

LEGISLATIVE COUNCIL

Tuesday 10 September 1985

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

AUSTRALIAN FORMULA ONE GRAND PRIX ACT AMENDMENT BILL

His Excellency the Governor, by message, intimated his assent to the Bill.

PETITION: PORT AUGUSTA BOTANIC GARDEN

A petition signed by 73 residents of South Australia praying that the Council urge the Government to establish at Port August the first arid lands botanic garden was presented by the Hon. I. Gilfillan.

Petition received.

MOBILONG PRISON

The **PRESIDENT** laid on the table the following interim report by the Paliamentary Standing Committee on Public Works, together with minutes of evidence:
Mobilong Medium Security Male Prison.

AUDITOR-GENERAL'S REPORT

The **PRESIDENT** laid on the table the Auditor-General's Report for the financial year ended 30 June 1985.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Health on behalf of the Attorney-General (Hon. C.J. Sumner):

Pursuant to Statute—
Local and District Criminal Courts Act, 1926—Regulations—Attempted Service Fee.
Rules of Court—Local and District Criminal Courts Act, 1926—Local Court—Appearances.

By the Minister of Health on behalf of the Minister of Corporate Affairs (Hon. C.J. Sumner):

Pursuant to Statute—
Trustee Act, 1936—Regulations—Export Finance and Insurance Corporation.

By the Minister of Health (Hon. J.R. Cornwall):

Pursuant to Statute—
Beverage Container Act, 1975—Regulations—Milk Containers.
Building Act, 1970—Regulations—Stormwater Drainage.
Community Welfare Act, 1972—Regulations—Revocation.
Planning Act, 1982—Crown Development Report by South Australian Planning Commission on proposed—

Development at Beachport.
Erection of a 10 ml concrete water storage tank at Spriggs Road, Hackham.
Duplication of the existing Happy Valley-Panorama 66 kV transmission line.
Erection of a 2.4 ml concrete water storage tank at Pimpala Road, Morphett Vale East.
Development by Electricity Trust of South Australia.

Radiation Protection and Control Act, 1982—Regulations—Ionizing Radiation (Amendment).
South Australian Health Commission Act, 1975—Regulations—The Adelaide Children's Hospital Audits.

By Command—

Estimates of Payments, 1985-86 (Paper No. 9).
Estimates of Receipts, 1985-86 (Paper No. 7).
Financial Statement of Premier and Treasurer (Paper No. 18).
The South Australian Economy (Paper No. 11).
Employment Aspects of the 1985-86 Budget (Paper No. 30).
The 1985-86 Budget and its Impact on Women (Paper No. 8).

By the Minister of Labour (Hon. Frank Blevins):

Pursuant to Statute—
Motor Vehicle Act, 1959—Regulations—Number Plates.
Road Traffic Act, 1961—Regulations—
Bicycle Lanes.
Traffic Prohibition (Windsor Gardens) (Amendment).

By the Minister of Fisheries (Hon. Frank Blevins):

Pursuant to Statute—
Fisheries Act, 1982—Regulations—Western Zone Abalone Quotas.

By the Minister of Local Government (Hon. Barbara Wiese):

Pursuant to Statute—
Public Parks Act, 1943—Disposal of parklands forming part of Breckan Park Reserve, Victor Harbor.

MOTION FOR ADJOURNMENT: LYELL McEWIN HOSPITAL

The **PRESIDENT**: The Hon. Mr Cameron has informed me in writing that he wishes to discuss a matter of urgency, as follows:

That all matters in relation to the Lyell McEwin Hospital, as raised in this Council recently and in the course of this debate, be referred to the Auditor-General for full investigation and report.

In accordance with Standing Order 116 it will be necessary for three members to rise in their places as proof of the urgency of this matter.

Honourable members having risen:

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

That the Council at its rising do adjourn until tomorrow at 1 p.m.

The matter of urgency, as has been stated in a letter to you, Mr President, is as follows:

That all matters in relation to the Lyell McEwin Hospital, as raised in this Council recently and in the course of this debate, be referred to the Auditor-General for full investigation and report.

In order that this debate might be facilitated, I seek leave to table correspondence dated 9 September 1985 from Mr D.J. Venn, chartered accountant, Lyell McEwin Hospital Community Health Service, together with certain attached letters.

Leave granted.

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

That this correspondence be authorised to be published.

Motion carried.

The **Hon. M.B. CAMERON**: It is with some regret that I find myself in the position of having to once again raise this matter and ask that it be referred to the Auditor-General. It is regrettable, because I believe that this matter could have been quite easily cleared up in the very early part of the debates when the problem first occurred, through people being straightforward and through normal accounting procedures being followed. A letter from Mr D.J. Venn states:

It is my view that my professional reputation has been unfairly tarnished as a result of certain memorandums tabled in Parliament together with numerous of the statements made under parliamentary privilege.

The Hon. J.R. Cornwall interjecting:

The Hon. M.B. CAMERON: That is also a matter of some discussion. The letter further states:

It is the view of my legal advisers that certain of the statements made under the protection of parliamentary privilege would otherwise constitute a formal action for slander. Certain of the matters reported in the daily press have also caused considerable concern as, in the opinion of my legal advisers and myself, they unfairly present the parliamentary disclosures which again has resulted in my professional reputation having been unfairly tarnished.

That is a matter of grave concern, and I wish to take some time to draw to the attention of the Council certain matters brought up by this correspondence, which I understand has been sent to the Hon. Mr Milne and the Hon. Mr Sumner as well as to me. I will compare this correspondence with answers given in this Council by the Minister on behalf of the Health Commission. In his ministerial statement of 27 August the Minister said:

Their [Health Commission officers] probing established that the expenditure for the year 1981-82 had been understated by \$106 291.42, even though the auditor had certified the expenditure as correct. This information is crucial for anybody who wishes accurately to assess or report the Health Commission's role in this matter, and it is cold comfort for a cynical Opposition which connived at the defamation of the commission, particularly its senior officers.

Mr Venn's letter states:

At a formal meeting commencing at 9.30 a.m. on 20 October 1983 in the board room of the Health Service, we were advised as to the progress of the work of the Health Commission officers. Present at the meeting were the two investigating officers from the Health Commission, myself, and two audit staff of this firm. A journal entry as outlined in our letter dated 27.10.83 was brought to our attention. Our comments in relation to that entry are contained in our letter dated 27.10.83. The officers of the Health Commission were of the opinion that the bank was not in reconciliation as at 30.6.82. The Health Commission officers did not state or suggest in any form that the bank reconciliation itself had been falsified.

The Hon. R.I. Lucas: That's not what Cornwall said.

The Hon. M.B. CAMERON: No. The letter further states:

The only statement made in our presence was to the effect that, because of the journal entry, the balance of the general ledger control account was not equal to the balance of the then documented bank reconciliation as at 30.6.82. At no stage was there any indication whatsoever from any officer of the Health Commission relating to the falsification of the outstanding cheque list of the bank reconciliation or the falsification of monthly expenditure returns lodged by the Health Service to the Health Commission.

Being highly suspicious of the circumstances relating to the raising of the journal entry referred above (it was the last entry in the general journal for the year ended 30.6.82 and our audit files indicate it was not raised until after the completion of the year end audit—refer our letter dated 27.10.83)—

which the Minister tabled—

I personally conducted extensive audit inquiries and review of documentation at the Health Service. A lengthy interview was held on 21 October 1983 with a then senior member of the Finance Department of the Health Service. As a result of that interview and following additional inquiries together with a review of considerable documentation, the following matters were established:

The bank reconciliation as at 30.6.82 was itself falsified in order to agree with the balance of the relevant general ledger control account as at 30.6.82.

The journal entry referred in our letter dated 27.10.83 had not been raised at the time of our year end audit.

Intentionally falsified monthly expenditure returns were prepared and lodged with the Health Commission for the months of April, May and June 1983, in order to recover the amount by which the bank reconciliation was falsified as at 30.6.82. In an apparent endeavour to disguise the above, an amount of \$44 less than the amount by which the bank reconciliation was itself falsified was recovered in the intentionally falsified monthly expenditure returns.

Two monthly expenditure returns were lodged for the month of June 1983, the first being prepared as a result of what we were then advised to be a directive issued by senior officers of central sector of the South Australian Health Commission. Details relating to both returns are contained in our letters dated 27.10.83 and 12.12.83. The second return for the month of June 1983 disclosed actual expenditure and the difference between the two returns was funded by the Health Commission.

Members will note that the monthly expenditure returns were lodged for the month of June 1983, and members will recall that these were lodged early in July and then late in July successively—in fact, on 29 July.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! When we have this type of motion we do not have any interjections.

The Hon. M.B. CAMERON: It is important to note that Mr Venn said that the first return was prepared as a result of a directive issued by senior officers of the central sector of the South Australian Health Commission. In other words, the original false return for June—because that is what it was, a false return—was issued as a result of the directive of senior officers. That is a very serious matter indeed.

The first points that the Auditor-General should investigate are: Who were these officers? Why did they direct that a false return be issued? Why did they change their minds at a later date as a result of which the Health Commission funded the \$148 951.06 overrun by the Lyell McEwin Health Service? The second point, and a very important point, is: When was the entry which purported to be part of the financial operation of the hospital to 30 June 1982 raised? When was it put on the books?

Mr Venn states quite clearly and categorically that the journal entry was not raised at the time of his audit. That is a very important point from his point of view. How on earth could he know about it if it was not there when he conducted his audit? I repeat part of Mr Venn's letter:

... (it was the last entry in the general journal for the year ended 30.6.82) and our audit files indicate it was not raised until after the completion of the year-end audit... The journal entry referred in our letter dated 27.10.83 had not been raised at the time of our year-end audit...

Of course, the bank reconciliation and the journal which Mr Venn used for the audit was not the journal entry which was finally used and there is no way that Mr Venn could have been aware of this falsification because, as I said, he had already completed his audit. After he had completed the audit the fresh journal entry was obviously put in and a false bank reconciliation was drawn up.

So the attempt in the Minister's ministerial statement to infer that somehow the Health Commission officers were smarter than the auditor and that he had failed in his duty—because that was the inference I got—is extremely unfair and wrong. Mr Venn only discovered this falsification on 20 October when his attention was drawn to this journal entry and even at that stage the Health Commission officers (and I quote from Mr Venn's letter):

... did not state or suggest in any form that the bank reconciliation itself had been falsified.

That was as late as October. The letter continues:

The only statement made in our presence was to the effect that, because of the journal entry, the balance of the general ledger control account was not equal to the balance of the then documented bank reconciliation as at 30.6.82. At no stage was there any indication whatsoever from any officer of the Health Commission relating to the falsification of the outstanding cheque list of the bank reconciliation...

So, the Health Commission did not draw Mr Venn's attention to the falsification. He discovered it himself. That is what I suspected last Thursday night; that he discovered it himself. As a result of that journal entry and to infer that he was informed of the falsification by Health Commission officers, as has been said several times in previous debates, and which the Minister said in reply to a question I asked

of him during the final stages of debate on Thursday night, is clearly wrong, and the Minister has clearly been misinformed. The only part the Health Commission officers played was to draw the auditor's attention to the journal entry. Page 1 of the internal memorandum of 26 August 1985 states:

Bank reconciliations had been fabricated in 1981-82, including the inappropriate allocation of capital funds into the operating account. These further matters were also promptly brought to the attention of the auditor, who was unaware of them.

This is absolutely wrong. Mr Venn has said that it is clearly wrong. He discovered falsifications for himself. He was not told of it. A journal entry was brought to his attention, but that was it. All the rest he had to ascertain himself. Mr Venn, as a result of further inquiries made by himself, discovered falsification of monthly expenditure returns for April, May and June in order to recover the amount \$106 291, and discovered also the attempt to cover this up—rather weakly—by recovering an amount of \$44 less than the total of \$106 291.

He discovered that two monthly expenditure returns were lodged for the month of June and he states quite categorically:

That the Health Commission would have been aware of the falsified monthly expenditure returns, in particular, the months of April, May, and June 1983, for the following reasons:

On 1 April 1983, the mechanics of funding the health service changed and the total imprest of \$544 000 had to be repaid to the Health Commission because, from that date, monthly funding was to apply, the form of repayment in practice was transacted by way of the health service initially receiving a monthly budget allocation less the value of the imprest.

The health service was unable to repay the full amount of \$544 000 to the Health Commission due to the \$106 291 falsification of the operating bank account as at 30 June 1982 and as outlined in our letters dated 27 October 1983 and 12 December 1983. Severe liquidity difficulties would have been experienced by the health service unless an amount significantly greater than a monthly funding allocation less the value of the imprest was received from the Health Commission.

The change in the mechanics of funding the health service as from 1 April 1983 meant that the Health Commission in their records would have been able to reconcile and verify (with the health service) the operating bank account of the health service to a nil balance at the end of each month, taking into account monthly funding adjustments as a result of approved budget variations.

The bank account could not have been reconciled to a nil balance at that time as the \$106 291 shortfall was not recovered until July 1983.

The only line item in each of the detailed monthly expenditure returns that was falsified was 'salaries—Registered Nurses'. That line item is one of the major items of expenditure of the health service. It is reasonable to assume that the central sector of the Health Commission would have been aware of a \$106 247 'over expenditure' within a three-month period in relation to the one major expense classification. That is, as a percentage, the variation as a comparison to actual expenditure for 'salaries—Registered Nurses', was as follows:

April 1983	18.4 per cent
May 1983	10.9 per cent
June 1983	17.2 per cent

Continuing to quote from Mr Venn:

It is our understanding that the sector concept was implemented by the Health Commission in order to provide improved budgetary management and reporting procedures as a direct result of better co-operation from health units such as the Lyell McEwin Health Service.

The Chief Executive Officer of the health service in his letter dated 21 February 1983 states that the Health Commission was aware of all of the details contained in both the returns for the month of June 1983. As outlined in our letters dated 27 October 1983 and 12 December 1983 our view is that the first return was intentionally falsified in that it did not disclose actual expenditure. As the health service acknowledges that the Health Commission was aware (at the time) of the details contained in the first June 1983 monthly expenditure return, it is our view that they would have also been aware of the falsified returns for the previous two months. It should be noted that the Chief Executive Officer of the health service who signed the letter dated 21 February 1984 was not the Chief Executive/Administrator at the time

of the preparation and lodgement of the falsified returns. We can only assume that the Chief Executive/Administrator of the health service for the period April-July 1983 provided the information to enable the preparation of the letter dated 21 February 1984.

Verbal responses from a senior health service officer at the time of the audit (period 21 October 1983 to 27 October 1983) were to the effect that the Health Commission was aware of all of the falsified monthly expenditure returns both when they were prepared and subsequently lodged.

That means back in the April period, according to Mr Venn. He goes on:

A discussion with another then senior health service officer held after the issuance of our letters dated 27 October 1983 and 12 December 1983 also confirmed our understanding in this regard.

In other words, the Health Commission officers knew about this, according to Mr Venn, back in April 1983. I will examine exactly what he is saying: he is saying that first of all the Health Commission must have known about the falsifications from the very beginning.

What does it mean? I note that the internal audit report provided a reason for this occurring, and I will put it into *Hansard*. On page 11 of a document that the Minister tabled, the internal auditor reports:

The comparison should be guided by the following percentage limits:

- An amount which is equal to or greater than 10 per cent of the appropriate base amount should be presumed to be material unless there is evidence to the contrary.
- An amount which is equal to or less than 5 per cent of the appropriate base amount should be presumed to be immaterial unless there is evidence to the contrary.
- The materiality of an amount which lies between 5 per cent and 10 per cent of the appropriate base amount is a matter of judgment, depending upon the circumstances.

Having compared the undisclosed expenditure with the net operating payments for the 1982-83 period and the average net operating payments for the past five years, as per the report of the commission, they got to 1.2 per cent of the net operating costs for 1982-83 and 1.5 per cent of the average net operating costs for the past five years. The report goes on:

The adjustment is therefore considered immaterial and from the professional point of view there is no need to disclose it either as a separate amount in the financial statements or in a footnote thereto.

Talking about it on a monthly basis, the internal auditor gets figures as follows:

Overstatement as a percentage of:

	%	%	%
Payroll costs	5.0	3.1	4.8
Gross payments	3.8	2.4	3.8

He goes on:

In view of this, we believe it to be quite conceivable that central sector personnel were not involved in or had knowledge of the falsification of the returns, as implied by the external auditors.

The only problem with all that is which base is used. The base that Mr Venn said should have been used was a base figure of the actual salaries—that line that would have been very obvious in the monthly returns. Then, there are percentages of 18.4 per cent, 10.9 per cent and 17.2 per cent. The figures were put on an appropriate base to lower them to the level where the internal auditor obviously considered it to be immaterial. It is a matter of what base one uses. The base which one should use, and which anyone worth a pinch of salt as an auditor and as a manager would use, is the actual expenditure on that line on a month by month basis.

It means that the internal memorandum of 26 August 1985 is wrong in every detail. It means that the alteration that Dr McCoy made in his apology to this Council the week before last is also wrong. He changed his mind about the original information, which is that the Health Commis-

sion became aware in July 1983 of the falsifications of returns. He amended that to late August.

But here we have fairly clear information that officers of the commission were aware of the falsification from the beginning—in April—and I frankly cannot believe that an instance of an 18 per cent variation in salaries of nurses, as shown by Mr Venn, would not have been picked up under the new system because the Health Commission had to pay it out.

Under the new system, we were supposed to have better accountability on a month by month, year by year, or any other basis. The Minister has said that he is proud of the new system, but that did not come up very well when false returns could not be picked up, even in a large item like nurses' salaries; similarly in the other two months and, of course, the Chief Executive Officer has already disclosed that the Health Commission was aware of all the details shown in both returns in the month of June 1983, which were, as Mr Venn said, lodged following a direction of senior officers of the central sector of the South Australian Health Commission.

Even more importantly, this means that the auditor's knowledge of these events came in October, even though the commission and the health service knew as far back as April. It is absolutely unacceptable that falsification should occur in the first place. It is absolutely unacceptable that those falsifications were not disclosed to the auditor immediately knowledge of it was received. It appears to me that there has been active participation in a cover-up by Health Commission officers of this whole affair, and this continued in this Council the week before last, when there were implications that the auditor was incompetent and that Health Commission officers drew his attention to the falsification when clearly that did not happen.

In fact, the external auditor, immediately he discovered the matter, went to the Chairman of the hospital board's own home to inform him of the matter and the Chairman of the hospital board in turn informed the auditor that he had no knowledge of the falsifications.

In reply to the censure motion on 29 August 1985, the Minister said:

In response to the specific categories about which information is sought by the Hon. Mr Cameron, I refer, first, to the Chairman and board of management of the health service. At this distance it is not possible to report precisely when information was provided separately to the Chairman or board of management.

However, discussions took place at a number of meetings, including a meeting between the hospital board Chairman and Mr McCullough at the former's business office in late August, during which the external auditor's 27 June 1983 report was first sighted by a commission officer.

The inference contained in this is that the Chairman of the board had not been informed of falsifications in late August when, in fact, here we have a direct statement that the Chairman of the board did not know on 27 October that there were any falsifications. The Chairman of the board of the hospital did not know as late as October. The external auditor also had not been informed and was never informed of falsification by officers of the Health Commission.

The Hon. J.R. Cornwall interjecting:

The PRESIDENT: Order!

The Hon. M.B. CAMERON: The Minister's reply to my question as to when all the people detailed in the internal memorandum were informed was clearly designed to fudge the issue and was incorrect. When we go to when the external auditor was informed, we find in *Hansard* on page 658:

The external auditor was notified of the discoveries by the Health Commission officers at a meeting in the boardroom of the Health Service attended by Messrs McCullough and Lamberts of the Health Commission, Dr Reynolds, who was then the Acting Chief Executive Officer of the Health Service, and the external

auditor. The meeting was convened by Mr McCullough to bring to the attention of the external auditor the matters found by Health Commission officers and to ask for an explanation and for any other relevant information that the external auditor might have. While the date of this meeting remains uncertain, Health Commission officers place it some days before 27 October 1983 meeting of the hospital's Finance and Administration Committee.

Again, the date of the meeting is no longer uncertain because Mr Venn has informed us through this letter that it was on 20 October and that no question of falsification was raised with Mr Venn at that meeting, but merely that there was a late journal entry.

Again, the information provided to Dr Cornwall and to the Council was incorrect, and the internal memorandum is again shown to be absolutely incorrect. We find, further, that there was an attempt to find a new auditor at this stage. I quote from Mr Venn's letter of 18 August 1983, which is in the documents that I tabled:

We were advised late June 1983 that the board was considering the appointment of an auditor from a firm who maintained offices within the area attributable to the operations of the Health Service. As a matter of record we wish to say that it would appear we will never receive a formal reply to our detailed report dated 27 June 1983 as we have never received replies to our previous reports. Due to what we consider to be the serious nature of the current outstanding report, it would appear to be a form of convenience for merely changing the auditor in lieu of attending to the matters outstanding.

As a firm we have always enjoyed a sound relationship with the management of the hospital and we certainly wish to continue as external auditors to the Health Service. As a firm of chartered accountants, certain ethical matters must always be attended to in the event of a change in auditors. In the event that we are requested by another firm of chartered accountants (or the Auditor-General) as to whether there would be any ethical reason that would preclude them from accepting the appointment, then our answer, based on the current situation, would be that there were in fact very strong reasons that would prevent such an appointment.

We have enclosed a copy of our report dated 17 June 1983 for your attention, as in our view our ultimate reporting responsibility is to the Health Commission. In your letter you indicate that unless the Auditor-General is actually responsible for the audit, then the selected auditor must be one approved by him. Based on the situation as we see it, we would be extremely disappointed from a professional viewpoint if the Auditor-General agreed to a change in the known circumstances.

That letter is self-explanatory and clearly indicates that an attempt was made to change auditors, but I suppose that people can make up their own minds about that. I am concerned that the Minister was written to on 2 June, when the auditor was clearly concerned about the institution. A copy of the letter was provided to the three people mentioned earlier. It took almost three months for the letter to be replied to and it was replied to by Mr Garry Andrews, as I recall, and not by the Minister (to whom the letter was addressed).

In my opinion, from all I have read, Mr Venn showed a great degree of competence and concern and was fully justified in his feeling that he saw this whole matter as a reflection on himself and his competence. Mr Venn even went to the trouble, according to his correspondence, of obtaining opinions from Touche Ross, which went right through the whole audit and gave an opinion that clearly vindicated all that Mr Venn had done. As Mr Venn's letter clearly shows, at all times he took up every question immediately and fully and informed the necessary people; that is quite contrary to what was implied last week. Health Commission officers have clearly misled the Minister, and we are now in a difficult situation indeed.

There is no doubt in my mind that a cover-up has taken place and, quite frankly, I cannot determine the Minister's part in it. However, the Minister is the spokesman for the Health Commission, and he must now take whatever action is needed to clear up a matter of grave concern indeed (perhaps he should even consider his own position under

the Westminster system of Government, but that is a matter for him). I also believe that some officers in the health service have been unfairly maligned in circumstances when they could well have been following directions from senior officers of the Health Commission.

The whole matter is most unfortunate for reasons that I really do not understand because, if there was an overexpenditure at the health service, it would not be improper for it to be funded out of next year's allocation. That would reflect on the management of the health service; it would indicate that it could not control its expenditure. It could be funded out of next year's allocation provided that the allocation for the following year was reduced by a similar amount. It appears that an attempt has been made to falsify returns of health service expenditure in order not only to hide the overexpenditure but to retain the funds as well. That is where the problem lies. In my opinion, the only way now to clear up this matter is for the Auditor-General to investigate all events associated with it, including all administration decisions and correspondence. Following proper action by the Auditor-General, he should report to Parliament as soon as possible.

The Hon. J.R. CORNWALL (Minister of Health): What a shonkie abuse of the Standing Orders of this Council we have just witnessed. For those who are not conversant with Standing Orders, it should be made clear that a motion moved in this form is never voted on. Therefore, no vote will be taken today. I have no disagreement at all with the content of the motion, but it should be made clear that no vote will be taken on it, and the Opposition knew that when it raised the matter. Members opposite have abused the forms of the Council. If members opposite were convinced that there were difficulties in the financial administration at the Lyell McEwin (and let us view this in the historical context between 1978 and the end of June 1983) and they wanted those difficulties investigated seriously, they could have approached my office or me, or they could have written to me and to the Premier. In fact, they could have done a number of responsible things that would have avoided witch-hunts under Parliamentary privilege.

All that members opposite have succeeded in doing, with a little help from one or two friends, is to malign, slander and libel people of the standing of the Executive Director of the Central Sector (Dr Bill McCoy) and the Senior Financial Officer of the Central Sector (Mr Des McCullough). The other day I said that that was disgraceful. I repeat today that to malign and slander senior officers of that standing under Parliamentary privilege is despicable.

The fact is that since the matter has been raised I have, albeit somewhat reluctantly, tabled altogether, from memory, 19 documents, and moved that they be ordered to be printed. They have become public documents and, as I understand it, they attract full privilege. In no sense can they be considered to be libellous in the legal sense. Of course, inevitably, people are maligned. Mr Venn writes at great length to complain that he feels that his professional reputation has been tarnished by events that have transpired in this Council.

It should be made very clear that I did not initiate any of those events. It is on the record that I very reluctantly tabled documents to show, as I have said consistently during this beaten up storm, that I had nothing to fear and nothing to hide. That remains the position: 19 documents have been tabled.

I also said—and I repeat today for anyone who wants to listen, because it cannot be placed on the record too often—that I would welcome an inquiry by the Parliamentary Public Accounts Committee; I said that I would welcome an inquiry or examination of the records by the Auditor-

General, who is the appropriate person and has the statutory powers to conduct an inquiry; and I also said that, if Mr Venn or any other individual felt that they had been harshly or poorly treated by the system, they should immediately approach the office of the Ombudsman. It is the role of the Ombudsman to protect individuals who for any reason at all feel that they have been harshly treated by the system.

We have had not some genuine attempt by the Opposition to use the legitimate forms of the Parliamentary process in an attempt to get at the facts of the matter; instead, we have had a witch-hunt of the lowest order. We have had a despicable series of slanders and libels repeated in 'cowards castle' against two of the most respected and most senior officers in the Health Commission. That has gone on day after day, taking up the time of this Parliament in a fruitless witch-hunt which I think, quite frankly, has done the Parliamentary process in this State serious damage.

I make clear that I am very happy that the Public Accounts Committee appears to have accepted my invitation. On 30 August 1985, 11 days ago, the Chairman of the Parliamentary Public Accounts Committee wrote to me, as follows:

Dear Minister,

The Public Accounts Committee would appreciate receiving information on the financial management of the Lyell McEwin Hospital. Please arrange for the committee to receive a copy of the documents relating to financial statements, auditor's reports, responses by hospital management and S.A. Health Commission intervention or inquiry into the financial management of the Lyell McEwin Hospital for the time from 30 June 1981 to the present and Health Commission financial management and accounting guidelines and policy statements.

That matter is well in hand. The Parliamentary Public Accounts Committee is examining very thoroughly the financial affairs of the Lyell McEwin Hospital from 30 June 1981.

I repeat that I invited that investigation and that I welcome it very warmly, but that may be seen to be not enough by the most scrupulous in our community, because the Parliamentary Public Accounts Committee is, after all, comprised of members of Parliament. While the numbers are reasonably even—in view of the fact that the Government has a majority of members on the PAC—I believe that this Opposition would be unscrupulous enough and tarnished enough to make allegations that even the members of the Parliamentary Public Accounts Committee, like senior officers of the Health Commission, might not do their appropriate duty.

Therefore, it is my intention, as Minister of Health to write to the Auditor-General, and specifically ask—and remember that the Auditor-General is the hospital's auditor and has been for the financial year 1984-85 and that the Auditor-General's Report has been tabled this very day—

The Hon. M.B. Cameron interjecting:

The Hon. J.R. CORNWALL: Mr Cameron says, 'I must get a copy.' The well informed Leader of the Opposition! Suddenly the penny drops: the Auditor-General's Report has been tabled. I intend to write to the Auditor-General and ask that all the matters raised concerning the Lyell McEwin be formally investigated by his officers. Of course, he has statutory powers, and that is one more reason why today's motion is a shonkie abuse of the forms of the Council. You know, Mr President, and every member of this Parliament knows, that the Auditor-General will not, and most certainly should not, ever accept directions from either House of Parliament. So, there was never any chance, with all the goodwill in the world or otherwise, that this motion could be voted on and there was certainly no chance that the Auditor-General would formally be directed by it.

That is the position. The Public Accounts Committee has called for the relevant records going back over a period of some four or five years. As Minister of Health, I will

formally ask the Auditor-General to look at the financial management at the Lyell McEwin Hospital over the period from 1980 to the present time and, if Mr Venn or anyone else feels aggrieved by the way the system has treated them, then they most certainly should approach the Ombudsman.

As to the slander, I referred the other day again to the way in which good names of good people had been tarnished, not because of any concern on the part of the Opposition to be guardians of the taxpayers' funds, but because of their personal perverted vendetta against me, as Minister of Health. There was never any intention on the part of the Opposition for there to be a responsible investigation. Had the Opposition wanted a responsible investigation as to matters, financial or otherwise, at the Lyell McEwin Hospital or anywhere else, there are formalities and there are formal ways in which that can be requested. They most certainly could have raised the matter with me, in the first instance. If I had failed to act, if I had failed in my duty when any of these matters were drawn to my attention, then I would have deserved the censure of this Parliament. The fact is that they went skulking about and conniving to beat up a story.

The Hon. M.B. Cameron: With whom do you say we connived?

The Hon. J.R. CORNWALL: You know very well with whom you connived to beat up a story that was based on the flimsiest evidence cobbled together in the most reckless and irresponsible way. The question of the hospital board considering the appointment of a different auditor was brought up by Mr Cameron. I will tell members the story behind that. It is a very simple story. The fact is that the Lyell McEwin Hospital Board—like so many other hospital boards—is a fairly fiercely parochial one. It was drawn to the board's attention that the firm that was doing the accounting was not located in that area and one of the then members of the board, who has been a pharmaceutical chemist in the area since 1957 or 1958—a member of the committee of the Central Districts Football Club, among other things—brought up the matter that he thought it was foolish that the money that was being paid should be leaving the area. It was as simple as that. He suggested that the board should look at employing a local firm of accountants, suitably qualified, to conduct the audit for the hospital—no more and no less. So there was hardly some great conspiracy in that situation.

Finally, I refer to the matter of Mr Venn's letter. I really have some difficulty in following all of the events as outlined by Mr Venn. I really cannot make a totally considered response to a letter which was first drawn to my attention at about 1.40 this afternoon. Mr Venn did not see fit to send me a copy of the letter. He sent copies to Mr Cameron, Mr Milne and to the Attorney-General. Of course, the Attorney-General is overseas. It was only at about 1.40 p.m. that the letter was finally unearthed—about 40 odd minutes after I had been informed by Mr Cameron's office that this bodgie urgency motion would be moved at 2.15 p.m.

Since everybody is letting it all hang out, I think that Mr Venn's letter of 2 December 1983 is relevant. It is a letter to Dr W.T. McCoy, Executive Director, Central Sector, South Australian Health Commission. I shall read that into the record and I shall then rest my case. I have far more important things to do. In terms of the health industry, there are many other matters which deserve my time more than this storm that has been beaten up. I repeat, of course, that I shall write formally to the Auditor-General and ask him to address himself to all of the allegations that have been made by the Opposition and by Mr Venn and, of course, by our crusading afternoon newspaper in the past two weeks. The letter to Dr McCoy over the signature of Mr D.J. Venn states:

Dear Sir,

Re Lyell McEwin Community Health Service

I have advised the Chairman of the board of the abovenamed Health Service that it would be preferable that I did not attend the proposed meeting at your offices—

that is, the offices of Dr McCoy—

next Tuesday to discuss our report dated 27.10.83 issued to that person. My reasons for this are simply that following legal advice (Messrs Playford Nicolle Burr & Co.) I am of the opinion that I have discharged my duty by submitting the report(s) to the board of the Health Service and, as such, the—

and he puts the following in inverted commas—

'problem now becomes the board's and the board's alone.'

Presumably that was quoting directly from a legal opinion he had had from Messrs Playford Nicolle Burr and Co. The letter continues:

Obviously, I would expect a detailed reply to the report, including all other now long outstanding reports. The audit of the Health Service for the financial year ended 30.6.83 has yet to be finalised as we understand the necessary annual returns and accounts have yet to be prepared.

It would be preferable that detailed replies to all of our outstanding 1983 reports be received by us prior to preparing the audit opinion for the 1982-83 financial statements. Our observations are that the service has tightened up its financial and administrative operations over the preceding five months and is endeavouring to rectify all reported problems in a professional manner.

That letter is signed by Mr Venn and is dated 2 December 1983. The letter also states:

The audit opinion attached to the 1982-83 financial statements and returns will certainly reflect the above, provided both formal and professional detailed replies to our outstanding reports are received.

I rest my case. I move:

That Standing Orders be so far suspended as to enable the Hon. Mr Milne to be heard and Orders of the Day postponed and taken into consideration after 3.25 p.m.

Motion carried.

The Hon. K.L. MILNE: During the previous debate on this matter I said that in my view this was an accounting issue and not a criminal matter: I repeat that, really, it is so complicated that members of this Council are unlikely to get it straight. I suggest that we refer the matter to those who can get it straight, because I believe that this Council has more important things to do when others can take the required action. The authorities who could investigate the issue include the Public Service Board, the Auditor-General, the Public Accounts Committee, the Ombudsman or an independent investigator.

I am not certain that in the circumstances any of those authorities are completely independent or could appropriately investigate the matter because of the debates that have taken place, but if I had to choose one of them I would probably choose the Public Accounts Committee or a totally independent investigator. The Auditor-General does not have to accept instructions from this Parliament, and that probably rules him out. I do not think that this is a case for the Ombudsman. However, after what the Hon. Mr Cameron and Mr D.J. Venn, the chartered accountant, have said, the matter cannot rest as it is.

We must remember that the overrun of the hospital's budget is not all that bad—it was about \$150 000 in about \$24 million over two years. That matter, properly handled, should not have caused an enormous stir. It is the way in which it was covered up and the clumsy way in which it was not rectified (or sort of rectified) that has caused the trouble and we must remember that as far as we know there was no actual embezzlement. There must be an investigation about who caused the trouble, who should have reported to whom, who caused the delay, who caused things to be covered up, who made bad decisions, how to rectify the

matter, and so on. The problem has continued over some years.

If the Public Accounts Committee investigates the matter and if it informs the Council about those matters and the matters raised by the Opposition, I believe that we should be satisfied. The Democrats' attitude is that we should await the report of the Public Accounts Committee and, if it is satisfactory, we will let the matter rest. However, if the report is not satisfactory, I daresay that the Opposition will join us again in seeking to have the matter fully investigated. This issue must be cleared up, because I suspect that at present the wrong people are being criticised when it is not their fault.

The Hon. M.B. CAMERON (Leader of the Opposition): I think that the Hon. Mr Milne has really put it in a nutshell by saying that the matters raised cannot be left to rest, even though it is an accounting problem and even though, as the honourable member said, the sum involved was comparatively small—it was not a large sum in terms of the hospital's expenditure.

The Hon. K.L. Milne: Comparatively small.

The Hon. M.B. CAMERON: Yes. Clearly, there has been an attempt to cover up what has been happening. There was a cover-up in 1982, which was covered up by a false journal entry at a later stage, and then the bank reconciliation changed, but after the auditor had done his job. That really caused the problem as the auditor saw it—the question of his own credibility. Clearly the auditor could not have known about the falsification if he had not seen the document. The Minister of Health says that the Opposition has reflected on officers of the Health Commission, but the matters we have raised in this Council have done that job for us—we have not had to reflect. We have only had to look at documents that have been made available, in particular the internal memorandum of 26 August, which indicated that the memoranda of July and August were wrong. It is almost certain in my mind that the whole problem goes back to April, as far as Health Commission officers are concerned, so the entire document was at fault. There was no way in which one could believe any part of that document, because it was clearly wrong. That is where the problem occurred.

There is also a question that is still unanswered (the Minister did not answer it)—who directed that the first return in June be put in? Who was present at the meeting in June when it was directed that the first return be submitted? What happened in that circumstance? Were the officers at the Lyell McEwin Hospital told what to do? It appears that that is likely. Mr Venn said that officers of the Health Commission directed that the false return of June be put in. It would be a very serious matter if officers of the Health Commission had done that. I am not the only one who raised the question of officers of the Health Commission doing things that were not appropriate. I cannot for the life of me understand why there had to be any falsification in the first place. Why was not the budget overrun considered in the normal way so that the money was brought back from the next year's budget, the budget of the Lyell McEwin being reduced by that amount and thus making that body more accountable for its expenditure?

Instead of that, there was falsification and the following year when it was realised that there was a problem at least three months accounts were gone through and falsified. The next year they tried it again. I really cannot understand it, and I want to know who was giving advice on this matter. I also want to know whether the officers of the Health Service were being told what to do each time this occurred. I thought that the Minister indicated that the new system

that was introduced on 1 April was great, and that it was a cure for the problem, but quite obviously it did not cure the problem—it caused it. The new system resulted in further falsification: it did not pick up the problem or the initial falsification.

It is quite clear that Mr Venn was not told by health officers, as the Minister has indicated on several occasions. I believe that the Minister has been totally misinformed on this matter from start to finish. He is in that unfortunate position (I am not the one involved) because officers of the Health Commission have caused this problem. I really think that, instead of standing up and abusing the Opposition, the Minister should go back right through the whole issue and get himself up to date, because, frankly, I do not think that he has known what he was talking about in this debate. The Minister has not coped with the debate, but that is his problem—it is not mine. Clearly, the Minister has not understood just what his officers were doing and he has laid himself open to the questions which have been asked and which will continue to be asked.

The Hon. J.R. Cornwall: I am prepared to stake my reputation on Dr McCoy and I want that on the record.

The Hon. M.B. CAMERON: That is up to the Minister: it is his decision.

Members interjecting:

The PRESIDENT: Order!

The Hon. M.B. CAMERON: The Minister placed himself in that position. He is the one who accepted the advice, and it would appear that he has developed a problem. Clearly, in the process the Minister has also placed the external auditor in a very difficult position, and the external auditor has attempted to get himself out of that position by putting his situation to me, to the Hon. Mr Milne and to the Minister through the Attorney-General. Quite frankly, the position was as I suspected from the beginning—the external auditor found out about these problems all by himself and right at the beginning. Not at any stage did he have to be told, or was he told. In his words, he was never told.

The PRESIDENT: Order! I call on the Orders of the Day.

Orders of the Day called on; motion lapsed.

QUESTIONS ON NOTICE

PRISONERS

The Hon. K.T. GRIFFIN (on notice) asked the Minister of Correctional Services: In relation to prisoners released from gaol since this Government's parole scheme came into operation in December 1983—

1. How many of the prisoners released on parole since that date have committed offences since release?

2. How many of the prisoners on parole and referred to in paragraph 1 of this question were convicted before the current parole system came into operation and how many were convicted after that date?

3. For what offences were the prisoners on parole and referred to in paragraph 1 of this question originally convicted and what offences have they committed since their release on parole and what penalties have been imposed for the offences committed whilst on parole?

The Hon. FRANK BLEVINS: In relation to prisoners released from gaol since this Government's parole scheme came into operation in December 1983—

1. The number of prisoners released on parole since that date who have committed offences since release is 121.

2. The number of prisoners on parole and referred to in paragraph 1 of this question who were convicted before the

current parole system came into operation is 97; and the number who were convicted after that date is 24.

3. The attached list provides the details of the original offences committed by the prisoners released on parole and

referred to in paragraph 1 of this question, the offences these prisoners committed since their release on parole and the penalties imposed for the offences committed whilst on parole.

Date Convicted	Original Offence	New Offence	New Conviction
1. 2.5.83	Housebreak and larceny	Break, enter and larceny (3)	9 months imprisonment
	Maliciously set fire	Drive disqualified	
2. 28.6.83	Housebreak and larceny	Larceny	6 weeks imprisonment
	Shopbreak and larceny		
3. 24.9.80	False pretences (11)	Assault OABH	5 months imprisonment
	Forgery (5)		
	Uttering (4)		
	Larceny		
	Housebreak and larceny		
4. 4.7.83	Storeroombreak/larceny	(1) Larceny (2) Assault	Fined \$600 and \$200
5. 6.9.82	Officebreak and larceny	Officebreak and larceny	3 years imprisonment
6. 24.2.76	Murder	Drive without appropriate licence	Fined \$57
7. 6.6.78	Housebreak and larceny	Break, enter and steal	9 months imprisonment
	Robbery with violence		
	Rape		
	Assaulted escape		
	Assault police		
8. 12.12.83	Steal motor vehicle	Unlawful possession of motor vehicle	6 months imprisonment
	Fraud		
9. 22.2.84	Unlawful use of motor vehicle	Wilful damage	Fined \$35
	Assault person		
	Disorderly behaviour		
22.2.84	Unlawful use of motor vehicle	Disorderly behaviour	Fined \$63.50
	Assault person		
	Disorderly behaviour		
10. 12.12.83	Break, enter shop and larceny	Shopbreak and larceny (4)	2 years imprisonment
11. 28.2.83	Armed robbery (7)	False pretences	6 months imprisonment
12. 1.8.83	Rape (2)	DUI	Fined \$417 Loss of licence 10 months Fined \$500
13. 25.9.81	Abduction	Prescribed concentration of alcohol	Fined \$500
	Common assault		
14. 15.8.84	Malicious damage in the night	Assault	Fined \$400
15. 2.4.84	Housebreak with intent and burglary	Break, enter and larceny (4) imprisoned	2 years imprisonment
16. 2.3.81	AOABH	(1) Possession Indian hemp (2) Being a suspected person	Fined \$50 Imprisonment 28 days
	Attempted rape		
	Robbery with violence		
	AOABH		
	Common assault		
	Riotous assembly		
	Resist arrest		
	Assault police		
	AOABH		
17. 27.1.84	Shopbreak and larceny (2)	Illegal use	3 months imprisonment
	Assault, break with intent		
18. 1.7.82	Manslaughter	Assault	Fined \$250
19. 30.9.83	Shackbreak and larceny	False pretences	Fined \$75
	Housebreak and larceny		
	Drive disqualified		
20. 4.10.82	False pretences (7)	Assault	Imprisonment 49 days
	Forging, uttering	Indecent language	
	Receiving	Assault police	
	Larceny	Larceny (3)	
	Assault	Resist arrest	
21. 25.6.82	Forgery (17)	False pretences (4)	15 months imprisonment
	Uttering (17)		
22. 18.11.83	Indecent assault	Unlawful sexual intercourse	Imprisonment 4 years
23. 2.2.81	Rape	Drive dangerously	Fined \$317
24. 1.5.81	Shopbreak and larceny	(1) Attempted housebreak (2) Possess implements	3 months imprisonment
	Accessory after the fact		
	Attempted escape		
25. 4.7.83	Attempted armed robbery	Possess Indian hemp	Fines \$185
	Attempted armed robbery	Possess Indian hemp and officebreak and larceny	12 months imprisonment
26. 6.6.83	Receiving	Drive disqualified (3)	3 months imprisonment
27. 27.1.83	Indecent assault	(1) Driving offence prescribed concentration of alcohol (2) Prescribed concentration of alcohol and drive disqualified	\$600 and 3 months imprisonment
	Assault (2 counts)		
	Resist police		
	Escape custody		
28. 7.1.85	Robbery with violence	Larceny	2 years good behaviour bond
	Forge cheque		
	Utter cheque		
29. 7.1.85	Robbery with violence	Robbery with violence	2 years imprisonment
	Forge cheque		
	Utter cheque		
30. 19.9.83	Break, enter and steal	Indecent behaviour	3 months imprisonment

Date Convicted	Original Offence	New Offence	New Conviction
31. 14.12.83	Housebreak and larceny Drive without consent Larceny	Illegal use	9 months, 14 days imprisonment
32. 13.5.83	Shopbreak and larceny Malicious damage Breach recognizance False pretences Breach recognizance	Driving offence	Fined \$300
33. 3.5.82	Rape Assault	Burglary, assault with intent to rape	5 years imprisonment
34. 5.12.83	Being a suspected person Possession of housebreak implement by night	Wilful damage	Fined \$40
35. 3.12.83	Housebreak and larceny (3) Breach parole	Drive manner dangerous Fail to truly answer Inappropriate licence Disobey traffic lights	Fined \$500
36. 2.8.82	Armed robbery	Illegal use	28 days imprisonment
37. 6.2.84	False pretences Housebreak and larceny	Possess Indian hemp and resist arrest	7 days imprisonment
38. 21.2.84	Burglary Breach of recognizance	Assault OABH Disorderly behaviour Assault police	4½ months imprisonment
39. 5.4.85	Manslaughter Unlawful wounding Breach recognizance	Possess Indian hemp Fined Resist arrest	Fined \$170
40. 7.12.83	Assault police (4) Resist arrest Offensive language Disorderly behaviour	Fail to pay taxi fare Resist arrest	Bond 18 months
41. 19.9.84	Cause death by dangerous driving	Drive unlicensed	3 months imprisonment
42. 3.10.83	Housebreak and larceny	Suspected person Reputed thief	2 months imprisonment
43. 1.6.81	Rape Burglary	Larceny	6 months imprisonment
44. 14.5.81	Armed robbery Illegal use Assault Escape prison (2)	Assault police	1 month imprisonment
45. 15.9.82	Rape (2)	Larceny	Fined \$200
46. 6.5.83	Armed robbery	Fail to comply with lights	Fine \$517
47. 2.4.84	Unlawful wounding Malicious damage	Disorderly behaviour	Fined \$57.50
48. 2.5.83	Unlawful sexual intercourse person under 12 years	Disorderly behaviour	Fined \$25
49. 26.1.83	Drive without consent Larceny, breach of recognizance o/o suspended sentence revoked	Theft	Imprisonment 3 months
50. 27.10.83	Drive disqualified (4) Assault police	Break, enter and larceny (12)	20 months imprisonment
51. 22.11.83	Drive without consent (2) Larceny	Illegal use	12 months imprisonment
52. 7.7.83	Possess and trade in Indian hemp and methane (11)	Possess and administer heroin	Imprisonment 2½ years
53. 7.12.83	Housebreak and larceny (2) Attempted housebreak with intent to steal	Burglary, theft (2) Unlawful on premises (2) Unlawful possession (2) Unlicensed driving	Imprisonment 8 months
54. 5.9.83	Indecent assault	Firearms licence charge Rape	Imprisonment 5 years
55. 16.4.84	Illegal use Justice appeal	Break, enter and larceny Illegal interference Larceny Receiving stolen property and stolen money	15 months imprisonment
56. 23.7.82	Burglary, clubbreak and larceny Drive motor vehicle without consent	Illegal use Drive under influence Due care Assault police Resist arrest	3 months imprisonment
57. 3.11.83	Drive without consent (2) Unlawful possession Interfere with motor vehicle Drive disqualified (3)	Fail to cease loiter	Fined \$20
58. 3.11.83	Drive without consent (2) Unlawful possession Interfere with motor vehicle Drive disqualified	Indecent behaviour	Imprisonment 28 days
59. 21.12.83	Clubroombreak w/i False pretences	Break, enter and larceny	12 months imprisonment
60. 5.10.81	Armed robbery	False statement	Suspended sentence bond
61. 3.5.82	Armed robbery	Drive unlicensed	Fined \$52

Date Convicted	Original Offence	New Offence	New Conviction
62. 6.7.81	Armed robbery	Shoot w/i	5 years 3 months imprisonment
63. 15.8.83	Attempted escape	Break, enter and larceny	
	Larceny	Assault	6 weeks imprisonment
64. 21.11.83	Breach of recognizance		
	Interfere with motor vehicle	Robbery with violence	Imprisonment 3 years
	Drive without consent		
	Larceny		
	Assault		
	DUI		
	Resist arrest		
65. 31.8.83	Illegal use	DUI	Fined \$600 and \$50
	Illegal use	Drive unlicensed 4.10.84	One year bond
	Unlawful on premises	Assault December 1984	One month suspended sentence
	Shopbreak and larceny	Drive disqualified 5.6.85	
	Breach of recognizance	Assault	
	Breach of recognizance		
66. 29.7.82	Flatbreak and larceny	Motelbreak and larceny	12 months imprisonment
	Burglary		
	Housebreak and larceny (2)		
	Flatbreak and larceny		
67. 2.6.83	False pretences (2)	Possess morphine and receiving unlaw- ful possession	Imprisonment 2 years
	Shopbreak and larceny	Larceny from the person	
	Surgerybreak with intent		
68. 8.10.82	Dwellinghousebreak, enter and larceny	Assault police	12 months bond
	Shopbreak and larceny	Resist arrest	
		Hinder police	
69. 16.8.83	Assault with intent to rob while armed	Shedbreak and larceny	12 months imprisonment
70. 3.8.81	Illegal use	Driving without due care	Fined \$800
	Unlawful wounding	Drive under influence	Imprisonment 3 months
		Drive without licence	
		Disobey lawful direction	
		Wilful damage	
71. 27.5.82	Breach of recognizance	Offensive language	Fined \$42.50
	Rob—Violence		
72. 27.5.82	Breach of recognizance	Illegal use	9 months 21 days imprisonment
	Rob—Violence	Disorderly behaviour	
73. 13.5.83	Housebreak, enter and larceny	Drive under influence	8 months imprisonment
	Wilful damage	Escape custody	
		Wilful damage to police car	
		Assault police (2)	
		Illegal use	
		Wilful damage	
74. 12.9.84	Receiving		1 month imprisonment
	Breach of recognizance (2)		
75. 19.9.83	Housebreak and larceny	Hotelbreak and larceny	1 year 10 months 2 weeks imprisonment
		Housebreak and larceny	
76. 5.8.83	Hotelbreak and larceny	Residence and hallbreak and larceny	4 months imprisonment
77. 20.10.83	Kioskbreak and larceny	Break, enter and larceny	10 months imprisonment
	Robbery with violence		
78. 12.7.83	Rape	Stealing prime mover	Fined \$42.50
79. 2.11.81	Armed robbery	Armed robbery	4½ years imprisonment
80. 17.12.81	Shopbreak and larceny	Armed robbery	4½ years imprisonment
	Armed robbery		
81. 6.12.82	Larceny	Assault, resist arrest, disorderly behav- iour	Fined \$250
	Receiving		
	Officebreak, enter and steal		
	Officebreak, enter and steal		
	Housebreak, enter and steal		
	Workshopbreak, enter and steal		
	Possess stolen property		
	Receive stolen property		
	Assault police		
	Breach recognizance		
82. 28.2.83	Flatbreak and larceny (2)	Break enter and larceny	Imprisonment 3 years
	Burglary		
83. 4.1.80	Chemistbreak and larceny	Illegal use	Bond \$77 fine
	Armed robbery (2)	Possess Indian hemp	
	Unlawfully on premises	DUI, drive without licence	\$500 fine
		Fail to stop	
84. 25.11.83	Housebreak and larceny	Illegal use	7 months
85. 1.10.82	Misprision of a felony	Dangerous driving	Fined \$700
		DUI	
86. 1.6.81	Rape	Illegal interference	3 months imprisonment
87. 19.6.81	Rape (3)	Attempted shopbreak and larceny	
		Possession housebreak implements	2½ years imprisonment
		Rape	
88. 5.12.83	Break, enter and larceny post office	Larceny	1 month imprisonment
89. 23.3.83	Fraud (2)	Unlawful possession of motor vehicle	3 months imprisonment
	Larceny		
	Shopbreak, enter and larceny		
	Steal		
	Possession of stolen property		

Date Convicted	Original Offence	New Offence	New Conviction
90. 19.12.79	Rape Assault AOABH Receiving Escape from prison Shopbreak and larceny (3) Housebreak and larceny Attempted escape Riotous assembly	Receiving	4 months imprisonment
91. 11.8.83	Housebreak and larceny (3) Larceny	False pretences and larceny	3 months imprisonment
92. 31.10.83	Housebreak with intent (2) Housebreak and larceny	Attempted housebreak/enter with intent Assault police	2 years imprisonment
93. 5.10.81	Possess heroin for sale Possess LSD Breach recognizance Drive disqualified	DUI	Fined \$430 suspended licence 7 months
94. 2.2.83	Shopbreak and larceny (2) Escape legal custody	Burglary and theft	Imprisonment 21 months
95. 2.4.84	Robbery	Illegal use and larceny	2 years bond 1 month imprisonment
96. 4.7.83	Attempted armed robbery	Possession, larceny 14.2.85, 19.4.85, 31.1.85	Fined \$400
97. 21.10.83	Officebreak and larceny	Housebreak and larceny	18 months imprisonment
98. 5.4.83	Assault with intent to rob Housebreak and larceny (2)	Behave disorderly	Fined \$10
99. 30.9.83	Breach of recognizance	Drunk (2)	Fined \$17
100. 3.8.81	Sell heroin Possess heroin for sale Breach of recognizance	DUI	Fined \$400 suspended licence 6 months
101. 19.10.83	Assault (2)	Resist police (2)	Fined \$100
102. 3.5.82	Rape	Offensive language Urinate in public place	Fined \$162
103. 14.7.83	Factorybreak and larceny	Assault Carry offensive weapons	\$180 and \$50 fines
104. 1.6.81	Rape	Loitering	Fined \$57
105. 9.1.84	Larceny Forgery Uttering	False pretences and larceny	15 months imprisonment
106. 6.7.83	Unlawful possession Common assault False pretences	DUI	Fined \$400
107. 2.10.78	Possess heroin for sale Possess heroin Accessory before the fact Armed robbery	Negligent driving	\$100 fine
108. 31.10.84	Drive without consent (2) Assault (2) Interfere with motor vehicle Carry article of disguise Housebreak w/i to steal	Possess pipe	Fined \$125
109. 30.11.83	Receiving Garagebreak and larceny	Possess smoking implement	Fined \$117
110. 6.4.84	Larceny (2) Receiving Illegal use of motor vehicle	PCA and no lights	Fined \$450
111. 6.6.83	Dwellingbreak and larceny Forgery (2) Uttering Accessory after fact Larceny Workshopbreak and larceny Warehousebreak and larceny	DUI PCA, exceed speed, inappropriate licence	\$1 190 fine
112. 24.7.83	Shopbreak and enter Illegal use motor vehicle Breach of recognizance	Housebreak, enter and larceny	11 months imprisonment cumulative with cancellation of parole
113. 21.1.80	Roadhousebreak and larceny Illegal use M/V (2) Workshopbreak and larceny Hotelbreak and larceny Housebreak and larceny (2) Larceny	Assault OABH	Imprisonment 2 years
114. 30.4.84	Cause death by dangerous driving	Larceny	3 years bond
115. 3.12.80	Common assault Assault OABH (2) Breach of recognizance Rape	Drive unlicensed	\$57 fine
116. 8.3.85	Drive without consent, breach recognizance	Break, enter and larceny	3 years bond s/s 6 months
117. 18.10.83	Conspiracy to commit armed robbery	Larceny	Not yet sentenced
118. 30.4.84	Housebreak and larceny	Break, enter and larceny	10 months NPP, 20 months imprisonment
119. 1.6.83	Rape	DUI	\$462 fine
120. 30.4.84	Cultivate Indian hemp	Possess Indian hemp	\$100 fine

Date Convicted	Original Offence	New Offence	New Conviction
121. 6.10.83	Clubroombreak and larceny Servicestationbreak with intent to steal Schoolbreak and larceny Drive without consent Escape	Possess housebreak implements Possess pipe	Parole automatically cancelled

CHILD ABUSE

The Hon. I. GILFILLAN (on notice) asked the Minister of Health:

1. Is the Minister aware of allegations concerning the sexual assault of a four year old girl by the husband of a participant in the Department of Community Welfare's family day care scheme?

2. Were the allegations reported to the Department and/or the police and, if so, what action was taken?

3. Was the four year old child concerned interviewed as part of any investigation of the matter and, if so, by whom, and what conclusions were drawn from that interview?

4. What action, if any, was taken with regard to the continued participation of this family in the family day care scheme or any other scheme sponsored by the Department of Community Welfare and requiring the care of young people? What were the reasons for this action?

5. Did the State Ombudsman conduct an investigation into the allegations? If so, was a report prepared and/or what recommendation was made by the Ombudsman?

The Hon. J.R. CORNWALL: The replies are as follows:

1. Yes.

2. Allegations of sexual assault were made by the child's mother to a social worker at a district office. The allegations were reported to the police on the same day.

3. Yes. The Rape Enquiry Unit took statements from mother and daughter, and the CIB took a statement from the man alleged to have committed the sexual assault. A social worker from the department accompanied mother and daughter to the Queen Elizabeth Hospital for medical examination and assessment. Police advice was that no further action could be taken regarding the allegation because of insufficient evidence in police and medical statements.

4. A decision was made not to renew the family's Day Care Licence soon after the allegations were made. The reasons for doing so were discussed with the care-givers, the details of which remain confidential. The family were considered suitable to continue as care providers in the Department's Intensive Neighbourhood Care Scheme for Young Offenders. However, the Director-General has reviewed the case and a decision was made to revoke the Intensive Neighbourhood Care Licence.

5. Yes. The Minister of Community Welfare wrote to the Ombudsman requesting that the Ombudsman investigate and review the Department actions and procedures in this case. The Ombudsman recommended that the family could remain in the Intensive Neighbourhood Care Scheme, but that certain conditions should apply to the placement. However, as stated earlier, that licence has now been revoked.

NORTH-SOUTH TRANSPORT CORRIDOR

The Hon. L.H. DAVIS (on notice) asked the Minister of Labour:

1. How many properties on the north-south transport corridor owned by the Highways Department have been sold following the Government decision to abandon the corridor?

2. What is the value of the properties sold?

3. How many properties remain unsold?

4. What plans exist for the sale of unsold properties during the balance of 1985?

The Hon. FRANK BLEVINS: The replies are as follows:

1. 133.

2. \$9 289 000.

3. 560.

4. Surplus properties will be disposed of as and when appropriate.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 4)

Second reading.

The Hon. FRANK BLEVINS (Minister of Labour): I move:

That this Bill be now read a second time.

This short Bill deals with several amendments of a disparate nature. The Bill makes amendments designed to improve the procedure for authorising the use of stop signs in connection with pedestrian crossings or road works in progress. At present, under the Road Traffic Act, a person may only exhibit stop signs in such circumstances if the Road Traffic Board has, by writing, authorised the person to do so. This is obviously an unnecessarily cumbersome procedure. Instead, under the Bill, such an authorisation may be given, with the approval of the Road Traffic Board, by a member of the Police Force or by the council or other authority having responsibility for the road or the roadworks.

The Bill also makes amendments designed to exempt cars of the St John Council of South Australia and vehicles of the State Emergency Services for compliance with some traffic provisions of the Road Traffic Act 1961; and to provide that such vehicles may be fitted with sirens.

St John staff cars may be used by senior staff officers in the event of any emergency. These vehicles are fitted with two-way radio receivers and provide a mobile facility from which officers may coordinate and control manpower in the event of an emergency, thus enabling senior officers efficiently to coordinate and direct the efforts of medical emergency personnel. It is obviously necessary for such vehicles to be exempt from compliance with the principal Act in the same circumstances and to the same degree as the ambulances used by St John. Clearly, vehicles of the State Emergency Service fall into the same category, as they are used not only for the purpose of coordinating operations of the State Emergency Service, but also in the course of such operations. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation.

Clause 3 amends section 23 of the principal Act which provides for the procedure for authorising persons to exhibit stop signs at pedestrian crossings or at any section of a road at which road works are in progress. The section presently

provides that the authorisation be given in the prescribed manner and regulations under the Act presently provide that the authorisation be given by the Road Traffic Board by instrument in writing. The clause amends the section so that a new and less cumbersome procedure is set out in the Act. Under the amendment, authorisation may be given for the use of a stop sign—

- (a) at a pedestrian crossing—with the approval of the Road Traffic Board, by a member of the Police Force or a council or other authority having responsibility for the road;
- or
- (b) in connection with road works—with the approval of the Road Traffic Board or a person appointed by the board to give such approvals, by a member of the police force or a council or other authority having responsibility for road works.

Clause 4 makes an amendment to section 40 of the principal Act which concerns the exemption of certain vehicles from compliance with certain provisions of the principal Act. The exemption conferred by that provision is extended to cover any motor vehicle (not being an ambulance) owned by St John while being driven for the purpose of taking action in connection with an emergency; and any motor vehicle used by the State Emergency Service while being driven for the purpose of taking action in connection with an emergency. Clause 5 makes an amendment to section 134 of the principal Act. The effect of the amendment is to permit the use of bells or sirens on vehicles of the kind dealt with by clause 4.

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

VALUATION OF LAND ACT AMENDMENT BILL

Second reading.

The Hon. J.R. CORNWALL (Minister of Health): I move:
That this Bill be now read a second time.

This Bill provides the authority for the Valuer-General to value properties which are included on the State Register of Heritage items on the basis of their actual use rather than their potential use.

At the present time, the Valuer-General is required to value this land, for the purposes of rating and taxing, on the basis of sales of similar land which may be influenced by potential for more intensive development or higher use, and disregarded any use of the land or buildings that may be inconsistent with the reasons that the land has been preserved as part of the State heritage.

In determining the 'site value' of land in accordance with the Valuation of Land Act, the Valuer-General is required to consider that any buildings on the land do not exist nor have they ever existed and, therefore, the value determined has had regard to the development potential of the land.

The ultimate effect of this Bill is to ensure that owners of land listed on the State Register of Heritage items are charged water, sewerage and council rates which are calculated on valuations which reflect the preservation of the land as part of the State heritage. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides for the commencement of the measure. Clause 3 inserts a new section 22b.

The new section would apply to owners of land that is subject to the South Australian Heritage Act 1978 and would enable a valuing authority to value the land taking into account actual use rather than potential use and accordingly the fact that the land forms part of the State heritage. The section would accord with the fact that in some instances the listing of land as part of the State heritage may restrict extent to which the land may be redeveloped.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

SOUTH AUSTRALIAN HERITAGE ACT AMENDMENT BILL

Second reading.

The Hon. J.R. CORNWALL (Minister of Health): I move:
That this Bill be now read a second time.

The South Australian Heritage Act 1978 provides for the identification and conservation of the cultural and natural heritage of the State. To this end the Act requires the Minister to keep a Register of State Heritage Items. No item on the register may be demolished, converted, altered or added to without the consent of the relevant planning authority, usually the local council. Any application for such consent must be referred to the Minister responsible for the South Australian Heritage Act 1978 for his recommendation and the planning authority must take any representations by the Minister into account in reaching a decision. Recent amendments to the Planning Act 1982 now require the planning authority where it is a local council to seek the concurrence of the South Australian Planning Commission to decisions affecting an item on the register.

Experience over the past five years in the administration of the Act has demonstrated that certain amendments are necessary. Some are substantive amendments to provide more effective means of protecting heritage items in situations where planning controls do not provide a sufficient level of protection, while others are machinery amendments to make the operation of the existing law more effective.

The amendments proposed have been reviewed by the South Australian Heritage Committee which has endorsed the provisions as desirable and necessary for the effective management of the State's heritage. The major amendments proposed have been referred to in parliamentary debates and public statements from time to time and the major interest groups have supported moves to more adequately protect the State's heritage. The amendments to this Act together with the recent amendments to the heritage provisions of the Planning Act 1982 are part of a package of responses to the public concern about the need for effective management controls in respect of the State's heritage.

The major amendment contained in this Bill provides for the declaration of a conservation order covering the whole or part of a registered heritage item (including an item on the interim list) or the whole or part of a declared State heritage area.

At the present time the only protection available for places on the Register of State Heritage Items or State Heritage Areas is that which operates under the Planning Act 1982 where development of an item is proposed. This mode of protection depends solely on an owner wanting to undertake a development. However, the actions of owners are not the only threats to heritage items and areas. Experience has shown that more positive measures are required for items which are ruins, archaeological sites and historic monuments. Fossicking, deliberate excavation in search of relics, destruction and vandalism are major problems at

such sites and cannot be effectively managed through development control procedures.

The Bill provides for the Minister in consultation with the South Australian Heritage Committee and the owner or any other interested person to declare a conservation order to apply to a heritage item or area. Following the acceptance by the Government of amendments in another place, the Bill also provides for an urgent declaration of a conservation order which would apply for a maximum period of 60 days unless confirmed or revoked sooner, in which case the consultative provisions will apply after the order issues. The discovery of important heritage sites or the emergence of new threats to a registered heritage item or declared State Heritage Area may require prompt action to provide immediate protection. Provision has been made for the Minister to seek an extension of an urgent conservation order for a period not exceeding six months from the Planning Appeal Tribunal.

Flowing from the power of the Minister to declare a conservation order the Bill provides for the making of regulations for the prohibition and restriction of destructive activities and the appointment of inspectors to enforce these provisions. The Bill also provides for the Minister to issue permits to any person authorising that person to act in contravention of the regulations. In this way protection will be available for those sensitive and fragile heritage sites located in the more remote parts of our State. The consultative process provided for in the Bill will ensure that except in very special cases the act of providing this higher level of management control over a heritage item or area will be done in collaboration with the land owners and managers. The other amendments contained in the Bill are in the nature of machinery changes. This is the first time since the inception of the South Australian Heritage Act 1978 that such amendments have been put forward.

In another place the Government accepted amendments proposed by the Opposition which bind the Crown and as mentioned previously reduce the period of operation of urgent conservation orders. The Government has also accepted an amendment which required an inspector to give reasonable notice to the occupier of a dwelling before entering the dwelling in the conduct of investigations. The Bill provides for the use of the word "environmental" rather than "physical" throughout the Act and the standardisation of the ambit of significance as including "aesthetic, architectural, historical, cultural, archaeological, technological or scientific" matters of interest. It has been found that the word "physical" was not readily understood as including the natural features of and associated with the land. The word "environmental" is commonly understood to include such natural features. As greater knowledge has been gained over the past five years it has become evident that heritage significance can derive from a variety of different characteristics of an item or area. The use of a standard description of the components from which heritage significance is derived will ensure that the ambit of the law is clearly defined and easily understood.

The Bill provides for the entry of a heritage item on the interim list without first issuing a public notice where it is necessary to provide immediate protection through the urgent declaration of a conservation order. This will enable immediate protection to be given to possible heritage items where there is some imminent threat to their destruction. In the event that a heritage item is entered on the interim list in this way the Bill provides that the Minister must immediately take proceedings to enter the item on the register. This requires the issue of a public notice and the consideration of written objections. In the event that subsequent research indicates that an item ought not to be placed on the register,

both the interim listing and the conservation order will cease to apply.

The Bill provides for the functions of the South Australian Heritage Committee to be amended to accord with the new functions related to conservation orders, and to enable the committee to provide advice to the Minister on matters or things which the committee believes the Minister should receive advice on rather than those things about which the Minister seeks advice. It also provides for the committee's responsibility to advise on the declaration of State Heritage Areas to be recognised in the functions of the committee.

Finally, the Bill provides for the payment of a prescribed fee for a copy of the Register of State Heritage items or Register of Heritage Agreements or any extract from those registers. People will continue to be able to inspect the registers free of charge. The Bill provides for errors in the description of items contained in the register to be corrected by publication of an appropriate public notice and for the Minister in his capacity as trustee of the State heritage (the corporation) to delegate his functions and powers. These changes will ensure more effective administration of the legislation.

The Bill provides for the repeal of Act No. 12 of 1979 which provided for shipwrecks to be items of the State's heritage. This Act has never been proclaimed and the passage of the Historic Shipwrecks Act 1981 made it redundant. South Australia's heritage legislation is held in high regard by other States and has been effective in ensuring that there is an appropriate mechanism for realising the community's aspirations for heritage conservation. It is also widely regarded because of its integration with planning law which means that the community's often divergent interests in both heritage conservation and development can be resolved. The amendments effected by this Bill will improve the effectiveness of the administration of this legislation and will ensure that it provides adequate protection for our heritage. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 makes a consequential amendment to the long title to the principal Act. Clause 4 makes a consequential amendment. Clause 5 amends section 4 of the principal Act. Clause 6 inserts a provision binding the Crown.

Clause 7 amends section 8 of the principal Act. These amendments expand the functions of the South Australian Heritage Committee. The category of State heritage previously given the term "physical" will now be given the term "environmental". This term more accurately describes what is intended. New paragraph (c) of section 8 (1) enables the committee to give unsolicited advice to the Minister. Paragraph (d) brings the timing into conformity with other provisions of the Act.

Clause 8 amends section 12 of the principal Act. Paragraph (b) adds archaeological, technological and scientific categories as qualification for registration. Subsection (2) is replaced with a provision that allows the Minister to correct an error in the description of an Item in the Register. Clause 9 amends section 13 of the principal Act. Paragraph (c) inserts a new provision that will allow the Minister to revoke the designation of an area as a State heritage area. Clause 10 replaces subsection (1) of section 15 of the principal Act with two new subsections. Paragraph (b) of new subsection (1) allows the Minister to place an item on the interim list before the publication of notice under section 12 where he wants to take immediate action to protect the Item by making an order under new section 22. Where he

does this subsection (1a) requires him to immediately take proceedings under the Act to register the item. Clause 11 replaces section 16 of the principal Act with a provision that requires the payment of a fee for copies of the register or the interim list. Clause 12 brings section 16a into conformity with other provisions of the principal Act.

Clause 13 makes an amendment similar to that made by clause 11. Clause 14 makes a consequential amendment to section 18 of the principal Act. Clause 15 inserts a provision that will allow the trustee of the State heritage to delegate its functions and powers. Clause 16 inserts new Part V into the principal Act. This Part will enable the Minister to bring an item or a State heritage area under the protection of regulations made under Division II. Before making an order for this purpose the Minister must give the land owner, any other interested person and the committee the opportunity to make representations in relation to the proposal (section 21 (2)). An exception to this requirement will exist in matters of urgency (section 22) in which case the Minister must

give the same groups an opportunity to comment before he confirms the order. New section 25 provides for the making of protective regulations. Division III inserts standard provisions in relation to inspectors. Clause 17 repeals the South Australian Heritage Act Amendment Act 1979. This Act amended the definition of "Item" to include shipwrecks but was never proclaimed because of the enactment of the Historic Shipwrecks Act 1981.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

ADJOURNMENT

At 3.43 p.m. the Council adjourned until Wednesday 11 September at 2.15 p.m.