crown in the right of the State. That is too much of a constitutional debate to enter into at this stage, but there is good purpose served in including a specific provision which makes the expressed intention of the Government clear in this Statute.

The Committee divided on the amendment:

Ayes (9)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin (teller), Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons Frank Blevins, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, K.L. Milne, C.J. Sumner (teller), and Barbara Wiese.

Pair—Aye—The Hon. C.M. Hill. No—The Hon. G.L. Bruce.

Majority of 1 for the Noes.

Amendment thus negatived.

The CHAIRMAN: It is necessary to make a clerical amendment to paragraph *(f)* of subclause (3). It is a correction that will be made accordingly.

Clause passed.

Clauses 20 and 21 passed.

Clause 22—'Payment to be made to General Revenue.'

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

Page 8, after line 2—Insert new subclause as follows:

(2a) The sum determined by the Treasurer in accordance with subsection (1) *(b)* for a particular financial year shall not exceed—

(a) a sum that would be equivalent to a return on capital (expressed as a percentage) equal to the long term bond rate for that financial year; or

(b) one-half of the net operating surplus for that financial year,

whichever is the less.

After line 5—Insert new subclause as follows:

(4) for the purposes of this section—

'long term bond rate', in relation to a financial year, means a rate equal to the weighted average yield to maturity (expressed as a percentage) upon that series of Treasury Bonds of ten years term issued under the Commonwealth Inscribed Stock Act of the Commonwealth for which, as at the thirtieth day of June of that year, successful tenders had most recently been accepted:

'net operating surplus', in relation to a financial year, means the amount, if any, by which the operating surplus that has been achieved by the Bank for that financial year exceeds the sum payable to the Treasurer under subsection (1) *(a)* in respect of that financial year.

This clause deals with payments to general revenue. Those payments will be a sum equal to the income tax for which the Bank would have been liable under the law of the Commonwealth assuming that it were a public company liable to pay income tax under that law where there was an operating surplus and, secondly, such further sum as the Treasurer having regard to the profitability of the Bank, and the adequacy of its capital and reserves, determines to be an appropriate return on the capital of the Bank. That amount is to be determined by the Treasurer after a recommendation has been made to him by the Board of the Bank. One of my concerns in respect of this clause is that there is no upper limit on the amount of *quasi* dividend that the Treasurer may require the Bank to pay. For that reason I move my amendment, which will put a limit on that.

The new subclause that I seek to insert provides that the *quasi* dividend levied by the Treasury is not to exceed a sum that would be equivalent to a return on capital (expressed as a percentage) equal to the long-term bond rate for that financial year, or one half of the net operating surplus for that financial year, whichever is the less. The long-term bond rate is defined with specific reference to Treasury bonds of 10-years term issued under the Commonwealth Inscribed Stock Act. The net operating surplus is defined as the operating surplus for the year, less the amount of *quasi* income tax.

I hold to the view that the maximum should be prescribed. I understand that the provision in relation to at most 50 per cent of the net operating surplus is similar to the limit placed on the State Bank of New South Wales by its Act of Parliament. I see good reason to place a similar limit on the levy in respect of the State Bank of South Australia. I repeat what I said earlier: we are seeking to establish a new bank, which will operate into the next century. What we do in respect of the bank's charter and the rules that govern its operation should apply for a very long period of time. Therefore, it is important to get it right. We do not know what might happen in 10 years time in respect of the then Government of the day and its relationship with the bank. For that reason, looking ahead, I believe that it is important to place an upper limit on the amount that a Treasurer may require the bank to pay out of its operating surplus.

The Hon. L.H. DAVIS: I support the amendment. As it now stands, clause 22 is a satisfactory arrangement in the sense that the Board can submit its recommendations to Treasury as to the amount of payment to be made in respect of a financial year to which the accounts relate. The Treasurer then has to take the recommendations into account when deciding what portion of the operating surplus he will take into the Treasury. Any divergence between the Board's recommendation and the determination of the Treasurer shall be reported in the annual report of the Board. To that extent, subclause (3) requires that any divergence between the Board's recommendation and the Treasurer's determination must be reported publicly. Of course, by then, it has all happened and it is too late.

I think that the Hon. Mr Griffin's approach is much more practical; indeed, it accords with the present position. If one looks at the State Bank as it is presently constituted, there is a requirement that half the operating surplus be paid to the Treasurer. In the case of the Savings Bank of South Australia as it is now constituted, there is a fairly complex formula. It appears that in 1982, 47 per cent of the operating surplus was paid, and about 48 per cent was paid in 1983. We have an existing practice where both the Savings Bank and the State Bank, for all intents and purposes, pay about half their operating surpluses into Treasury annually.

The formula proposed in the Hon. Mr Griffin's amendment provides for an option that picks up a maximum of half the operating surplus, which accords with the existing practice, if the maximum figure is taken; alternatively, it is a sum equivalent to the return on capital expressed as a percentage equal to the long-term bond rate for that financial year. I think that the formula will work quite satisfactorily.

As an example, I refer to the year 1982 and the State Bank's profit of $7.7 million combined with the Savings Bank profit of $9.2 million, giving a total aggregate of $16.9 million. In other words, that is an aggregate operating surplus of $16.9 million for the two banks. The operating surplus for the Savings Bank in 1983 was $6.4 million and for the State Bank it was $4.5 million—an aggregate operating surplus for the two banks of $10.9 million.

To arrive at a total profit before tax figure, one must make certain amendments to the stated figures. Let us assume, for example, that with certain adjustments we are left with a figure of, say, $30 million. I think that that figure is achievable in a very good rural year, such as we have just experienced. One then imputes a value for taxation, which, at the rate of 46 per cent to general revenue, amounts

to $13.8 million. That leaves an operating surplus of $16.2 million.

On the formula proposed by the Hon. Mr Griffin, it would be either 50 per cent of the net operating surplus which, in the example that I have given is $8.1 million, or, alternatively, the capital of the banks, which is in the order of $42 million, multiplied by the average of the long-term bond rate over the financial year. I guess that in 1982-83 that would be a figure of probably 15 per cent, a payment of about $6.3 million.

The long-term bond rate is a well established concept. I do not think there is any problem with it in practice. It will normally be a higher figure than, for instance, if one took a short-term figure such as the Australian Savings Bond rate. If we take the option presented in the formula, on the example I provided of a $16.2 million surplus, the maximum would be $8.1 million in the case of the net operating surplus, and the alternative as presented is the long-term bond rate calculation of $6.3 million. That accords fairly closely with the existing practice. I am uneasy with any formula that leaves it in the hands of Government to effectively screw additional funds out of the State Bank of South Australia which, after all, is the people's bank and, therefore, should not be used—

The Hon. C.J. Sumner: It's the people's Government, too.

The Hon. L.H. DAVIS: It is the people's Government, but essentially it is their bank first, and their Government second, when we are talking about this Bill. Therefore, I do not believe that any facility should be made available through legislation which allows the State Bank coffers to be used as a conduit pipe to the Treasurer. I think that a fixed formula such as proposed by the Hon. Mr Griffin is a most acceptable compromise, and I am sure the Attorney-General, being a reasonable person, will grab at this opportunity to accept it.

The Hon. C.J. SUMNER: I am reasonable. Unfortunately, compromise is utterly unreasonable and I cannot accept it. I think that the fears expressed by the honourable member and the Hon. Mr Griffin are somewhat exaggerated. I have no doubt that the mechanisms established in clause 22 are quite adequate to protect the position of the bank, which must recommend to the Treasurer any sums which are to be applied to general revenue. That is the first step. If the Treasurer accepts the recommendation of the bank, that is the end of the argument.

On the other hand, if the Treasurer wants to take more than is recommended by the bank, that is placed on public record for the Parliament and the whole South Australian public to see. I am sure that, if the bank thought that the Government was behaving irresponsibly in requiring certain payments to be made by it to general revenue, the Board would, in all probability, make some comment about it in its report. It would have to report that the Treasurer had taken more than recommended by the Bank, but it would probably also have something to say about that if it felt that the viability of the bank was being placed in jeopardy by the Government's taking more.

The Hon. L.H. Davis: It has lost its money, hasn't it?

The Hon. C.J. SUMNER: What one has to realise is that it is a State Bank. The Government is the elected body of the community, as honourable members know. Some members opposite sometimes think that Governments are some kind of authoritarian dictators that are not subject to electors and public opinion. It is very amenable to public opinion and to what the community wants. If the community felt that the Government was placing banks in jeopardy, I am sure that it would let the Government know about it.

The other important thing that has to be remembered is that clause 22 provides that the money may be advanced by the Government to the bank by way of grant or loan. There is capacity for the Government to inject money into the bank. There also should be a capacity for the Government to obtain money from the bank out of its operating surplus. I believe that there are sufficient safeguards in clause 22. This cannot be done capriciously by the Government, but has to be on the recommendation of the bank Board as the first criterion. That is clear.

Clause 22 (2) provides that the Board shall, as soon as practicable after the audited accounts in respect of a financial year have been presented to the Governor, submit a recommendation to the Treasurer as to the payment of any amount under clause 22 (1) *(b)*, that is, such further sum beyond the income tax.

So, the first step is that the audited accounts are presented to the Governor. The bank Board then makes a recommendation to the Treasurer as to how much should be paid, and the Treasurer then either determines to take that amount, which can occur or, if he decides that more money should be paid, he can certainly still demand that payment, but it has to be reported in the Board's annual report. Given the nature of the Bank, which is a State Bank, and given the fact that the State Government can inject and no doubt from time to time will inject money into the bank, I would have thought that this clause was perfectly reasonable.

The Hon. L.H. DAVIS: The Hon. Mr Sumner has been long on rhetoric but, unfortunately, that has not been matched by his reasoning in respect of this amendment. I am not convinced by the argument that clause 22 contains adequate safeguards. I have uneasy feelings about this clause in the sense that it varies what is an existing arrangement with the two banks as they now stand: a figure of approximately 50 per cent in both cases (certainly in the case of the Savings Bank of South Australia) is siphoned off to Treasury each year. No minimum or maximum limit is provided in clause 22 as it now stands.

The Hon. Mr Griffin's amendment is quite clear: the sum determined to be paid to Treasury in any financial year shall not exceed either 50 per cent of the operating surplus or a sum equivalent to the return on capital, multiplied by the long-term bond rate for that financial year. That is a fixed formula. There is certainty in that proposal. It means that the bank Board can budget for any future year with certainty, knowing what the amount payable to Treasury will be.

Let me inject a new point into this argument. Traditionally in private sector banking operations it is normal to see only a small part of profit paid out by way of dividend. Traditionally banks have had conservative dividend policies.

The Hon. C.J. Sumner: Is that a good idea?

The Hon. L.H. DAVIS: We will come to that argument in a minute. It may be normal to see a public listed company paying a dividend which is covered perhaps 1.5 to two times (but on average probably 1.5 to 1.7 times) by earnings. If one looks at the dividends cover of the three public listed national banks in Australia, one can see that the A.N.Z. Banking Group has an earnings dividend cover of 3.37 times, the National Bank has a dividend cover of 2.71 times, and the Westpac Banking Corporation has a dividend cover of 2.24 times.

I will translate that into figures, which will remove the querulous look from the Attorney's face. It means that the A.N.Z. Banking Group distributes only 23 per cent of its operating surplus, the National Bank only 27 per cent of its operating surplus, and the Westpac Banking Corporation only 31 per cent of its operating surplus.

The Attorney-General asked whether or not this is good banking practice. Well that has been the practice in banks in recent years, and they have been very successful. There is a conservatism, if one likes, generally associated with

dividend policies in banks, which I find quite acceptable. I think the provisions now existing in clause 22 throw caution to the wind.

I have a distinct unease about such an open-ended provision. If they want to link the State Bank of South Australia in with the practices of private banks, as has been so loudly trumpeted in the second reading explanation, let them lock it in with the dividend provisions contained in clause 22.

The Hon. C.J. Sumner: What is the point of that?

The Hon. L.H. DAVIS: For the simple reason that the only shareholder who will be receiving a dividend from the State Bank of South Australia is the State Government itself. If the Government has high taxation programmes as we have seen in recent months, the annual report of the State Bank of South Australia will be each year bleating after the event that the Treasury's determination has been at variance with the Board's recommendations. It does concern me. I feel strongly about it and I hope the Australian Democrats will show their flexibility and reason when it comes to voting on this issue.

The Hon. K.T. GRIFFIN: We are looking for long-term protection for this bank. The Attorney-General knows as well as I do that generally there will not be great disagreement between the Board and the Government of the day. Although this is what the Attorney-General describes as the peoples' bank, nevertheless it does not belong to all South Australians. The money which is deposited will be deposited only by a percentage of South Australians. Those deposits will have to be secure. I can accept the reality of the situation—the Attorney-General has expressed opposition to the proposal and I suspect that he has been able to persuade the Australian Democrats to support it. In that event, we have no alternative but to accept the judgment of the majority of the Council, but at least it is on record that we have a concern about the Treasury deriving income from the bank by way of levy under this clause.

The Hon. C.J. SUMNER: First, I do not share the honourable member's unease about the matter. Secondly, what happens in relation to this will happen in public for all to see—the Opposition and the public of South Australia. A lot of money will go to the State Government which is, after all, elected by the people. It is the agent for the community in relation to this and other matters. A maximum dividend can sometimes have a tendency to become the actual payment. In that sense the bank may feel obliged to pay what is stated under the legislation as a maximum. I know that it would not be obligated legally, but sometimes maximum prices become actual payments when written into legislation. Rather than people selling under that price, the maximum becomes the actual market price. So, there may be that sort of tendency, and the objects which honourable members opposite seek would be defeated. I do not see the problems that the honourable members have outlined and emphasise that what will happen will happen in public.

The Committee divided on the amendment:

Ayes (9)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, H.P.K. Dunn, K.T. Griffin (teller), Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons Frank Blevins, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, Anne Levy, K.L. Milne, C.J. Sumner (teller), and Barbara Wiese.

Pair—Aye—The Hon C.M. Hill. No—The Hon G.L. Bruce.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.T. GRIFFIN: There is no purpose in moving my other amendment to this clause in light of the amendment which has just been defeated.

Clause passed.

Clause 23—'Accounts and accounting records.'

The Hon. K.T. GRIFFIN: I have given some consideration to an amendment to clarify the requirement to keep accounts in light of the generally accepted principle that the bank ought to operate as nearly as practicable to the operation of a private enterprise.

However, I received some assurance that, with private auditors being appointed, the Bank would be keeping accounts which to a very large extent conform to the requirements of a public company, that is, a bank under the Companies Code of South Australia. I am anxious to obtain from the Attorney-General an assurance that the accounts are likely to be kept in such a comprehensive form and presented as nearly as practicable to the form of those of a public company which is carrying on business as a bank under the Companies Code.

The Hon. C.J. SUMNER: Again, that is a matter that will be determined by the Board, but the form will be determined by the Attorney-General.

The Hon. L.H. DAVIS: I am delighted to note in clause 23 (2) that the Board will be instructed to present accounts for the financial year within three months of the end of that financial year. That is a provision that is met by public listed companies and is a standard requirement, and I am pleased to see that the Government has observed that requirement in providing for accounts in clause 23. That is at some variation with some of the other statutory authorities, and one may instance the Health Commission, where presumably the Health Minister was so busy keeping controversy out of the health portfolio that he took 17 months to table the 1981-82 annual report of the Health Commission.

My other point is that, as the provision now stands, the Bank is required to present accounts only annually. I have not sought to put an amendment on file, but I believe that if the Government is true to its stated intention of requiring this newly formed State Bank of South Australia to match the requirements and operations of private banks it should endeavour to have a half-yearly report of its accounts presented. I see no reason why the people of South Australia should not be entitled to know the progress of the Bank at the half-way mark of each financial year.

The Hon. K.L. Milne: The same as the others.

The Hon. L.H. DAVIS: Exactly, the same as the others. Certainly, one cannot claim that that requirement would be necessary for too many Government authorities; for example, it would not necessarily be appropriate for the S.G.I.C.

The Hon. K.L. Milne: It does not work in insurance.

The Hon. L.H. DAVIS: Because insurance is a variable operation; similarly with the Electricity Trust, but in the case of the Bank there is a strong argument. I would be interested to have the Attorney's reaction to that proposition.

The Hon. C.J. SUMNER: The present situation is that the State Bank provides a quarterly financial statement. Again, I cannot say definitely what the new Bank will do. It is a matter for the Board, but it is the expectation that it will provide reports on its accounts in accordance with the normal work of banks, and the indication is that there will be half-yearly reports in accordance with that practice. Ultimately, it is a matter for the decision of the Bank.

Clause passed.

Clauses 24 and 25 passed.

Clause 26—'Powers in relation to moneys and securities of customers who have died or become of unsound mind.'

The Hon. K.T. GRIFFIN: I have a question in respect of the prescribed maximum referred to in this clause. Does the Attorney-General have any idea what maximum may be prescribed by the Bank under this clause at this stage?

The Hon. C.J. SUMNER: I understand that the maximum of $10 000 will be sought, but again that will have to be the subject of discussion, and ultimately a decision by the Gov-

ernment by regulation, but no doubt after consultation with the Board of the Bank.

Clause passed.

Clauses 27 to 30 passed.

Clause 31—'Regulations.'

The Hon. K.T. GRIFFIN: Have any regulations yet been drafted?

The Hon. C.J. SUMNER: No.

The Hon. K.T. GRIFFIN: Would any regulations be contemplated in respect of this Bank which would raise the possibility of a bank officer being fined for a breach of those regulations?

The Hon. C.J. SUMNER: I am advised that the regulations under clause 31 of this Bill would not deal with staff disciplinary matters. Another Bill will be presented that will deal with industrial relations matters following the merger. I understand that that question may be addressed in relation to that Bill.

Clause passed.

Schedule and title passed.

Bill read a third time and passed.

MARKETING OF EGGS ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

STATUTES AMENDMENT (FLOOD MANAGEMENT) BILL

The House of Assembly initimated that it had agreed to the Legislative Council's amendments.

EDUCATION ACT AMENDMENT BILL

The House of Assembly requested a conference, at which it would be represented by five managers, on the Legislative Council's amendments to which it had disagreed.

The Legislative Council agreed to a conference, to be held in the Legislative Council conference room at 9 a.m. on 8 December, at which it would be represented by the Hons Frank Blevins, J.C. Burdett, Anne Levy, R.I. Lucas, and K.L. Milne.

SOUTH AUSTRALIAN ETHNIC AFFAIRS COMMISSION ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

STOCK DISEASES ACT AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 2425.)

Remaining clauses (2 and 3) and title passed.

Bill recommitted.

New clause 1a—'Commencement.'

The Hon. M.B. CAMERON: I move:

Page 1, after line 14—Insert new clause as follows:

1a. (1) This Act shall come into operation on a day to be fixed by proclamation.

(2) The Governor may, in a proclamation fixing a day for this Act to come into operation, suspend the operation of specified provisions of this Act until a subsequent day fixed in the proclamation, or a day to be fixed by subsequent proclamation.

New clause inserted.

Bill read a third time and passed.

STATE LOTTERIES ACT AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 2434.)

Clause 2—'Percentage of value of tickets to be offered as prizes.'

The Hon. R.I. LUCAS: During the second reading debate I pointed out that there was no minimum provision under proposed new subsection (2), which states, in part:

. . . may offer as prizes in a lottery less than 60 per centum of the value of the tickets offered for sale . . .

The Premier in another place indicated that it was likely that the percentage figure would be 58 per cent and, therefore, a 2 per cent figure would be accumulated and used for the bonus prize pool.

During the second reading debate I asked why no minimum provision of, say, not less than 55 per cent is provided to stop the Lotteries Commission from trying to quickly accumulate a large prize pool. A large prize pool could be accumulated over perhaps a month by dropping the provision for the distribution of prizes from 60 per cent to 50 per cent, thereby accumulating a bonus of about 10 per cent each week.

I have had discussions in the interim with the Under Treasurer, Mr Barnes, who was able to supply me with some information. However, it did not fully answer my question. Will the Minister in charge of the Bill take my request for information away to the appropriate officer and perhaps at a later stage indicate the problems that there might be with having a minimum provision, and perhaps send me the reply?

The Hon. J.R. CORNWALL: I presume that the member means at some point after the House rises.

The Hon. R.I. Lucas: Yes.

The Hon. J.R. CORNWALL: I can certainly undertake to do that.

The Hon. R.I. LUCAS: I move:

Line 22—After 'shall be applied' insert 'within twelve months after the drawing of that lottery'.

The Bill makes those provisions open ended. If the Lotteries Commission chose to do so, it could accumulate these 2 per cent figures for ever and a day. I am sure that it would not want to do that, but there is no restriction on the time period for accumlating moneys.

The Premier in another place indicated that it would perhaps be for a period of three to four months. If that is the case, there should be no problem in accepting my amendment. What may be the present intention may not be the intention of future Lotteries Commissions. For that reason, it is eminently sensible to put into the Act a provision that this discounting factor cannot be accumlated for a period longer than 12 months.

I will not hold the Under Treasurer to this figure because he did a quick calculation for me without consulting precise figures, so I do not suggest that this is the exact amount. He said that perhaps the 2 per cent figure over 12 months might amount to about $3 million, which is a considerable sum. There should be no reason at all why the Lotteries Commission would want to accumulate money for a period longer than 12 months.

This is an eminently sensible provision, which will place a possible restriction on the operation of the Lotteries Commission. If the situation is as the Premier indicated (that

is, that it will be accumulated only for three or four months), this amendment will not affect the operation of the Lotteries Commission at all. So, there should not be any worry for the Government or the Lotteries Commission regarding this amendment.

The Hon. K.L. MILNE: We support this amendment, which is a safeguard. Sometimes people in charge of operations such as the Lotteries Commission become over fond of accumulating money for one purpose or another, and hold views different from what one would expect. This safeguard will not alter the Government's intention of retaining 2 per cent for special purposes. However, to keep it beyond 12 months would mean that one could get a different group of people who would not see the result of their contributions, and so on. It is a sensible amendment, which I support.

The Hon. J.R. CORNWALL: I am saddened to hear the Hon. Mr Milne say that without his even waiting for an explanation. The simple fact is that if we want to continue to be in Lotto Bloc we really must follow Victoria (which happens to be the pace-setter), whether we like it or not.

The Hon. R.I. Lucas: This won't affect it.

The Hon. J.R. CORNWALL: The honourable member is not the repository of all wisdom, although he carries on as though he is. The simple fact is that we need maximum flexibility. It is extremely unlikely that the jackpot would ever go for longer than 12 months without being distributed. It is certainly most likely that there would be a jackpot Lotto, as I understand it, every three to four months.

But, the simple fact is that, as I said at the outset, we are not masters of our own destiny: we are the junior partners in the Lotto Bloc, and it is a little foolish for us to keep running back in here to amend the Act yet again every time that the Victorians and our other co-venturers decide to make some innovative change. This is an innovative change based, I am told, on the New South Wales experience, and is expected to be very popular. It is very important that we be in it if we are serious about the business of conducting a profitable and successful Lotteries Commission.

The Hon. C.J. Sumner: This could stymie the whole agreement. If Victoria wished to go and jackpot every three or four months, we could not do it.

The Hon. J.R. CORNWALL: That is exactly right. We are the junior partners. If Victoria wants to run some sort of mammoth Lotto Bloc every 12 months, we will be forced to drop out.

The Hon. C.J. Sumner: Drop out or come back to Parliament and re-amend the Act.

The Hon. J.R. CORNWALL: Yes. It is just plain stupid. I ask members, particularly those who hold the balance of power in this place, to exercise some common sense and wisdom in this matter and support a simple straightforward short Bill. There is nothing sinister or strange about it whatsoever. This Bill is purely for the purpose of joining with Victoria and the other venturers in the jackpot arrangement within Lotto Bloc. Please do not make life unbearable for the sake of quite useless and unnecessary amendments.

The Hon. I. GILFILLAN: The process of democracy is transparent before us all. There is no holder of the balance of power in any particular matter in this place. All members have the right to exercise that free vote. It is a slur on the integrity of honourable members in this Chamber to imply that everybody—

The ACTING CHAIRMAN: Order! Is the honourable member addressing himself to the question at hand?

The Hon. I. GILFILLAN: I am addressing myself to the previous remarks, where there was an inference that those who hold the balance of power in this Chamber should be paying attention to the debate. I assure the previous speaker that everybody in this Chamber is in that category, and that we are all listening to the debate.

The previous speaker raised an acceptable contrary argument. I will be looking forward with interest and with an open mind to the answer by the mover of this amendment to the argument that was put up by the Minister. It seems to me to be a very satisfactory process, and I hope that it continues without a slur being cast on members in this Chamber and their ability to make up their minds.

The Hon. R.I. LUCAS: The Minister of Health, assisted by interjections from the Attorney-General, is clearly drawing a very long bow if he is trying to suggest that this particular amendment could lead to the whole scheme and system falling apart and South Australia having to drop out of the Lotto Bloc arrangement. Really, it is a very long bow indeed and I am sure only an attempt, I would hope a vain attempt, to try to change the minds of the Australian Democrats.

The simple answer to the question is that the Premier in another place indicated that the reason for not accepting the amendment in that place was not that, lo and behold, this whole scheme would fall apart if this provision was passed but, rather, that it was not really needed. It was only intended that the scheme work on a 58 per cent basis and, as I indicated, that was not in the Bill, either. He said that in the second reading speech explanation, and the discount factor would be 2 per cent. He indicated it was likely that this 2 per cent would accumulate for only a three to four-month period and, therefore, the argument against it by the Premier and Treasurer, who had all the discussions with the officers concerned, was not that if this amendment which was moved in another place was to pass it would result in the whole Lotto Bloc scheme falling apart.

That, quite clearly, is the situation from the Premier and Treasurer, the person in charge of the Bill and the one who has had the discussions with the particular officers. I think that the Attorney-General in particular is drawing a very long bow when he suggests that, because of this particular amendment, the whole thing might well fall apart, when the Premier has indicated that the present intention is really to look at only three or four months. If that is the present intention, what is the problem with the 12-month restriction?

The Hon. C.J. SUMNER: The problem is that in Victoria they do not have that restriction and the Lotteries Commission has entered into Lotto Bloc in conjunction with Victoria. If we want the benefits of being involved in that with Victoria, it seems to me that we must have rules and legislative authority consistent with what exists in Victoria.

The Hon. K.T. Griffin: We're just a rubber stamp.

The Hon. C.J. SUMNER: You either want to be in it or out of it. If you are in it, you abide by the rules, and I think that we should have legislation similar to Victoria's. If in Victoria they decide to accumulate beyond the 12 months, where are we? We are finished. We are either out of it or back here with a legislative amendment.

The Hon. K.T. Griffin: That's the way to do it.

The Hon. C.J. SUMNER: That is a pointless bit of nonsense. It seems to me that, if Victoria does not see the need for it—and that is with whom we have to co-operate—we either have the benefits of the scheme in which we are involved with Victoria and go along with the Victorian legislation, or we do not. If Victoria then determines they are going to accumulate a jackpot over a period longer than three or four months—longer than 12 months—we either have to decide to go along with that or get out.

Clearly, the Lotteries Commission does not want to get out. Clearly, the Government does not want to get out. Clearly, the Parliament of South Australia does not want to get out. Clearly, the people of South Australia do not want to get out, because of the benefits they receive from co-operation with Victoria, which is clearly the front-runner in

it. All I can say is that it is an absolutely unnecessary restriction in relation to the Lotteries Commission's capacity to act in this area.

The Hon. K.L. MILNE: The Hon. Dr Cornwall was quite right that this does put a different complexion on the matter. If there is something which obliges South Australia to be on a par with Victoria in the scheme, I would like to hear about it. I ask whether the Government would agree for this matter to be adjourned to the next day of sitting in order to discuss the matter with the Under Treasurer. It was suggested to me just now that that might be an answer. It would be a good idea to set everybody's mind at rest. I will give an undertaking to deal with the matter expeditiously if that can be done.

The Hon. C.J. SUMNER: I am prepared to accede to that request and, accordingly, seek to report progress. However, if the matter cannot be resolved—

The Hon. K.T. Griffin: Not another threat.

The Hon. C.J. SUMNER: No, no threat at all. Honourable members are aware of the processes of the Parliament. I am pointing out the position quite openly. Honourable members can do as they wish. I suspect that they will all be convinced by the arguments of the Treasurer, Dr Cornwall and myself, and they would therefore see that the Bill should pass in its original form. Nevertheless, it is reasonable for any honourable member, who would like to consider the matter further, to have the opportunity to do so, and I therefore suggest that progress be reported.

Progress reported; Committee to sit again.

MAGISTRATES BILL

Returned from the House of Assembly with the following amendment:

Page 6, line 6, insert new clause 13 as follows:

13. Remuneration of Magistrates.

(1) Subject to this section, the remuneration of—

(a) the Chief Magistrate;

(b) the Deputy Chief Magistrate;

(c) the Supervising Magistrates;

(d) the Senior Magistrates; and

(e) the Stipendiary Magistrates,

shall be at rates determined by the Governor in relation to the respective offices.

(2) A magistrate (not being a stipendiary magistrate) shall be entitled to such remuneration (if any) as may be determined by the Governor.

(3) A rate of salary determined under this section shall not be reduced by subsequent determination.

(4) The remuneration payable under this section shall be paid out of the General Revenue of the State which is appropriated to the necessary extent.

(5) In this section—

'remuneration' means—

(a) in relation to a stipendiary magistrate—salary, or salary and allowances;

(b) in relation to a magistrate who is not a stipendiary magistrate—fees, or fees and allowances.

Consideration in Committee.

The Hon. C.J. SUMNER: I move:

That the House of Assembly's amendment be agreed to.

The amendment inserts a money clause that was in erased type when the Bill originated in this place. The amendment inserts clause 13 dealing with the remuneration of magistrates. I ask that the Committee support the amendment.

The Hon. K.T. GRIFFIN: This is identical to the clause which was in erased typed in the Bill which was considered originally in this Council and, accordingly, I give my support to the insertion of the clause.

Motion carried.

STATUTES AMENDMENT (MAGISTRATES) BILL

Returned from the House of Assembly with the following amendments:

No. 1. Page 6, after line 32 (clause 3; The Second Schedule, clause 11)—insert subclause as follows:

(3a) The remuneration payable under this section shall be paid out of the General Revenue of the State which is appropriated to the necessary extent.

No. 2. Page 10, line 17 (clause 3; The Second Schedule, clause 18)—Leave out 'Attorney-General' and insert 'Minister'.

No. 3. Page 10, line 22 (clause 3; The Second Schedule, clause 18)—leave out 'Attorney-General' and insert 'Minister'.

No. 4. Page 10, lines 25 and 26 (clause 3; The Second Schedule, clause 18)—Leave out 'Attorney-General' and insert 'Minister'.

Consideration in Committee.

The Hon. C.J. SUMNER: I move:

That the House of Assembly's amendments be agreed to.

The amendments are two in substance, although four in number. Amendment No. 1 is a money clause which has been inserted into the Bill by the House of Assembly and which was in erased type when the Bill originated in this place. It provides that magistrates shall be paid out of the general revenue of the State. I would suggest that the Committee agree to that formal amendment. The second set of amendments (Nos 2, 3 and 4) leaves out the words 'Attorney-General' and inserts 'Minister'. It deals with who has the authority as Minister in relation to the magistrates dealt with in the clauses, and is not the Attorney-General in relation to magistrates in the Industrial Court, but the Minister of Labour. That was a drafting error which occurred within the Bill when it originated in this place and which has been corrected now.

The Hon. K.T. GRIFFIN: I have only just received the schedule of amendments. I will support the first amendment, which really authorises the remuneration payable under the section to be paid out of the general revenue of the State, and that revenue is appropriated to the necessary extent. There is a reference in new subclause (3a) to the remuneration payable 'under this section', and the reference to page 6 is in fact not so much a section but a clause of the schedule. It may be that that reference to a section is accurate, but I would raise it for the Attorney-General to give some further consideration to it as a drafting matter.

In respect of the amendments Nos 2, 3 and 4, I wonder whether it is necessary to remove the reference to 'Attorney-General'. Amendment No. 2 relates to the payment of a monetary equivalent of leave to a personal representative. It provides that the Attorney-General may, in his discretion, direct that the whole or a part of an amount payable under subsection (1) or (2) shall be paid to a dependant of the deceased magistrate or shall be divided between persons who are dependants of the deceased magistrate.

The next amendment (No. 3) deals with subclause (4), under which the Attorney-General may refuse to give a direction unless such indemnities or undertakings as he thinks necessary are given. The fourth amendment relates to subclause (5), under which no action will lie against the Crown, the Attorney-General or any other person representing the Crown in respect of a payment made pursuant to subsection (3). I suppose that the change from 'Attorney-General' to 'Minister' is consistent with the earlier parts of the schedule that relate to the appointment of a magistrate because the appointments are made by the Governor on the recommendation of the Minister. Although I would generally see the Attorney-General as having a greater responsibility for the appointment of all magistrates, including industrial magistrates, perhaps it is consistent to make the change that is suggested in amendments Nos 2, 3 and 4. So, for the present I will not raise any objection to those,

but only draw attention to a possible drafting matter in the first amendment.

The Hon. C.J. SUMNER: I take it that the honourable member is agreeing to amendments Nos 2, 3 and 4?

The Hon. K.T. GRIFFIN: Yes.

The Hon. C.J. SUMNER: Yes, I think that that is consistent with the other clauses in the Bill. The honourable member has a drafting problem in page 6, after line 32?

The Hon. K.T. GRIFFIN: No, it is just a reference to 'section'. The point is that this is a schedule, and not a 'section' of what will be the Act. I always understood that one referred to it as 'clause' rather than 'section'. The earlier part of the schedule refers to 'section'. It may be that the use of the word 'section' is being consistent with earlier provisions in the schedule that refer to each of the clauses as 'sections'. I do not think that we need waste any time over it. I raised it as I was reviewing the amendments because I had not had the opportunity to consider the schedule of amendments. Although I raised this question it is probably not a matter which is sufficient to hold up consideration of the amendments.

The Hon. C.J. SUMNER: I thank the honourable member for that. It is consistent. The ways and means of Parliamentary Counsel are often a mystery, and perhaps this is one such occasion.

Motion carried.

PRISONS ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 6 December. Page 2338.)

The Hon. K.T. GRIFFIN: This is another Bill which was introduced last week and pushed through the House of Assembly and which we have to deal with before we rise tomorrow. It is a significant Bill because it seeks to make a quite dramatic change to parole. I will be supporting the second reading of the Bill but only to enable me to move quite substantial amendments to bring it back, generally speaking, to the current position with parole.

First, I want to relate the present position with parole in South Australia. Since 1981 the courts have had a mandatory responsibility to fix a non-parole period where the period of imprisonment to which an offender has been sentenced exceeds three months. That non-parole period is fixed by the courts as an indication to the Parole Board that parole applications are not to be considered before the expiry of that non-parole period. That position was made quite clear when the Prisons Act was amended in 1981 to introduce the mandatory requirement for the courts to fix non-parole periods and to establish a system of conditional release.

At the expiration of the non-parole period, under the present system, parole is not automatic. It is from that date that a prisoner is entitled to apply for parole. It is then a matter for the Parole Board to give consideration to the application and to make a decision as to whether or not parole should be granted.

If there are special circumstances, a prisoner may make application to the court of the same jurisdiction as that which sentenced him for a reduction in the non-parole period. But in the 1982-83 year only two prisoners made such an application to the courts. The courts fix the sentence for a prisoner and they fix that sentence taking into account the offence or offences for which the offender is convicted or which the offender may ask the court to take into consideration without the court proceeding to record a conviction on all offences.

The court takes into account all of the circumstances relating to that offence. The court also takes into account whether or not the offender has committed any previous offences. If he has, the nature of those offences, where they occurred, and whether or not there has been a reasonable period of law-abiding activity is taken into account. The court also takes into account the character of the offender which may be established not only by the offender but also by people who know the offender and who are prepared to give character evidence. The court takes into account the obligations of the offender, such as responsibility for family, and other such matters, and it also takes into account the need to provide some protection to the community. In addition to that, it endeavours to assess what period of punishment ought to be imposed and to what extent a period of imprisonment, and what period of imprisonment, will act as a deterrent.

Having considered all of those matters, as well as precedent (that is, the sentencing by the courts for similar offences in similar circumstances), the court imposes a period of imprisonment. As I have indicated, in conjunction with that the court is presently required to fix a time before which a prisoner is not entitled to apply for parole. The sentence which the court fixes is certain—the non-parole period is certain. When a prisoner is sentenced, the principal obligation is for him to serve that sentence to the full. However, recognising that the prisoner must have some incentive to behave in prison, the non-parole period is relevant to that consideration.

If the prisoner makes application for parole at the expiration of the non-parole period, the Parole Board takes into consideration a number of matters: the offence, the nature of the offence, the sentence, the behaviour of the prisoner whilst in prison, the progress, if any, of that prisoner towards rehabilitation, the possibility of the offender reoffending, what job prospects the offender may have, if released, the family commitments of the offender, the need to ensure adequate protection of the community, and the extent to which the offender has in fact served an appropriate period of punishment.

The Parole Board may also receive reports from the Department of Correctional Services and from the police, to whom notice of any application must presently be given. The opportunity is there for both the Police Commissioner and the Department of Correctional Services to make a submission in respect of any matters which the Parole Board may take into consideration in determining whether or not parole is granted or denied. If the Police Commissioner or Department appear in person then the accused person has a right also to be heard.

The accused person also has the opportunity for an officer responsible for his welfare to make a submission. If parole is granted then the prisoner is released. But, if there are breaches of conditions of his parole he can be brought back to prison. If the parole application is not granted then he is at liberty to make a further application in the future. Under the present system there is an opportunity for a prisoner to earn a remission of his sentence for good behaviour. That comes off the end of the sentence and not off the non-parole period.

Under the amendments made to the Prisons Act in 1981 there was a provision for conditional release although, for reasons of which I am not aware, that part of the amending Act has been suspended so that conditional release is not yet in force. The principle of conditional release is that if the prisoner earns remission of part of his sentence for good behaviour then at the point of release when the sentence has been served, parole has been completed. The period between release and the end of the original sentence is a period during which the prisoner must be of good behaviour. If he re-offends in certain circumstances he may be recommitted to prison to serve the then balance of the sentence,

plus any additional sentence which may be imposed for any offence which occurred during that period of release to the end of the sentence. It is important to recognise that the Parole Board is not a court or tribunal—it is an administrative body. It does not create uncertainty and it does not create for the prisoner a threat of double jeopardy. I will deal with those aspects later.

I understand that the Government proposes that the courts will be required to fix a maximum sentence and a non-parole period, but that non-parole period is something of a misnomer, because it will not be a period before which a prisoner can apply for parole. In fact, it will be the time at which the prisoner will be released automatically. Under the Bill that non-parole period may be reduced in time by up to 15 days per month remission for good behaviour. That will be one-third of the non-parole period.

If a prisoner is sentenced to six years in gaol with a three-year non-parole period, the proposal, as I understand it, means that potentially the prisoner will be released after serving two years of the sentence, because he earned up to one-third remission of the non-parole period. When he is released ultimately there will be no period of conditional release at all. It is quite obvious that, if the present sentencing standards and non-parole standards are maintained, prisoners will in fact be released earlier than they are presently entitled to be released.

The proposals in the Bill will result in a new Parole Board being established, but it will supervise only post-release parole. The Board will have no review function in regard to behaviour in prison, prospects of reoffending, rehabilitation, and so on. It will not make any decisions on whether parole will be granted. The proposals mean that the Parole Board will be able to sit in two divisions. The measure, it is claimed, will facilitate the review of the applications of prisoners. The Chairman of the new Parole Board will have to satisfy certain criteria, which are merely an extension of the present criteria. As well as the Chairman, there will also be a Deputy Chairman, but there are no criteria set out in relation to the Deputy Chairman. It is the Deputy Chairman who will chair the other division. If the Board sits in divisions, one is headed by the Chairman, who will have minimum judicial-type qualifications, while the Deputy Chairman will have no such qualifications. That is quite dangerous.

As I understand it, the Bill applies only to prisoners sentenced after it comes into operation: it will not apply to those prisoners who are presently in gaol. Regardless of what I think about the changes made by the Bill, I believe that that provision in itself, if the Bill passes, will create a great deal of tension.

The Hon. I. Gilfillan: Have you seen my amendment?

The Hon. K.T. GRIFFIN: No. The other relevant aspect of the Bill is that applications may be made to the court to extend a non-parole period but the court, in considering such an application, may not take into account the behaviour of the prisoner in prison but only the need to protect some other person. That is very limited. The court will not be able to take into account that there has been any unlawful forging of records to gain early release. It will not be able to take into account the prospects of reoffending or rehabilitation, or any of the other matters that the Parole Board currently considers.

The Parole Board has issued its 1983 report, and it does not indicate whether there has been any great bottleneck in the processing of applications for parole. In 1982-83 there was a substantial increase in the number of parole applications considered. There was an increase of about 31 per cent in the number of cases—from 876 in 1982 to 1 152 in 1983.

In its report the Board refers to the fact that of those 1 152 cases which were considered 487 cases were ordinary parole applications. In the year ended 30 June 1983 neither the Commissioner of Police nor officers of the Police Department appeared before the Parole Board to make a personal submission in regard to parole applications under consideration. The report refers to staff, who are generally independent of the Department, although for administrative purposes they are part of the Department. It refers to an assistant secretary position which was Ministerially approved in 1979 but which continued to remain unfilled by the Public Service Board. The report indicates that, as a result of that vacancy, there were delays in the processing of Parole Board business, and staff were required to work considerable overtime. The report states:

> A submission, detailing the past and present Parole Board of South Australia administrative problems and containing recommendations for the definition and clarification of administrative authority, accountability, and responsibility for Parole Board of South Australia operations as defined pursuant to Prison Act Regulation 11 (2) was prepared by the Chairman and forwarded for the consideration of the Hon. Chief Secretary.

Obviously, there have been some difficulties in staffing the administrative support services, and a submission to that effect has been referred to the Chief Secretary. We do not know the result of that submission, although it is interesting to note in respect of changes to the parole system that the *Advertiser* reported that the Parole Board had made a submission but had not received any response.

The *Advertiser* of 3 December contains a report in which the proposed changes to the parole system are attacked by the Chairman of the Parole Board. The changes referred to are those embodied in the Bill. The article implies (and I suspect from the way that it is written that this is the opinion of the journalist) that the Bill follows recent unrest in the prison system and a demand by prisoners for a sense of certainty over their future. If one reads the article, one can glean the attitude of the Parole Board in relation to the Bill. The article makes some important points that need to be recognised in the context of the debate, as follows:

> Mr Angel said parole was a privilege, but the new legislation made it a right. 'If a prisoner has a right to get out automatically at the end of the non-parole period, why have a sentence?' he said. He denied the present system exposed prisoners to double jeopardy. 'If a prisoner is sentenced and at the expiry of the non-parole period the Board decides, in the public interest, not to release him, that doesn't further jeopardise him,' he said. 'Denying a privilege isn't double jeopardy. He still has the sentence to serve. He got the sentence at the start. The present system is flexible and permits individual treatment after sentencing. That's not so under the proposed system. Flexibility is the essence of any parole system. Any advantages of certainty are outweighed by lack of flexibility.'
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> Mr Angel said the Parole Board now took account of whether a prisoner would have accommodation, a family or job when released. Automatic parole would not consider that and a judge, sentencing immediately after the trial, could know little of the likelihood of a prisoner's offending again if released after the non-parole period expired. Nor would automatic parole take account of the likelihood of a prisoner's breaching parole conditions. If the sentences and non-parole periods of a professional burglar and a first offender were identical, they would get the same treatment under the changes.
>
> The proposed changes would not reduce the prison population because judges would fix longer non-parole periods. 'I don't think that was foreseen by the prisoners,' Mr Angel said. The Board should not hear every applicant in person, nor should applicants be represented by counsel. This would lead to the Parole Board sitting every day and becoming 'a second court system'.
>
> Mr Angel also criticised provisions requiring an Aboriginal member of the Board. 'It could be undesirable to recognise people of Aboriginal descent as a special category of prisoner by ensuring an Aboriginal on the Board,' he said. 'Although the Aboriginal prison population is large, they are generally in for minor offences and outside the jurisdiction of the Board.' Appointing Aboriginal parole officers would be preferable.
>
> Mr Angel also rejected claims by proponents of the Bill that significant numbers of prisoners were not making parole appli-

cations for fear of rejection. He said that was inconsistent with the 30 per cent increase in applications in the past year and with an increased proportion of releases. In September, the Board had delivered a 10-page critique of a Government discussion paper on parole to the Premier, the Attorney-General and the Chief Secretary, but there had been no reply before the Bill was drafted. 'I'm disappointed that it hasn't been answered,' Mr Angel said. 'Ordinarily, we wouldn't comment on merits of the present or the proposed system, but the Board has been criticised and that is what prompted us to criticise the proposals.'

That is a very frank commentary by a Board comprised of long-serving members. Admittedly, the present Chairman has been Chairman only since 1981. Prior to that, the then Justice Roma Mitchell chaired the Board. Members of the Board include Mr F.R. Curtis (a member since 1977), Mr T.R. Howie (a retired police officer who has been a member since 1981), Mr Kyprianou (who has been a member since 1980), Dr Scanlon (who has been a member since 1978), and Mrs Wallace (who has been a member since 1973).

So, one can see that there will be a Board comprised of members with some considerable experience in determining whether or not prisoners should be granted parole. There have been a number of public comments about the proposals in the Bill. One comment contained in a letter by Mr Ray Whitrod, the Honorary Executive Officer of the Victims of Crime Service, stated:

The Government's proposals conflict with the public's attitude which has been consistently revealed in opinion polls as wanting longer sentences and harder parole. The Government plans to make parole easier by arranging that it will be almost automatic . . . The proposals have two immediate payoffs for the Government. They will temporarily appease Yatala inmates so that for the present they will not burn down any more buildings. Secondly, the strain on the Government's limited resources will be reduced by a significant cut in the high costs of prisoner accommodation.

In his letter, on behalf of the Victims of Crime Service, Mr Whitrod was critical of the proposals in this Bill which will mean the earlier release of prisoners, unless the courts make a compensating increase in sentences and so-called non-parole periods.

The Chief Secretary in another place said that it was possible and probably likely that courts would make some compensation for the fact that prisoners would be released at a much earlier stage if a non-parole period was fixed and that they would take that into consideration in determining how long a prisoner should be in gaol. But that really makes a farce of the proposals because it will not be achieving what the Chief Secretary suggested he is trying to achieve.

The discussion paper that the Chief Secretary issued in August 1983 made a number of comments about these proposals. It was stated that the amendments are designed to achieve a parole system which provided the following:

Provide automatic parole for fixed sentence prisoners upon expiration of the non-parole period.

Provide for virtual automatic parole for prisoners on fixed sentence, who were convicted before August 1981 and are still in the prison system.

Provide for the Board to concentrate efforts on life and indeterminate prisoners, and on those who fail on parole.

Place the responsibility for matching sentence to offence and offender with the court, which is the proper place.

Provide for restructuring the Board to include a greater level of expertise and integration with pre-release and post-release programmes.

Provide a system that gives prisoners a sense of certainty, thus reducing tension and resentment.

Significantly reduces the present prison population, and maintain a policy of minimising the effects of imprisonment and institutionalisation in keeping with existing and recommended Australian parole practices.

There is no doubt that the first objective will be achieved but it will go even one better for prisoners because they will not be released automatically on the expiration of the non-parole period but on the expiration of the non-parole period less the period of remission for good behaviour. So, they will be out earlier than the non-parole period. In fact, it will provide for virtual automatic parole for prisoners on fixed sentence, but will not provide for those who were convicted before August 1981 and are still in the prison system.

I do not see how that will provide the Board with an opportunity to concentrate efforts on those who are on parole. It will certainly place greater emphasis on the responsibility of the court in sentencing the offender, but, although it is suggested in objective number 4 that the court is the proper place for that, I would suggest to the Council that the court's responsibility in sentencing is completed at the point of imposing the sentence and that there should be some other agency to monitor progress of the offender through the prison system.

Objective number 5 will certainly be achieved if the amendments are carried, in the sense that the Board will be restructured. But I would say that, if the Government is seeking to include a so-called greater level of expertise and integration of pre-release and post-release programmes, that will not be achieved. In fact, that is really a direct criticism of the present Parole Board. While the criteria for those appointed will vary slightly, they are not markedly different from the present criteria.

Objective number 6 is said to provide a system which will give prisoners a sense of certainty, thus reducing tension and resentment. I gather from that that it is claimed the parole system is producing tension and resentment. I deny that. I do not believe that in any way the parole system contributes to tension and resentment. If that is what the Chief Secretary believes, he is the object of a giant confidence trick.

The Hon. I. Gilfillan: Have you asked the prisoners at Yatala?

The Hon. K.T. GRIFFIN: Well, the honourable member must remember that they are convicted criminals. It is not a Sunday school out there; it is a prison.

The Hon. I. Gilfillan: You don't seem to be taking their opinion into account.

The Hon. K.T. GRIFFIN: I am taking their opinion into account, but they are on a giant confidence trick. If the honourable member believes that, that is his right, but I certainly do not believe that. The parole system worked satisfactorily until the present Chief Secretary took responsibility for the prisons. It has worked satisfactorily for 10 years and I do not believe that any aspect of tension and resentment is the result of the Parole Board's deliberations. This system will give the prisoners a sense of certainty, but I wonder where we are going with that, because the sense of certainty ought to come from the sentence which the court imposes. That is the certain period. If prisoners get out earlier for good behaviour, that is a privilege which is conferred upon them. It is certainly not a right that they ought to be granted parole in circumstances which mean that they get out much earlier than the sentence provides.

There is a lot of criticism in the community about the courts not imposing adequate sentences and imprisonment for those convicted of serious offences, and I share that concern. In fact, the Liberal Government introduced a number of measures which ensured that, for the more serious offences, penalties were increased. This Bill weakens quite dramatically that course which the community requires.

Objective number 7 will significantly reduce the present prison population, but that is as far as it goes. That objective must be balanced against the protection of the community. I would suggest to the Council that, if we are to release criminals early so that we can keep the numbers down but not take into consideration the threat to the community, we are abdicating a very important responsibility which is given to Governments in respect of the administration of

justice. It is interesting to note that, in the Chief Secretary's discussion paper, he states:

> To facilitate such a radical shift of policy, the following changes to departmental operations and proposed legislation are considered highly desirable.

Contrast that with the second reading explanation, which states in the second paragraph that the proposed system is not radical or untried in that it already operates in other States of Australia. On the one hand the discussion says that it is a radical shift of policy but, on the other hand, when the legislation comes in, the Chief Secretary tries to convince us that it is not radical, and that it is well tried and operates in other States of Australia. I will deal with that matter again in a moment.

The discussion paper lists a number of changes that will have to be achieved to ensure that the radical shift of policy is implemented. This legislation is one of those changes that the Government proposes in the package to achieve its objectives. Let us look at what happens in New South Wales. New South Wales has had this radical policy for some time, but, as a result of considerable public concern about early release systems, the Government is now introducing new legislation in that State which, as I understand it, will have certain features, some similar to those which presently exist in South Australia.

Although I do not have before me the Bill that has been introduced, I believe that the following are the principal points of the legislation. No parole is to be issued under 36 months. They are reverting to a Parole Board of seven members. The membership of the Board is to include two judges, four community representatives and a nominee of the Commissioner of Police. All prisoners who have been given specific non-parole periods will have their case considered. The Parole Board has absolute discretion. A parolee whose application is rejected can appeal to the Court of Criminal Appeal, but only on the basis that the Board's decision was founded on false or distorted information.

The Parole Board is to inform the prisoners why parole was rejected. The new system will only apply to prisoners sentenced after the date of introduction of the legislation. A special Standing Committee is to be established to report to the Minister of Correctional Services and the Attorney-General within 12 months on the success or otherwise of the scheme. No terms of reference or suggestions of membership for the Standing Committee have been referred to. In the information which I have received, a Release on Licence Board is to be established.

The Hon. R.J. Ritson: Aren't we about to throw that out?

The Hon. K.T. GRIFFIN: We are moving in quite opposite directions. There will be nine members on the Release on Licence Board, which is to be chaired by a judge of the District Court. It will have four community representatives, three representatives of the Department of Correctional Services and a representative of the Commissioner of Police. There is no provision for the Minister to exercise his discretion or to have any overriding powers, and release on licence will be considered only on strong compassionate grounds or under extenuating circumstances.

So, we can see that in New South Wales the experiment has been tried and proved wanting, and they are going back to a much stricter system with the Parole Board. It is interesting to note that the Commissioner of Police is to be represented on that Board.

The Hon. R.J. Ritson: In how many States is it operating?

The Hon. K.T. GRIFFIN: I am not sure that it is operating in any State.

The Hon. R.J. Ritson: That second reading speech is a bit misleading, then.

The ACTING PRESIDENT (Hon. G.L. Bruce): Order! The honourable member will have his opportunity shortly.

The Hon. K.T. GRIFFIN: The Government says in the second reading explanation that the existing system of parole which appears to subject the offender to double jeopardy is not consistent with the principle of a person being punished in such a manner as is consistent with and proportionate to the gravity of the crime for which the offender has been sentenced. I say that is nonsense because, when a person is sentenced by the court, the sentence is the penalty which is consistent with other sentences for similar offence and, of course, subject to review by a Court of Criminal Appeal, which ensures that consistency is maintained. There is no double jeopardy.

When the prisoner applies for parole after the expiration of the non-parole period, that prisoner is seeking to be released early and not to be released later than the non-parole period. So, I do not believe there is any double jeopardy at all.

In his second reading explanation, the Minister said:

> The Bill embodies three main principles. The first is that it places with the courts the responsibility of determining the length of time which a prisoner will serve in prison.

It does that already. For example, if a person is sentenced to nine years imprisonment, that is the period of time that is to be served in prison. For the benefit of the Parole Board, it might fix a non-parole period, and then the administrative review of the prisoner through the system is to be review by the Parole Board. The second reading speech goes on to say:

> The second principle is the provision of a greater degree of clarity and certainty in the sentencing of offenders.

Again I say that is nonsense because, when the court imposes a sentence, that is the certainty that the prisoner will serve that sentence unless the prisoner behaves or makes progress in the system towards rehabilitation, minimising the potential for reoffending.

The third principle, according to the second reading explanation, is that there will be a much greater incentive for prisoners' good behaviour during the term of incarceration by ensuring a right to earn up to one-third remission on all sentences of over three months and on a life sentence in respect of which a non-parole period is fixed or extended after this Act comes into operation.

Failure to behave in prison will mean that the prisoner will spend longer there, so that it will be within the capacity of the prisoner to determine whether he will be in prison for all the non-parole period fixed by the court.

If we are to go down that track, we may as well not have the sentence or a non-parole period fixed by the court. Let the court merely fix one period and that is it. I think the Chairman of the Parole Board, if he is reported accurately in the press, has a very good point. Why suggest that this is parole when in fact it is just fixing a maximum period of imprisonment with a certain remission for good behaviour and minimal opportunity to be retained in prison if behaviour is not appropriate to early release?

I will support the second reading for the purpose of enabling certain amendments to be moved, but I am not at all convinced. In fact, I am rather confirmed in my view that the proposals which the Government brings to us will not be adquate protection for members of the community, will be softer on prisoners and will not relieve the tension in our gaols.

The rush to get this Bill through I have already commented upon. I think it is a matter of grave concern that we are given only a week within which to consider most significant changes in the law. I suspect that the Chief Secretary has been given a deadline by the prisoners and, if it is not through, there will be more riots.

We will wait and see what the result of that will be if the legislation goes through. I predict that there will be just as

much contention and resentment within the prison as before and just as many riots and prisoners' actions as there are at present. The Bill embodies provisions that bow to prisoner pressure. It ought to be made quite clear, and stressed, that, while the prisoners have certain rights and must be given every opportunity to be rehabilitated so that they can take their places again in a normal society and play a responsible part in that society, the Government and the courts have a responsibility to ensure that the citizens are protected from those who will re-offend and that an appropriate punishment is imposed on offenders to ensure a reasonable degree of deterrence.

A prison is not a Sunday school picnic, but a place where those who are residents at Her Majesty's pleasure have been convicted of crimes against society and against citizens, and they must expect that life there will be tougher than it is in the outside world.

The Hon. C.J. Sumner interjecting:

The Hon. K.T. GRIFFIN: Well, this certainly softens it up for them. The Prisoners' Representative Committee has obviously carried great influence with the Government of the day. If one reflects on the person who was the Chairman until recently—a Mr Conley—who was convicted of an offence of heroin trafficking and sentenced to gaol for 15 years, and who was the 'Mr Big' of the drug scene in Adelaide, one can see the extent to which the committee and the prisoners are under the influence of someone used to wielding power in the underworld.

Let us consider serious offences such as the McBride case, for example—a person convicted of murder, sentenced by the court to life imprisonment, with 18 years non-parole, increased by the Court of Criminal Appeal to 20 years. If he had been sentenced under the provisions of this Bill he would have been out in 13 years, when the court believes that he ought to be there for at least 20 years. If that is to be the result, the community at large must have some very grave concerns about the way in which this Government is approaching parole.

The only other point that I want to make is that while in New South Wales there is provision for a Standing Committee to review the operation of the legislation after 12 months, and while that was moved in the House of Assembly, I do not propose to move for a Standing Committee in this Council. The Correctional Services Advisory Council is well equipped to review the operation of this legislation. If the Bill passes—as I believe that it will, with the support of the Australian Democrats—the Correctional Services Advisory Council ought to be given the task of reviewing the operation of the legislation at the expiration of 12 months at the most. I support the second reading, but I do not support the retrograde step of removing those provisions of the parole system that play an important part in the administration of justice in this State.

[Midnight]

The Hon. R.J. RITSON: It is now exactly midnight. This Bill was introduced into this Chamber yesterday. It was introduced into the House of Assembly last Thursday.

The Hon. C.J. Sumner: No, before that.

The Hon. R.J. RITSON: I first heard of it last Thursday. Perhaps Thursday was the day I acquired a copy.

The Hon. C.J. Sumner: You must be a bit of a slow thinker.

The PRESIDENT: Let us get on with the Bill.

The Hon. R.J. RITSON: The Government is determined that it will be passed tomorrow, and it will be, and it will represent a giant step backwards in dealing with the problem of prisoner rehabilitation as well as the problem of controlling prison populations. The first thing that struck me when I began to look at this is that there is a very large amount of complicated research material existing in the world literature on this subject, and almost none of it is South Australian. Therefore, it cannot be said that the people who are sponsoring this Bill are in any way originally knowledgeable about the subject.

It cannot be said that they have in any way contributed or participated in the growing knowledge of this subject, but rather in some sort of plagiaristic way they have picked the bits out of the existing body of knowledge which they wish to use to justify a decision which later in this speech I will demonstrate is a political decision. I wish to begin by looking at the nature of the human problem involved, the purpose of sentencing, the types of human beings one finds in prison, some of the world literature, the complexity of the problem, and the simplicity and the defects of the Bill now before us.

Prisoners are not wooden pawns to be move around a chess board: they are human beings—admittedly, in many respects fallible and rather limited human beings but, nevertheless, they still obey a number of the rules of human behaviour. If one is to put them in pigeon holes and assume that all people in prison will behave in a particular way merely because an Act of Parliament is passed, then one is deluding oneself, and the remarks attributed to the Chief Secretary that this Bill will solve problems in the prisons will return to haunt him in years or perhaps months to come.

The purpose of sentencing is a many pronged conception and I wish to list now some of the purposes of sentencing, not necessarily in order of importance. However, the one that looms largest in the public mind is perhaps that of retribution. Retribution is linked to some extent to the concept of justice, the root of the word 'justice' meaning 'exactness', and there is a concept in society that particular sorts of offences deserve exactly a particular sort of punishment. Members should note that I said 'particular sorts of offences' not 'particular sorts of people'. The Attorney-General has just won an Oscar for attracting my attention. It is not my fault that I find myself attempting to speak to empty Government benches on this important matter. The Government has saved this particularly difficult legislation for a time when it will be difficult for us to analyse it.

The Hon. L.H. Davis: We have had more important legislation in the past week than we have had for the past year.

The Hon. R.J. RITSON: In the past 24 hours the real guts of the entire session has been thrust upon us.

The Hon. C.J. Sumner: That is absolute nonsense.

The PRESIDENT: Order!

The Hon. R.J. RITSON: As I said, retribution hinges on the notion of justice and exactness, but with certain types of crimes rather than with particular types of individuals who serve a certain penal sentence. It is aligned with, but not exactly the same as, the question of revenge, that being a feeling that people have towards a criminal. The motivation for revenge, of course, is not really justice but to make the revengeful person feel better as they view the punishment of the criminal. These emotive and philosophical aspects of punishment tend to be in the forefront of the mind of the general public in its consideration of crime. Certainly, judges being human beings and being brought up in the same sort of society must be influenced by this social *milieu* and to some extent either consciously or unconsciously include such factors in their sentencing practice.

Then we come to the problem of general deterrence. General deterrence is an important factor. By that I mean that if a person is punished, regardless of whether that person himself is deterred, the general population may be deterred by seeing the punishment of that person. We then

come to the question of specific deterrence, that is, the person who may be punished being deterred from re-offending. Further, there is the matter of public protection. That factor, if necessary, can be considered separately from all the other matters of general deterrence and specific deterrence, because, even if it is not possible to satisfy those other criteria, it is still possible to incarcerate a person for public protection alone.

Finally, but not at all of least importance, is the question of rehabilitation of a prisoner, because being a human being he has some intrinsic value and ought to be rehabilited if possible for his own sake. That aspect should be considered high up on the list. Bearing in mind the things that one is trying to do and all of those factors—you win some and you lose some—let us look at how they apply to the prisoner. What is a prisoner? As I said at the beginning, a prisoner is not a notional person or a pawn on a chess-board to be moved around: each is a unique individual person, each sharing with others some of the rules of human behaviour, but each having his own particular set of problems and his own particular strengths and weaknesses. I think it is useful therefore to look at the categories of the types of people one might find in a prison.

This has been done in other countries. Let us consider, first, the type of prisoner who has committed an acquisitive crime for profit in the belief that he was not going to be caught and who is mentally quite normal, whose personality is such that he responds to reward and punishment. Let us consider how this legislation affects that type of person, because that sort of person constitutes the simple majority of the prison population.

Regarding that sort of person, the remarks of the Attorney-General were most pertinent. What the government is doing is introducing a formula which is non-existent generally in the other States, in spite of the misleading statement in the second reading explanation. It is being discarded by New South Wales after a trial period. I refer to the system of automatic release. What does this do for the acquisitive, intelligent, dishonest prisoner who did not believe he would be caught? It gives him a new formula to calculate the costs and benefits of being a professional criminal.

Such a person is perfectly able to be a model prisoner and to earn maximum remission under this formula of automatic release after one third of the head sentence or whatever the non-parole period may be. In such cases, it tends to be about one third of the head sentence. After this period and after earning the maximum remission he knows he will be released. I suggest that such a person can quite accurately calculate the costs of being in prison; he can quite easily be a model prisoner and get maximum release; he will spend that time being a model prisoner and calculating his next crime.

That is a very real possibility. I want to make a point here about the observation of behaviour in prison and its relationship to the success of the parole system. A good deal of literature is available on this subject. I refer briefly to the article, 'What makes a good parolee? by Gorta and Cooney, published in the *Australian and New Zealand Journal of Criminology*. They looked at all the factors which affect predictions as to success of parole: the nature of the previous criminal background, the motive of the criminal's behaviour in prison, marital status, job skills, and job history. They came to the conclusion that one of the least significant things is behaviour in prison. The two most significant predictive factors are the prior criminal history and the post parole environment in terms of marital status, job availability and job skills.

Therefore, the alleged incentive given by the time off non-parole period for good behaviour will have little to do with the outcome of parole. That is something that should be borne in mind. There is another sort of model prisoner who is extremely likely to offend, but under the system would give the Board no grounds to retain him because the amendment places the Parole Board in a position of having to release instead of having discretion to release.

That sort of prisoner is the depressed sexual offender. I have spoken to medical practitioners who have had a lot of experience with these sort of people, and they are very concerned because what will happen in those cases is that some emotionally disturbed meek little fellow with a string of sexual offences will become a model prisoner and there will be nothing the Board can do to retain him under this new legislation, yet all of the scientific predictions about this sort of person indicate that he is likely to re-offend.

The first thing that is obvious is that public protection goes out the window. I will pause for a moment: this conversation is extremely distracting.

The PRESIDENT: Order! The Attorney should cease his conversation.

The Hon. R.J. RITSON: In talking about the marked difference between, for example—

The PRESIDENT: Order! I have asked the Attorney to refrain and I cannot do anything more than that unless I take sterner action, which would be stupid at this time of night. There is no need for members to hold a conversation when someone alongside is making a speech.

The Hon. R.J. RITSON: I was pointing out the great difference between, for example, the intelligent criminal who will get automatic release because he has been a model prisoner and this sort of model prisoner—the meek sexual offender who is likely to offend again. Public protection will be an important issue if automatic release under this Bill becomes law.

However, there is another category of person in our prison population—the ones who should be in hospital. I am sure that the Government does not know about this because there is very little sign that proper inquiries are made, and there is very little sign that the present state of the law allows for distinguishing between people who should be in hospital instead of prison. In this State insanity is a defence to any crime, but who in their right mind would plead insanity as a defence to an alleged crime which carried, for instance, a four or five year penalty when the period of loss of liberty by virtue of being found not guilty on the grounds of insanity would be longer?

I am convinced that there are a number of people in our prison population who are not only insane but actually were unfit to plead at the time of trial, that is to say, they were so ill that they were unaware that they were on trial and unaware of the evidence against them. However, because of the consequences of pleading insanity, through their counsel they remained silent and these people ultimately become diagnosed, once their behaviour becomes evident in prison, and they are placed under medical treatment. However, they are still under prison sentence and that is very important to understand. Therefore, their release will be determined by the Parole Board rather than by the medical officer treating them.

The question is this: how does the Parole Board behave in deciding its release policies in regard to people who are under sentence but who are mentally ill? That will not matter under the new Bill because the release will be automatic. The communication between the Parole Board and the medical officers involved in treating such people is not ideal, and I would imagine that those people would be released presently on the basis of a prison assessment rather than on the basis of an accurate diagnostic assessment as to whether it is good for them and good for society to be released.

After this Bill passes, as it will, that will become even less relevant because the ability to retain them will not be there: the release will be automatic. One might think that the Parole Board could in some way look at their medical status and find some exceptional circumstances within the wording of the proposed Act to allow them to retain the person, but I worry as to whether that will happen. For example, if the Board splits in the way envisaged, is it going to be a lottery whether a mentally ill person whose non-parole period has expired comes before that half of the Board with the psychiatrist on it? We do not know that. One can say that of course it would happen; commonsense would make people arrange things that way, but there is the catch 22: it would not know how to arrange things that way unless it knew the problem, and it would not know the problem unless someone came before the Board. I foresee enormous difficulties with some of the people who are there under sentence but who are mentally ill coming before the wrong half of the Board.

There is another group of people in prison who should not be in prison or in hospital but who should be looked after in some other way. I think that the Attorney-General ought to read the case of *Winter v Samuel*, a judgment by Mr Justice Jacobs about 10 years ago. The facts of the case were that a young man with a poor education and a history of severe insulin-dependent diabetes illegally used a car and he had done so before. He contacted his brother, rang the police and confessed within a short time. He was apprehended and charged and a magistrate heard the case.

In evidence given in mitigation, psychiatric witnesses indicated that he lacked the intelligence and education to administer his insulin properly. He had no family structure to support him. He had frequent hypolgycaemic comas, one of which resulted in unconsciousness for two weeks. Following this there was organic evidence of brain damage on electro encephalography.

The expert witnesses said that his intelligence level was nearly but not quite so sub-normal that he would be certifiable, and that there was no medical treatment that could improve his condition. As a consequence, he would continue with anti-social behaviour, continue to administer improper doses of insulin to himself and, ultimately, would become demented. At that stage, he would be certifiable. But when assessed he had not reached that stage. Mr Justice Jacobs received the case on appeal, because the magistrate sentenced the offender to 14 months imprisonment. He did that because the mental health authorities said that the man was sub-normal and could not be treated. They said, 'If he is sent to us we have no legal powers to keep him, because he is not dangerous. Even if we could keep him, we would not, because we are rationing from those who are treatable. Therefore, he was sentenced to 14 months imprisonment.

Mr Justice Jacobs reduced the term of imprisonment drastically and made a number of critical remarks about society tipping its difficult problems into the prisons. In a paper recently delivered to the Australian and New Zealand conference of psychiatrists a delegate referred to this type of problem and quoted Professor John Gunn of the University of London, who said that we need a third service. He said, 'We have prisons for people who are bad, we have hospitals for nice people who are ill, but we need a third force to look after people who fall foul of the law but who are not morally guilty and who are a nuisance to look after.' They are totally unloved people. A parade of these people go backwards and forwards through our prisons.

The people in this third-force category who should not be in prison can be looked after in a number of different ways. The third force or third service may in some cases need to be custodial—perhaps some sort of hostel or half-way house run by very patient psychologists and social workers. In fact, it may be that some of the short-term prisoners being accommodated in our prisons at present could be dealt with in similar fashion. Certainly, a number of criminologists believe that that is so.

The previous Liberal Government started the ball rolling with community service orders legislation, and that area could be expanded. There are also work release orders and other forms of probation and psychiatric probation that could be explored to see what we can do about the third category of people who ought not to be in prison, who should not or cannot be admitted to hospital but who need some sort of care. Quite frankly, I thought that it was the beginning of a vision when the community service orders legislation was passed. I also thought that the conditional release legislation was another move in that direction.

The present Labor Government has utterly failed to explore a non-custodial approach to this question. The real nub of this matter is quite complicated. There are people who should be in prison and who will be encouraged by this legislation to offend again. They will calculate the cheap cost of crime. Crime will suddenly pay for intelligent, inquisitive acquisitive criminals who know how to act as model prisoners, particularly if they can earn additional time off their non-parole period for in-prison behaviour. That is despite the fact that studies in this area reveal that that is the last thing to look at in relation to this question; instead, we should consider the previous criminal history and environment into which people will be released.

It is a shotgun piece of legislation and it has not been thought out. There is no indication in the second reading explanation that the Chief Secretary has looked at overseas experiences. He has just produced an overall early release scheme in which the Parole Board is really emasculated: it hardly has to make any judgments any more except in relation to a formula and a class of person in a most indiscriminate way. That does absolutely nothing to scour out people from prisons who ought to be in hospitals and to ensure that they are properly treated and released in terms of their own good and that the protection of the community. Under this Bill, such people's release based on scientific therapeutic criteria rather than on penal tarrifs. Nothing in this Bill addresses that problem.

I do not believe that the Chief Secretary knows what goes on in his prisons, nor do I believe that the people who give him information know what goes on. The system does nothing about short-term nuisance offenders who ought never to be in prison but who ought to be overseen in some other way by society, often in a non-custodial way. I look forward to seeing the smoke rising from Yatala in months to come. The Chief Secretary's allegations that, if we oppose the Bill it will cause trouble in the prisons will come home to roost in a very clear way.

It is interesting that in the second reading explanation the Minister in this Chamber, acting for the Chief Secretary, said that this principle is in force in other States. I spent some time telephoning around. I called the Attorney-General's Department in Tasmania and spoke to professional officers there, who were somewhat horrified at what we are doing. They made the point that there is a statutory rather than a judicially-imposed non-parole period of one-third of the head sentence. Above that there is parole and above that time off for good behaviour. I do not believe that this system exists in Western Australia or Queensland. Something like it exists in New South Wales but, as the Hon. Trevor Griffin told us, that legislation is being reviewed at this moment, and that Government's retreat is now passing through the N.S.W. Parliament.

So much more could be said, but I will not go on. I have caused the Attorney-General much agony: he did not want anyone to speak on this Bill, which was supposed to go

through at midnight. There are gobs and gobs of scientific information from all around the world which this Government has ignored, and I use the word 'ignored' in the sense of ignorance.

Finally, there is a little bit of politicking in this. The Prisoners Action Group is a specific organisation that is active throughout Australia. It has only recently activated itself in South Australia, but anyone who wants to understand that group only has to subscribe to the communist paper, the *Tribune*, in which its activities, objectives and beliefs are lauded, and have been for several years. I am sure that its ideological quest in that quarter is assisted or encouraged by the member for Elizabeth, who has brought pressure on the Chief Secretary to introduce these changes. The changes fly in the face of all the documented research. Someone interjected and that stimulated me, so I will go on now and read from a Victorian report.

The Hon. J.R. Cornwall: You ought to be an in-patient; you have a real problem.

The Hon. R.J. RITSON: What was that?

The Hon. J.R. Cornwall: Come on. What are you saying? What is all that nonsense about the *Tribune* and Marxists? My daughter is a member of the Prisoners Action Group.

The Hon. R.J. RITSON: That fits. The Hon. Dr Cornwall has pointed out that his daughter is a member of the Prisoners Action Group, and there could not possibly be anything wrong with it; so I will retreat from that issue and mention one of the principal arguments that the Government has made, not so much in this debate—it has not joined in the debate—but in the newspaper comments: that is the question that a fixed, known term is good for morale.

The document, *'Sentencing Alternatives Committee of Victoria Second Report—Parole and Remissions'*, says that the moment a non-parole period is fixed prisoners automatically assume that they will get out on that date. When they do not, that sours them and there is nothing more difficult to deal with than a sour prisoner. That argument has been bandied about as perhaps the main justification for a fixed term of release. If it is going to be a fixed term of release it should not be variable, or one defeats the argument. The moment that one introduced the concept of having a Parole Board with some residual rights in exceptional circumstances to prevent it from being a fixed term of release, it ceased to be a fixed term of release. The moment that one introduces the ability to earn some time off the fixed term of release it ceases to be a fixed term of release. Using that term, it is not a fixed term of release: it is something that reduces the head sentence by one-third despite the opinion of the judges.

That is canvassed by the authors of the report when they come to their summary and conclusions. I quote page 20 of the report, summary and conclusions:

> *(a)* The element of uncertainty as to release, which is inherent under the parole system, is not in Victoria a matter of major significance in determining whether the system should be retained.

The Labor Party's argument about fixed term of release is hollow on two different grounds: in the first place, what it has drafted is not a fixed term of release but has as much uncertainty as it ever has. All that it does is reduce the sentence by one-third and deny the Parole Board—and this is important because we will not need a Parole Board at all after this; a computer could do it—the right and power to make the sorts of scientific discriminations between one person and another that need to be made if an intelligent and humane approach is to be taken.

I give up. It is now 20 to 1 in the morning, and the surface has hardly been scratched. The grumblings of the Government indicate that it does not want us to scratch the surface. The Bill will go through; the prisoners will get their way; and one day the Government will realise what an awful Bill this is.

The Hon. L.H. DAVIS: It is worth reflecting on the background to this legislation which has been introduced at the eleventh hour, as have so many other important measures. It is most inappropriate for us to be debating this Bill under such pressure. If one looks back over the three years or so of the Tonkin Government and examines the *Hansard*, one sees that there is not one question, one comment or even one speech from the then Labor Opposition criticising the Parole Board system: not one. There was not one public comment, for that matter, during that period from the shadow Chief Secretary for the Labor Opposition of South Australia. There was not a worry; there was not a ripple.

In fact, one of the few questions asked about prison sentences came from the member for Elizabeth (Hon. Peter Duncan), who pointed out that, with an impending Royal visit, there was a precedent that the Royal visit might be used to lighten some prison sentences. However, no concern at all has been expressed about the parole system in South Australia until this year. That concern, as we know, has emanated principally from the prisoners and their families. No authority has been noted in the second reading of this Bill to justify the change in the parole system in South Australia.

The Parole Board itself, as far as one can see, is unanimously opposed to the proposals contained in this legislation and has given vent to its feeling in no uncertain terms, the last occasion being in last Saturday's *Advertiser*. Honourable members should be reminded that the Parole Board is a bipartisan board which has members appointed by both previous Liberal and Labor Governments. It is also worth noting that the Chairman of that Parole Board until two years ago was Her Honour Justice Mitchell, and she had served on that Board for some five years.

There has been no evidence that the Government has consulted with the Parole Board or taken other views into account in coming to its conclusions. The fact is that the Chief Secretary is on a promise that the prisoners will have a different parole system by Christmas 1983, irrespective of what the Parliament may decide and irrespective of what the experts may say about this important matter.

I am not quite sure where the Australian Democrats stand in this regard. Unfortunately, as far as I can see, the Democrats, through their spokesman on this Bill (Hon. Ian Gilfillan), committed themselves publicly when the idea was first floated in August.

I hope that does not mean that they cannot review the situation as it is now being presented to them. In fact, I understand that the Chief Secretary (Hon. Mr Keneally) has written letters to the prisoners, stating that the parole system is defective and promising that he will change the parole system. I find it a remarkable proposition that the Chief Secretary is by-passing the Parliament, promising prisoners a change in the system, and increasing expectations, which I would have thought was the very worst approach to the situation. There is somehow a belief which has been expressed in the second reading presented in this place that, by changing the parole system and introducing a so-called certainty into the release date for prisoners, it will improve behaviour within the prisons.

Evidence has been given that New South Wales and Victoria have a similar system. We have not been given details of that chapter and verse, because I suspect that what is said is not strictly true. In fact, there has been growing criticism of the system in New South Wales, in particular. Quite recently, a justice of the Supreme Court gave vent to his concern about the parole system as it operates in New South Wales. Indeed, only two weeks ago

the New South Wales Cabinet approved of a major reform of the parole system. I am of the view that the claim that the proposed system is fashioned on parole systems in the Eastern states is not correct. Even if it is correct, where is the evidence that that has improved the behaviour of prisoners in those States? On reading the papers, there seems to be very little evidence of that point.

I refer to the report of the Parole Board of South Australia for the year ended 30 June 1981, the last year in which Her Honour Justice Roma Mitchell was Chairman of the Parole Board. In regard to parole applications, two problems were taken into account; first, public risk; secondly, the prospect of rehabilitation. In relation to public risk, the report stated:

> The Parole Board always took into acount any possible risk to the general public. Although in almost all cases there was some risk of offence during the parole period, the Parole Board always gave serious cosideration to not exposing the general community to excessive danger.

Where will the legislation before us now leave that comment?

In regard to rehabilitation the report of the Parole Board states:

> The Parole Board considered each parole applicant in relation to the belief that, in particular cases, parole was of immense benefit to the entire community as well as the individual applicant and associated family concerned. With respect to these two principle considerations—

That is, public risk and rehabilitation—

> the Parole Board evolved a parole applicant selection process which resulted in parole being granted only to those applicants considered most likely to benefit from the parole experience. This was a parole selection process in which distinction was made in the following manner between applicants guilty of serious offences and applicants guilty of less serious offences.

It then lists the different categories of offences and gives details of how the Board approached the question of parole. Again, I ask the question: 'Where does the proposed system leave those sorts of considerations?'

I refer now to the latest report of the Parole Board of South Australia for the year ended 30 June 1983 (which honourable members would have received in recent weeks). It was accompanied by a note, presumably from the Chairman of the Parole Board, which is worth reflecting on. It states:

> The Parole Board of South Australia Annual Report 1982-83 highlights a year of operation in which the South Australian parole system was questioned by prisoners and their families who expressed discontent at the Board's power to maintain the original court sentence and the lack of similarity between the South Australian parole system and the immediate parole release systems of some other Australian States.
>
> Considerations for the year were 1152 cases. This was a 31 per cent increase from the previous year.

That hardly suggests that people had been deterred from applying to the Parole Board. That hardly suggests that there was a fear or awe about the Parole Board—the fact was that there was a 31 per cent increase from the previous year. The report continues:

> . . . 180 (39 per cent) ordinary parole application releases were made and 277 (61 per cent) ordinary applications were rejected.

It is going to be worth asking the Minister in the Committee stages how many applications for parole would have been rejected in the 1982-83 year if those current provisions had applied. The parole applications which were considered by the Parole Board (as I indicated, some 1 152 cases in the 1982-83 year) were reviewed by the Parole Board, taking into consideration the provisions of the Prisons Act Amendment Act, 1981, and in particular section 42 (1) of the Act. This provides that specifically the Parole Board was required to give consideration to the parole applicant's likelihood of complying with the conditions upon which the applicant might be released; the circumstances of the offence for which the applicant was sentenced to imprisonment and any matter taken into account by the court in determining sentence; the gravity of the offence; any remarks made by the courts in passing sentence; social background; medical psychological or psychiatric reports tendered to the board; the behaviour of the applicant during any previous period of release on parole; and any other matters that the Board considered relevant.

There are also other provisions of non-parole period legislation which was introduced in July 1981, in the sense that it required the courts to impose a non-parole period in relation to all imprisonment sentences exceeding three months.

It is worth asking the question again as to what will be the impact of this legislation on the number of cases considered by the Parole Board. Obviously, it will drop off. A cynic may well say that the Parole Board members may perhaps just as well have an abacus so that they can do the calculations as to when the prisoner will be released. There will certainly be a review process, but there has been no attempt made in this legislation, nor any comment in the second reading explanation when this Bill was introduced, which clearly sets out what the new function of the Parole Board will be.

The very useful and detailed report of the Parole Board of South Australia for the latest period establishes that the Parole Board always takes into account other details when considering parole applications. I quote from page 9 of the report which states:

> In summary, the Parole Board attempted to consider the parole applicant in relation to the unique circumstances of his or her particular case and in the belief that parole was of benefit to the community and public interest as well as the individual applicant and associated family. While recognising that in many cases there was some risk of offence during the parole period, the Parole Board was of the opinion that consideration was to be given to not exposing the general community to unwarranted danger.

And so it goes on. I express my abhorrence about the introduction of such legislation without any reference at all to the Parole Board's comments which were received last September. The Government and the Minister have not even had the courtesy to reply to the Parole Board Chairman or its members as regards their comments on the paper which initially circularised the proposals for reform of the parole system in South Australia.

That is clearly at variance with the Minister, who has blithely written to the prisoners assuring them that the parole system is defective, and promising reform. There has been no evidence of these defects from any other source at all and certainly, as I indicated earlier, from the Labor Party when it was in Opposition not so long ago.

The Hon. Mr Griffin covered in some detail the objections which he sees in the Bill before us. Before turning to that matter, I want to look at two further aspects which underline the fact that the parole system, to people who have reviewed the prison system recently, is far from defective. The report of the Clarkson Royal Commission into Prisons was presented in December 1981. It certainly did not have as one of its terms of reference the requirement to comment on the parole system, but certainly in reviewing the reasons for unrest in prisons and the need for discipline of prisoners, and in taking evidence from the prisoners themselves, as far as I could see, there was very little comment at all about the problems of the parole system. The cause for unrest in gaols at the time of the Clarkson Royal Commission appeared to centre on the Prisons Act regulations which created uncertainty and confusion. There was general agreement that they were out of date and, at least until August 1980, the Prison Orders were largely obsolete, out of print and unavailable to correctional officers. A number of prisoners, when asked by the Royal Commission as to what they could do, replied by saying 'Well it depends on the officer in charge at the time'.

So, that was one of the central reasons for uncertainty, confusion and a general lack of morale in the prison system, that no-one really understood the rules of the game within the prison. We are not only talking about the prisoners themselves but also about prison officers. That was a direct observation of the Clarkson Royal Commission.

Turning now to the Touche Ross Services Management Consultant Review of the South Australian Department of Correctional Services, which was commissioned by the Tonkin Liberal Government and presented to the Government in April 1981, it commented on the lack of adequate research facilities in relation to parole and other areas. It said specifically that there was no satisfactory data relating to the effectiveness of present programmes. It stated, and I quote directly:

> The need for ongoing systematic evaluation of probation and parole programmes is an absolute necessity.

In other words, the Government, it would appear, is proceeding to fundamentally restructure the parole system given that, first, there has been no previous objection to the parole system; secondly, that the Parole Board itself it seems is unanimously against a change of the system; and, thirdly, that the prisoners themselves, at least until this year, have had no quibble with the parole system; fourthly, that the Clarkson Royal Commission which reported just two years ago made no specific comment of parole as being a central problem for unrest and discipline in the prison; and, fifthly, and this is a most important point which has not even been touched upon by the Government in presenting this Bill, that if one is to have effective probation and parole programmes it is necessary to have statistical data to measure their effectiveness and appropriateness. It seemed that they were not in place, and one would presume that, as a result of the finding of the Touche Ross Services Management Consultant Review, something should be done about that.

Has the Government any statistical data by which it has measured the effectiveness of the parole system? We have not heard anything about this matter at all. As I have said, in the last report it was shown that there has been a 31 per cent increase in applications for parole, which certainly indicates that prisoners are not deterred from applying for parole.

The current parole system, in my view, provides flexibility and an individual assessment of each case. The Government claims that the prisoners need certainty. I submit to the Council that the community also needs certainty. If a prisoner is to be released there needs to be some reasonable certainty that he will be able to conform with the standards that have been set out so well by the Parole Board in its annual ffireportsover the years. The aspects of rehabilitation is balanced off against public risk.

Secondly, it is alleged that the unrest in the prison system is due to the parole system. There has been no evidence produced to my satisfaction to confirm that claim. The Government should provide examples to show that the present parole system is inequitable, or is constructed in such a way that it deters applications.

Certainly, we can say that the Government has been consistent in that some of its amendments are fulfilling Labor Party policy in regard to employee participation. It is insisting on a member of the Department of Correctional Services being on the Parole Board. Also, it is reasserting that the Board should be split into two, as the Labor Party proposed 2½ years ago when this matter was last considered. It has suggested that there be an Aboriginal member of the Board. I accept that about 25 per cent to 30 per cent of prisoners are Aborigines. The fact is that the vast majority of those Aborigines are outside the ambit of the Parole Board. It is simply not relevant in any event, because there is already the ability to place an Aboriginal on the Board.

There are a number of other arguments advanced by the Government that I simply do not accept. The claim of double jeopardy hs been rebutted more than adequately by the Hon. Mr Griffin. The argument that a great degree of clarity and certainty in the sentencing of offenders will result on the passing of this Bill is something that I do not believe is sustainable. It is difficult to review the situation in other States and claim that parole systems over there are superior and led to better behaviour in prisoners.

I am concerned about this eleventh hour legislation which is nevertheless important and which has been presented in haste, as I said, to fulfil the commitment of a Chief Secretary to prisoners, a Chief Secretary who has bypassed the Parliamentary system by committing his Government to a change when a change simply has not been justified on any of the evidence that has been presented to this Parliament, or any of the evidence presented by the Parole Board or other experts in the field.

The Hon. I. GILFILLAN: It is unfortunate that there is not more time to look in detail at the complicated and serious matters that are inherent in any assessment of our penal system.

There seem to be lot of armchair critics. I do not claim too much, but I do claim to have had more contact with the situation at Yatala and the penal system in the past few months than most other members in this Chamber. I have not drawn my conclusions from analysing reports or statistics. I submit that my conclusions are based on what I have felt, heard or seen. I do not pretend that my conclusions have been subject to criticism and analysis, but I hold them firmly.

I believe that the current parole system is grossly misunderstood by the prisoners and by the general public at large. There may be very few people in our penal system who are experiencing non-parole periods in the terms referred to by previous speakers. Public and prison expectations have been widely divergent as to what has been of significance in relation to the non-parole period. For the majority of inmates at Yatala, and I assume at the other prisons, a non-parole period is, in their minds—rightly or wrongly—set as the time that they expect to spend in prison. Therefore, when the Parole Board, as it frequently does, denies them release at the termination of the non-parole period, there has been deep felt disappointment, frustration and a sense of treachery. Unfortunately, that has rebounded as much on correctional officers as it has on the system and on those outside the prison system who blithely stand apart and say what should be happening.

I will briefly outline my attitude to the Bill and refer to an amendment that I consider to be most important. If I had the opportunity and the time was appropriate, I would discuss many of the important matters that have been brought up by previous speakers, along with detailing some observations of my own. Because of the mismanagement of the time allotted to this debate by both the Government and the Opposition, that will not be possible. In my opinion, both the Opposition and the Government behaved irresponsibly in not exercising discipline in relation to the allotment of time—

The Hon. L.H. Davis: Did you speak to any members of the Parole Board?

The Hon. I. GILFILLAN: Usually I find it important to make a direct approach to the people involved with the legislation before Parliament. Therefore, I had discussions with the Chairman of the Parole Board (Mr Angel), the spokesman and leader of Victims of Crime (Mr Whitrod), the Secretary of what was the A.G.W.A. (which is the union representing the correctional services officers), members of the P.S.A. (representing the chief correctional services officers), and the Chief Correctional Services Officer and his

deputy at Yatala. I also spoke to the Superintendent at Yatala and with probation and parole officers and members of their association. I also read the report.

I believe that I based my consideration of the Bill on a reasonably wide area. I do not pretend to have experience in the law, and I do not pretent to be an expert. However, I do know that without exception those people who were commenting on the old system and how it is affecting the situation in our prisons have condemned out of hand how the fixing of non-parole periods and their effect on the prison system have worked up until now. It is on that basis that I was convinced, and still am, that substantial amendments were essential if we were to achieve some reason, some durability and some predictability in the sentencing procedures.

I think that the Hon. Trevor Griffin was right when he inferred that the term 'non-parole' was probably inappropriate. It may need to be looked at. The Hon. Dr Ritson indicated that there should be a much more detailed and on-going analysis of the whole set-up. I agree with many of the points raised, but none have shaken my conviction that the amending Bill is long overdue. It is very important, because of the degree of expectancy built up amongst the prisoners and the people who care for them and so that the courts can have some indication of what the Parliament, the people of South Australia and the Government want in sentencing the prisoners.

This Bill will provide a predictable formula for setting non-parole periods, which will be a surrogate sentence. In the mind of the sentencing court, those sentences will be longer than the non-parole period set at the present time. The arguments that it is a softening up of the system is so much nonsense. I believe prisoners may well find that they are spending longer in prison to satisfy the term of their non-parole because those who do not comply with the requirements for good behaviour will lose their remission. It offers adequate assurances to those in our society who believe that this will be a reduction in the severity of prison sentences handed down. It does offer a positive incentive for prisoners to co-operate and have respect for the discipline which has been so lacking in our prisons to date. It is no fault of the prison officers who have had very little with which to persuade prisoners to comply with the regulations.

On that point, I want to emphasise what I have recognised as being the major deficiency in the Bill and what prompted me to undertake to move the significant amendment that I intend to move tomorrow in the Committee stages. For some reason the Department was unable to predict that, by awarding remissions for good behaviour to the prisoners who were sentenced after the Bill came into effect, they would be creating two types of prisoners at the same time within the system, and the prisoners currently serving non-parole periods would therefore have no incentive for good behaviour. Those prisoners could earn no remission because they had their non-parole period set before the date of the legislation. At the same time, the Bill removes the power of the Parole Board to say that they could not be released because they had not behaved properly and, therefore, they got out automatically.

The officers were horrified at the prospect of having the prisons loaded with prisoners who were serving time and over whom they had no power to ask to co-operate with the regulations, no disciplinary control and no incentive to offer for co-operation. That was a significant oversight and reflects no credit on those who had had a lot of time to look at the Bill. Contrary to what the Opposition has said, the discussion paper has been before us for some time and we have had considerable time to investigate and consider the issues. The discussion paper raised false expectancies, and that is one of the major reasons why my amendment to the Bill is critical.

However one condemns criminals, it is unrealistic and inhuman to expect them to be oblivious to the fact that they were assured positively that their non-parole periods would be subject to remission. Many of them expected that they would be released by Christmas because their non-parole periods would be automatic. It is naive to say that we will not take any notice of such matters. It may be all very well for us, but the people who have one of the hardest jobs in South Australia today are the correctional service officers at Yatala. The difficulty of their job is underestimated. If we close the door on Yatala and Adelaide Gaol and say that everything is all right, it will not be long before a puff of smoke comes up.

That is finished. They burned down A Division, and I am glad that they did so, because it showed South Australia that it was rotten; it is over 100 years old.

The Hon. R.I. Lucas interjecting:

The Hon. I. GILFILLAN: If they did not burn down A Division I do not believe that more than a handful of people in South Australia would have cared about real reform of our prison and parole systems. Unfortunately, it needed a fire in A Division for me to be encouraged to visit the prison and, as a consequence of that—and I was very grateful for his company—the Hon. Mr Davis came with me, for the first time. Since then, the Hon. Mr Bruce went with me, for the first time; I have asked other honourable members, and when they get a chance they will come with me. We had no incentive except that this gesture broke through the indifference and apathy that has been prevalent.

An honourable member interjecting:

The Hon. I. GILFILLAN: The honourable member may be indignant. Those honourable members who feel that they have been crusading for real penal reform can be absolved from comment.

The Hon. L.H. Davis interjecting:

The Hon. I. GILFILLAN: If the amendments are good and of intrinsic value, that is a basis for judging whether there is justice and a fair method of imposing penal sentences. My amendment will have the effect that all prisoners on non-parole periods in South Australia will become eligible for remission on the day on which the Bill begins to operate, so that all prisoners will be eligible for remission at the same time and on exactly the same basis. There will be no discrimination between those who are sentenced after or before a certain date. They will all have the inducement and encouragement to co-operate with prison authorities and correctional officers so that they can earn that remission.

Many of them say that those days are precious. Prisoners have said to me, 'I do not want to jeopardise one of those days; I want to get out of this hell-hole.' If anyone feels that being in one of those buildings is a Sunday school picnic under any circumstances, I would like him to go out and try it.

I conclude my brief remarks by indicating that I support the Bill. I believe that it will make a significant difference in regard to fairness of non-parole sentences, and I am confident that the system can handle it. There will be some problems in the early stages, and I may try to emphasise those problems later, but I believe that the Attorney-General may need to put some pepper into some court so that there is no undue delay in implementing the requirements of this Bill.

I indicate quite clearly that my amendment is as important as the Bill, because, if it is not passed, there will be gross injustice and gross reflection of inhumanity in having two classes of prisoner serving two types of sentence. Those whom we are expecting to shoulder reponsibility for running our prisons are horrified at the consequences of that.

The probation and parole officers indicated to me (and they have said so publicly) that, if this amendment was not passed, they would very seriously consider not going to Yatala because they would be frightened for their lives and of being taken as hostages. It is naive not to expect people in those circumstances, which most people agree are desperate and are liable to take steps not acceptable to the law-abiding citizens outside, to do nothing. I was pleased that the Hon. Mr Griffin had already picked up this deficiency in the Bill, which reinforces my confidence in his astuteness concerning the legislation.

I look forward with enthusiasm to hearing the honourable member support it in Committee. I intend to support the Bill at the second reading and I look forward to improving it with my amendments.

The Hon. C.J. SUMNER (Attorney-General): Briefly, in conclusion, I thank honourable members for their contributions with, I confess, varying degrees of enthusiasm. I thank the Hon. Mr Gilfillan with considerable enthusiasm for the support that he has given for the general concept in the Bill and the general philosophy which has motivated the Government to bring the Bill forward.

The Hon. L.H. Davis interjecting:

The Hon. C.J. SUMNER: The honourable member's amendments can be considered in the Committee stage.

The Hon. R. I. Lucas: Are you glad you are not at Yatala, too?

The Hon. C.J. SUMNER: I am not quite sure what that interjection has to do with anything. It is irrelevant, as are most of the contributions across the floor. While I thank other honourable members for their contributions with somewhat less enthusiasm than that with which I welcomed the Hon. Mr Gilfillan's remarks, I acknowledge that other honourable members have indicated that they will support the second reading of the Bill, although I think that I sensed a feeling of some reluctance at that course of action. Nevertheless, they have agreed to it. A number of issues have to be addressed in the Committee stage; the Hon. Mr Griffin and the Hon. Mr Gilfillan intend to move a number of amendments. I will leave any further contribution until the Committee stage.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

BOUNDARIES OF THE TOWNS OF MOONTA AND WALLAROO AND THE DISTRICT COUNCIL OF KADINA

The House of Assembly intimated that it had agreed to the Legislative Council's resolution.

LOCAL GOVERNMENT FINANCE AUTHORITY BILL

The House of Assembly intimated that it had agreed to the Legislative Council's amendment.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)

The House of Assembly intimated that it had agreed to the Legislative Council's amendment.

STATE BANK OF SOUTH AUSTRALIA BILL

The House of Assembly intimated that it had agreed to the Legislative Council's amendment.

EDUCATION ACT AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General): I move:

That Standing Orders be so far suspended as to enable the Council to sit during the conference on the Bill.

Motion carried.

ADJOURNMENT

At 1.26 a.m. the Council adjourned until Thursday 8 December at 11 a.m.