

## LEGISLATIVE COUNCIL

Thursday 17 October 1985

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

## PÉTITION: HOMOSEXUALITY

A petition signed by 41 residents of South Australia praying that the Council amend the Equal Opportunity Act to give all children protection from homosexual influence in curricula, personnel, literature, sexual humanism and sex education in all South Australian schools was presented by the Hon. J.C. Burdett.

Petition received.

## SUSPENSION OF STANDING ORDERS

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

That Standing Orders be so far suspended as to enable me to move a motion without notice.

The **Hon. C.J. SUMNER (Attorney-General)**: I merely wish to speak to the motion for the suspension of Standing Orders. I do not intend to oppose it, but I wish to make it clear to the Council that the normal courtesies that are usually accorded members with respect to suspension of Standing Orders on matters of public importance have not been accorded to honourable members in this Council in this instance.

I was not provided with a copy of the motion proposed by the honourable member. He has not even indicated what he is moving the suspension for. There are probably members who still do not know what the motion is. He has not even read it out to the Council.

The **Hon. R.I. Lucas**: Are you under pressure?

The **Hon. C.J. SUMNER**: Not at all. I was not advised of this motion until 1.20 p.m. A phone call was received in my office and some verbal communication was given, but the honourable Leader—

*The Hon. M.B. Cameron interjecting:*

The **Hon. C.J. SUMNER**: At approximately 1 p.m., but it was not until 20 minutes later that the Leader of the Opposition's assistant arrived with a text of the motion. I understand that the Hon. Mr Gilfillan was treated even more shabbily than that and that he was not advised until some time after 1.30 p.m.

The only point I make is that I am happy to debate the issue with the honourable member at any time and anywhere. The fact is that the normal courtesies that are accorded members of Parliament with respect to requests for suspension of Standing Orders on matters of importance were not followed in this case.

The **Hon. ANNE LEVY**: In speaking to this motion, could I ask that you, Mr President, ask the Leader of the Opposition to read to the Council the motion that he wishes to move if Standing Orders are suspended, because at this stage he has not indicated that. I, and I am sure many others in the Council, do not know the reason for his requesting that Standing Orders be suspended.

The **Hon. M.B. CAMERON**: Mr President, in reply, the Hon. Ms Levy and the Attorney-General Leader obviously do not understand the Standing Orders or how the Council operates, otherwise they would know that one does not read the motion until such time as one has the suspension of

Standing Orders. I suggest to both honourable members that they obtain a copy of the Standing Orders, look at and read them, because the Leader has been here long enough to understand them, but that is irrelevant. I did concur with the normal—

*The Hon. C.J. Sumner interjecting:*

The **PRESIDENT**: Order!

The **Hon. M.B. CAMERON**: I understand. I do not want to say much, except that I did comply with the normal courtesies. I informed the office of the Leader. Unfortunately, at that stage he had absented himself from the office. I requested information as to his whereabouts, but the staff did not know, so I said that I would deliver a copy to his office desk, which I then did.

The **Hon. C.J. Sumner**: At 1.20 p.m.

The **Hon. I. GILFILLAN**: On a point of order, Sir.

The **PRESIDENT**: The debate is closed.

The Council divided on the motion:

*While the division was being held:*

The **Hon. R.J. RITSON**: A point of order, Mr President. I understand that in a division such as this the person who calls must vote on the other side.

The **Hon. R.I. Lucas**: You ruled that way before, Sir. Do you want me to escort him?

The **PRESIDENT**: He does not need any escort. Being a Minister, he knows his role, I am sure.

The **Hon. Frank Blevins**: I am curious to know what the motion is that I am expected to vote on.

The **PRESIDENT**: The honourable member has voted against the motion.

The **Hon. Frank Blevins**: That is right. I have made my point. It is common courtesy: that is all that I ask. I do not ask for justice: that is out of the question.

The **PRESIDENT**: I have to make a point, too. Standing Order 220 states:

A member calling for a division shall not leave the Chamber until the division is concluded, and shall vote with those whose voices, in the opinion of the President, were in the minority.

The **Hon. Frank Blevins**: I did not call for a division. Who called for a division? Nobody called for a division. You have not yet put the question.

The **PRESIDENT**: I will go through more Standing Orders and tell you that you did not need to call for a division because one voice would have been sufficient for a division to be called.

The **Hon. C.J. Sumner**: He does not have to vote: that is not what the Standing Order says.

The **PRESIDENT**: I have to decide whether there was a call and whether the voices were in the minority. There is no doubt that a single voice was in a minority. There seems little confusion as far as I am concerned.

The **Hon. C.J. SUMNER**: On a point of order, Mr President. It seems to me that the matter is quite clear: no member called for a division. The fact that you were required under Standing Orders to have a division is not to the point as to how members should vote. You, Sir, determined that a division should proceed. There was no call for a division by any member of the Council, and therefore Standing Order 220 is of no relevance.

The **PRESIDENT**: I point out to the Attorney that Standing Order 457 provides:

In case of urgent necessity any Standing or Sessional Order (except those which it is specially provided shall not be suspended) may be suspended on motion without notice: provided that such motion has the concurrence of an absolute majority of the whole number of members of the Council.

The **Hon. C.J. Sumner**: I would have thought that it was obvious at this moment that there is an absolute majority. There is no-one sitting opposite; no-one wants to go over there; we all want to debate this motion.

**The PRESIDENT:** I would have found it very difficult to believe that any member wanted to debate anything except the Standing Orders. Although the Standing Order provides that the majority will be established by division, on the other hand, I cannot really see that, since there was one member, it is necessary that he do more than sit with the majority, which establishes a majority for the division. Having sorted that out, I declare that there is a majority for Standing Orders to be suspended.

Motion carried.

## OMBUDSMAN

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

That this Council calls on the Premier to request the Ombudsman to delegate all her powers or functions under the Ombudsman Act 1972 to another person, in accordance with section 9 of that Act, whilst the investigation is being conducted into the allegations that have been the subject of public comment.

Today's *News* carried a front page headline suggesting that the Ombudsman is about to resign or be sacked from a Federal Government board. I understand that Federal Parliament has been advised that Ms Beasley has resigned from the Qantas Board. The circumstances and conditions of this are unclear. This is an unprecedented situation for a senior public official in this State. The Government has refused to do anything whatsoever about the situation, apart from sending yesterday a pathetic telex to Canberra.

The Ombudsman's office must be above any suspicion. It must not be involved in public controversy. Currently, the position of the present Ombudsman is the subject of discussion in the national Parliament, this Parliament, the national media, and throughout the South Australian media. That discussion gives rise to the possibility, at least, that the Ombudsman may have in some way misbehaved.

Misbehaviour can be a ground for her suspension or removal from office as contemplated in the Ombudsman Act. In saying that, I do not wish in any way to prejudge any allegations. But, I do maintain that, while those allegations are the subject of investigation, the Ombudsman should step aside, and that is the effect of my motion. Yesterday, in responding to my call for the Government to ask the Ombudsman to exercise her right under section 9 of the Ombudsman Act to delegate all her powers, the Attorney-General said that it was a matter for Parliament and not the Government. That was all part of the Attorney's deliberate exercise yesterday to put as much distance as he could between the Government and this matter. But, it will not wash.

The Opposition does not blame the Government for any of the allegations that have been made against the Ombudsman. But, we do question the Government's failure to act on the matter in a way which ensures that the status and integrity of the office of Ombudsman are preserved.

I asked the Attorney-General yesterday how long the Premier had known about these allegations and what he had done about them. The Attorney-General would not, or could not answer the specific questions. But, last night, the Premier issued a statement saying that he had been officially informed 10 days ago. Yet, he did nothing about the allegations until yesterday. Even then, he has not sought himself to clarify the matter with the Ombudsman. He asked his Director-General to do that.

Then he sent a telex to Canberra at five minutes past one yesterday—when he knew that the matter would be raised in this House—saying that:

It is most important in the interests of that office . . . that such allegations and rumours be settled as soon as practicable.

But, the Premier himself has done nothing to ensure that that happened, and it is no good the Government pretending that, if anything was to happen, Parliament itself should take the initiative. Let me quote the Premier's own words (and I ask the Attorney-General to listen to this) to debunk that. This is what he said in another place on 17 March 1983 in relation to the Ombudsman's office:

I point out that in administrative and other matters, Mr Bakewell and I have to meet because the office of Ombudsman and the Act are in the charge of the Premier.

Nothing could be plainer than that. The Premier has had a clear duty to act in this matter as it has unfolded so far. He has had the official approach from the Federal Government. He has also had the official version of the allegations against the Ombudsman. Yet, he did nothing until yesterday.

The Premier now says (and I was amazed to hear this), that the Opposition, having also been made aware of the allegations against Ms Beasley, should have brought the matter into Parliament. It may have been the practice of the ALP to bring unsubstantiated allegations into Parliament when it was in Opposition, but it is not my Party's role in the Parliament to do that. And at least we did more than the Government when we were informed of the allegations. We attempted to establish whether or not they had any substance. We were still doing that when the allegations surfaced in the media this week. We have been completely responsible in this matter.

All the Premier is trying to do now (this morning) is find an excuse for his own inaction and in some weird way to blame us for not raising the matter. He also says that the Opposition is being somehow inconsistent because we raised in the Estimates Committee three weeks ago the relationship between the Premier's Department and the Ombudsman. All we did there was seek information based on comments by the Ombudsman in her annual report. Nothing more can be read into that. We have not said that the Premier should have raised the allegations in Parliament. We have not said that he should have in any other way publicly disclosed them. But, what we are saying is that he should have taken action to seek to clarify the matter with the person concerned, namely, the Ombudsman. This he has not done.

Only the Premier was in a position to do that, following the approach he had from the Federal Government 10 days ago. The Ombudsman is appointed by the Government—not by the Opposition or the Parliament. And, as the Premier has said, the Ombudsman Act is in his charge.

The matter only becomes one for Parliament to deal with when there is a proven case of incompetence or misbehaviour or when for some other reason the Parliament should seek the removal of the Ombudsman. That stage has not yet been reached. The outcome of the Federal Government inquiry must be awaited. But, in the meantime, there is ample precedent for a person in a position of high public responsibility, such as the Ombudsman, standing aside until this matter is clarified to protect the status and integrity of the office.

I remind the Attorney-General of the position of Justice Murphy, who stood aside from hearing cases, and there are plenty of other examples about which I am sure the Attorney-General knows. It should not be the business of the Opposition to secure that outcome. Any Government prepared to accept its responsibilities and to recognise some basic principles of public administration would have asked the Ombudsman to take the action proposed in this motion.

I also refer to the nature of the inquiry apparently being conducted into this matter. We eventually discovered last night that the Premier had been approached about this matter 10 days ago by the Federal Government. It is strange,

to say the least, that it has taken at least that time to inquire into these allegations.

There must be some very interesting documents that have to be studied in order to arrive at a decision whether or not the allegations are correct. It is possible to detect a distinct reluctance on the part of both the Federal and State Labor Governments to have this matter clarified. Apparently, it was brought to the Acting Prime Minister's attention only last night, after the allegations had been raised in the media and in the Federal and State Parliaments. Some outstanding questions need to be answered: when did the Federal Government first become aware of these allegations? What was the nature of the information given to the Premier about the allegations by the Federal Government? When did the Federal Government begin its inquiry into these allegations? Who is conducting the inquiry, and when is it expected to be completed? Has the Premier received any further briefing about the allegations after he was first informed about them and, if so, from whom and when? Why did the Premier decide only yesterday at 1.5 p.m. to send a telex to the Federal Minister for Aviation when he had known of the allegations for 10 days?

If the Attorney takes the same attitude that he took yesterday, he will talk about this matter being one for the Federal Government to determine because it involves Qantas. But, let me remind him that it was the Premier who had to give Ms Beasley approval to continue her membership of the Qantas Board. He did this in a letter to the Ombudsman dated 6 May this year which concluded:

I am confident that you will be alert to any potential conflict of interest and will take immediate action to resolve it if the situation so requires.

He also dealt with conflict of interest involving the Ombudsman when he wrote to Ms Beasley's predecessor, Mr Bakewell, on 17 March 1983 in relation to the involvement of the Ombudsman in any form of commercial activity. I will quote a section of that letter, as follows:

It would be quite untenable if the position of Ombudsman were to become the subject of controversy over an actual or presumed conflict of interest.

We have the position now where the office is the subject of controversy. There is a conflict of interest. The public has an interest in the status and integrity of the office of Ombudsman being preserved. Where there is any doubt, immediate action must be taken, as the Premier said in his letter to Mrs Beasley. It will simply recognise that, in the interests of preserving the effective functioning of the office of Ombudsman and its role in the responsible management of government, the public interest would be best served by Mrs Beasley's standing aside while these allegations are cleared up.

It is not sufficient for the Attorney to say that we have to await the outcome of the inquiry and that we will then see what happens. In fact, I was somewhat disturbed today to see that the Premier gave an indication to the *News* that, even if Mrs Beasley was found to have taken a wrongful action in relation to the airfares, the Government might take no action.

Frankly, that situation will need to be watched very closely. It is absolutely imperative that the office of Ombudsman—the person who looks over Government actions and the person to whom the public must go with their problems—must be seen to be above all potential problems and must have the highest integrity. I will watch with great interest to see what occurs if the results of these allegations are adverse to Mrs Beasley. I repeat: we have to wait for that to happen.

In the meantime, it is absolutely essential, in the opinion of the Opposition, that the Ombudsman stand aside and

allow someone else to conduct the office until these allegations are fully investigated.

**The Hon. K.T. GRIFFIN:** I support the motion. The matter of principle involved is that the status and integrity of a high public office should be maintained. The office of Ombudsman is a high public office. It has wide powers of investigation of Government departments and the acts of Government officials, as well as into the activities of statutory authorities. The office of Ombudsman also carries with it jurisdiction to investigate the acts of local government bodies. In addition to that, and to assist in the work with which the Ombudsman is entrusted, the office carries the powers of a Royal Commission, which are very far reaching powers, designed to assist the Ombudsman in the performance of the Ombudsman's statutory responsibilities.

There is no doubt that the office of Ombudsman is highly regarded in the community. It is generally seen as being aloof from controversy, an office to which those who are frustrated by Government departmental activity can make complaints with a view to having them resolved. However much Governments might not wish to have the investigations that the Ombudsman initiates from time to time, the fact is that the public generally perceive the Ombudsman, in some respects, as a guardian of the rights and liberties of individual citizens against the powers and activities of government.

But, as with any other high public office with special powers, it is critical that the incumbent of that office also be aloof from personal controversy. It is impossible for such a person to avoid the controversy that might arise from the results of a particular investigation but, in terms of personal behaviour, the incumbent must be aloof from controversy. In the present instance, we want to see that the status and integrity of the office of Ombudsman are maintained and are not affected by controversy. In the circumstances of this case, it is proper for the incumbent to stand aside voluntarily for as long as is necessary for investigations to be completed. The reported resignation from the Board of Qantas, a Federal Government corporation, merely strengthens that position. That standing aside, of course, does not carry with it the imputation of either innocence or guilt and does not prejudice the question whether the person is blameworthy or free of blame.

Whatever views one may have about political figures, such as Mr Vic Garland, Mr Mick Young or Mr Justice Lionel Murphy of the High Court, one recognises that these holders of high public office, when serious allegations were made with respect to them personally, either stood aside or, in the case of Mr Justice Murphy, took no place on the High Court to hear and decide cases. In our system of government, whether in Australia, any of the States of Australia, the United States of America or the United Kingdom, there are ample precedents for persons who occupy high public office, when the subject of allegations, to voluntarily stand aside for so long as it takes for the investigations to be concluded.

Therefore, the proper course for the present incumbent of the Ombudsman's office is to stand aside for the duration of the investigations and, if that does not occur voluntarily, the Premier, as the elected Leader of the majority in South Australia, should request that person to take that course of action.

Yesterday, the Attorney-General said that the question of the Ombudsman was not a matter for the Government but was a matter for the Parliament. I submit to the Council that that is nonsense and really indicates a sidestepping of public responsibility. Let me look carefully at the Ombudsman Act. The Government appoints the Ombudsman through the Governor in Council. The Government has the

responsibility for suspending the Ombudsman and then reporting it to the Parliament. The Government provides all the staff and facilities under the Department of the Premier and Cabinet, and the budget that we debated only last night clearly indicates that the Ombudsman's office is a department of the Public Service.

I know that under the Ombudsman Act the Ombudsman is not a public servant as such under the Public Service Act. However, if the incumbent has been a member of the Public Service, there is provision in the Ombudsman Act for all the benefits that have accrued—long service leave, superannuation and so on—to remain with the incumbent while he or she occupies that office.

The fact is that while, ultimately, any question of dismissal must be approved by resolution of both Houses of Parliament, the Government has all the information, the responsibility and the power to undertake investigations. The Government has the numbers in the House of Assembly and, I suggest, it would be quite improper for any individual member of Parliament to come into the Parliament and take such a serious step as to move for the dismissal of the Ombudsman, the Auditor-General, the Police Commissioner, or a judge of the Supreme Court, without the matter having been thoroughly investigated and without the Government of the day indicating its support for and its preparedness to initiate that action itself.

The Government has all the initiative. It has to accept the responsibility that, notwithstanding the requirement for the Parliament ultimately to approve the dismissal of a person occupying the office of Ombudsman, the initiative remains with the Government of the day. The Government of the day must demonstrate leadership on controversial issues as well as on the good time issues and, in this instance, the Premier has abdicated his responsibility to do that. Only yesterday did he send a short telex to the Federal Minister for Aviation (Mr Morris) indicating that an investigation should be conducted.

**The Hon. C.J. Sumner:** That's not right. It's not what the telex said. You do this all the time these days. You come into Parliament and tell lies all the time.

**The Hon. K.T. GRIFFIN:** I don't tell lies in Parliament. The telex was sent at 1.5 yesterday. At that stage the Premier had not even seen the Ombudsman, and it is ordinarily the practice of the Ombudsman to deal direct with the Premier in relation to matters of such seriousness. We saw, even with respect to the Estimates Committee the week before last, the Premier indicate that he had had consultations with the Ombudsman. So, a person of the status of the Ombudsman ordinarily deals with the Premier of the day, and the Premier deals with the Ombudsman.

It is interesting to note that when the Ombudsman Act was introduced as a Bill by the present Chief Justice of the Supreme Court, when he was Attorney-General, in 1972, he specifically referred to the role of the Parliament with respect to the dismissal of the Ombudsman and referred to the power of the Parliament as 'the power to approve'; it was not necessarily the initiator of dismissal. That was a protection to ensure that when the Ombudsman was to be dismissed it should be approved by the Parliament. That is what Mr Justice King, the then Attorney-General of the day—

*The Hon. C.J. Sumner interjecting:*

**The PRESIDENT:** Order!

**The Hon. K.T. GRIFFIN:** —indicated when he was introducing the Bill.

**The Hon. C.J. Sumner:** You don't believe in—

**The PRESIDENT:** Order! Honourable members should listen to speeches made on motions such as this. Everyone has the right to be heard.

**The Hon. K.T. GRIFFIN:** What I was saying, in relation to the power of the Parliament, was that when the Bill was introduced into the Parliament—and it is quite proper for me here to refer to it in debate on this issue—the then Attorney-General, now Mr Justice King, referred to the involvement of the Parliament in the dismissal of the Ombudsman as a safeguard in respect of the powers of the Ombudsman, so that the Ombudsman could act independently without fear of partiality from a Public Service Board or a Government of the day, and could act without fear or favour.

That is why the responsibility of Parliament is referred to in the Act in the context of ultimate dismissal. The fact is that the day-to-day responsibilities—the question of appointment and suspension of the Ombudsman—remain with the Government of the day. It would be quite improper for either House of Parliament or any member of Parliament to move for dismissal without there being a thorough investigation, which can only be undertaken by the Government of the day with the resources it has available to it and the access it has to information. I support the motion. I do not believe that the Government of the day can avoid its public responsibility in this issue.

**The Hon. C.J. SUMNER (Attorney-General):** The Government is concerned to ensure that the status and integrity of the office of Ombudsman is maintained, and there is no difference of opinion on that point of view. What the Opposition is attempting to do—and one saw it yesterday; one observed the glee and enthusiasm with which members opposite entered the Parliament—is try to get the Ombudsman. It was clear from the questions about that matter yesterday that the Opposition was enthusiastic to do its best to get the Ombudsman. It is not true that the Government has done nothing about this matter. I repeat: the matter was drawn to the attention of the Premier. As he indicated yesterday in a statement, he was advised of allegations—as they were at that time. He was advised by the federal Minister, apparently, that the matter was being investigated. It did not involve the Ombudsman in her role as a South Australian public official (an officer of the Parliament of South Australia). It involved her role as a member of the Qantas Board.

Therefore, it was quite appropriate and, indeed, sensible and, in fact, the only course of action for the matter to be pursued by the responsible federal Minister; and that happened. When the matter became public in the media the Premier formally requested information from the Federal Government about the results of any inquiry, and before deciding whether any action needed to be taken in this State. As I understand it, that is still the position. I do not believe that this Council, despite the enthusiasm of the Opposition, should condemn a person without trial or should condemn a person on the basis of allegations and that, of course, is what it is trying to do.

That is what the Opposition tried to do yesterday when it brought this matter into the Parliament. Yesterday I gave a full explanation of the circumstances surrounding the Government's action in this regard. I repeat what I said then, that the Government has every option open, in so far as it is within its power, to deal with the matter. If there has been any impropriety that requires the matter to be brought before the Parliament, then that will happen. If there has been any impropriety that requires the Ombudsman to delegate her powers and responsibilities, then that should happen. However, until we are able to obtain the results of the Federal Government's inquiries into this matter, I will not condemn a person without trial and on the basis of allegations that are not yet substantiated, yet that

is what the Opposition attempted to do yesterday and again today.

I believe that, if the matter is to be dealt with fairly, we should ascertain from the Federal Government what the situation is. We should also ascertain what the situation is as far as Ms Beasley is concerned. When we have the information, as I indicated yesterday (and I repeat again today), the Government is prepared to provide a full briefing to the Opposition on the issues as those issues involve the Parliament as a whole.

The Hon. Mr Griffin has attempted somehow or other to say that this is not a matter for the Parliament, but, rather, that it is a matter for the Government. He is now trying to wash his hands of any responsibility in the matter and to say that it is all a matter for the Government. He quoted the former Attorney-General (Mr King) when the Bill was introduced for the Ombudsman Act. Of course, what he failed to refer to was section 10 (2), which provides:

The Governor may remove the Ombudsman from office upon the presentation of an address from both Houses of Parliament praying for his removal.

It is crystal clear that an individual member of Parliament could move in the Parliament for an address to the Governor for the dismissal of the Ombudsman. It is clear that it is not just a prerogative of the Government. I am absolutely astonished that during the Estimates Committees the Opposition spokesmen spent a lot of their time criticising the Premier because of alleged interference or dissatisfaction by the Ombudsman with the administrative arrangements of the Premier's Department. They emphasised the importance of the independence of the Ombudsman. They spent much time in the Estimates Committees making those sorts of criticisms, which, by the way, were unfounded, and they then come here and say that the Parliament has nothing to do with the Ombudsman, that it is a matter for the Government and that the Government should accept some responsibility in this area.

The Government will accept responsibility in this area by obtaining information from the Federal Government on the matter. The Government will also obtain Ms Beasley's explanation, if there is one, with respect to the allegations. I repeat that, once all that information is available, the Government will take whatever action is necessary. If that means raising the matter in Parliament, then so be it. However, I repeat: surely we will not judge this person prematurely; and surely we will not condemn this person, who has held high office in this State in a number of positions under successive Governments, without giving her a chance to put her point of view and without obtaining information regarding the circumstances of these allegations.

Is that what the Opposition wants to see this Parliament assent to? Clearly, that is what it is on about. For several months this Opposition has been on a course of destructive action that involves knocking the State, the Government and the Premier. It now wants to embark upon a course that knocks an individual employee of the State. It wants to continue that course of destruction. It is not content to leave its destructive attitudes and criticisms of the Government or the Premier, or to just knock the State: it is now prematurely attempting, by embarking upon the same course of destructive conduct (which this Opposition has become known for throughout this State), to destroy the reputation of an individual who is an officer of this Parliament without giving that individual any opportunity—

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. C.J. SUMNER:** —to put her point of view to the Federal Government and without enabling the State Government to obtain information from the Federal Government about its inquiries into the allegation. That has

been the attitude of the Opposition. It is a destructive course of action that is consistent with the knocking and criticisms in which it has been involved or has attempted to be involved as far as this State, Premier and Government are concerned. It is now continuing on that course and attempting to destroy the reputation of an individual who is an officer of this Parliament.

I do not prejudice this issue in any way whatsoever. I make that crystal clear, as I did yesterday. If, after the matter has been inquired into, action is necessary in the Parliament, then that action can be taken, but I am not prepared to condemn this person in this Council on the basis of allegations put to the Parliament by the Opposition. However, I repeat that if, after the matter has been properly inquired into, any action needs to be taken, then it will be taken, but it is a matter that in the ultimate analysis has to be dealt with by the Parliament and, no matter what the Hon. Mr Griffin attempts to say about the role of the Ombudsman, the fact is that in the ultimate analysis it is a matter for the Parliament to determine.

The Government has acted quite properly in this matter. I understand that, at the request of the Federal Minister, it allowed an investigation or inquiries to proceed at the national level in Canberra and that it requested information about those inquiries to ascertain whether or not anything needed to be done in this State. That course of action will be pursued. The Government, or more particularly the Parliament, will then be in a position to decide whether or not any further action is needed in this unfortunate matter.

At this stage I therefore cannot agree with the motion moved by the Hon. Mr Cameron. I further believe that, if the matter is to proceed, the motion in any event should be amended to make it a motion of the Council that the Ombudsman should stand aside. It should not be a matter in which the Premier need necessarily be involved. As the Hon. Mr Griffin has made out, that is clearly an attempt to engage the Premier in this matter in the same way—

*The Hon. J.C. Burdett interjecting:*

**The Hon. C.J. SUMNER:** The Premier will be—

*The Hon. J.C. Burdett interjecting:*

**The PRESIDENT:** Order!

**The Hon. C.J. SUMNER:** —involved if it is necessary for him to be involved. But I can tell you—

**The Hon. R.I. Lucas:** He is hiding behind your skirts.

**The Hon. C.J. SUMNER:** —that the Premier is not like the Hon. Mr Lucas, who is prepared in this Parliament and in this community to condemn people without substantiated evidence and without trial. I think that the public of South Australia ought to know what his attitude to that matter is and I am sure that in due course they will know. I therefore oppose the motion. I am interested to hear what the Hon. Mr Gilfillan has to say about this motion.

I oppose the motion because it is premature. It attempts to condemn someone before the matter has been properly inquired into. The motion is moved for essentially political motives on the part of the Opposition. Yesterday, the Opposition's glee and enthusiasm for someone's misfortune could not have been more obvious to anyone who was in the Parliament than when Opposition members came into the Chamber. They are essentially on a political exercise, the same sort of political exercise of destruction and knocking that they have been involved in for the past several months.

At this point in time, the Government cannot accede to this motion, but I repeat that the matter will be looked at once all the information is before us. If that means that the matter needs to be brought back to the Parliament then the Parliament can deal with it in due course.

**The Hon. I. GILFILLAN:** I first respond to the comment by the Attorney that we were shabbily treated in relation to

information about this motion. I do not feel any slight, or particularly incensed that we were informed about it between 1.30 and 2 p.m.: it is reasonable notice as far as we are concerned.

However, it was with more than idle curiosity that I noticed that media representatives were all reading scripts of the Hon. Martin Cameron's speech: either that or they had something else in hand of remarkable interest. So, obviously considerable preparation had been put into the motion. For the value of the debate, it would have been advisable for us all to have had a longer and more informed notice of the motion.

This is not a political point scoring exercise—but is a matter of great concern. It is not a very happy occurrence for the Ombudsman, this Parliament, or for the people of South Australia. However, the office of Ombudsman must be held in high regard. It must hold and retain an impeccable reputation in public life: therefore, the issue is critical.

As a member of the Legislative Council in this State I want to know what are the allegations. We are being urged by way of this motion to request certain substantial and dramatic action by the Premier. The allegations have not been, as far as I know, officially outlined in any shape or form in this place. I have learned already to take with some misgiving allegations that appear in the press and the media, and I do not intend to make judgments on a person's future or status on what I read there. The matter was brought before us yesterday and the Attorney-General gave, after a little prodding, a complete undertaking to brief both the Opposition and the Democrats—

**The Hon. C.J. Sumner:** It was in the ministerial statement.

**The Hon. I. GILFILLAN:** We had a bit of trouble with a supplementary question, but that eventually was established.

**The Hon. C.J. Sumner:** You did not have to ask for a briefing: it was in the ministerial statement before there were any questions.

**The Hon. I. GILFILLAN:** My Leader saw fit to make sure that it was followed up in a supplementary question, but we rest assured, because we have faith in the integrity of the Attorney and the Government that we will have a full and accurate briefing. Until I know what the allegations are and what are the results of the investigation and briefing, how on earth can I in all conscience make a decision on the operation of a person holding high and public responsibility in this State? I certainly do not intend to do so at this stage.

The allegations made in the media and verbally elsewhere in the corridors, whispered from one to another, may be of a significance that requires the sort of action outlined in the motion and/or even further decision either by the Ombudsman or by the Parliament, but the timing is inappropriate: it is certainly not right to be making conclusions about that now. Certainly, I feel satisfied to take the course that I intend to take on our behalf, bearing in mind that the allegations that have been whispered to me or disclosed partially in the media do not in any way impinge on the ability, or throw doubt on the integrity, of Ms Beasley in her role as Ombudsman. Nor do I see her role in Qantas and her role as Ombudsman being in any way a conflict of interest. I am not privy to the Qantas decision making, nor to whatever actions may have been relevant there. I do not intend to let any ramifications of that affect our attitude to this motion.

A motion for investigation and report may have been entertained in this Council: that would have been worthy of consideration and possibly support. I feel, certainly, that this Parliament will and should be involved further in the issue, whether or not the Parliament or the Government

will not, or should, decide whether the Ombudsman remains in power.

I wish to make only two more points. First, I am emphasising that the Ombudsman rightly has a bond of responsibility to the Parliament in preference to the Government. The Ombudsman may in many cases have to represent the people of South Australia in the face of the Government. Therefore, it seems appropriate that it is a decision made by Parliament if there is to be any substantial move against the person holding the office of Ombudsman.

Therefore, it is my intention and that of the Democrats to vote against the motion and, in doing so, we make it plain that we are avoiding prejudging the issue. We are not diminishing the significance of the matter, but absolutely no allegation of substance has been presented to us at this stage. It may be forthcoming, and in due course the matter must be considered with a report of the facts that would be before us. I oppose the motion.

**The Hon. M.B. CAMERON (Leader of the Opposition):** The Hon. Mr Gilfillan obviously has not read the motion and does not understand the import of it: otherwise, he would not have used the word 'prejudging' when—

*An honourable member interjecting:*

**The Hon. M.B. CAMERON:** Just let me finish. The honourable member has had his turn on that side. The Hon. Mr Gilfillan would not have claimed that we were prejudging the issue: that is not the case. The person who has made this matter into a political issue is the Attorney-General: this is exactly the case. This was not his finest hour because he tried to bring in other matters in relation to this motion.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. M.B. CAMERON:** He is the person who, by refusing to take any action, has turned this matter into a political issue because he has had to bring in other matters to try and justify his decision not to support this motion. Anybody with an ounce of commonsense would know that this motion does not prejudice the issue. It does not raise a question of guilt or otherwise. While the allegations are about and while they are not finally and fully investigated, it brings the matter to the point where the integrity of the position of Ombudsman—not the person concerned—is in doubt or in question. That is the important issue in this whole matter.

This is not just a matter of the individual involved, because nobody in this Council would be sadder than I if it finally came to the point where the Ombudsman had to resign. But, in the meantime, there is a cloud over the office of Ombudsman and that is just not on. With any other position or any other person in high office it is almost automatic that the person stands down while investigations take place; that is a proper course of action. I am sorry that the Ombudsman has not taken that step herself, but I am even more sorry that the Attorney and the Hon. Mr Gilfillan will not support that move, or this move today.

I believe that this move is proper. It is not prejudging the issue. It is bringing the matter to a head, to make certain that the office of Ombudsman and the integrity of that office remain above question. The question of whether the Premier did or did not take action has been absolutely clearly put: for 10 days no action took place. The Attorney-General can say what he likes, but for 10 days no action was undertaken.

I am absolutely amazed that the Premier did not approach the Ombudsman to seek information on the allegations and the truth or otherwise of them. I would have thought that, in relation to a person in such a high office under some sort of question, the first step would be at least to find whether there was anything in such allegations. On this

occasion the answer to that could well have very quickly resolved the whole question and could have led to a situation where we would not be here now discussing matters in relation to trying to maintain the integrity of office of Ombudsman. I urge the Hon. Mr Gilfillan to reconsider his situation. Let me assure him that this is not a question of prejudging the issue but of protecting the integrity of the office of Ombudsman whilst these allegations are under investigation.

The Council divided on the motion:

Ayes (8)—The Hons. J.C. Burdett, M.B. Cameron (teller), R.C. DeGaris, K.T. Griffin, C.M. Hill, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

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

Pairs—Ayes—The Hons. L.H. Davis and Peter Dunn.

Noes—The Hons. C.W. Creedon and K.L. Milne.

Majority of 1 for the Noes.

Motion thus negatived.

## QUESTION ON NOTICE

### PAROLE

The Hon. K.T. GRIFFIN (on notice) asked the Minister of Labour: How many prisoners have been released between the date when this Government's parole scheme came into operation in December 1983 and 31 August 1985?

The Hon. FRANK BLEVINS: For the 20 month period since December 1983 to 31 August 1985, 7 176 prisoners have been released. For the 20 month period prior to 20 December 1983, the number was 7 653. It should also be noted that in the preceding period from April 1980 to February 1982, 8 827 prisoners were released.

*Members interjecting:*

The PRESIDENT: Order! The Hon. Mr Davis and the Minister of Health will come to order.

### APPROPRIATION BILL

Adjourned debate on second reading.  
(Continued from 16 October. Page 1350.)

The Hon. J.R. CORNWALL (Minister of Health): On 10 October the Hon. Mr Lucas gave me notice of a number of questions that he wished me to address concerning the South Australian Health Commission's 1985-86 estimates and my opening statement to the budget Estimates Committee. I would now like to formally respond to those questions and also add one or two general comments which may be of value to the Council in considering the Appropriation Bill.

The Hon. Mr Lucas's first question concerned the commission's underspending of its 1984-85 gross payments budget by \$5.2 million. The Hon. Mr Lucas wanted me to provide a detailed breakdown of the \$5.2 million underspending. I am very happy to provide the honourable member with that information. The \$5.2 million underspending can be broken down into four major areas.

First, I refer to 'tied lines'. This area involves spending within the commission's major tied lines, as they are called. These are items which are funded by Treasury according to the actual expenditure incurred by the commission during the year. Any underspent funds budgeted for these items must be returned to Treasury. The principal items within these tied lines are workers compensation payments, terminal leave payments, and employers' superannuation con-

tributions. In 1984-85, payments made by the commission for workers compensation were \$1.6 million below the original estimates; payments for employees' superannuation contributions were \$400 000 below the original estimates; and terminal leave payments were \$1 million above the original estimates—making a final total of \$1 million underspent on those tied lines.

The second matter concerned underspending against specific budget items. The commission underspent \$1.7 million which had been allocated originally by the commission for specific items. The five major items were:

1. Underspending of the allocation for media campaigns by the commission's Health Promotion Unit, \$700 000.
2. Underspending of funds allocated for the establishment of the ISIS computing system, \$384 000.
3. Underspending of funds allocated to meet excesses on major insurance claims, \$220 000.
4. Underspending of funds allocated for a drug education program, \$115 000 which, of course, was carried over into the 1985-86 budget, so it was not lost to the Drug and Alcohol Services Council.
5. Deferral of the planned refurbishment of St Anthony's Hospital, \$133 000.

A further \$166 000 was underspent in a number of smaller amounts against other specifically funded items.

The third matter concerned the aggregate savings achieved by health units. Across the entire health system, a net aggregate total of \$800 000 savings was achieved by health units against their initial global allocations. The net total is made up of a large number of 'unders' and 'overs', and, because of the commission's global budgeting techniques, this total cannot be further broken down into separate items. I should add that this represents a very responsible and significant management achievement by all health system managers in containing costs within a health environment which currently contains a large number of cost pressures. These include the effects of the devaluation of the dollar, the increasing impact of medical technology, and certainly not least, the public's continuing expectations of our public hospital system.

The fourth matter concerns, at least under this Government, planned savings to meet the 1985-86 full-year costs of 1984-85 new initiatives. It is Government policy that departments and authorities that undertake new initiatives in any year must be able to meet the full year cost of those initiatives in the following year by reallocation of resources from within its budget. The commission commenced a number of new initiatives in 1984-85 which had a total 1984-85 cost of \$2.3 million.

The full-year cost of these initiatives in 1985-86 was estimated to be \$4 million. The commission was therefore required to make savings in 1984-85 of a further \$1.7 million to fund the full 1985-86 costs. The commission, in consultation with the Treasury, therefore agreed to set aside \$1.7 million of funds for new programs to meet these full year costs in 1985-86. I have a full listing of these initiatives for which the Hon. Mr Lucas asked, and I seek leave to have the table inserted in *Hansard* without my reading it.

Leave granted.

#### SCHEDULE OF NEW PROGRAMS

	1984-85 Cost	Full Year Cost	Carry- over Cost into 1985-86
	\$'000	\$'000	\$'000
Commissioning of an eighth operating theatre at FMC	285	484	199
Commissioning of ward 5B at FMC	380	767	387

Commissioning the <i>anorexia nervosa</i> unit at FMC	47	104	57
Development of pain clinic at FMC	105	323	218
Upgrading of accident/emergency services at Lyell McEwin	225	480	255
Lyell McEwin—settlement of industrial disputes about nurses carrying out non-nursing duties	277	369	92
Community based accommodation for the intellectually disabled	400	400	—
Expansion of dental services for pensioners and unemployed persons	250	500	250
Aboriginal Health Services:			
Establishment of Pika Wiya Health Service at Port Augusta	234	300	66
Employment of staff to work with the Aboriginal community in Port Augusta in tackling the alcohol problem	22	90	68
Appointment of Aboriginal liaison officers	22	132	110
Grant to Nganampa dental program	75	75	—
	2 322	4 024	1 702
		i.e. \$1.7m	

**The Hon. J.R. CORNWALL:** The Hon. Mr Lucas also asked for specific details of a reference on page 4 of my opening statement to the Estimates Committee to an amount of \$1.7 million in the carry-forward costs of 1983-84 new initiatives. I have to apologise for a typographical error in that statement which escaped attention at that time. The reference should, of course, have been to 1984-85, and the \$1.7 million referred to is the amount that I have just outlined.

Mr Lucas's second question related to points 6 and 7 on page 8 of my opening statement, which dealt respectively with additional funds of \$1.7 million made available in the commission's 1985-86 budget to meet the full-year costs of both 1984-85 new initiatives and underexpenditure on special items for which funds were provided in 1985-86. The figure relating to each of these two components is coincidentally the same and I sympathise with Mr Lucas in his difficulties in understanding these figures. The commission's financing is an extremely complex matter. I have explained both these amounts in my previous comments, and I trust that those explanations are sufficient.

Mr Lucas's third question related to the commission's receipts being \$7 million above budget. He wished to know the reason for this. The basic reason is that, at the time the budget was set, the expected impact of the introduction of Medicare on 1 February 1984 on the proportion of fee-paying patients was uncertain. Limited experience of the effects of Medicare at the time the budget was prepared for 1984-85 did not allow for accurate projections to be made. In the event, receipts were higher than expected, and the collection of pre-Medicare and compensable outstandings were also higher in 1984-85 than originally anticipated. I might add that the level of collections achieved by health units in 1984-85 was very satisfactory, and is another indication of the sound management practices being followed in the overwhelming majority of health units.

Mr Lucas's fourth question related to Commonwealth contributions being \$5.7 million above budget. Again, basically he wished to know the reasons for this. The major reason was increased compensation received under the Medicare agreement. As I have said, the initial estimates were based on limited knowledge of the Medicare impact. The Medicare agreement allows for the compensation payments to be revised half yearly in the light of the latest available data, and eventual compensation received under

the Medicare agreement was \$4.4 million above the original estimates.

Finally, Mr Lucas also wished to be provided with a breakdown of expenses for the Second Story. That, of course, is a question on notice, but I do have the figures available. The answer to the second trap question will be given next week.

*The Hon. R.I. Lucas interjecting:*

**The Hon. J.R. CORNWALL:** The question was too clever by half. The answer is 'No' in terms of myself, but I cannot give guarantees for every public servant in this State. I took it back and rephrased it. I have not given any specific guarantees regarding specific future funding. I have certainly given undertakings to the youth of Whyalla, Mount Gambier, and generally to the youth in South Australia, as well as to those of Elizabeth, where an exciting project is being developed, but it is up to them, in consultation with local communities, to tell us in the first instance what they think their needs are. As is the case at Salisbury, as will be the case at Noarlunga and Tea Tree Gully, and as is the case at The Second Story, those services will be designed to meet the needs as defined by the consumers in a very significant way.

**The Hon. L.H. Davis:** Did they define those needs for The Second Story? The answer is 'No'.

**The Hon. J.R. CORNWALL:** The Hon. Mr Davis cannot help himself in regard to The Second Story. He cannot help knocking. He cannot help himself in this Parliament. He sees himself as a competitor because he happens to be actively involved in another youth organisation—a voluntary youth organisation.

**The Hon. R.I. Lucas:** A very good one, too—an excellent one.

**The Hon. J.R. CORNWALL:** I will not comment on the excellence or otherwise of that voluntary youth organisation. The Second Story is additional—it is a new and positive approach.

*The Hon. L.H. Davis interjecting:*

**The Hon. J.R. CORNWALL:** No, the honourable member will not stir me. It is a new approach to adolescent health in this State. We have indeed been through a very long period of consultation, and that is continuing. As the services are developed at The Second Story, the consultation is continuing, needs are being addressed, and needs will continuously be met.

The Second Story will provide the basis on which we will network around the suburbs and around the State. We have an excellent and proud record in the area of adolescent health which, hitherto, has been seriously neglected in this State and country and, indeed, around the world. People believed, quite erroneously, that adolescence was a period of robust good health. We now know that in many cases that is not so and that it is a period of considerable trauma and stress, physically, physiologically and mentally.

We certainly know that, for example, the suicide rate is increasing at a quite disturbing rate, not only in the distant lands that we might read about but also on our own doorstep. We know that experimentation with substance abuse—whether it be alcohol, tobacco or illicit drugs—is increasing. We know, too, that the number of young people who go beyond experimentation into varying degrees of problems with substance abuse is on the increase.

I stand in my place very proudly concerning the additional funding that has been made available for these innovative health programs. This should be on the record: peddling of falsehoods, scuttlebutts and heinous lies by opponents of The Second Story will do them no good at all. The matter that I related to the Hon. Mr Davis across the Chamber a little while ago actually happened: it concerned a member of my family, and it was one of the most



heinous lies that I have heard in my life. However, I will take up the matter with the gentleman who peddled that falsehood—a friend of Mr Davis—personally at the appropriate time.

Incidentally, my only son, about whom the allegation is made, is a successful professional cartoonist. Honourable members may see his cartoons from time to time in the *Bulletin* and in Sydney daily newspapers. I assure the Hon. Mr Davis and his friend that my son is alive, well and prospering.

**The Hon. L.H. Davis:** I have no idea what you are talking about.

**The Hon. J.R. CORNWALL:** No; it is on the record so the honourable member can read it tomorrow, take it back to his friend and ask him about the allegations that he made to my daughter who was doing the adolescent health survey earlier this year. He will find out about it. As I said, at the appropriate time so will he.

With regard to The Second Story, in 1985-86 estimated salaries and wages will be \$187 000; goods and services (including rent) will be \$105 000; rent \$27 500; and the total will be \$320 000—not \$700 000, as the Opposition, including Mr Davis and Mr Lucas in particular, has been peddling about. The full year cost estimated for salaries and wages is \$208 000; goods and services (excluding rent) is \$109 000; rent is \$33 000; making the total budget for the full year \$350 000. In order to establish 700 square metres of excellent facilities on the second storey of the old Coles building, the capital expenditure was \$350 000.

Nothing of great moment was raised by the sundry Opposition spokespersons—the various shadow Ministers of Health who spoke on this matter. We have at least three in this Chamber and a couple in the other place. The Hon. Mr Lucas is, I suppose, the putative shadow Minister. The best he could do with an estimated budget of \$750 million for the financial year 1985-86 was to involve himself in a rather puerile tirade against me personally—continuing that perverted personal vendetta in which he has been engaged for the past two years. All he could manage was a rehash of allegations concerning the Salisbury drop in centre, again continuing his attack on adolescent health initiatives. He renewed his attack on me for ensuring that the 5 500 tobacco retail franchise outlets in this State were apprised by the Central Board of Health of their obligations under the legislation concerning the sale of tobacco and cigarettes to minors.

There had been complaints that they were not aware of the legislation. Of course, that was the legislation introduced in this place by the Hon. Mr Milne, supported by the Government, ultimately picked up by the Government in the House of Assembly and passed into law. We had had complaints that some retailers were not aware of their obligations under that Act, so we not only wrote to them but also enclosed appropriate signs. Incidentally, apart from the conflict of interest possibility concerning the signs that the Tobacco Institute had made available to the retailers, there is serious doubt that they comply with the law.

Again, I make no apology for trying, to the best of my ability as Minister of Health, somehow to stem the apparent epidemic of tobacco smoking among teenagers. The Hon. Mr Lucas talked about the central office. He did a rehash of the alleged profligacy of the central office. The fact is, as I told the Council on a previous occasion (and it is on record in *Hansard*), that the expansion in central office has been no accident. It was quite deliberately planned.

On that occasion, I specified the areas in which it has occurred. We now have approximately seven full-time equivalent employees in the office of the Women's Adviser. That has been one of the real success stories in the health area and of the Bannon Labor Government. I will not go

through it again: it is a matter of public knowledge that we were the first Government in Australia to appoint a Women's Health Adviser. That has been a spectacularly successful appointment.

We now have a network established around the State; it is a consultative mechanism from which the office of the Women's Adviser can continually learn about the gaps in the provision of health care for women. Again, I make it abundantly clear that we are not, and never have been since I have been Minister, in the business of providing parallel health services. We certainly do not go into areas in which there are adequate GP services and attempt to duplicate them. We do not do that with any of the health professions. It would be very bad management, it is ridiculously expensive and we have never done it—contrary to suggestions that have been made by our conservative opponents in their desperate knocking times.

However, we have very carefully documented the unmet needs of women in our society—whether it be in the southern, northern or western suburbs, or now, of course, in the provincial areas. Having defined those unmet needs, we then established services in order to meet them. I repeat: that has been one of the real success stories in the health area during the period of the first Bannon Government. Also, of course, we have actively developed equal opportunity policies within the health industry.

We have adopted and circulated a very clear policy on women and health that covers not only women as consumers of health services but also the very significant role that women play in the delivery of health services. They comprise 75 per cent of the health work force, so they are very significant indeed. For the first time, this Government—the first Bannon Government—has specifically taken note of that situation. We have moved actively to positively appoint women to executive and administrative officer positions wherever we have been able to find appropriate candidates.

Again, Mr Lucas had some words to say about the former Director of the Health Promotion Unit. That is also a matter of record, and I refer him to the Kerr White/Hicks Report.

*The Hon. R.I. Lucas interjecting:*

**The Hon. J.R. CORNWALL:** It is indeed. If the honourable member wants to get an accurate picture of what an administrative shambles there was in the Health Promotion Unit, I suggest that he read the Kerr White/Hicks Report. It is a public document which has been tabled in this place and which is freely available to him.

*The Hon. R.I. Lucas interjecting:*

**The Hon. J.R. CORNWALL:** I kept nothing from Professor Kerr White or Mr Hicks.

**An honourable member:** But you covered up.

**The ACTING PRESIDENT (Hon. G.L. Bruce):** Order! The honourable member will come to order and the Minister will be heard in silence.

**The Hon. J.R. CORNWALL:** Poor silly fellows! Thank you, Mr Acting President. I will take up one point, stimulated as I am by the inane interjections. The Hon. Mr Lucas has consistently alleged that I did not produce all books, papers and documents. Of course, that is a nonsense. Professor Kerr White and Mr Ron Hicks had access, to the best of my ability, to all the papers, books, documents and records that they asked for. There was a letter dated 19 November that came from an official of the World Health Organisation in Denmark. From recollection, it was stamped into my office some time after that but was not seen by me. I am sorry that the system does not work instantaneously in a busy office like mine. The young Mr Lucas has had no experience, of course, in a ministerial office. He has had some experience as a second rate researcher with a

second rate provincial political Party, but he has had no experience in a ministerial office. So I would say to him—

**The Hon. L.H. Davis:** The new look John Cornwall!

**The ACTING PRESIDENT:** Order! Honourable members cannot help themselves. The debate would progress much better without interjections of that ilk.

**The Hon. J.R. CORNWALL:** Inevitably, there can be a delay of at least days. Despite the fact that as Minister of Health in an enormously busy and complex portfolio I take home work every night of my life and every weekend, I have a prodigious workload, so it is hardly surprising that Professor Kerr White—

*The Hon. R.I. Lucas interjecting:*

**The Hon. J.R. CORNWALL:** Well, that is for others to judge. They do say that commonly.

**The Hon. L.H. Davis:** That is what you tell us.

**The Hon. J.R. CORNWALL:** No. There are many people who say it.

**The ACTING PRESIDENT:** Order! I hope that the Minister will carry on with his speech.

**The Hon. J.R. CORNWALL:** I think it is probably a matter of fact that I am the best Minister of Health that this State has seen, but it is not for me to say so. Let me digress just a little for one moment to say that members opposite, who continually try to stir me into some sort of flurry and seem to believe that health is an issue in the forthcoming election, cannot read their own survey material.

**The Hon. L.H. Davis:** What does your survey material tell you about you? Come on, tell us!

**The Hon. J.R. CORNWALL:** We do not pay good money for surveys and then tell the Opposition about them.

*The Hon. L.H. Davis interjecting:*

**The ACTING PRESIDENT:** Order! The debate would progress much better with fewer interjections.

**The Hon. J.R. CORNWALL:** Let me say that anyone who believes that health is a negative issue in the forthcoming election—

**The Hon. R.I. Lucas:** Not health—you.

**The Hon. J.R. CORNWALL:**—or that the Minister of Health is an issue in the forthcoming election except in the positive sense cannot read their own survey material. In that matter I am unable to help them. Perhaps honourable members should speak to members of the ministerial task force, which was established at my instigation and which has pointed the way in establishing a world class pediatric research institute, and ask them what they think of the Minister of Health. Perhaps they should talk to the chairmen of a number of boards of the hospitals or to some of the medical academics around town and ask them what they think of the Minister of Health.

**The Hon. R.I. Lucas:** We could go and talk to the country doctors or to Mr Jones.

**The Hon. J.R. CORNWALL:** I am not talking about second stringers, a minority of country doctors: I am talking about—

**The Hon. R.I. Lucas:** What about Mr Layther?

**The Hon. J.R. CORNWALL:** It is very disappointing for members opposite, I am sure, but the Queen Elizabeth Hospital role and function study has turned out to be a smashing success. Morale at the Queen Elizabeth Hospital has never been better, I can assure members opposite.

*The Hon. L.H. Davis interjecting:*

**The Hon. J.R. CORNWALL:** That is quite right. We have a full industrial democracy program going into place and a major role and function study, which has assured the future of the Queen Elizabeth Hospital as a major teaching hospital in this State. We will next embark on a master plan, having got the capital funding back to something like a reasonable level with great difficulty over three years,

having inherited a situation where capital works in 1982-83 amounted to \$11.7 million, a disastrous figure, with the fabric of our hospitals falling apart. However, we got that back to in excess of \$30 million with a little help from the Commonwealth, and we are now working on a five year program to ensure that, while we are in government over the next five years and beyond, the State will not live off artificial depreciation, that we will have a first class public hospital system and that there will not be the sort of slashing, axing and cutting that occurred for three difficult years during that strange bleep in South Australian political history called the Tonkin interregnum. We have a fabric—

**The Hon. L.H. Davis:** The Cornwall interruptus.

**The Hon. J.R. CORNWALL:** The Hon. Mr Davis is quite disgusting in his language. I hope that that is on the *Hansard* record.

*The Hon. R.I. Lucas interjecting:*

**The ACTING PRESIDENT:** Order!

**The Hon. J.R. CORNWALL:** That was not for the record. The Hon. Mr Davis knows very well whom I called a diseased maggot earlier.

**The ACTING PRESIDENT:** Order! Members will come to order. I suggest that the Minister ignore the interjections and address the topic before the Chair.

**The Hon. C.M. Hill:** And withdraw the words 'diseased maggot'.

**The Hon. J.R. CORNWALL:** With regard to that particular individual—

**The Hon. C.M. Hill:** I heard it.

**The Hon. J.R. CORNWALL:** I know you did, and I will tell the honourable member what that individual did. I have a daughter who was doing an adolescent health survey, and she approached a colleague of the Hon. Mr Davis.

**The Hon. R.I. Lucas:** For the *News*?

**The Hon. J.R. CORNWALL:** She was doing it for the Youth Affairs Council: it was a small contract that one of my student daughters was given. She approached this colleague and friend of the Hon. Mr Davis. He did not know her identity at the time, but he told her that I was a very strange fellow and off the planet, and that this had been caused principally because my son had died of a drug overdose. That is the sort of person with whom the Hon. Mr Davis associates.

**The Hon. L.H. Davis:** That is an outrageous allegation.

**The Hon. J.R. CORNWALL:** Nevertheless, it is true; my daughter told me quite recently. She was very cool about the matter at the time, but she revealed it to me recently. That was a quite disgraceful thing. That is the sort of person upon whom the Hon. Mr Davis relies for his information. As I told the Council informally a little earlier, I am very proud to say that the only son of my wife and I has never been involved with hard drugs in his life: he is alive and well in Sydney where he is a successful professional cartoonist. That is the sort of person with whom the Hon. Mr Davis associates and relies on for his information.

I refer now to AIDS and the questions that were asked by the Hon. Mr Lucas specifically, to which, I regret to say, answers were not provided earlier. It is a matter of some moment, so I take this opportunity to read into the record some of the replies.

Screening tests for HTLV-III antibodies are used in two laboratories in South Australia. The Red Cross Blood Transfusion Service uses ENI kits to test all donated blood, and the IMVS uses Abbott kits in the main to screen specimens from all other sources. The IMVS acts as the State virology reference laboratory using a radio-immuno precipitation test and if necessary a western blot test to confirm the positivity of specimens selected by the screening kits.

With over 50 000 units of blood screened by the Blood Transfusion Service to date in South Australia only 25

appeared to be positive and all have been confirmed negative in subsequent testing by the IMVS. With time, this false positive rate is decreasing, possibly due to improvements in the kits. There have been 350 000 units of blood screened in Australia and 10 have been confirmed as positive, five of them coming up from 'high risk' individuals.

Australian and USA experience with these tests show that the Australian donor positive rate is markedly lower than that in the USA and that the National Reference Laboratory at Fairfield Hospital believes the 'blood transfusion service was now very well protected and the community can be assured that the blood transfusion service is safe'.

Information from the National Reference Laboratory for AIDS virology at Fairfield Hospital, Melbourne, is that in a panel of 100 high risk persons with positive HTLV-III cultures, all but two are antibody positive using the screening tests.

Because these persons are not now donating blood the chance of a contaminated unit of blood escaping detection in Australia is estimated at about one in two million. Improvements in test performance will further decrease such a risk, and it is policy for the Blood Transfusion Service to use 'state of the art' laboratory methods.

Culturing for HTLV-III specimens that have been confirmed as antibody positive has produced positive results in 60 per cent of cases. Thus, it is almost certain that not all antibody positive subjects are 'infectious'. Further advances in estimating the infectious risk of individuals will require the ability to culture the virus, and proposals for this have been lodged by the IMVS.

It is interesting to note that Dr Gallo, the American who discovered the AIDS virus, will be in Adelaide soon and will be present at the official opening of the new Immunology Division at the IMVS. That division will be at the forefront of AIDS research in this country.

**The Hon. R.I. Lucas:** Does that say that the false negatives are one in two million?

**The Hon. J.R. CORNWALL:** The Hon. Mr Lucas can read *Hansard* tomorrow. He is a little slow on the uptake. If he has any further questions, I will be delighted to answer them next week. I could go on at substantial length, but I believe I have covered the matters that have been the subject of legitimate query during the budget debate in this place. At this stage, I believe I can do no better than support the second reading.

**The Hon. C.J. SUMNER (Attorney-General):** In concluding the debate on the Appropriation Bill, I reiterate that this is a budget for sustaining the economic growth of this State, growth which has been promoted by Federal and State Government policies during the past two years. It involves a restraint in fees and charges, as a major theme, a restraint which has been achieved in a balanced budget. It is a budget of relatively low increases in tax revenue, and that tax revenue is likely to be less than the rate of inflation. This low tax increase reflects the package of tax concessions already announced by the Premier.

Restraint in taxes, fees and charges has been made possible by the strong growth in other recurrent revenues (16 per cent). In part, this reflects a very large increase in the return to the Government of the profits of the State borrowing authority (SAFA) and from the State Bank contribution. Overall, recurrent revenues are projected to increase by 9.3 per cent. On the spending side, there will be significant savings. The general provision for departmental spending on goods and services (other than wages, salaries and grants) is projected to increase by only 5 per cent in 1985-86. This implies considerable belt tightening in the operation departments.

However, the budget provides for an increase in capital spending of 18 per cent, which is a reasonable increase in real terms and is designed to strengthen the State's infrastructure and sustain the regional economy. The contribution of the budget and that capital spending to the regional economy of South Australia has been made clear in the financial statement.

In summary, the budget has continued to seek the basic financial objectives that were laid down when the Bannon Government came to office, including the reduction of the accumulated deficit and the reduction and, if possible, the elimination, of the long established practice of using capital funds to offset recurrent deficits.

I am pleased to say that we have achieved the latter, as has been pointed out in this debate. After three years of Tonkin Government deficit funding of recurrent expenditure by borrowed funds, the first two years of the Bannon Government reduced that reliance on capital funds for recurrent expenditure, and has now completely eliminated it. Furthermore, we have gone some way towards a reduction in the accumulated deficit. We will go further to reduce the accumulated deficit if the budget this year turns out to be stronger than is presently planned.

Overall, this budget—and I do not think this can be denied—will have a positive impact on the economy, employment, and the standard of services that can be provided to the community. Members opposite seem insistent on condemning and criticising the Government, the Premier and the State on all terms, issues and points. They are rarely constructive and almost invariably destructive, as I pointed out earlier this afternoon. The attitude of members opposite over the past six to eight months has been one of continual attempts to destroy the State's economic position and to knock the Government and Premier by continual criticism. They continue to do it, Mr President—and I think this is probably the disturbing part about it—in the face of the facts that are well known to them.

It is interesting to note that the half yearly report on the South Australian Economy from the Centre for South Australian Economic Studies (a joint centre of the University of Adelaide and the Flinders University of South Australia) had this to say about the State budget:

Premier Bannon's budget is a typical election year budget which benefits from growth in revenues induced by economic growth and increased property prices. Despite an increase in deficit spending providing some stimulus to local activity—

which I have mentioned—

the State is still a low deficit State.

One would have thought from the contribution of members in another place and in this place during this debate that they are arguing that somehow or other this Government has been responsible for running high deficits. The conclusion of the Centre for South Australian Economic Studies states:

Also, despite recent tax revenue gains, the State is still relatively low on the tax take stakes.

Again, that is an independent assessment which flies in the face of accusations made in this debate.

**The Hon. L.H. Davis:** Does it discuss the position now, as against two years ago?

**The Hon. C.J. SUMNER:** While members wish to know about this issue, the ABS assessment of per capita State taxes, fees and fines, although it is difficult to make comparisons in this area, puts South Australia in 1984-85 estimates as the third lowest per capita State.

*The Hon. L.H. Davis interjecting:*

**The Hon. C.J. SUMNER:** That is not true. At no stage in South Australia—

**The Hon. L.H. Davis:** What is the relative position as opposed to three years ago?

**The Hon. C.J. SUMNER:** Just a minute. My recollection of the situation, which is likely to be good, is that over the whole period, if one goes back through the seventies to the present time, that relative position has remained roughly the same.

*The Hon. L.H. Davis interjecting:*

**The Hon. C.J. SUMNER:** That is not the position. I merely indicate that South Australia, as far as per capital taxation is concerned, is behind New South Wales, Victoria and Western Australia and is ahead of Queensland and Tasmania. That is the situation and, as I recall it, has been the situation for a good number of years, certainly during most of the 1970s, so that should give the lie to the accusations that somehow or other South Australia is a high tax State. I will not canvass the arguments that have been so often put in relation to how the Tonkin Government was able to reduce taxes. Members opposite are fully aware of how they were able to—

*Members interjecting:*

**The ACTING PRESIDENT (Hon. G.L. Bruce):** Order!

**The Hon. C.J. SUMNER:** Members opposite say that under the Tonkin Government there were some tax concessions in relation to succession duties, and that is quite right. What it forgot to do was find some other means of paying for its expenditure, so in every year of the Tonkin Government it turned a surplus of \$15 million in the last year of the Corcoran Government into a deficit, in round figures, of \$50 million for each year of the Tonkin Government. That fact has been admitted by the Hon. Mr DeGaris in this Chamber on a number of occasions. It is a pity that other members do not seem to be able to accept the facts. Treasurer Tonkin paid for his so-called tax cuts by shifting money from capital funds to recurrent expenditure to the tune—

*The Hon. L.H. Davis interjecting:*

**The Hon. C.J. SUMNER:** It was never done in the Dunstan years.

**The Hon. R.I. Lucas:** Yes it was—\$6 million by the Corcoran Government.

**The Hon. C.J. SUMNER:** No, it was not done—that is not correct.

**The Hon. R.I. Lucas:** Your memory is defective again.

**The Hon. C.J. SUMNER:** My memory is very, very good.

**The Hon. R.I. Lucas:** You're not an economist.

**The Hon. C.J. SUMNER:** I do not need to be an economist to know a good deal more about it than the Hon. Mr Lucas.

**The Hon. R.I. Lucas:** You're not a bad lawyer, but you're a hopeless economist.

**The ACTING PRESIDENT:** The honourable member will come to order. I think that the Attorney-General should ignore interjections.

**The Hon. C.J. SUMNER:** Irrespective of your advice, Sir, I do not intend to ignore the interjections. I will ignore your advice and certainly will not ignore the interjections. Members opposite have said that the shift from capital funds to recurrent was done under the Dunstan Government. That is not correct, except in a very limited way. The Playford Government did it in one year to a very limited extent and it was picked up immediately the year after. I believe that the Dunstan Government did it on one occasion.

**The Hon. R.I. Lucas:** That is what we said.

**The Hon. C.J. SUMNER:** Just a minute. It was something like \$500 000. It was picked up immediately the next year. There was never any sustained transfer of capital funds.

**The Hon. R.I. Lucas:** We didn't say 'sustained'.

**The Hon. C.J. SUMNER:** Members are playing with words. The fact is that it did not occur. They can go back and examine the figures, but it did not occur on a sustained

basis. Throughout the whole of the Playford and Dunstan era there were one or two isolated occasions that were picked up in the following year. That is a fact—that is the record. The honourable member can be abusive if he likes—

**The Hon. R.I. Lucas:** No, we agree with that.

**The Hon. C.J. SUMNER:** He has changed his tune and I am very pleased to see that he has changed it. Over the past five minutes he has obviously developed a little economic expertise. In three years, \$150 million was sustained and no attempt was made to recover it at any stage of the proceedings. It was not done during the Playford or Dunstan years, except in very exceptional circumstances that were picked up in the next year.

I will return now to the report of the Centre for South Australian Economic Studies. With respect to the labour market, employment increased by 2.4 per cent nationally in the year to August and by even more in the State. Female employment growth significantly exceeded that of males. Construction, community services, recreation and manufacturing provided much of the growth, which for South Australia was largely in the private sector. The leading indicators of job vacancies and overtime look healthy, so in an independent report two of the Opposition's principal attacks in the budget debate that somehow or other we are a high tax State are destroyed. We are not. Secondly—

**The Hon. L.H. Davis:** In the first two years of your Government State taxation increased at triple the rate of inflation. There is no other State in South Australia that got close to that.

**The Hon. C.J. SUMNER:** Perhaps the honourable member would like to read the report of the Centre for South Australian Economic Studies. It further states:

Despite recent tax revenue gains, the State is still relatively low in the tax take stakes.

Despite accusations from members opposite that all the growth in the labour market has been in the public sector and not in the private sector, the report states that for South Australia employment was largely in the private sector. It again gives the lie to the continual depressing and knocking statements that are made by members opposite.

As usual, one of the few serious contributions to the debate was that of the Hon. Mr DeGaris, and I will attempt to answer some of his questions. The Hon. Mr DeGaris made the following comment:

The increase over three budgets of this Government in relation to taxation in this State amounts to 55.2 per cent.

That is not correct. The Hon. Mr DeGaris further state:

The Government's decision on taxation will see an anticipated growth in net tax take of 9.2 per cent between 1982-83 and 1985-86 compared with the figure of 55.2 per cent quoted. The balance of the increase in taxation revenues of some 46 per cent reflects the continued improvement of the State's economy over that period.

In other words, the increase, as a result of direct Government decisions, was 9.2 per cent. The balance is as a result of general increased economic activity, so it is just not valid to take the point, as the honourable member has done, without analysing it in the way that I have. Again, he made the following statement relating to land tax increases:

The dramatic increase in land values between 1983-84 and 1984-85, which reflects the boom in the real estate market in this State, would have resulted in an increase in land tax receipts between 1984-85 and 1985-86 of 38.6 per cent if it were not for the Government's tax relief package.

In other words, the Government's tax relief package has brought what would have been an increase in land tax of 38.6 per cent back to the increase that the honourable member has alleged of 14.5 per cent. The increase in land tax is 14.5 per cent higher than the previous budget and is almost double the predicted CPI increase. Had no tax concessions been given in land tax, the increase as a result

of the increased economic activity, and therefore the increase in land values (and that is what has caused it, and therefore the people who have land are receiving a benefit from that increase), had the tax concessions not been provided, would have been 38.6 per cent. There has been a substantial concession by the Government so far as land tax is concerned.

The other comment made by the Hon. Mr DeGaris was that the 1984-85 budget line for rises in wages and prices was about \$50 million, that the 1985-86 figure almost doubles that line to \$91.6 million and that clearly this line will be in excess by at least \$20 million. The major reason for the large difference in this line in the two periods mentioned is that the different level of national wage rises expected reflected different rates of increase in the CPI. In April 1984-85 the only increase expected was of the order of 3 per cent with about six pay periods remaining in the year. In 1985-86 larger increases are expected in both October 1985 and April 1986: the excess of at least \$20 million suggested by the honourable member is not expected.

In respect to his comments on superannuation, the Government's commitment in this area has not changed. We have simply introduced cross-charging to better reflect the cost of superannuation programs in Government departments. The honourable member alleges that it was clearly the intention of the 1984-85 budget to underspend the Capital Account in case of a recurrent budget shortfall. This was never the Government's intention and the member has not been able to support his claim. It is recognised that capital programs often have a tendency to be underspent, particularly in periods when the building and construction industries are busy. Nevertheless, the 1984-85 capital budget was achieved.

At the same time, the Government has been concerned about expenditure control and has implemented more rigorous budget monitoring procedures, which have contributed to the State's improved financial performance. The honourable member also had another question, which he repeated yesterday in the debate related to the cash and investment holdings of the Government. The Hon. Mr DeGaris sought guidance on the source of the information used by the Premier in relation to the Government's cash and investment holdings. Information is derived entirely from statement C in the Auditor-General's Report, supplemented by further detailed information, contained in attachment E. As the honourable member has discovered, the collation of an aggregate figure of cash and investment holdings from previously published material, including the Auditor-General's Report, is not straightforward.

As the Premier foreshadowed, Treasury has now published a comprehensive paper on the whole subject of the State's net indebtedness which will cover the public sector's cash and investment holdings so that the matter will be clearer to members of the general public. The specific issue raised by the honourable member, namely, the composition of the public sector's cash and investment holdings and the proportion of debt and investments that are held overseas, is dealt with in attachment E of the document, 'Trends in the Indebtedness of the South Australian Public Sector, 1950-85', which I can make available to the honourable member if he has not already seen it, and in the SAFA annual report, page 16, and the balance sheet, page 25.

**The Hon. R.C. DeGaris:** When was it published?

**The Hon. C.J. SUMNER:** Just recently: September 1985.

**The Hon. R.C. DeGaris:** September the what?

**The Hon. C.J. SUMNER:** It has not got a date; it is just September—last month.

**The Hon. R.C. DeGaris:** It could be 1 September.

**The Hon. C.J. SUMNER:** I do not know when it came out. Usually, these things do not come out on the first.

**The Hon. B.A. Chatterton:** About two weeks ago.

**The Hon. C.J. SUMNER:** It was about two weeks ago, the Hon. Mr Chatterton says. In any event, I am happy to give the honourable member these two documents: 'Trends in the Indebtedness of the South Australian Public Sector, 1950-85' and the third annual report of SAFA. If he combines those documents he will be provided with an answer to his question.

**The Hon. R.C. DeGaris:** I have read the SAFA report but could not find the answer there.

**The Hon. C.J. SUMNER:** If the honourable member is not happy, having studied my explanation and perused the informative document produced by the Premier—I understand, for the first time in this State—and if he is still in difficulty with the issue, I will be happy to obtain further information for him or make the Treasury officers available to provide the information on an informal basis.

**The Hon. R.C. DeGaris:** Would the Committee report progress until Tuesday so that I can ask the question then?

**The Hon. C.J. SUMNER:** No. The honourable member can ask it in Committee today. I have nothing to hide; I am very happy for matters to proceed.

**The Hon. C.M. Hill:** Have you answers to my questions on the community arts?

**The Hon. C.J. SUMNER:** Yes, there are some answers to the questions on community arts. If the honourable member wishes to keep calm for a little while—

**The Hon. C.M. Hill:** I am perfectly calm.

**The Hon. C.J. SUMNER:** Right, then I will provide an answer on the arts. Overall, the level of arts funding (excluding capital works) for the 1985-86 period is up on the figure for the previous year by nearly \$4 million (\$31.469 million in 1985-86 compared with \$26.74 million in 1984-85). Direct support for arts organisations in 1985-86 (that is, those organisations outside of the formal structure of the Department for the Arts, such as the Art Gallery, Museum, etc.) amounts to \$21.55 million, which represents a 10.57 per cent increase on the previous year's funding—very substantial. Most of this increase is in accord with long-standing Government arts policy commitments: to restore funding to the Government Film Committee, an increase of \$150 000 in this financial period; to bolster support to the SA film industry (setting up of the SA Film Financing Fund to aid independent film producers), \$710 000; and a number of smaller initiatives which flow from the Government's overall commitment to increase work opportunities for South Australian professional artists and to bolster new initiatives in the arts industry generally.

Though the relevant analysis has not been done for this financial period, the figures relating to State per capita funding for the previous year will largely hold true. The following figures are for the honourable member's information, and I am sure that he, as shadow Minister for the Arts, will be interested in them.

State funding per capita

	\$
S.A. ....	11.52
N.S.W. ....	2.77
Vic. ....	1.46
W.A. ....	2.50
Qld ....	1.97

They are astonishing figures in terms of per capita funds for the arts: \$11.52 per capita in South Australia, compared with an amount for the nearest State of \$2.77. If that is not a substantial Government commitment to the arts, I do not know what is.

Turning to the area that the honourable member has raised—community arts and community theatre—organisations and projects in this area have in nearly all instances been developed from nothing to a position where a great number of them have reasonable guarantees of continuing

Government funding through so-called line funding. Many of the community arts organisations are now into line funding as a result of their development: for instance, the Crafts Council received \$29 750 in 1984-85 and will receive \$37 000 in 1985-86, a substantial increase. ACT received \$35 600 in 1984-85 and will receive \$49 000 in 1985-86. The honourable member mentioned the 'Focus Fringe' and yelled at me yesterday, 'What about it?' Here it is: Focus received \$32 200 in 1984-85 and will receive \$85 000 in 1985-86. Mainstreet received \$30 000 in 1984-85 and will receive \$60 000 in 1985-86, which is almost double. Junction Theatre received \$100 000 in 1984-85 and will receive \$104 000 in 1985-86.

The next figure is a very interesting one in light of the honourable member's criticism about the community arts because it shows that community arts officers received \$128 770 in 1984-85 and will receive \$152 000 in 1985-86. They are very substantial increases. The total program support for this area is \$787 000 in the 1985-86 period, compared with \$653 502 in the previous year.

*The Hon. B.A. Chatterton interjecting:*

**The Hon. C.J. SUMNER:** I am not sure what the honourable member is on about.

**The Hon. C.M. Hill:** I was supporting those who were clamouring in the Premier's office last Wednesday morning.

**The Hon. C.J. SUMNER:** Look at that substantial increase! Does the honourable member want me to read them again? The Government receives requests for assistance totalling many times the amount available for disbursement, despite the most generous State Government funding for the arts in Australia.

The role of a professional body like the department's advisory committee is to recommend to Government overall funding levels, based on principles of artistic merit and community need. A continuing part of this process is monitoring changes in artistic worth and need. Fine tuning and adjustments across all areas are a normal part of this process. This applies to all organisations, both large and small. A radical step, which is the long-term aim of freeing up more funds for new initiatives, was announced by the Government in 1984. This is so-called 'plateau funding' for major arts organisations in receipt of grants of over \$1 million. The honourable member knows about that.

The community arts area has been expanding rapidly over the past decade, and in recognition of its rightful place in this area, the South Australian Government has supported most, if not all, the major developments that have been undertaken. To name a few that it has supported: the creation of a network of community arts officers, servicing a good deal of the metropolitan area and nearly all the regional areas of South Australia; two community theatre companies have been brought into existence in the past three years, from a funding base of zero to the position where they now receive \$165 000 of State arts expenditure; and a network of community radio stations has developed from one in 1975 to seven in 1985. They now cover all the metropolitan area and a large section of the regional areas of the State. Expenditure in this area totalled \$73 000 in the last financial year.

The only way that the Government could possibly accommodate the ever larger demands placed on it would be by dramatically winding down many of the existing companies and organisations, which have either a well defined base of community support through the box office and whatever, or the capacity to generate large amounts of income through entrepreneurial commercial activities. I refer to the South Australian Film Corporation, not to mention substantial sponsorships and corporate support.

The Government's arts policy recognises the need to achieve a balance between all areas of need as well as

recognising artistic merit and community need, and it is cognisant of the need to establish a firm economic base for the arts industry in South Australia. The linking of arts expenditure with related areas of economic activity, such as the tourist and recreation industries, is vital in the long-term process of establishing a viable and secure base for the arts industry in South Australia. I trust that that comprehensively answers the honourable member's questions.

*The Hon. C.M. Hill interjecting:*

**The Hon. C.J. SUMNER:** I have just mentioned to the honourable member that funding increases in the budget are very substantial in the arts area.

**The Hon. C.M. Hill:** You have to be big to benefit; if you are small you get cut in half.

**The Hon. C.J. SUMNER:** It is not as simple as that. I have just mentioned the large number of community activities, involving the Crafts Council, Focus, Mainstreet, etc., which have received substantial increases in their funding.

In relation to other issues: the Hon. Mr Cameron raised a furphy, which I have already partly answered. He said that we have seen a very interesting change in the public sector employment level, an increase by 6 130 persons—the equivalent of \$102 million. He said that public sector employment had risen by 6.4 per cent, whereas other employment areas had increased by 3.4 per cent. This is quite misleading: to use persons to measure the growth in public sector employment from 1982 to 1985 is meaningless, because that does not accurately reflect the actual increase in employment or salary costs.

In addition, because the colleges of advanced education have reported only full-time equivalent terms until June 1985, the figure of an increase of 6 130 persons employed from 1982 to 1985 is inaccurate. After adjusting for the changes in accounting in CAEs, the increase is in the order of 5 548 persons. This is demonstrated in the employment aspects of the budget at page 12. That is not the point. The point is that the correct basis for comparing the increase in public sector employment from June 1982 to June 1985 is full-time equivalents.

However, with scant regard for the facts, the Opposition blithely makes an assessment of it as being an increase in people employed. Members opposite do not take into account the fact that many of those persons are in part-time employment. If full-time equivalents are considered, the resultant figure is nothing like an increase of over 6 000 people employed in the public sector, as alleged by the Opposition. However, the Opposition insists on alleging that and it is inaccurate.

As I said at the beginning of my speech, the Opposition will use the figures in whatever way it suits it with scant regard for the true situation. The increase in full-time equivalents in the past three years has been 2 753, or an increase of 3 per cent, with private sector employment growth in the same period being 3.4 per cent. As I have said, if members want any confirmation of that situation, I refer again to the half-yearly report of the Centre for South Australian Economic Studies which states:

Construction, community services, recreation and manufacturing provided much of the growth which for South Australia was largely in the private sector.

So, I am at a loss to understand where the Hon. Mr Cameron gets his figures from. The other point made by the Hon. Mr Cameron, which I have also partly dealt with, concerned the question of taxation. As I have said before, the Government came into office to find the State's finances in total disarray. To rectify the situation and avoid the past practice adopted by the former Liberal Government of transferring huge sums of capital funds to balance recurrent deficits, the present Government introduced the minimum increases it genuinely believed would restore a balanced

budget in future years. Of course, the growth in tax collections since 1982-83 reflects this process of rectifying the States finances, but it is principally attributable to continued growth in this State's economy, enjoyed during the present Government's term of office.

Comments regarding land tax are pointless. In relation to land tax, the present Government has provided tax relief to the maximum number of taxpayers, having regard to the State's finances. The result is that there will be a dramatic reduction in the number of taxpayers who constitute smaller landholders, and those remaining will be, by definition, larger landholders whose tax bill would have been higher than those exempted, in any event.

With respect to ETSA, the Hon. Mr Cameron made a completely erroneous assertion. He asserted that the Labor Government had reintroduced the tax on ETSA. That is completely wrong. The former Liberal Government did not abolish it, and we certainly did not reintroduce it. The member may have been referring to the State tax on SAGASCO revenues. The 5 per cent levy under the Gas Act was not abolished in the first instance: rather, the former Liberal Government agreed to remit half the licence fee paid by SAGASCO in 1981-82 and relieve it of the burden of paying the licence fee in 1982-83, at a cost of \$4.1 million to the Government in 1982-83.

That action was taken to reduce the extent to which dramatically increased prices for gas paid by SAGASCO would be passed on to consumers. There was no reintroduction by the Government of a tax that had been removed by the Liberal Government in relation to ETSA. ETSA did not figure in that respect. If the honourable member was talking about SAGASCO revenues, I point out that the Liberal Government agreed to a temporary remittance of licence fees—but the licence fee was not abolished. Once again, the Hon. Mr Cameron is not accurate in his assertions.

The Hon. Mr Cameron also made some comments about interest rates. I do not intend to canvass all the issues relating to this matter. Suffice to say that interest rate movements are, to a considerable extent, beyond the control of the South Australian Government. The Government, by requests to the State Bank, has attempted to freeze any further increase in State Bank interest rates for the market rates at which the bank lends money, in order to make more money available to South Australians. They have been frozen. There has been some support for some building society interest rates, and, of course, the great majority of those who obtain home loans from banks still have their interest rate pegged at 13.5 per cent.

The relief that the Government offered was to suggest to the State Bank a freeze on any further increase in interest rates by the State Bank. That was agreed to. Also, some subsidy and support was given to building societies to get over the current difficulties with interest rate increases.

I also assert that the Government is opposed to the deregulation of housing loan interest rates. We consider that in an environment where the profits of the national banks are amongst the highest in the world in relative terms, and where these banks hold large sums in accounts bearing little or no interest, there is an obligation on their part to provide funds for housing at affordable interest rates. It is worth while recognising that the official policy of the Liberal Party is for deregulation of interest rates. Mr Howard has asserted that on a number of occasions and, although I understand from an interjection yesterday that honourable members denied that it was Mr Olsen's policy that, no doubt, is being done without the approval of the Federal Opposition. Of course, it is a matter within the hands of the federal authorities in any event.

With respect to employment growth, South Australia's growth over the past year has exceeded the national growth rate. About 20 000 new jobs were created in South Australia between September 1984 and September 1985. That represents a 3.6 per cent employment growth in South Australia compared with a 3.2 per cent growth rate nationally. Unemployment fell from 10 per cent in September 1984 to 8.9 per cent last month—again our drop in unemployment over the year was greater than the national average: 9.2 per cent in South Australia compared with 5.4 per cent nationally. Unemployment is still too high, but economic activity generated in this State over the past couple of years has certainly improved the employment position to some extent.

I could mention a number of other matters with respect to the general state of the South Australian economy, but I do not think that any objective observer could be critical or could deny the fact that at the present time there is much greater economic activity in South Australia. In fact, I would consider that such activity has not been seen in this State for over a decade. Certainly, the amount of economic activity that has been promoted by the Government is a matter of deliberate policy of the State Government's cooperation with the private sector, which has produced benefits and which will continue to produce benefits for South Australians.

The Government has adopted an aggressive entrepreneurial approach to economic development in such matters as the State Bank amalgamation, the attracting of the head office of one of the overseas banks to South Australia (the Standard Chartered Bank) and the aggressive approach to obtaining submarine contracts for construction in South Australia. The aggressive approach the Premier has adopted was able to secure the Grand Prix and the ASER project, largely as a result of Government policies and the Premier's expertise in negotiating and selling South Australia to people overseas. The Porter Bay project in Port Lincoln is a positive incentive to tourism in South Australia, and the Small Business Corporation is another.

So, most of the recent economic indicators in this State are much better than they were three years ago. Anyone who was here and who recalls the situation in this State three years ago when the Tonkin Government was in power will know that we were in the depths of despair and depression, with economic activity dramatically falling off in South Australia. I believe that as a result of some economic improvement in the national economy and also as a result of positive Government policies at the federal and State levels, that gloom and depression of three years ago has been thrown off. The Government, with John Bannon as Premier, has aggressively gone out and sold in an entrepreneurial way the benefits of South Australia in a fashion unprecedented over the past 10 years.

No doubt exists that the Government deserves and will get substantial credit for that improved economic performance in South Australia for the effort the Premier and the Government have put into putting South Australia on the map, providing opportunities for South Australians and providing the capacity for a sound basis for further economic growth and prosperity in this State.

I thank honourable members for their contributions. I believe that I have answered most of the specific comments that have been raised. In respect to general issues, I can only condemn the Opposition for what is seen by the public as continual carping criticism and negativism about South Australia when it knows, on any objective analysis of the facts, that there has been a substantial improvement in economic activity and growth in South Australia.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Issue, payment and appropriation of money.'

**The Hon. R.C. DeGARIS:** I wish to ask a rather odd question of the Attorney-General. Will he accept an amendment to clause 4 on the basis that the Government has now taken another \$3 million to subsidise building societies, which is not a line on the budget at all or is it going to come out of the excess of \$90 million-odd that I spoke of in the first place?

**The Hon. C.J. SUMNER:** Part of the rationale for the Government's move in respect to building society interest rates was to ensure that consumer confidence was not damaged in South Australia, with the people experiencing pressure from interest rates, after having built their first home on the basis of a certain interest rate level. The Government did not want to see that confidence destroyed and therefore made a move to subsidise, for the time being, the interest rates of certain building societies. The fact that there will not be a downturn in consumer confidence, and the fact that the economy of the State is still in good shape—certainly in much better shape than it was three years ago—means that, with that economic activity, there should be a capacity for the Government to have funds to make that subsidy to building societies. Precisely where it comes in line terms is something for which we will have to wait till the end of the financial year. No doubt it will be reported next year in the budget papers.

**The Hon. R.C. DeGARIS:** When the Hon. Martin Cameron spoke he referred to one matter and I did not quite understand what he meant. The Attorney-General may like to comment.

**The Hon. C.J. Sumner:** Who didn't you understand?

**The Hon. R.C. DeGARIS:** The Hon. Martin Cameron when he spoke about the question about loan funds being totally allocated to housing to get the lower interest rate.

The statutory authority money coming into the budget was in excess of the amount transferred from loan funds to housing. The honourable member pointed out that that would be his one way of adopting capital to Revenue Account. The Attorney-General did not reply to that matter raised by the Hon. Martin Cameron. I would like him to look at it and tell me what it means.

**The Hon. C.J. SUMNER:** The Hon. Mr Cameron seems to have confused everyone, including the Hon. Mr DeGaris, whom I recognise as something of an expert in this area. It is a pity that the honourable member has confused the Hon. Mr DeGaris and Treasury officials with his statement, because they are not sure what he is talking about.

**The Hon. R.C. DeGARIS:** In relation to the question of loan funds, is it a fact, in relation to the amount allocated to housing, that the amount to be taken up in some other form should be the same as the amount transferred to housing?

**The Hon. C.J. SUMNER:** I am advised that it does not have to be the same, but if the honourable member would like to put his question on notice I will get a reply.

**The Hon. R.C. DeGARIS:** I know the answer; I thought the Minister might like to know what it is.

**The Hon. C.J. SUMNER:** It seems that everyone is confused except the Hon. Mr DeGaris, who might perhaps like to provide Treasury officials with the answer.

Clause passed.

Remaining clauses (5 to 11), schedules and title passed.

Bill read a third time and passed.

#### ADJOURNMENT

At 4.55 p.m. the Council adjourned until Tuesday 22 October at 2.15 p.m.