LEGISLATIVE COUNCIL

Thursday 7 November 1985

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

GOVERNMENT MANAGEMENT AND EMPLOYMENT BILL

The Hon. C.J. SUMNER (Attorney-General): I move:

That Standing Orders be so far suspended as to enable the conference on the Bill to be continued during the sitting of the Council.

Motion carried.

PARLIAMENT (JOINT SERVICES) BILL

At 2.17 p.m. the following recommendations of the conference were reported to the Council:

As to amendment No. 1:

That the House of Assembly no longer insist on its disagreement to this amendment.

As to amendments No. 2 and 6:

That the Legislative Council no longer insist on these amendments, but make in lieu thereof the following amendments to the Bill:

Clause 7, page 4—

After line 38—Insert new paragraph as follows:

'*(ba)* the Catering Division;'

Page 5—

After line 2—Insert new paragraph as follows:

'*(ba)* in relation to the Catering Division—the Catering Manager shall be the chief officer;'

Lines 3 and 4—Leave out 'the secretary to the Committee' and insert 'the person for the time being acting as secretary to the Committee'.

Clause 26, page 15—

Lines 7 and 8—Leave out all words in these lines and insert:

'*(e)* the Catering Manager; and

(f) the chief officer of the Joint Services Division.'

Line 13—Leave out 'Three' and insert 'Four'.

and that the House of Assembly agree thereto.

As to amendments Nos 3, 4, 5, 8 and 9:

That the Legislative Council no longer insist on these amendments.

Consideration in Committee of the recommendations of the conference:

The Hon. C.J. SUMNER: I move:

That the recommendations of the conference be agreed to.

This matter has had a particularly long and somewhat eventful history. However, it appears that it is now entering the final stages after some five years of consideration by Parliament, including almost three years of consideration by a Joint Select Committee of Parliament and the passage of this Bill in the past few months.

The Hon. K.L. Milne: It was the nice way you spoke to us at the conference which did it.

The Hon. C.J. SUMNER: I appreciate the tribute that the Hon. Mr Milne has paid to my role in this important conference. I am pleased that I was able to play a small part in bringing the parties together, and producing such an amicable result after five years of acrimony and dispute in Parliament on this matter. The critical thing from the Council's point of view is that the House of Assembly has agreed that it will no longer insist on its disagreement to amendment No. 1, which provides that the Secretary to the Joint Services Committee shall be the Clerk of the House from which the Presiding Officer comes at any particular time, or a person nominated by that Clerk. The Legislative Council was very concerned about that amendment and we now have acceptance by the House of Assembly.

With respect to the disagreement over the application of equal opportunity legislation and labour legislation, the end result was that the Council did not insist on its amendments and that the recommendations from the Joint Select Committee will proceed, that is, that there will need to be agreement of both the President and the Speaker for there to be inspections and intervention by officers concerned with the enforcement and administration of that legislation should there be a complaint about any breach of that legislation by someone employed by Parliament. That is really not a great deal different from the Council's proposition, which was that there should not be any waiving of the privileges of Parliament except by a resolution of both Houses of Parliament.

Of course, it is clear that each House of Parliament has the right to instruct its Presiding Officer as to how he or she should exercise their functions with respect to the permitting of inquiries in Parliament following complaints about breaches of labour legislation, industrial legislation or equal opportunity legislation. I do not believe that the position finally adopted is to any great extent different from that which the Council insisted on and, as I said before, it is the position that was recommended by the Joint Select Committee of Parliament.

There were some consequential amendments which provide that there should be a separate Catering Division of Parliament (of which the Catering Manager will be the chief officer) along with the Libaries Division, the *Hansard* Division and the Joint Services Division. Certain consequential amendments were made to the clauses dealing with the provision. The Catering Manager has been added to the meeting of officers established by clause 26 of the Bill. The matter has now been satisfactorily resolved. I think it is somewhat disappointing that Parliament has taken this long to resolve the matter. I think it now behoves all staff and all members of Parliament—and those who find themselves appointed in due course to the Joint Services Committee—to work together, in particular in relation to the joint services of Parliament which are important and where there is a need for considerable coordination and sharing of joint facilities.

I believe that now that the Bill has passed, while the principal position adopted by the Legislative Council (namely, that with respect to the powers, privileges and employment of officers of the Legislative Council, the Houses should remain separate) was the correct position to adopt, at least that has been maintained, but there is now a strong onus on all those involved in the Parliament—members of Parliament and officers serving the Parliament—to cooperate to ensure that the committee that has been established by this Bill works and to ensure that where we are talking about joint services there is cooperation and coordination of effort in that regard. I commend the recommendations of the conference to the Committee.

The Hon. M.B. CAMERON: As the Attorney said, it was an interesting conference. Several times the Bill came close to extinction, but eventually members of the other place saw the wisdom and determination of the Legislative Council to maintain the separate nature of the Legislative Council and the separation of the Houses. I am afraid that there are still members in another place who really do not understand the bicameral system and the need to maintain the separate nature of the Houses, but some of them have not been here for very long and there is no doubt that they will gradually grow to an understanding of the bicameral system. That probably illustrates the need for greater emphasis on the study of Parliament in our school system, because some of them have come through not really understanding how it operates, and I trust that they will gradually develop an understanding.

The amendments that were agreed to by the conference are sensible. The Catering Manager is now in control of the catering division, and that is quite appropriate. There will be no secretary running around the corridors of this Council causing trouble; as I indicated earlier, there was a minor problem with that concept. There will be a Joint Services Division that, I imagine, will have a minimal number of people in it; few people will be involved in the division and, because of that, the chief officer of that will be the secretary of the Joint Services Committee from time to time appointed by the Clerk, or it will be the Clerk if he decides to take on that position himself. Therefore, we will not be dragging in people from outside to fill a position, which was always a potential. The various corridors and recreation areas come under the control of the Joint Services Division. Let me say that any Joint Services Division that tries to work its way into the Legislative Council without its agreement will find that, suddenly, the committee will not have a quorum, because there is a very good safeguard, and that is that for a quorum to be present it must involve one member from each side—from the Government and the Opposition—in each House. That is a very good safeguard in relation to decisions that perhaps the Council or a majority of members in this Council would consider to be inappropriate.

Like the Attorney-General, I am surprised that this matter has taken so long. One of the problems has been that the Bill started out as a takeover Bill of the Legislative Council, in my opinion, and it has taken a long time to work it back to commonsense and reason. I trust that that has now occurred. I can assure the Council that it has been the prime aim of this side to make certain that the Council keeps its role separate and keeps its supremacy over itself. I trust, like the Attorney-General, that the Joint Services Division will work for the benefit of all members of Parliament and that there will be no further arguments and no moves in an attempt to subjugate the role of the Legislative Council, because that is something that I will always resist. I trust that all members of the Council would resist such a move.

The Hon. K.L. MILNE: I congratulate the Attorney-General on his consistent interest in this matter. He had a vision five years ago of what he thought should be done and he quietly set about it. He did not receive a great deal of encouragement, but persevered, and, finally, we all realised how important it was to do things properly and the conference today was a success. I do not think that it matters at all that it took five years; it might be just as well, because a lot of minds changed during that time. The important thing is that we have the joint system started. Any differences that occur (and they well might) can be addressed in the proper manner, because they will be building on a workable system, in principle.

The matter of the secretary to the Joint House Committee was a difficult one, because some people wanted that person to be high powered and others wanted that person to be low key. It was finally agreed that, if additional assistance is needed to run the committee (and it probably will be—it would be foolish to have highly paid and highly experienced parliamentary staff doing a job like this), it would be best if it were a low key person, probably a part-time person, possibly a qualified retired person engaged to fill the position rather than somebody who would try to make a career out of a job which is obviously a small one. With those congratulations to the Attorney-General being made I would like to add some further congratulations to the Hon. Martin Cameron, who held strong views on this matter and who was determined to protect the rights of this Council.

The Hon. R.I. Lucas: A tower of strength.

The Hon. K.L. MILNE: As a matter of fact, he was. It was unexpected. I withdraw that last remark, because he was a tower of strength and had very clearly in his mind what would protect this Council, its rights and history. I support him entirely. It was very largely due to him that the recommendations of the conference have come out as they have. I am sure that all members will approve of them when they have had time to think about them. I would like, also, to thank the Chairman (Hon. G.F. Keneally) for the somewhat jovial but effective way in which he handled the conference and I trust that the House of Assembly will be as happy with the result as I am.

Motion carried.

PAPER TABLED

The following paper was laid on the table:

By the Minister of Corporate Affairs (Hon. C.J. Sumner)—

Pursuant to Statute—

Corporate Affairs Commission—Annual Report, 1984-85.

QUESTIONS

KINTORE AVENUE COLLEGE OF ADVANCED EDUCATION

The Hon. C.M. HILL: I seek leave to make a statement before asking the Minister of Labour, representing the Minister of Education, a question about the possibility of the Kintore Avenue College of Advanced Education site being sold by the Government.

Leave granted.

The Hon. C.M. HILL: The South Australian College of Advanced Education site in Kintore Avenue is the only centrally located campus in South Australia for the preparation of teachers. The academic staff on this city campus have suffered with uncertainties as to the future of the college for over a decade. Recent strong rumours have further increased their anxieties. They fear that the whole school may move from this Kintore Avenue site and, as a result of that, staff disquiet is undermining the standards of teacher preparation in this State.

Is it true that the Government is contemplating the sale or transfer of the South Australian College of Advanced Education site in Kintore Avenue? Have any discussions or negotiations of any kind been held to bring about such a sale or transfer?

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

NURSING HOMES

The Hon. J.C. BURDETT: I seek leave to make an explanation before asking the Minister of Health a question about Commonwealth benefits in respect of residents of private nursing homes.

Leave granted.

The Hon. J.C. BURDETT: The Council will recall that until recently Commonwealth benefits in respect of residents in private nursing homes were higher in Victoria and South Australia because of the higher standards, particularly in regard to staffing ratios required in those two States. Some months back the Commonwealth Government announced a freeze in respect of South Australia and Victoria. The benefits are normally adjusted in relation to cost in November in each year. In future, South Australia and Victoria were to receive no increase. This affected South Australia more adversely than Victoria because in Victoria

a 38-hour week had come into operation 18 months previously, and the increased costs had, prior to the freeze, been absorbed into the benefits paid in Victoria.

However, in South Australia the 38-hour week occurred recently and no adjustment has been made. I have raised this matter on several occasions and the Minister has been both active and partially successful in making representations to his federal colleague to increase the amount of subsidy in South Australia. An increased subsidy of $3 a day will be payable from 14 November. At the same time, the nursing homes will be faced with a fee increase of approximately $2 a day due to the current national wage case. The viability of the nursing homes is being threatened and, more particularly, some people in need of nursing home care will not be able to afford it. A survey conducted by the Private Nursing Homes Association has indicated that a substantial proportion of the residents of the nursing homes that they represent are now paying more than the pension.

In Victoria, the State Government has for some years provided direct financial assistance to patients having to pay over their pensions for nursing care, subject to a means test and a health assessment. I understand that the Minister is pressing his federal colleague to provide a higher subsidy but, as little pressure is likely to come from Victoria, he may find it difficult to obtain further assistance. The Federal Opposition has undertaken that when in government it will remove the freeze. My questions to the Minister are:

1. Can he report on the state of play as to his endeavours to obtain further assistance from the Commonwealth Government? I congratulate him on what he has been able to obtain so far.

2. Will he consider providing direct financial assistance to patients having to pay over their pension along the lines of the scheme operating in Victoria?

The Hon. J.R. CORNWALL: The facts outlined by the Hon. Mr Burdett are pretty substantially correct. True, as a result of the representations that I made directly to the Minister for Community Services (Senator Grimes) the nursing home benefits that were to have been frozen from 14 November have in fact been increased by the Federal Government by $3 a day. That is to take into account the fact that the 38-hour week, through the 19-day month, was introduced shortly after nursing home benefits were adjusted in November last year.

It still means of course that we are an estimated $3 to $4 a day lower than we would have been if there had been a full catch up for South Australia and Victoria, as there has been now for something like a decade. The consistent advice of the former Commonwealth Departments of Social Security and Health was that South Australian benefits were high: they have been traditionally substantially higher than the other States and the traditional line was that they were higher because we had staffing levels that were higher than the minimum necessary to maintain a reasonable standard of patient care.

However, a few short years ago we had Dr Rhys Hearn, who is an expert in this area, examine the quality of care and levels of patient dependency in South Australian nursing homes. It was on her recommendations that the regulations were amended in 1983, and I want to say that the consideration of the amendment of those regulations went on between the period when we changed from the Tonkin Government to the Bannon Government.

So, it could be truthfully said that the regulations would have been agreed to at that time by all Parties. We do not accept at this point that our staffing level—the requirements under the State regulations and the State legislation—is higher than it needs to be. The fact is on all the advice I am given that the profiles of the frail aged and the old aged—people over 75 years of age—is significantly higher in South Australia than in some other States. I believe it is also true, again on all the advice that I am given, that our assessment procedures are better so that levels of patient dependency tend to be higher.

In other words, we have people more appropriately accommodated. They do not leave an independent living situation, they do not leave their home environment or they do not leave the hostel environment until such time as they are truly nursing home patients by assessment and by definition. So, for those reasons we are not in a position at this stage to alter the staffing levels. We looked like running into some sort of impasse because of that situation. At my instigation we have now established a ministerial task force. That was approved by Cabinet on Monday.

It comprises a number of interested groups and parties. I cannot guarantee that my memory would allow me to recall them all, but some of the more important ones are the Chairman of the South Australian Health Commission or his nominee, the Department of Community Services or a nominee of the Minister, the Private Nursing Homes Association (which I am very pleased to say has agreed to participate) the Voluntary Care Association (representing the deficit funded nursing homes) and a number of other interested groups such as local government.

They have an extensive series of matters to address within their terms of reference. They are comprehensive terms of reference. Among other things, they will look at the levels of dependency and care, at what further assistance may or not be warranted, and at levels of funding and support. That task force has been asked to report to me on or before 31 March 1986; that is the fair way to go.

It is very difficult to compare our situation to Victoria's for a number of reasons, one being that per thousand of population over the age of 65 or 70 we have significantly more nursing home beds. It is an admitted statistical fact that nursing home bed provision in Victoria is low by Australian standards. It is also a fact that there is an active building program in process in Victoria at this time, whereas in South Australia we are very close to a moratorium on the construction of further nursing home beds at this stage, as the Federal and State Governments further develop the home and community care program.

A number of matters need to be resolved in order to take wise decisions based on adequate data. It is also a fact that in Victoria the gap between the participating nursing home fee and the State standard charge is paid, but under very strict conditions. If anybody is assessed as being in need of a nursing home bed in a State nursing home, but is unable to be accommodated immediately, the State Government in Victoria, subject to a means test, pays that difference during the time that that person is waiting in a private nursing home for a bed in a State nursing home to become available, so it is not simply a case of a means tested subsidy right across the board.

I do not believe that in the medium to long term that is the sort of solution that we ought to be looking at. It is a very serious matter and possibly a very poor precedent for the States to start to get into significant nursing home funding. We are already being pushed by successive Federal Governments to get into further funding in matters as diverse as Aboriginal care and tertiary education. That general sort of move from the Canberra bureaucracy, whether under a Liberal or a Labor Administration, ought to be resisted. But, it is the frail aged patients who are the primary consideration at the end of the day. Therefore, the task force has been established, with wide ranging terms of reference, to bring down a report that hopefully will put to rest the sort of ongoing struggle that has occurred between the Com-

monwealth and the State of South Australia now for a number of years.

POLICE SPECIAL BRANCH

The Hon. K.T. GRIFFIN: I seek leave to make a brief explanation before asking the Attorney-General a question about the police special branch.

Leave granted.

The Hon. K.T. GRIFFIN: Last year the Government announced the abolition of the police special branch, although, as I understand it, the name was abolished and the branch was transferred to the operational planning section in the Police Force. One can only presume that intelligence similar to that collected by special branch is still being collected: if that is occurring, I support it. After Premier Dunstan's dismissal of the Police Commissioner (Mr Harold Salisbury) in 1978, the Government of the day promulgated directions as to the sort of information that special branch could collect and as to the procedure for culling files. The previous Liberal Government amended significantly those directions in November 1980 and they have not been amended or repealed since that time, so effectively they remain in force in relation to special branch.

In view of the transfer of the responsibilities of special branch to operational planning, as I have said, one can only presume that information is being collected and dealt with according to the existing directions enacted by the previous Liberal Government. Obviously, special branch functions are a matter of some sensitivity to some in the ALP, and one could expect that there may have been attempts to water down the powers of the police to collect and assess the sort of information previously handled by special branch. My questions are:

1. Is information still being collected and dealt with by police, in areas previously covered by the special branch and in accordance with the guidelines of November 1980?

2. Is there any proposal to change those guidelines?

The Hon. C.J. SUMNER: The honourable member is somewhat behind the times, unfortunately. When the special branch was abolished, I announced that there would be changes to the guidelines that were laid down by the Liberal Government in January 1980. They are not satisfactory in a number of respects, and I outlined in a speech that I gave when the abolition of the special branch was announced the aspects that were considered to be unsatisfactory. That is on the public record, and I am sure that the honourable member has access to that speech.

The Government, however, decided to await the findings of the Hope Royal Commission, which had been appointed by the Federal Government to examine the general national security question, ASIO and the like following the Combe-Ivanov controversy. That report was handed down in May, as I recall, and there have been some discussions with the police. I understand that the police themselves believe that some aspects of the 1980 guidelines are not satisfactory. Certainly the Auditor (Mr Hogarth) believes that some aspects of those guidelines are not satisfactory, after some period examining them.

Discussions are currently proceeding with the police with a view to amending those guidelines, taking into account the matters that I outlined last year when the special branch was abolished, the matters that the police have concerns about, the Hope Royal Commission recommendations, and any comments that Mr Hogarth QC may have on the operations of those guidelines. Some aspects of the 1980 guidelines were clearly not satisfactory, and amendments to them are in the process of being prepared in consultation with the police.

The Hon. K.T. GRIFFIN: I ask a supplementary question. Sir. In the light of the Attorney-General's answer, will the amendments being considered restrict the police in the collection of information more than do the guidelines currently in force?

The Hon. C.J. SUMNER: I suggest that the honourable member reads the speech that I made in 1984 when I announced clearly the principles that would be followed with reference to this matter. There is no secret about that: it is on the public record.

Clearly, the Government believes that the activities of the police intelligence group are important with respect to terrorist activities and activities between community groups which have the potential for violence; in relation to information that leads to the protection of VIPs; and intelligence that leads to knowledge about violence or threats of violence to VIPs, between community groups, and to the constitutional structures of our Government. That was outlined in my speech. What we clearly do not believe is satisfactory (and I would have thought that this is now generally accepted throughout the community) is that South Australian police should be involved in the collection and maintaining of dossiers on people because of their political views, which was occurring under the previous Government.

We asserted and continue to assert that there should be very strict and adequate guidlines to ensure that people's civil liberties are not offended and curtailed by the activities of the police in this sensitive area. We assert, as I did in my speech last year in announcing the abolition of the special branch and the provision of new guidelines in accordance with these principles—and there is nothing new about that—

The Hon. K.T. Griffin: It's 12 months.

The Hon. C.J. SUMNER: I agree. The guidelines are being considered in conjunction with the police at the moment. There was a delay while we waited for the Hope Royal Commission Report. That was a decision we took. In the end, I do not think that had a great deal to offer in terms of the relationships between the South Australian police and any national organisations. An agreement is in place, which has been made public and which was made public in the South Australian Government submission to the Hope Royal Commission. So, the South Australian Government's attitude was again placed on the record, and that was given considerable publicity. There was nothing new in that submission. It was a formal submission made by the South Australian Government to the Hope Royal Commission indicating the sorts of principles we intended to operate from. The submission included the agreement entered into by the former Government and the Commonwealth Government on this topic. Those principles have been outlined.

It is now a matter of ensuring that those principles are incorporated in a set of guidelines that which are satisfactory to the Government's policy (which I have just outlined) and which take into account certain practical difficulties that exist at the present time and the uncertainties as to the appropriate cut off points with respect to the information that can be collected, as well as the concerns held by Mr Hogarth. They are being dealt with at the present time. I make quite clear publicly, as I have made clear on two previous occasions—the first last year in a speech I gave announcing the abolition of the special branch and, secondly, in the Government's formal submission to the Hope Royal Commission—that this Government will not tolerate the involvement of South Australian police in the surveillance of people because of their political activities, their trade union activities or their activities with civil liberties groups. Clearly, that is not an area in which I believe there is a legitimate role for South Australian police to be involved.

With respect to issues of so called national security, espionage and so on, that is a role for national security bodies, and that was made clear by the Hope Royal Commission. What South Australian police should be involved in, and what it is legtimate that they should collect intelligence about, is the investigation of violence or the threat of violence with respect to visiting dignitaries and VIPs, political violence between community groups, and threats of violence or violence to the democratic institutions that exist in our community. That is a legitimate, accepted and proper role for our police. If in the collection of that information part of it must be provided to Federal Government agencies, that should be done in accordance with strict guidelines. There should be reporting mechanisms to the Government of the day and to the Police Commissioner; and it should not be done in a clandestine manner. They are the parameters of the Government's policy in this area that I announced last year. We are currently in the process of putting those guidelines in place taking into account certain other criticisms that have been made and other practical problems that exist with the present guidelines which the police see and which Mr Hogarth commented on.

ROXBY DOWNS

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

Leave granted.

The Hon. I. GILFILLAN: In response to a question asked by Senator Chipp in Federal Parliament yesterday there was an indication of another stage in what I regard as the sorry saga of the shrivelling chimera of the riches from Roxby. Previous publicity advised that the feasibility statistics indicated that from the 150 000 tonnes of copper and the 4 000 tonnes of uranium to be reccovered it is now conceived to be a project of only 55 000 tonnes of copper and 2 000 tonnes of uranium. It is quite plain that there will be considerable difficulty in even selling this 2 000 tonnes. A report in yesterday's *Financial Review* states:

> The Federal Government is considering lowering the floor price for uranium exports as a crucial factor in helping to launch the Roxby Downs project in South Australia. Sources in the industry say that a 'special price' may be introduced for Roxby Downs, which would not be regarded as a precedent for any other mine... Some suggestions are that the minimum price would be cut from $U31 to $A31—an effective drop of nearly a third... International uranium buyers have claimed that some fall in the price of Roxby Downs U308 will be necessary if the project is to sell 2 000 tonnes a year, the initial minimum level needed to launch the venture.

An article in this morning's *Advertiser* shares that concern, as follows:

> The Federal Government is considering dropping the floor price of uranium to try to give the Roxby Downs project in South Australia the go-ahead. The Minister for Resources and Energy, Senator Evans, said yesterday a decision on the future of the gold, uranium and copper mine would be made about December 6.

That date is very significant. It is quite obvious that, given one of the more popular predictions for the election date, an announcement on 6 December in relation to some sort of progress with Roxby Downs would be incredibly pertinent timing for the Government. I ask this question as a result of the facts produced in a question asked in Federal Parliament yesterday. In reply to that question Senator Gareth Evans said:

> On the larger question, a decision as to whether the Roxby Downs project will proceed immediately, or after some delay, or not at all, is expected to be made by the joint venturers, I think at the end of the first week of December.

This is a critical issue. Has the South Australian Government joined with the joint venturers in an approach to the Federal Government to reduce the current minimum permissiable price for uranium for the Roxby Downs venture? If not, does the Government intend to approach the Federal Government or to influence it in any way to reduce the minimum price, which is currently $US31 per pound for U308?

What effect does the Government consider a reduction of approximately one-third in the value of uranium will have on the royalties flowing to South Australia? Does the Attorney-General agree that the South Australian Government will still have to fulfil its full obligations to provide infrastructure of about $60 million under the Roxby indenture regardless of reduced royalties?

The Hon. C.J. SUMNER: I am not sure whether the Democrats speak with a united voice on Roxby Downs—or anything else for that matter. They seem to be exhibiting a very schizophrenic approach to policy making in this Parliament at present.

The Hon. I. Gilfillan: What has the question to do with policy? Can't you answer the question?

The Hon. C.J. SUMNER: I will get around to the question. The honourable member has referred to certain dates and he seems to see some significance in those dates. I am afraid that that significance has escaped my particular notice but—

The Hon. L.H. Davis: You have been having discussions with the Premier.

The Hon. C.J. SUMNER: I am in the dark on these issues. Whether or not an announcement will be made on 6 December I do not know. What effect that might have on what might happen on 7 December, if anything at all happens on that date (and the Hon. Mr Gilfillan referred to 7 December), I do not know. I am in the dark about any plans but, if 7 December is a significant date and if an announcement is to be made on 6 December, I suppose it depends on which way that announcement goes as to how it might be viewed by the public of South Australia and the participants in any event at that time. The Government is committed to facilitating Roxby Downs proceeding, and Roxby Management Services is proceeding with its feasibility study.

In accordance with the indenture, the Government has done what it can to cooperate with Roxby Management Services to fulfil its obligations to the project. An indenture was passed by the Parliament in 1979. The Government made a commitment in 1982 that Roxby Downs would proceed, and it will proceed, as far as the South Australian Government is concerned, if the joint venturers' feasibility study indicates that it would be economic to proceed. That has always been the situation, so the position has not changed. Parliament has made its decision on Roxby Downs, the Government has supported Roxby Downs and it will continue to support Roxby Downs.

The Hon. M.B. Cameron: That would have to be the understatement of the year!

The PRESIDENT: Order!

The Hon. M.B. Cameron: Poor old Normy Foster!

The Hon. C.J. SUMNER: Mr Foster used his democratic right to contest the 1982 election, but was not successful.

Members interjecting:

The PRESIDENT: Order! There have been enough interjections.

The Hon. C.J. SUMNER: Had he remained a member of the Labor Party he would not have been eligible for preselection because of the age requirement.

The Hon. I. GILFILLAN: I rise on a point of order. I neither mentioned nor had any curiosity about Mr Foster in my question, Mr President.

The PRESIDENT: Order! I ask the Attorney-General to return to the question.

The Hon. C.J. SUMNER: I will be delighted to return to the questions asked by the Hon. Mr Gilfillan if members opposite, Her Majesty's loyal Opposition, cease interjecting and bringing extraneous matters into the debate. As I said, the Government is committed to Roxby Downs proceeding so far as it is within its power to ensure that. The joint venturers are due to complete their feasibility study in the reasonably near future and I assume that, when they have completed it, they will make appropriate announcements in that regard. I will take on notice the specific questions raised by the honourable member and bring back a reply.

WALLAROO HOSPITAL

The Hon. M.B. CAMERON: I seek leave to make a brief explanation before asking the Minister of Health a question about the Wallaroo Hospital.

Leave granted.

The Hon. M.B. CAMERON: In the *Southern Times* Messenger press this week there was a letter to the editor under the heading 'Still waiting for hospital promise at Wallaroo'. A part of the letter is irrelevant to this matter, but it is stated:

> As for Labor building a hospital, just before the last election there was a big to-do between Wallaroo and Kadina as to who would have the new hospital to be built. Mr Cornwall—

and I assume that he means Dr Cornwall—

> attended a meeting at Wallaroo and promised the people that if Labor won office the hospital would be built there. That was three years ago and they are still waiting for it. The last I heard was that if he ever went back to Wallaroo they would hang him.

I have no knowledge of the local feeling about Mr Cornwall or anyone else, but obviously this issue has created feelings in the mind of this person or in the minds of the people he was speaking to.

Members interjecting:

The PRESIDENT: Order!

The Hon. M.B. CAMERON: Has the building of the hospital at Wallaroo, which was promised by Mr Cornwall at the last election three years ago, been commenced, or is it intended to be commenced? If not, why not?

The Hon. J.R. CORNWALL: We do not make portable promises in the Labor Party: we make commitments. Let me say that I remember the Kadina/Wallaroo fiasco very well. The now Premier and I gave very firm commitments that Wallaroo would not lose its hospital.

The Hon. C.J. Sumner: Olsen wanted it built in his home town.

The Hon. J.R. CORNWALL: That is right. There had been a Government supported hospital in Wallaroo in one form or another for more than 100 years. The Tonkin Government proposed that that hospital be closed down and a new facility built to replace the Kadina Hospital. We gave an undertaking that that decision would be reversed when we returned to government, and we met that commitment. The builders, I might say, are already carrying out preliminary site works, and the major preliminary site works—

Members interjecting:

The PRESIDENT: Order! If honourable members stop their incessant chatter they will hear what the Minister says.

The Hon. J.R. CORNWALL: The Wallaroo Hospital has a major place in the capital works program for 1985-86. I cannot recall the sum, but it is a multi-million dollar amount. All the people in Wallaroo, except this strange person who writes to the *Southern Times*, know about it. What the hell that person would be doing writing to the *Southern Times* about it, unless he was some sort of Liberal plant, I do not really know. I do not have the slightest idea who the letter-writer was: he kept it anonymous.

Let me say that we have met our promise (our commitment) and everyone knows—the Wallaroo council, the board of the Wallaroo Hospital, the boards of the other hospitals with whom we have been engaged in lengthy negotiations to try to get a tri-hospital campus and an area health board. We have done more constructive things in health in the copper triangle in the past three years than anyone has done in the previous 30 years. All those things are happening in that area.

The local Trades and Labor Council, the local district councils, and everybody else knows that we have moved to meet that commitment—it is being met at this very moment. I will be very pleased, in my second term as Health Minister, to officially open that hospital and have my plaque upon it in the financial year 1986-87.

NUCLEAR DISARMAMENT PARTY

The Hon. R.I. LUCAS: I seek leave to make a brief explanation prior to asking the Attorney-General a question about the Nuclear Disarmament Party.

Leave granted.

The Hon. R.I. LUCAS: Last Wednesday I directed a question to the Attorney-General on the subject of the Nuclear Disarmament Party and the Electoral Act. In brief, the problem was that under the provisions of the Electoral Act, should there be an election (as would appear likely from what is going around Parliament House) sometime this year, the Nuclear Disarmament Party would be prevented from having its name on the ballot papers at that election, yet the other major Parties and the minor Parties such as the Democrats and the National Party would be able to have their names on the ballot papers for that election. Last Wednesday I asked the Attorney-General whether he would be prepared to have a chat with the Premier about introducing urgent amending legislation to allow the Nuclear Disarmament Party a fair go at the next election by allowing it to have its name printed on the ballot papers.

I understand that the Attorney took the matter to Cabinet on Monday. Clearly there was some discussion on that day and a decision would have been taken by the Cabinet and the Government on that day. As there might not be much time before an election, is the Attorney in a position to advise the Parliament whether the Government is prepared to give the Nuclear Disarmament Party a fair go by allowing its representatives the same advantages that representatives of other major Parties will be allowed at the next State election?

The Hon. C.J. SUMNER: I agree that there are some unfortunate aspects to this matter. The main problem with it is that the Parliament as a whole passed a Bill with respect to the election. It knew that that legislation would be used to cover the conduct of the next State election. That legislation was passed earlier this year, in May as I recall, and the Act was proclaimed in late August of this year along with its regulations. All Parties have known since August what is the situation with respect to the Bill and what their rights are under it. In fact, they have known since May (those people who intend to participate in the election that will be held between November and March)—

The Hon. R.I. Lucas: The delay in proclamation until August has caused this problem.

The Hon. C.J. SUMNER: That is not necessarily true. The problem was that the regulations had to be prepared, as the honourable member knows, and they in fact were

promulgated, I think on 29 August. Even at that point in time those people who might have felt that there was some difficulty with the Act could have raised the issue. That was well before any anticipated election.

The difficulty that we have at the moment is that the Premier has said that there will be an election between November and March. While it is all very well to say that the Nuclear Disarmament Party has difficulties over this matter, one has to ask whether we are then to legislate to overcome the problems that may exist for a whole number of other Parties which are in the same position as the Nuclear Disarmament Party of not having a representative in the South Australian Parliament, Commonwealth Parliament or a Parliament of any other State.

It might have been possible to cope with the Nuclear Disarmament Party by way of some urgent Bill, although I have not had any indication from the Liberal Party about whether it would be prepared to support such a Bill. Clearly, without all Party support it could not be dealt with as a matter of urgency. Even if that was the case, there is still the problem of whether one introduces a Bill to deal specifically with the problems the Nuclear Disarmament Party has in this matter, or whether we scratch around and try to work out how many other Parties have this difficulty, Parties such as the Communist Party and the Socialist Party, which have run candidates in elections.

The Hon. R.I. Lucas: You just open it up and set a deadline.

The Hon. C.J. SUMNER: It is not as simple as the honourable member says, because there are certain procedures in the Act at present which provide for a month's notice to be given that a particular Party has applied for registration and which provide the capacity for people to object to that registration. Are we to introduce a Bill? I understand that the Nuclear Disarmament Party has gone through that procedure up to the present time, but there may be other Parties that have not. How does one determine which Parties will be let in and which Parties will not be let in? If another Party has applied for registration and its period has not expired, are we to truncate the period allowed for notices to be given to the public? Are we to stop the capacity of any individual to appeal against it? That is the difficulty that one comes across. It may have been possible to pass a Bill; I am not suggesting that it was practically possible, but it may have been possible to deal with the issue with respect to the NDP if there had been broad agreement throughout the Parliament, and there was no indication that there was.

The Hon. R.I. Lucas: There might be.

The Hon. C.J. SUMNER: That is not the primary difficulty. I did not receive any indication from the honourable member's Party that it was prepared to facilitate such a matter. I did not receive an indication to that effect from the Democrats, either. I am saying that the matter is not as simple as it seems because there may be other Parties which one would have to try to think about when attempting to deal with this situation. A procedure was laid down for better or worse to give those recognised political Parties this opportunity: it was very broad, as the honourable member will realise; it did not just include those Parties that had members of Parliament in the South Australian Parliament but those which had members of Parliament anywhere in Australia.

That, at one stage, included the NDP, so the NDP, in a sense, had they had (and in the court proceedings I understand they conceded that they did not) a member, as they had at one stage in a Parliament in the country then they would have been covered. The procedure in the Act agreed to by all Parties was for a period of time of three months for the Parties that were recognised (that is, which had members in the Parliament). The reason for that was so that there was not a lot of shillyshallying around and competition between rival Parties that clearly were not those that had had members elected to Parliament.

I think that was a sensible proposition. Following that there then would be the possibility for the other Parties to register. The problem has occurred with the NDP first because although it had a member at one stage it now does not have a member. That is not something that either the honourable member or I can be responsible for: that is a matter of internal NDP politics.

The second difficulty is the one I have outlined with respect to what one does with the other Parties. The third problem is that the terms of the Act have been known since May and the problem has not been drawn to our attention until the death-knock. If it was not known since May, it has certainly been known since August, when the Bill was proclaimed, that there might be some difficulties in this respect. Still no representations were made about that—

The Hon. R.I. Lucas: They were fighting a court case.

The Hon. C.J. SUMNER: Maybe they were. Perhaps they should have made some kind of application then to the Parliament, out of the context of what is becoming, whether we like it or not, an election atmosphere. Furthermore, the Premier has made it clear I would think now for some nine months approximately that there would be an election between November and March. He has said that on a weekly basis, virtually, for the past nine months.

The Hon. Frank Blevins: Daily.

The Hon. C.J. SUMNER: Daily basis. Any Party would have known when an election was due to be called. I am not unsympathetic to the position that that particular Party has found itself in, or indeed perhaps some other Parties have found themselves in. However, it should be made quite clear that it does not preclude their right to run in the election. It may be that there can be some wording on the ballot paper that although it is not there as a Party it can be catered for under the Act (and they perhaps need to seek legal advice about it, and other Parties concerned can do that).

The other difficulty they will have is with respect to the indicated how to vote cards. However, that still does not preclude them, of course, from proceeding. If the honourable member is talking about difficulties and political advantage, I would have thought that perhaps it might be to our—and the honourable member made this point earlier, I think—political advantage—

The Hon. R.I. Lucas: It is not. It will be to your detriment if they are on the ballot paper.

The Hon. C.J. SUMNER: That is nonsense. Traditionally the Communist Party (that is one Party we would have to bring in if we were going to do this) has virtually always given its preferences to the Labor Party. The NDP has not indicated, but one would expect that it is more likely to give its preferences to the Labor Party than it is to the Liberal Party. It is not a matter of politics. I am surprised that—

The Hon. Frank Blevins interjecting:

The Hon. C.J. SUMNER: He might be. In terms of political advantage it is in fact the contrary position to that put forward by the Hon. Mr Lucas. I do not think there is much doubt about that.

The Hon. J.R. Cornwall interjecting:

The Hon. C.J. SUMNER: Or the Communist Party; or the Socialist Party. The honourable member is really being quite silly if he says it is to our political advantage to ensure that those Parties are not registered. I would have thought to the contrary. I have some sympathy for this situation. However, for the reasons I have outlined I do not believe that anything can be done at this particular moment. If an

election is not called for some time, then I imagine the matter can take its course.

WHEAT RESEARCH

The Hon. PETER DUNN: I seek leave to make an explanation before asking the Minister of Agriculture a question about wheat research.

Leave granted.

The Hon. PETER DUNN: The harvest season is approaching rapidly and it will soon be time for funding and budgeting for wheat research. Will the Minister inform the Parliament of how much the Government, through the Department of Agriculture, will contribute to wheat research in South Australia this year? What institutions will be recipients of this funding? What proportion will they receive? Has there been any reorganisation in the wheat research institutions in this State?

The Hon. FRANK BLEVINS: Surprising as it may seem, I do not have the precise figures in my head. The honourable member will be aware that there has been a major review instigated by me but carried out by the industry on crop research in this State. A report has been produced, which I am considering. The honourable member, along with the rest of the State, will very shortly have the results of my deliberations on that report.

REST HOMES

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister of Health a question about rest homes. There are approximately 400 rest home beds in Adelaide. On more than one occasion this year my colleagues and I have raised the financial plight of rest homes in this Council, including the fact that the Commonwealth $4 a day subsidy is not available to them. As the Minister knows, the South Australian Health Commission survey indicated that over 25 per cent of rest home patients require more intensive institutional care, although rest homes do well in providing personal attention for patients not so able to help themselves.

As far as I am aware the Minister of Health has yet to visit a rest home since he has become Minister. He has generally shown contempt for their plight. I have now received confirmation that the Minister intends to run rest homes into the ground. In a conversation within the last fortnight the Minister of Health has indicated that he wants to get rid of rest homes in South Australia.

The Hon. J.R. CORNWALL: I rise on a point of order.

The PRESIDENT: Order! Sit down and I will take your point of order, or I will put you out. I cannot follow what the Hon. Mr Davis is saying. He did not get leave to make a statement in the first place. I cannot understand—

The Hon. L.H. Davis: Yes I did.

The PRESIDENT: Order! You were not granted leave. However, that is away from the point.

The Hon. L.H. Davis: I was granted leave, with respect.

The PRESIDENT: Order! I cannot follow the honourable member's explanation if he is going to ask a question about rest homes. You are talking about the Minister, not rest homes.

The Hon. L.H. DAVIS: I am talking about what the Minister said about rest homes. I said, 'In a conversation within the past fortnight the Minister of Health has indicated that he wants to get rid of rest homes in South Australia.' That is talking about rest homes. I find that quite a deplorable comment and quite inappropriate coming from the Minister.

The Hon. J.R. Cornwall interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: Perhaps the Minister should avail himself of the very good psychiatric services available, because he is really getting out of control.

The Hon. J.R. CORNWALL: I rise on a point of order. Do your job, Mr President. The honourable member has to withdraw that.

The PRESIDENT: Order! The Minister has asked that the honourable member withdraw his statement about psychiatric treatment.

The Hon. L.H. DAVIS: I will withdraw, in deference to the Chair. Why does the Minister want to get rid of rest homes in South Australia? Seeing that the Minister has not even been to one in his three year term as Minister of Health—

An honourable member: It would be a good place for him to start.

The Hon. L.H. DAVIS: Indeed, my colleague rightly interjects, 'It would be a good place for him to start.'

The PRESIDENT: Order! Ask your question.

The Hon. L.H. DAVIS: Will the Minister take immediate steps to discuss the problems of rest homes with proprietors of rest homes as a matter of courtesy and as a matter of some immediate importance?

The Hon. J.R. CORNWALL: It is perfectly true that at my instigation an investigation was conducted into rest homes in South Australia. They were not supplied with adequate financial data—it was quite inadequate. They were unable to comment on the profitability or viability of rest homes because of what amounted, in the majority of cases, to varying degrees of non-cooperation with the people conducting the inquiry.

It is true that they did an extensive series of assessments and about 25 per cent of residents of these rest homes were assessed as being inappropriately accommodated: they should have been in more appropriate accommodation. We offered—and the offer still stands—to do assessments at any time upon request for any rest home. I do not know how many rest homes have taken up that offer, but I suspect not a very high number. The question of day bed subsidies to the rest homes I have taken up on their behalf with Senator Grimes as recently as two months ago. It is entirely wrong, dishonest and dishonourable for the Hon. Mr Davis to suggest that in an alleged conversation two weeks ago I made some point that I wanted to get rid of rest homes.

The PRESIDENT: Do you have much more?

The Hon. J.R. CORNWALL: No, I will treat the rest of the questions with the contempt they deserve: they come from a fool and I do not play in the C grade league.

NATURAL GAS (INTERIM SUPPLY) BILL

Adjourned debate on second reading.

(Continued from 6 November. Page 1845.)

The Hon. FRANK BLEVINS (Minister of Labour): I thank all members who contributed to the debate. As the Hon. Martin Cameron said, it is one of the most important Bills that has been before the Council. It has been extensively debated in another place, and I have no intention of going through all the points that were made in the second reading. My suspicion is that we will go through them all again and again in the course of the Committee stage and even at the third reading. I will spare the Council at least one of those speeches.

It is sufficient to say that at the moment the price of gas is unacceptably high. As to the supply situation, there are insufficient guarantees. No responsible Government could permit that situation to continue, not just for domestic users but also for industrial users. For those reasons I urge the Council to support the second reading and I look forward to the debate in Committee on the points that were made by honourable members.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

METROPOLITAN MILK SUPPLY ACT AMENDMENT BILL (No. 2)

Returned from the House of Assembly without amendment.

ANZ EXECUTORS & TRUSTEE COMPANY (SOUTH AUSTRALIA) LIMITED ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

VETERINARY SURGEONS BILL

Returned from the House of Assembly without amendment.

PARLIAMENT (JOINT SERVICES) BILL

The House of Assembly intimated that it had agreed to the recommendations of the conference.

PARKS COMMUNITY CENTRE ACT AMENDMENT BILL

Returned from the House of Assembly with the following amendment:

Page 2, after line 29, insert new clause 9 as follows:

9. Section 19 of the principal Act is amended—

(a) by striking out subsection (1) and substituting the following subsections:

(1) Upon the commencement of the Parks Community Centre Act Amendment Act 1985 all the land comprised in Certificates of Title Register Book Volume 3925 Folio 70, Volume 4068 Folio 686 and Volume 3609 Folio 188 shall vest in the Centre for an estate in fee simple.

(1a) The Registrar-General shall, upon application by the Centre and upon being furnished with such duplicate certificates of title or other documents as he may require, register the Centre as the proprietor of an estate in fee simple in the land vested in the Centre pursuant to this section.

(1b) No registration fee or stamp duty shall be payable by the Centre in respect of an application under subsection (1a);

and

(b) by striking out subsection (3).

Consideration in Committee.

The Hon. C.J. SUMNER: I move:

That the House of Assembly's amendment be agreed to.

The Hon. C.M. HILL: This matter was raised during the previous debate, but it had to go to the other House for confirmation as it formed part of a money clause. I support the Attorney's motion.

Motion carried.

LEGAL PRACTITIONERS ACT AMENDMENT BILL (No. 2)

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

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

The Commonwealth Government has substituted the statutory corporate entity of the Australian Government Solicitor for the personal office of Commonwealth Crown Solicitor. It is therefore no longer appropriate for State legislation to refer to the Commonwealth Crown Solicitor or Deputy Commonwealth Crown Solicitor. The Legal Practitioners Act presently contains such references in the areas of entitlement to practise and right of audience. This amendment makes the necessary and appropriate changes to provide for the position of the Australian Government Solicitor. I seek leave to have the detailed explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 inserts a definition of 'Australian Government Solicitor'.

Clause 3 amends section 21 (3) *(w)* of the principal Act to remove a reference to the Crown Solicitor of the State and include a reference to the Australian Government Solicitor.

Clause 4 amends section 51 of the principal Act in two respects in relation to rights of audience before any court or tribunal established under a law of the State. The amendments will confer a right of audience on the Australian Government Solicitor instead of the Crown Solicitor of the Commonwealth and on a legal practitioner acting on the instructions of the Australian Government Solicitor.

The Hon. K.T. GRIFFIN: The Opposition supports this Bill. It was introduced in the other place in the absence overseas of the Attorney-General, and I had the opportunity to consider it independently at that time. The Opposition has no difficulty with the amendment in the sense that it recognises the change at the federal level from the Commonwealth Crown Solicitor being the solicitor for the Commonwealth, to the Australian Crown Solicitor filling that role. The only question that I have is whether the amendment to refer to the Australian Government Solicitor is so wide as to enable an Australian Government Solicitor to nominate a person who is not a legally qualified legal practitioner, which would thus give rights of audience within the courts of South Australia.

If one looks at the definition of 'Australian Government Solicitor' in clause 2, that office is defined to mean:

... the Australian Government Solicitor constituted under the Judiciary Act 1903 of the Commonwealth and includes any person authorised by or under that Act to act in the name of the Australian Government Solicitor:

When I first saw the Bill when it was introduced in the other place, the thought occurred to me that that may allow the authorisation of persons who are not legally qualified legal practioners, but I must confess that I did not have a chance to look at it carefully at that time to see whether there was anything else in the Legal Practitioners Act or even in the Judiciary Act that might restrict the right of

audience only to those who are admitted to practise as legal practitioners. I regret that it is being raised with the Attorney-General at such short notice, but if that can be clarified I have no difficulty in supporting the second reading.

The Hon. C.J. SUMNER (Attorney-General): I thank the honourable member for his support of the Bill. What he says may be correct: I am certainly open on a simple reading of this Bill. I will attempt to obtain the information and answer it before we proceed beyond clause 1.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

JURIES ACT AMENDMENT BILL

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

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

In November 1984, Parliament passed substantial amendments to the Juries Act. The amendments made several major changes, including changes in the area of eligibility for jury service. The categories of persons who are ineligible for jury service were narrowed so that only the following persons would be ineligible for service: the Governor, the Lieutenant-Governor and their spouses; members of Executive Council and their spouses; members of Parliament; members of the Judiciary or magistracy and their spouses; justices of the peace who perform court duties and their spouses; legal practitioners actually practising as such; members of the Police Force and their spouses; persons employed in a department of the Government that is concerned with the administration of justice or the punishment of offenders; and persons employed in the administration of courts or in the recording or transcription of evidence taken before courts. All other persons are eligible for jury service. A question has arisen over the proper interpretation of the words:

> persons employed in a department of the Government that is concerned with the administration of justice or the punishment of offenders.

The question arose in the context of considering the position of the forensic science officers who are located in the Department of Services and Supply. The Crown Solicitor has advised that the whole of the Department of Services and Supply will be ineligible for jury service as the presence of forensic science officers within that department is sufficient to concern that department with the 'administration of justice'. It was not foreseen that a small unit of officers in a department could have the effect of excluding that whole department from jury service. Obviously, there are many people in the Department of Services and Supply who have no concern with 'the administration of justice'.

In addition, it was considered that officers in many departments are involved in the investigation of offences, for example, officers in Fisheries, Highways and Consumer Affairs, who should not be eligible for jury service, and so it is thought to be appropriate to provide for the exclusion of such officers. Accordingly, this amendment is designed to overcome the issue raised in the opinion of the Crown Solicitor (that is, that a whole department could be excluded from jury service due to the involvement of a small part of that department in the administration of justice) and the case of investigating officers in Government departments. The amendment will require an assessment of the duties of a particular officer rather than an assessment of the function of a particular department. I seek leave to have the detailed explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 alters the category of persons who are ineligible for jury service by reason of their employment in particular Government departments so that the category will now relate to persons whose duties of office are connected with the investigation of offences, the administration of justice or the punishment of offenders.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

[*Sitting suspended from 3.56 to 5.45 p.m.*]

LEGAL PRACTITIONERS ACT AMENDMENT BILL (No. 2)

Adjourned debate in Committee (resumed on motion).

(Continued from page 1912.)

Clause 2—'Interpretation.'

The Hon. C.J. SUMNER: I have a response to the question asked by the Hon. Mr Griffin. He asked whether or not a non legal practitioner may be authorised to take proceedings in the name of the Australian Government Solicitor. The situation is that, under the Judiciary Act Amendment Act (No. 2) 1984, which established the Australian Government Solicitor, new section 55e (4) of that Act provides that the Secretary of the Attorney-General's Department may act personally in the name of the Australian Government Solicitor and may also either generally or otherwise as provided by the instrument of authorisation by writing signed by him authorise an officer of that department whose name is on a roll, referred to in subsection 55d *(i)*, to act in the name of the Australian Government Solicitor.

That means that the Australian Government Solicitor would conduct his business through legal practitioners who are on the roll of the practitioners admitted to the Supreme Courts of the States or to the High Court. It may be technically possible, I suppose, for the Secretary of the Attorney-General's Department to be a non legal practioner, but that is probably not the normal situation. In any event, it certainly appears that those people acting in the name of the Australian Government Solicitor, apart from the Secretary of the Attorney-General's Department, would certainly be admitted legal practioners.

The Hon. K.T. GRIFFIN: I appreciate that reply. I am now satisfied that that really means that no unqualified person can be authorised by the Australian Government Solicitor, and therefore I raise no further questions on the Bill.

Clause passed.

Remaining clauses (3 and 4) and title passed.

Bill read a third time and passed.

JURIES ACT AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1912.)

The Hon. K.T. GRIFFIN: The Opposition supports the Bill. It seems to be reasonable that forensic science officers who are presently under the Department of Services and Supply should not be eligible for jury service but that should not disqualify other officers in the department who have no association with forensic science activities being entitled to be called up for jury service and the same applies in respect of the other Government departments where there are various investigation officers or inspectors. I refer to departments such as the Department of Fisheries, the Highways Department, the Department of Public and Consumer Affairs and, I guess, a number of others.

It is quite reasonable that those investigation officers should not prejudice the entitlement of other public servants within departments to serve on juries if they are summoned so to do. I notice that in the other place one of the members did, in fact, have on notice an amendment to the form that was required to be served on jurors identifying that the deliberations of the jury room were, in fact, confidential, but for some reason or other that was not considered by the House of Assembly and is not, therefore, before us in this Bill.

I do not intend to move an amendment to pick up that amendment. I would have thought that it was a satisfactory proposition, in light of the fact that there has been so much debate about the confidentiality of the jury room (and more so in the past day or so when reflections have been made on the jury which sat during the trial of Mr Justice Murphy—a matter now on appeal from the New South Wales Supreme Court). However, that, I think, is for another day. I will certainly be proposing at a later time amendments to the Juries Act which will make it unlawful to solicit information from jurors as to their deliberations in the jury room and considering the form of notice to jurors indicating the obligations with which they must comply as jurors exercising a very important function in the criminal justice system. I support the second reading.

The Hon. C.J. SUMNER (Attorney-General): I thank the honourable member for his support of the Bill.

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

[*Sitting suspended from 5.56 to 7.45 p.m.*]

GOVERNMENT MANAGEMENT AND EMPLOYMENT BILL

At 7.47 p.m. the recommendations of the conference were reported to the Council.

The Hon. FRANK BLEVINS (Minister of Labour): I seek leave to have the recommendations of the conference inserted in *Hansard* without my reading them.

Leave granted.

Recommendations of Conference

As to Amendment No. 1:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendments Nos 2 and 3:

That the Legislative Council do not further insist on these amendments.

As to Amendment No. 4:

That the Legislative Council do not further insist on this amendment but make in lieu thereof the following amendment:

Page 2, line 29 (clause 4)—After 'Minister' insert ', being another Minister, the Commissioner, or another Chief Executive Officer (or person having the powers and functions of a Chief Executive Officer) remunerated at a level at least equivalent to that of the Chief Executive Officer in question.'

and that the House of Assembly agree thereto.

As to Amendments Nos 5 and 6:

That the House of Assembly do not further insist on its disagreement to these amendments.

As to Amendment No. 7:

That the Legislative Council do not further insist on its amendment, but make in lieu thereof the following amendments:

Page 6—

line 14—leave out 'provision for the according of preference' and insert 'special provision'.

line 15—leave out 'to' and insert 'for'.

line 18—leave out 'to' and insert 'for'.

line 22—leave out 'the according of such preference in pursuance of such a program' and insert 'any such special provision'.

and that the House of Assembly agree thereto.

As to Amendment No. 8:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendment No. 9:

That the Legislative Council do not further insist on this amendment.

As to Amendment No. 10:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendment No. 11:

That the Legislative Council amend its amendment by leaving out proposed new clause 15a, and that the House of Assembly agree thereto.

As to Amendment No. 12:

That the Legislative Council do not further insist on its amendment but make in lieu thereof the following amendments:

Clause 16, page 9, lines 9 to 12—leave out all words in these lines and insert:

'review and—

(i) to establish appropriate general policies in relation to personnel management and industrial relations in the Public Service;

and

(ii) to advise the Minister responsible for the administration of this Act and other Ministers on policies, practices and procedures that should be applied to any other aspect of management in the Public Service or to any aspect of management in other parts of the public sector;'.

After line 35—insert new clause as follows:

'16a. The Board may give such general directions to the Commissioner as it considers necessary for the proper implementation of any policy that it has established in relation to personnel management or industrial relations in the Public Service.'

and that the House of Assembly agree thereto.

As to Amendment No. 13:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendments Nos 14 and 15:

That the Legislative Council do not further insist on these amendments.

As to Amendments Nos 16 to 18:

That the House of Assembly do not further insist on its disagreement to these amendments.

As to Amendments Nos 19 and 20:

That the Legislative Council do not further insist on these amendments.

As to Amendment No. 21:

That the Legislative Council do not further insist on this amendment, but make in lieu thereof the following amendment:

Clause 27, page 14, lines 3 to 5—leave out paragraph *(a)* and insert paragraphs as follow:

'*(a)* to ensure the implementation of the general policies in relation to personnel management and industrial relations established by the Board;

(ab) to establish and ensure the implementation of appropriate practices and procedures in relation to personnel management and industrial relations in the Public Service;'.

and that the House of Assembly agree thereto.

As to Amendments Nos 22 and 23:

That the House of Assembly do not further insist on its disagreement to these amendments.

As to Amendment No. 24:

That the Legislative Council do not further insist on this amendment.

As to Amendment No. 25:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendment No. 26:

That the Legislative Council do not further insist on this amendment.

As to Amendments Nos 27 and 28:

That the House of Assembly do not further insist on its disagreement to these amendments.

As to Amendment No. 29:

That the Legislative Council do not further insist on this amendment.

As to Amendment No. 30:

That the House of Assembly do not further insist on its disagreement to this amendment.

As to Amendment No. 31:

That the Legislative Council do not further insist on this amendment.

As to Amendments Nos 32 and 33:

That the House of Assembly do not further insist on its disagreement to these amendments.

Consideration in Committee of the recommendations of the conference.

The Hon. FRANK BLEVINS: I move:

That the recommendations of the conference be agreed to.

The report from the Attorney-General to me was that the conference was conducted in a very amicable way and that the Council acquitted itself very well. As always in conferences a number of compromises were made on both sides to the extent that we have a very successful conclusion to that conference. I am happy to commend to the Committee the amendment that has been suggested by the conference.

The Hon. M.B. CAMERON: I am pleased, on behalf of the Opposition and the Council, to support the Minister's motion. It was, as the Minister said, a very successful conference, particularly from the viewpoint of this Chamber, as we took to the conference a large number of amendments, the majority of which were agreed to by the House of Assembly. It was the view of this Chamber that a number of these amendments were necessary, particularly in relation to the power of the Commissioner. It was the belief of this House that the board should have some power over the Commissioner and that has come out of the conference. That is probably the most important point resolved—the board from now on will have the power to determine policies in relation to the Public Service in personnel management and industrial relations. It allows the Commissioner the proper power of personnel management, and that was always considered by us to be the role of the Commissioner. Whilst policies are laid down by the board, the Commissioner will not be interfered with in the day-to-day running of the Public Service. Whilst he or she might be seen to be serving two masters in being under ministerial direction as well as being under the board, we do not believe that that is a problem, as it is perhaps one way of making certain the intentions of this Bill are carried out, namely, that we keep from the Public Service as much as possible the politicisation of the Public Service.

With these amendments we have carried out the intent of the Bill. We did give way on certain amendments in relation to the title of the person who will be in charge of the Public Service, that is, the Commissioner. This Chamber determined that it should be 'Director', but it was considered, on reflection, that it would be improper for a Director to be telling Directors-General what to do. We had a problem with the name and therefore did not proceed with that issue.

We have also removed from the Bill the Electricity Trust of South Australia. That is a quite proper move by this House and one agreed to now by the House of Assembly. A number of other matters are outlined in the report before the Council, and I assure members that the views expressed by this Council in the Committee stage have been virtually brought back intact. That indicates that, following the conference, it is the belief of both Houses of Parliament that the intention of the Council was correct as has been transmitted to us in the report in bringing about what I regard as a very successful conclusion to the conference.

The Hon. K.L. MILNE: I confirm what the Minister and the Hon. Mr Cameron have said: it was a successful conference. If ever in my six years in Parliament there was an example of the benefit of having two independent Houses of Parliament, this was one of them. It started off as one of the most contentious Bills to come before this Council. It could have been a very difficult matter indeed but, with a proper conference admirably led by the Premier, and with due courtesy from this Council under the leadership of the Hon. Mr Cameron, it was a huge success in the sense that there were sensible compromises that no-one regretted.

I consider I was privileged to be a manager of that conference. I congratulate all those concerned, especially the managers from another place, some of whom had very definite views on what should happen. We were able to listen to each other's arguments. I am sure Parliament will have established a little more dignity and respect through this procedure, and I am sure the Public Service will gain better management and will also be pleased.

On behalf of this Council, I thank the House of Assembly for its courtesy to us, because we had the majority of amendments to discuss and they were dealt with with proper courtesy. Again, I say that it was a successful conference and that it was a pleasure for me to know that the bicameral system, if it works in this way, is of immense value.

The Hon. R.I. LUCAS: I reiterate the words of the three earlier speakers and believe it was a worthwhile conference. I wish to comment on only one amendment and indicate that I was disappointed that there was not a majority view—

Members interjecting:

The CHAIRMAN: Does the Hon. Mr Lucas wish to continue?

The Hon. R.I. LUCAS: If it is against convention, I will not.

Motion carried.

NATURAL GAS (INTERIM SUPPLY) BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 1911.)

Clause 2—'Commencement.'

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

Page 1, lines 32 to 35—Leave out this clause and insert the following clause:

2. This Act shall come into operation on a day to be fixed by proclamation.

The Government amendment made in another place only postpones the commission of offences, and this amendment is designed to relieve the producers from risk of retrospective expropriation of licences and other assets. This amendment will enable the legislation to be proclaimed whenever the Government considers that it is really needed. Consequential amendments to clause 8 protect the Government against any change that might have been made by the producers and AGL to the AGL agreement after 23 October 1985.

It is our view that we should enter into retrospective legislation very carefully indeed. As anybody would know, it is the general view of this Council that that should not occur. Over the years that I have been here, it is a matter that is taken very seriously indeed, and I get the feeling that, by doing this, the Government is saying that these companies are not to be trusted and that we have to ensure

that they have not done anything wrong between the time of the introduction of this legislation and now.

Companies that have invested in this State are being treated as virtual crooks. They are being told that we will move this legislation in this form to make sure that they have not done anything wrong. I find that rather disturbing, particularly as these companies have, as I said, invested in this State and assisted in its development. I think they should be treated with some degree of courtesy by our not moving into the retrospective legislation field and by our not indicating that we do not trust them because they might have done something wrong.

The Hon. FRANK BLEVINS: I appreciate the point that the Hon. Martin Cameron is making. First, I would argue that this is not retrospective legislation in the way that we usually use the term. It is—

The Hon. M.B. Cameron: But it is retrospective.

The Hon. FRANK BLEVINS: It is retrospective to the day that the legislation came into the Parliament. It is certainly not unusual—in fact it is quite common—for that to occur. It is not retrospective legislation in the normal usage of that term. But, even if it were, it seems to me that we have a Bill before us which is amending an indenture. So, if we are talking about retrospective legislation in the terms of amending an indenture, it seems to me that we are talking about a very minor thing indeed.

The Hon. M.B. Cameron interjecting:

The Hon. FRANK BLEVINS: Yes, but I would have thought that the Hon. Martin Cameron could have come up with a better argument for his amendment. To suggest that this is retrospective legislation in the normal usage of the term is absolute nonsense.

The Hon. J.C. Burdett interjecting:

The Hon. FRANK BLEVINS: Well, the whole legislation is that.

The Hon. J.C. Burdett: It is disgraceful.

The Hon. FRANK BLEVINS: It is not disgraceful. If it was disgraceful, there would not be a Parliamentary provision for it. It has quite obviously been envisaged that Parliament ought to have this power, or we would not have it. We have this power and obviously in extreme circumstances it is there to be used. I oppose the amendment. Probably the more substantial reason is that this clause was already amended in the Lower House to accommodate some of the concerns of the producers and with their agreement.

To some extent the producers, through members opposite, are coming back for a second bite at the cherry. We are certainly not prepared to accept that. We thought that the amendment that we moved in the other place was quite sufficient. For the Act to commence operation from the date on which it was tabled is very common practice indeed. Not to do that could leave the way open for producers if they wished—and I am not saying that they would—to enter into contracts interstate, producing all kinds of problems for us under section 92 of the Constitution.

To some extent, I do not blame the producers for doing this; they are there to protect their profits and those of their shareholders. Their interest is their primary concern, and the interests of the State are secondary to them. I am not saying that in any pejorative sense; it is a statement of fact. The Government will not put the profits of the producers before the interests of the people of this State. Therefore, we strongly opposed the Hon. Martin Cameron's amendment.

The Hon. M.B. CAMERON: I am disappointed to hear that rather false argument offered by the Minister. If any group is coming back for a second bite of the cherry in this matter it is the Government, by bringing in this Bill, which changes an indenture Bill entered into by this Parliament. So, do not let us start talking about second bites of the cherry, because the second bite is being inflicted on the people who entered into agreements with this Government and who are now being forcibly brought into a situation of change of agreement—without their agreement.

So do not let us start on that or we will really get into trouble tonight. I have some very strong views in this area. I really take strong exception to the Minister's suggestion that the producers, through the Opposition, are coming back for a second bite of the cherry, because if I did not believe that they had a justifiable case, there is no way in which I would be offering this amendment tonight. I believe that they do have a case.

The Hon. Mr Milne can smile if he likes, but that is a fact of life. The Minister indicates that the interests of the State are secondary to those of the producers. On the contrary, I believe that the producers have put this State first by investing in it. A number of them have come in here with risk capital in the first place and others have brought in since the risks were taken and the profits started. But, they have bought in on the basis of agreements that have been entered into. They have invested in this State on the basis of the way in which the companies were set up and the agreements reached.

Now they are being told, 'Bad luck fellows. Everything was all right when you came in but now we are changing the rules, and you have to start again from a different base'. It is an extraordinary situation and one that really disturbs me and, I am certain, many people who may have been considering investing in this State.

However, the amendment really shows contempt for the producers and for the people who have invested, because it says, as I said before, 'We think that you might be a bunch of crooks. Therefore, we will take it back to a particular date to make certain that you have not done anything wrong.' It is a real schoolboy amendment. The Government is saying, 'We will make certain that you have not been bad boys by entering into this'.

This amendment indicates that consequential amendments to clause 8 will protect the Government from any change which might be made or which has been made by the producers after 23 October. Frankly, I cannot understand why the Minister is refusing this. At least it would show the Government's good faith in its attitude towards the producers. I urge the Minister, and the Hon. Mr Milne in particular, to reconsider their position on this matter. I have not yet heard from the Hon. Mr Milne, but I would be interested if at least he was prepared to show some attitude towards the producers which would indicate that he believes they are reasonable, honest, upright citizens of, and investors in, this State.

The Hon. K.T. GRIFFIN: A law is retrospective if it applies to events which occurred before the date when it became law. It does not matter whether it applies in this case from 23 October, the date when it was introduced, or some other day: the fact is that it is retrospective legislation. As I say, that means that the law applies to an event that occurred before it became law.

In some taxing measures, to minimise the opportunity for avoidance it has become the practice to apply the taxing measure from the date upon which it was introduced in the Parliament, and to that extent it is retrospective. The federal tax legislation that sought to deal with other areas of behaviour which at the time they were undertaken were legal but at the time the Bill was introduced and then became law became illegal, is again another illustration of retrospective legislation, so that in the present instance this Bill, when it becomes law, will apply retrospectively to events that occurred before the date upon which it became law. It does not matter to what date it applies.

Let me just draw attention to a particular problem with the clause as it is drafted at present. Under clause 2 (1) the Act is deemed to have come into operation on 23 October 1985, but according to subclause (2) clause 12 shall come into operation when the Act is assented to by the Governor. Clause 12 deals with the consequence of contravention of or failure to comply with the Act. That relates to forfeiture or cancellation of a petroleum production licence and to compensation that might be paid as a result of that cancellation.

That is all very well so far as it goes, because what it means is that, up to the day when this Bill receives the Royal Assent, if there has been something done by the producers which might be perfectly lawful now but under the legislation becomes illegal, then they are not liable to have their licences forfeited. That is fine, but then clause 13 provides that a person who 'contravenes or fails to comply with a provision of this Act or a requirement of a notice served on that person by the Minister under this Act' is guilty of an offence. Clause 13, which will apply from 23 October, will impose a massive penalty for an offence which is proved beyond reasonable doubt.

If in fact the producers have acted in a manner that is presently lawful but under the terms of the Act becomes unlawful, then because it is retrospective the producers are liable to a massive penalty: that is the problem, and nothing else. The fact is that what is legal now becomes illegal from 23 October when the Bill becomes law and, whether it concerns the producers or anybody else, that is the injustice of the matter. If they are presently doing something that is legal and the Parliament says, 'Tomorrow we will be enacting a law which makes what you did yesterday illegal,' that is a matter of very grave concern and that is the point that I think needs to be addressed in relation to clause 2—not the sort of general comment that has been made by the Minister in reply.

I think it is a matter of principle that needs to be seriously addressed, and that is the reason I would prefer to see the amendment which the Hon. Martin Cameron is moving rather than leaving in the Bill the rather limited provision already in clause 2 which admittedly has been amended to a certain extent but only in so far as it relates to a breach of the licence and preserves the licence from cancellation if that breach between 23 October and the day of Royal Assent is legal but then becomes illegal. I speak very strongly in favour of the amendment on the basis of that principle.

The Hon. FRANK BLEVINS: The Hon. Mr Griffin did not concede my argument that, while technically there is retrospectivity, it is a normal thing to do, and I will give a recent illustration—the Grand Prix Bill.

The Hon. M.B. Cameron: You won't get any more special help with a particular issue.

The Hon. FRANK BLEVINS: It is not special help at all. In that instance we brought in retrospective legislation, but the Hon. Mr Griffin said 'No'. Unfortunately, he had the numbers, and he said. 'Instead, I'll give you the date when the Bill came into the Council.' That is perfectly normal, even for a simple measure like that. However, in relation to this very serious matter, the Hon. Mr Griffin suddenly elevates it to an enormous principle.

The Hon. K.T. Griffin: That was a compromise at a conference.

The Hon. FRANK BLEVINS: It was not.

The Hon. K.T. Griffin interjecting:

The Hon. FRANK BLEVINS: The formalities might have been, but not at the conference. The Grand Prix Bill is an example where there was no problem. It involved a perfectly normal situation—whether or not a T-shirt could be sold displaying a racing car. I am happy to leave that point now.

The Hon. R.C. DeGaris: I think you'd better.

The Hon. FRANK BLEVINS: I am also happy to go on with it. I have given an illustration of the point we are discussing.

The Hon. R.C. DeGaris: Can you create a crime retrospectively?

The Hon. FRANK BLEVINS: Certainly—and we attempted to do that, but the Hon. Mr Griffin said 'No', and he let us create a crime from the date the Bill was introduced in the Council. However, that is irrelevant. The Hon. Martin Cameron has amendments on file to take care of this point. I do not know whether the Hon. Mr Cameron has read them.

The Hon. L.H. Davis: Will you support them?

The Hon. FRANK BLEVINS: Yes, later. The amendments insert the word 'knowingly' in a couple of places.

The Hon. R.C. DeGaris: That is a different question altogether.

The Hon. FRANK BLEVINS: It is not a different question at all; it is a fact. What is the purpose of the amendments? By accepting the amendments to insert the word 'knowingly'—which we will do—we are letting the producers off the hook when they could not have known. Really, it is as simple as that.

The Hon. M.B. Cameron: Do you accept the amendment?

The Hon. FRANK BLEVINS: We will accept the latter amendment.

The Hon. M.B. Cameron: Do you accept this amendment?

The Hon. FRANK BLEVINS: We will accept the latter amendment.

The Hon. M.B. Cameron: Do you accept this amendment?

The Hon. FRANK BLEVINS: We have absolutely no intention of accepting this amendment.

The Hon. L.H. Davis: Why not?

The Hon. FRANK BLEVINS: I will tell the honourable member why not: in the other place the Bill was amended with the agreement of the producers—now they want a second bite.

The Hon. R.C. DeGaris interjecting:

The Hon. FRANK BLEVINS: That is the honourable member's prerogative. The producers agreed to the amendment in the other place with the agreement of the Government.

The Hon. J.C. Burdett interjecting:

The Hon. FRANK BLEVINS: That is the honourable member's prerogative. I am saying that the Government opposes this amendment—it is the honourable member's business if he supports it, but we oppose it strongly. I think the real problem with the Bill as a whole is that members opposite do not like it, and I can understand that. The problem is not retrospectivity to the date—

The Hon. R.C. DeGaris: That's the issue.

The Hon. FRANK BLEVINS: It is not. The problem is not retrospectivity to the date when the Bill came before the Council; the problem is that the Opposition is supporting the producers against the consumers of this State.

You are quite entitled to do that, but don't dress it up in spurious arguments on retrospectivity or that an offence has been created, because I point out that in the Opposition's own amendments, with which we agree, the word 'knowingly' is inserted.

The Hon. L.H. DAVIS: Will the Minister advise the Committee in precise terms why the Government chose to make this legislation retrospective to 23 October 1985? Why is the operation of this Act to be retrospective to that date?

The Hon. FRANK BLEVINS: I have already been through that matter, but I am happy to do so again. As I stated five minutes ago, my information is that, if we agreed to this further amendment, the producers would have the ability

to frustrate the Act by entering into an interstate contract before the Act was proclaimed. The producers would then be able to shelter behind section 92 of the Commonwealth Constitution. I went on to say that they might even have an obligation to the company to do that. Their obligation is primarily to the company; it is not to the State.

The Hon. R.C. DeGaris: Yes, it is.

The Hon. FRANK BLEVINS: No, it is not.

The Hon. R.C. DeGaris: You misunderstand the private sector.

The Hon. FRANK BLEVINS: It is not a question of misunderstanding the matter, but it is a question of the law. My understanding is that the law provides that the producers' obligation to the company is well ahead of that to the State—I am putting the State second; perhaps I am being generous, it may be tenth. However, primarily, their obligation is to the company and that is perfectly proper.

The Hon. L.H. DAVIS: Did you seek any undertakings from the company?

The Hon. FRANK BLEVINS: Personally I did not.

The Hon. M.B. CAMERON: I am staggered by the Minister's rather strange argument. I would suggest that probably it would be a good idea if he went and got the Attorney-General. The Minister is saying that, because I have a couple of amendments further on that use of the word 'knowingly', the situation is covered. If that is the case, why not accept the amendment? Why not accept what is in the amendment if it is covered and if it is going to be okay? I do not understand that line of argument, and I expect the Minister to put up a slightly better argument than that. It is a very serious matter for a House of Parliament to create an offence, retrospectively.

The Hon. Peter Dunn interjecting:

The Hon. M.B. CAMERON: Yes—retrospectively. It is a very serious matter. I cannot understand the honourable member bringing in the Grand Prix argument. In that regard, if we are going to have that sort of argument used for ever against us because we happened to assist in passing special legislation for the purpose of getting the Grand Prix to Adelaide and to get matters through the Parliament in a hasty fashion—and I use the word 'hasty' because there were many problems with a brand new venture for Adelaide—if that argument is going to be used against us because we happened to facilitate the passage of legislation relevant to the Grand Prix, goodness knows what will happen with this Council in future. We will not be too keen in assisting with any matter on a hasty basis, because we will have Ministers getting up in the Council and saying, 'Hey, but you passed that legislation retrospectively previously', even though such action would be taken to assist the Government to bring something to South Australia.

The Hon. Peter Dunn interjecting:

The Hon. M.B. CAMERON: I would not want to get too deeply into that matter. I accept that it is difficult to know all the problems associated with a brand new organisation, although I am quite certain that we could have done it better in terms of legislation—but that is another matter.

We are considering a very serious matter. Worse still, it shows a lot of contempt for the producers, the shareholders in these companies and the investors in this State, who are being knocked about the head now by the Government, because it suddenly finds itself having to recover some money that it has taken out by way of taxation: that is what it is all about. The Government is saying to these people, 'Not only will we knock you about the head but we will handcuff you in case you get away from us and in case you turn out to be crooks.' It has no proof—nothing that shows that there has been any desire on the part of the producers to do anything wrong; it is saying, 'In case you do something wrong, we will put this in.' That is not only flogging the people to death but putting them in chains, too, to make sure that they do nothing wrong. That is a totally unacceptable attitude.

I find the Bill unacceptable: the Minister was right in saying that. It is only an excuse for what the Government has not done for the past three years; it is only an attempt to cover up inaction over the past three years. The Government could have taken this matter to finality a long time before this by ensuring that we had some sort of equality of price with New South Wales by bringing in a royalty, but it has not done that. Two or three years ago, it promised to do it within three weeks, but nothing has happened. Now, it is refusing to accept that these people who have invested $1 600 million in this State are reasonable people. I find that a somewhat contemptuous action towards these people, and I ask the Minister to reconsider his attitude towards this amendment.

It is not an amendment of great moment to the Government. I cannot understand why it has got itself in such a knot about it, but it is an attitude of good faith towards the people who will be affected by this Bill. It will show that at least we regard them somewhat favourably, even though the Parliament—knowing the way that the numbers are running at this stage—will continue to beat them about the head and change agreements which have been entered into by the Government and the producers, freely, in the past and on which basis people and companies have invested in the State.

Goodness knows what will happen to investment in the State in future! One can imagine any Government in the future going to any group of people and saying, 'Why don't you invest in South Australia? We will pass an indenture Bill for you.' That indenture Bill would never be sacrosanct, because investors seeking funds from lending institutions will have to go to those institutions and say, 'We will have an indenture through the Houses of Parliament of South Australia.' The first thing that the banks will say—the people from whom they will borrow—will be, 'Is it likely that this agreement will stand the test of time?' and the answer will have to be, 'No, we can't guarantee that, because the Parliament of South Australia has shown itself to be unreliable; it is prepared to break contracts, to tear them up and rewrite them without agreement from one side; it is prepared to throw aside people who have shown some faith in the State.'

The CHAIRMAN: I wish to advise the Committee that 'section 12' in clause 2 (2) should read 'section 13'. That gives a different complexion to the argument. It is a clerical error that can be rectified by the Chair, but it may influence the tenor of the debate.

The Hon. FRANK BLEVINS: Hopefully, I can further clarify the position before long speeches that may be irrelevant are made.

The Hon. K.T. Griffin interjecting:

The Hon. FRANK BLEVINS: Members opposite should do what the producers want—let the Bill go through and start again with negotiations, instead of playing around with all this. It is a bit too serious for this.

The Hon. M.B. Cameron interjecting:

The CHAIRMAN: Order!

The Hon. FRANK BLEVINS: I point out that clause 12 is protected by the Hon. Mr Milne's amendment, which the Government will accept.

The Hon. R.C. DeGARIS: The Minister said that the reason for retrospectivity was in relation to actions that might be taken under section 92 of the Commonwealth Constitution. I would like him to explain to the Committee how a retrospective part of this Bill affects any action that might be taken under section 92 of the Constitution.

The Hon. FRANK BLEVINS: I am advised that, if the producers committed some of that reserve gas to interstate in the interregnum, which we are trying to avoid, there is no way we could legislate to stop that. Apparently, under section 92 a contract could be entered into with another State and there is nothing we could do about those reserves.

The Hon. K.L. MILNE: I did not intend to speak on this matter and prolong the argument, because none of us are fond of grandstanding, but the Hon. Mr Cameron said that I could smile if I liked, and he asked me to say whether or not I thought that the producers were honourble men. Certainly, I have never said anything different, to my knowledge, but I was smiling at the halo that appeared above the honourable member's head as he was aligning himself with them. But that is not the point. We are not discussing the rights and wrongs of the producers: we are discussing this starting point and its effect on them.

Having decided that we are talking about proposed section 13, I point out that the Bill provides that section 13 will come into operation only when the Act is assented to by the Governor. In any case, section 13 does not deal with the cancellation of licences but with offences. I think that the penalties for offences are very heavy indeed and are open to criticism, but the companies and the volumes of the offence could be very big too, so it is probably relative. However, that is unlikely to happen. It does not deal with the cancellation of licences but with offences. It further provides that it is a charge on one of these offences if the offence is committed by something beyond the control of the producers. First, that will not come into operation retrospectively, although it sounds as though it will.

It will not in any case be operated on and used if the offence is beyond the control of the producers. Where they have made a mistake and they have been kind enough to acknowledge this, is in not bringing in the same restraints and protections for the producers in clause 12. As the Minister said recently, we will have amendments for that if the Opposition is kind enough to support us.

Clause 12 (2) provides that the Minister shall not publish a notice under subsection (1), subject to certain qualifications. This clause deals with licences, and so on, and its wording is less draconian than wording that appears in the Petroleum Act, although nobody has complained about that up to now. Clause 12 (2) states, in part:

> The Minister shall not publish a notice under subsection (1) unless—
>
> *(a)* at least 1 month before doing so, a written notice has been given . . .

Written notice must be given one month beforehand, and after that there is a default. When notice is given, the time to rectify the fault is within a reasonable period of the notice having been given. I am asking that we insert the word 'reasonable', because one knows what protections that gives—it gives considerable protection.

I will also be seeking in my amendment that, if the default or recurrence of the default is due to circumstances beyond the producers' control, even then this clause will not operate. I think that that was overlooked. If the Government and the Opposition will cooperate in this matter, this will be largely rectified. If we are to talk like this and try to raise matters of this kind all the evening we will be here for a long time. I do not think that that kind of behaviour will help either side in this debate. I hope that we do not continue with what appears to me to be largely a filibuster.

The Committee divided on the amendment:

Ayes (7)—The Hons M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin, R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons J.C. Burdett, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived; clause passed.

Clauses 3 and 4 passed.

Clause 5—'Obligation to supply reserve sales gas.'

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

Page 4, lines 12 and 13—Leave out 'and the terms and conditions set out in the first schedule'.

The reason for this amendment is obviously convincing to the Government. The first schedule provides a series of very complex obligations on the part of the producers and substitution of terms and conditions under which they and the authority have operated successfully for the past 10 years. This amendment will enable the authority and the producers, with the approval of the Minister, to make changes on these matters which, in fact have become necessary.

The Hon. FRANK BLEVINS: The Hon. Mr Cameron read that very well. All I have to read is 'Yes'.

Amendment carried.

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

Page 4 after line 13—Insert new subclause as follows:

(1a) The gas shall be supplied—

(a) at the price set out in, or determined under, section 7 or, with the approval of the Minister, at a price agreed from time to time by the Authority and the Cooper Basin Producers;

(b) on terms and conditions set out in the first schedule or, with the approval of the Minister, on terms and conditions agreed from time to time by the Authority and the Cooper Basin producers.

The Hon. FRANK BLEVINS: The Government is happy to accept this amendment.

Amendment carried.

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

Page 4, lines 15 and 16—Leave out 'terms and conditions set out in the first schedule' and insert 'requirements of this section'.

The Hon. FRANK BLEVINS: I am happy to accept this amendment.

Amendment carried.

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

Page 4, after line 35—Insert new subclause as follows:

(3a) After 1987, the Cooper Basin producers are not required to supply reserved sales gas under this section if they cannot supply the gas from existing wells and by means of existing equipment and facilities.

This amendment is designed to ensure that the producers cannot be required to supply more reserve sales gas after 1987 than remains, other than that which is able to be supplied using existing facilities.

Vast sums of capital to produce small quantities of gas from the last remaining quantities of gas in the wells should be able to be produced within the capabilities of existing facilities, and for the Minister to be able to require the producers to supply gas in such a way as to require additional facilities is considered to be unreasonable.

The Hon. FRANK BLEVINS: The Government opposes this amendment. I am advised that, if this amendment was passed the producers could let production facilities downgrade to the point where the gas reserved under this Act could not be supplied at the rate required and the purpose of the Act would be frustrated. That is to say that the required supply of gas, which is what this Bill is all about, would not be forthcoming.

The Hon. K.T. GRIFFIN: I do not think that that answer really does reflect the meaning of the subclause. It talks about the requirement to supply reserve sales gas under the section from existing wells and by means of existing equip-

ment and facilities. I do not see in that clause that there is any permissible reduction in the equipment and facilities which might be the consequence of inserting this clause. It talks about existing wells, existing equipment and facilities. If it is good enough to get that reserve gas out now from existing wells with existing equipment and facilities, why should there be an obligation perhaps to spend further sums on adding equipment and increasing facilities to get that gas out after 1987? It seems that the Minister's argument just does not follow.

The Hon. M.B. CAMERON: I support what the Hon. Mr Griffin has said, but worse still it appears that the arguments being used by the Minister are based on lists of premise that the producers are some terrible group of people who are going to set out to frustrate everything associated with gas supplies to South Australia. That is absolute nonsense and it shows a contempt for the producers that I find unacceptable. I would have thought that it was reasonable, where a certain supply is running down, that the producers should not be placed in a position where the Government could require them to supply gas out of those wells in such a way as to mean that they would have to spend large sums of money on upgrading facilities or putting in new facilities.

Surely that is reasonable. They are already tied to existing wells and facilities. Surely it is reasonable to give them some protection against the requirements of the Government that could be unreasonable, that is, that they are required to invest large sums of money for the purpose of producing small quantities of gas from what are the last remaining quantities in a well.

The Hon. FRANK BLEVINS: I can only repeat what I have said. I did not want to enlarge upon my reasons. To some extent the base has been broadened and we are dealing with the perceived views that the Hon. Martin Cameron has of the Government's attitude towards the producers. The producers do very well out of this Government and this State—very well indeed. They get many special privileges not available to normal producers. I can remember coming into this Parliament years ago and protecting the existing owners of that company from the alleged ravages of Bond, the later all Australian hero. He was perceived to be a terrible threat to these people, and they came running to the Parliament. They also have an indenture giving them special privileges. Let us not start feeling sorry for the producers—they are doing very well indeed.

Members interjecting:

The CHAIRMAN: Order!

The Hon. FRANK BLEVINS: We are here dealing with a basic commodity vital to this State. No Government, other than one of the most irresponsible type, would not seek to protect the State in this way and in several other ways. If one goes into the gas, electricity or any other business involving a basic commodity, one ought to know that one will be up for special treatment by the Government—all Governments. There is no question about that.

Members interjecting:

The CHAIRMAN: Order! If any honourable members want to speak in the debate they will have the opportunity to do so.

The Hon. FRANK BLEVINS: I make no apologies for saying that.

Members interjecting:

The CHAIRMAN: Order! I make it clear that everyone will have an opportunity to speak in the debate, but we do not want three or four members speaking at the same time.

The Hon. FRANK BLEVINS: The companies involved and the commodity will be treated differently than if they were selling icecream or something else. There is no question about that and we are not apologising for it. I imagine that the same thing applies to this type of utility all over the world. In this State at least one of our illustrious forebears nationalised electricity companies. Why? For the same reason that this action is being taken here today.

The Hon. M.B. Cameron interjecting:

The Hon. FRANK BLEVINS: Certainly not nationalising—we are nowhere near that. Indeed, this Government is nowhere near as radical as the Government of Sir Thomas Playford—but do not push it. As I stated, the companies involved do very well indeed. I am not complaining about that. I am saying that this Government will protect the consumers, both domestic and industrial, in this State. If, in an abundance of caution, we have the provisions to which the Hon. Mr Cameron is objecting, I am sorry, but we will insist on them. We will not allow any company of the highest integrity to put this Government or this State in a position where its long term or short term supplies of such a basic commodity are put in jeopardy. It may well be that through benign neglect the companies could allow their equipment to run down and then say, 'Really we are sorry, but we cannot produce.' We hope that that will not happen, and it is nice to have the legislation to ensure that it does not happen. If the producers feel miffed about this—I am not sure that they do—they can console themselves with other legislation with which they are very happy and which protects their position. When one is involved with such a basic commodity this *quid pro quo* is for the safety and stability that Governments give.

The Hon. M.B. CAMERON: The Minister ranges wide to try to justify his position. I did not think that we would get back to the point of the Bond legislation as he called it. I assure him that in no way did I support that legislation because it had nothing to do with the supply of gas to this State. It was purely to do with people's investments. I objected to that legislation very strongly, as the Minister will recall.

The Hon. Frank Blevins interjecting:

The Hon. M.B. CAMERON: It was not a production Bill. It had nothing to do with production, as the Minister knows.

Members interjecting:

The CHAIRMAN: Order!

The Hon. M.B. CAMERON: An absolute red herring was brought in. If the Minister wants to argue that, I will argue it with him. I do not want to go through all that issue. I thought that it was stupid legislation introduced by this Government, but that is another issue. The Minister talked about supplies. I am getting the feeling that somewhere along the line there has been a sudden threat to break off supplies.

Otherwise, why are we starting to talk about supplies as if the producers have threatened the State? I do not recall any threat. In fact, as I understand it, the problem that has arisen with this whole issue is that the Government did not threaten anything except that they broke off negotiations. We have been through all that argument. For five months they did not negotiate. Obviously they did not know what they were going to do. They did not know how to go about it and they had offered prices that were above those that were already paid to the producers.

The Government says that it is setting out to protect the consumers. It has had three years to protect the consumers; three years to reduce electricity prices; three years to take off the tax that they put on electricity in this State; and three years, as I said before, to bring about a reasonable level of price compared with New South Wales. However, Government members have sat on their hands for three years. Suddenly, however, they were struck with a good idea coming up to an election.

They say that the producers are getting special treatment. Goodness me, as one of my colleagues said, there is a new

meaning to the word 'special'. The special treatment is that under this Government, if you have an agreement and it is torn up, you are presented with a new one without any right of appeal against the matter. That is special treatment. You break indentures—that is special treatment. What an extraordinary and ridiculous argument. They have given the State special treatment because they have made this State a very unreliable place for investment by anybody from outside. The Hon. Mr Milne has not indicated any attitude, and he will find it difficult to do so at the moment because he is not here.

The Hon. I. Gilfillan: I can indicate it.

The Hon. M.B. CAMERON: The Hon. Mr Gilfillan has indicated that he will speak on behalf of the Hon. Mr Milne. Because of the way in which the Hon. Mr Milne started (and I have a feeling it is the way that he will go on) he will leave a very special legacy when he leaves this Parliament, that is, the breaking of a very important indenture in relation to investors in this State.

The Hon. FRANK BLEVINS: Very briefly, the Hon. Mr Cameron said that anybody would think that there was a threat to supplies in this State. That is the whole purpose of the Bill. We cannot get from the producers a guarantee of supply.

The Hon. M.B. Cameron: That is ridiculous.

The Hon. FRANK BLEVINS: It is not ridiculous. That is the whole point. We cannot get the guarantee of supplies. I point out that 40 per cent of this State's energy needs comes from natural gas. I am advised that that is higher than any other State and possibly higher than any other country in the world. We are incredibly dependent on the Cooper Basin. Natural gas generates 78 per cent of the electricity in the State, and we cannot get the guarantee of security of supply that we require. So, yes, the producers are being singled out for special treatment.

Regarding the breaking of contracts—and that is one way of putting it—sometime in the mid 70s when there were these alleged renegotiations—

The Hon. M.B. Cameron: But you agreed to it.

The CHAIRMAN: Order! Let us hear what the story is.

The Hon. FRANK BLEVINS: I did not hear the producers complaining then about the agreement being altered.

The Hon. M.B. Cameron: It was agreed between the parties.

The Hon. FRANK BLEVINS: There are agreements and agreements. I would have put that agreement in inverted commas also. If you are in a commodity, if you are dealing in and making profits out of a commodity on which the whole State relies, you will get special treatment. You got it in the mid 70s that favoured you, and you get it in this case where you or the producers feel that it does not favour them. All I can say is that, if you do not want the Government looking over your shoulder all the time protecting the interests of the State, you should go into something else. Go into beer for instance, because if you are in gas, electricity or any basic commodity a responsible Government will be right there with you.

The Hon. M.B. CAMERON: The Minister goes from bad to worse. He should go outside, have a rest and get a bit of advice. He is not going very well at all tonight. The Minister said that the Government could not get any guarantee or security of supply. As I understand it, the subject of there being any doubts has not arisen until very recently, and then a good idea occurred to the Department of Mines and Energy in this State. It thought, 'Goodness me, we've done some new calculations on a basis that was not communicated to the producers, and we've discovered that there's no guarantee of supply. We have a problem.' Was that information supplied to the producers? No, it was not.

Was there any discussion between the producers and the Department of Mines and Energy? No. Finally, because the Premier was embarrassed into a select committee and because he had given a commitment, suddenly all this material started to appear. Last Friday certain information was presented to the producers, and they were asked, 'What do you think of this?' Of course, they had had no opportunity to test it against their own calculations, which are obviously done by computers and which take months. They were not given the figures to take away; they could not do anything with them.

On Monday of this week they were given the figures and an afternoon to check them. I gather that there was some acceptance that some of the bases for the Department of Mines and Energy calculations were not perhaps as clear cut as the department thought. Now, we have the Minister saying that the producers would not guarantee supply. How on earth could they, when the advice the Government was getting could not be tested by them and they could not answer it? The Minister talks about similarity, as he sees it, between this agreement, so-called—or this breaking of an agreement—and the change of indenture in 1975. There are two totally different sets of circumstances.

An honourable member interjecting:

The Hon. M.B. CAMERON: Exactly, because at that stage it was an agreement to change matters. Why was it changed—because the Government of the day, as I recall, wanted to put a petrochemical plant at some place called Redcliffs. If ever there was a nonsense, that was.

The Hon. R.I. Lucas: It was just an election gimmick.

The Hon. M.B. CAMERON: That used to be announced regularly: it came up in 1973 and 1975. Whenever the Labor Party ran out of material prior to an election announcement, it would be dredged up from the bottom drawer and brought forward again. As I understand it, in order to obtain enough ethane as a feedstock, there had to be gas sales.

On 23 October the producers were presented with a Bill and were told, 'This is it. Too bad if you don't like it. It's coming in.' To compare that with this situation is absurd. I am surprised that the Minister even attempts to compare the matter. If anybody has a lot to answer for in this State it is a former Minister of Mines and Energy who entered into those agreements and brought those matters forward. It was not a Liberal Minister of Mines and Energy.

The Hon. Peter Dunn: Hudson.

The Hon. M.B. CAMERON: Yes, the former Minister, Mr Hudson, who really in my opinion did not know what he was doing in a lot of those matters.

The Hon. Diana Laidlaw: He had quite an impact, though.

The Hon. M.B. CAMERON: Yes. He caused many problems in this State in many matters dealing with mines and energy. He thought he was clever, but he did not turn out to be very clever at all. I do not want to go through all that again. If the Minister wants to argue the indenture breaking done by agreement, I am happy to discuss the matter with him outside. I am also happy to discuss with him the Santos legislation in relation to Mr Bond, but the important point for him to get in his mind is that this is a brand new situation.

In relation to the statement that this happens in other parts of the world, I would like to know what other country breaks indentures without agreement. It would be very interesting indeed to find out how frequently this happens throughout the world. I suggest that it would be a very rare event indeed where States want investment, and surely we want that.

The Hon. L.H. DAVIS: Clause 5 is a critical clause, relating as it does to the obligations to supply reserve sales gas. The irony of the clause is that it really does not advance very far at all the strength of the Government in terms of

reserving gas for consumers in South Australia over and above the existing arrangement. As I understand it, the negotiations that were proceeding quite amicably between the producers and the Barnes committee, until they were unilaterally broken by the Government in February 1985, had reached a point where producers were indicating that they would be prepared to consider guaranteeing gas through to 1992. Clause 5 by no means gives that guarantee.

I support the amendment that has been moved to clause 5 by my colleague the Hon. Martin Cameron. It is quite unreasonable to expect producers to be obliged to install additional facilities if, for example, there has been a reduction in the demand for gas. When we talk about increasing facilities for gas, we are not talking about small dollars. In relation to the supply of gas, one does not just move from one shed to another with equipment and facilities. As it now stands the proposal is quite draconian, and the modification proposed by the Hon. Martin Cameron seems to be a most reasonable solution.

The Hon. FRANK BLEVINS: I want to make one point in relation to something stated by the Hon. Martin Cameron. I will leave to one side the abuse of a great South Australian, the Hon. Hugh Hudson, who made a monumental impact on this State. I would back the record of the Hon. Hugh Hudson any time against any of his detractors in this place, but I leave that quite unnecessary remark by the Hon. Martin Cameron to one side. The Hon. Mr Cameron again said that the producers have guaranteed gas to Adelaide. That is simply incorrect.

In late 1984 the producers told AGL that sufficient gas had been proven to meet AGL schedule A quantities. Whilst not doubting the integrity of the producers, AGL, in an abundance of caution, commissioned its own expert consultants to review those reserves. I understand that some of those consultants were former employees of the producers and some of them were very senior employees indeed. Those consultants advised AGL that the reserves just were not there and AGL has acted accordingly.

Therefore, the information that is freely and publicly available by expert consultants with no particular axe to grind have said that there will be no gas for Adelaide after 1987. If that is the case (and there is certainly sufficient evidence to indicate that that is), the Government would be derelict in its duty if it did not introduce a measure such as this.

The Hon. L.H. Davis interjecting:

The Hon. FRANK BLEVINS: The Hon. Mr Davis made some remarks which, because of the length of that pause I have completely forgotten, so they could not have made a great impression on me. I thought that there was one small point in the waffle to which I would respond, but it must have been a very minor point indeed because it has escaped me, so we will let the Hon. Mr Davis again leap to his feet and repeat his one small point and waffle around. If there is anything in what he says, I will respond to it.

The Hon. L.H. DAVIS: As I have already said, this is a critical clause which provides for the supply of reserved sales gas. The clause does nothing to reserve gas substantially beyond 1987; nor does it extract any undertaking from the producers to accelerate their gas exploration program, unlike the arrangement entered into by the previous Government. As the Minister would recall, the producers agreed to spend $55 million over three years as part of a special arrangement entered into in 1982 with the Tonkin Government at the time the price was initially fixed at $1.10 a gigajoule.

Were there any discussions on that matter? If so, did the producers indicate that they would be prepared to maintain a gas exploration program that would ensure that adequate gas supplies would be available to the South Australian market beyond 1987? I raise this matter because the Government flags this measure as heroic legislation to save the consumers of South Australia from a fate worse than death. The fact is that the legislation does very little to protect them, and there is certainly no protection with respect to gas exploration. In fact, it is a protection which may well have been afforded to the Government and to the consumers if negotiations had continued in the normal fashion.

The Hon. FRANK BLEVINS: I am not sure whether the Hon. Legh Davis has actually said anything. If he is attempting to boast, I point out that the Goldsworthy agreement increased the price of gas 168 per cent over three years. However, I suppose it did impose some obligation on the producers to explore for further gas. Is that the point the honourable member was trying to make?

The Hon. L.H. Davis: If you had been listening you would know. You are the Minister in charge of the Bill—you should have been paying attention.

The Hon. FRANK BLEVINS: I am rather selective. I must confess: once the Hon. Mr Davis stands up and drones on, I find it difficult to concentrate on his waffling monotone. One of the most important aspects of the Bill is that it takes away from the producers the exclusive right to supply gas to PASA. Other companies can offer gas to PASA once the Bill has passed. I think that will be a great incentive to more thoroughly explore in areas outside the present production areas. It may well be that when the Bill passes a great deal more exploration will occur than is the case at present. It is probably much more profitable (and I think this has been proven) for the producers to look for oil rather than gas—and, again, I do not say that critically. Their first obligation is not to supply gas to this State—it is to look after the company. If that means prospecting for oil rather than gas, that is what they have to do. As a Government, we must protect the gas supplies to the State's domestic and industrial consumers.

One of the ways we see that that can be done is to allow someone to break the monopoly of these producers in supplying gas to PASA. In relation to the producers having a monopoly, if they are spending all their time looking for oil, that is fine in their lights, but let us look after this State also. So, one of the intentions is certainly to get more exploration for gas in South Australia, and the way to do that is to break the monopoly of the producers who supply gas to PASA.

The Hon. M.B. CAMERON: The Minister has raised a new subject matter. He raised the matter of a consultant's study with AGL. I have a few questions for the Minister in relation to that matter. When the Government became aware of this study by AGL of the gas supplies and the results thereof, did it raise the issue with the producers and, if so, when did it do so, in order for the producers to answer the matters raised? Surely, the Government would not accept the report without giving the people affected by the report an opportunity to reply to matters raised in it and to perhaps argue whether it was a properly based study, and one that could or could not stand up. Did the AGL consultants study all the fields on the Cooper Basin, and not just selectively? Further, was the basis of the study of the fields similiar to the basis that is used by the producers for the purposes of arriving at figures of potential supplies?

The Hon. FRANK BLEVINS: I understand that AGL made public at the end of last year that it did not accept the assurances given by the producers and that it wanted to engage an independent expert to assess what was there. That was quite public knowledge, and nothing that the Government had to find out by any other means.

The Hon. M.B. CAMERON: The Minister indicated then that AGL did not accept the assurances given by the producers, and I accept that that is quite reasonable, as one

always wants to check what one is told. The Minister indicated that the results of the study showed that the supplies were not there and, according to the Minister, that was the basis for concerns that arose here. What I want to know is: when was the Government made aware of the results of that study, and by what means, and have those results been made public? I understand that that has not occurred; they have never been made public. From where did the Government get those results and, on obtaining them and before the introduction of this legislation, did the Government take those results to the producers and ask for a proper assessment to be made?

Surely, if one is going to legislate to break a contract on the basis of the results of a study, the first thing one would do would be to allow the people concerned to comment on the results. If that is the basis for this legislation, I want to know what those results were, when the Government obtained them and whether the Government took them to the producers and asked for a proper assessment to be made. If that did not happen, if there was not some discussion on that matter, goodness knows, this legislation really is a potential furphy in relation to supplies.

It would be rather unfair to read a newspaper and see that a study is being made because consumers in New South Wales do not accept what the producers are saying, and on that basis to say, 'Goodness me, that must be wrong; we will have a piece of legislation to break this agreement, because these people—the producers—obviously don't know what they are doing.' They are fairly fundamental questions, and I require replies to them.

The Hon. FRANK BLEVINS: The Hon. Mr Cameron says that he requires a reply to that: I will give him a reply to that, although he might not like it.

The Hon. M.B. Cameron: I will keep on asking it.

The Hon. FRANK BLEVINS: That is the honourable member's prerogative: I will keep responding in the same way. When the figures were given to AGL early this year—

The Hon. L.H. Davis: That is the consultant's report.

The Hon. FRANK BLEVINS: Just a moment: the honourable member is getting all excited. When the figures were put to AGL, it gave them to its independent consultants, who made it clear and public, apparently, that they had some doubts. So, AGL went on in the middle of this year to appoint an independent expert. I am certain that AGL as a company would have been delighted to have been confident in the figures that it was given.

I would think that an organisation as critical as AGL would not look for problems unduly. Also, the Stewart Committee has been examining this issue, and it was not satisfied, either. So, it is at least questionable whether these reserves are there. If it was not such a basic commodity, perhaps it would not matter. We could say, 'We will have a look in the future.' With a commodity as basic as this, one cannot risk that. Is the Hon. Mr Cameron saying that there is no question that there are ample reserves for the future gas requirements of South Australia?

The Hon. M.B. Cameron: You are saying that there are not. You finish what you are saying and I will say what I have to say.

The Hon. FRANK BLEVINS: I am saying that at least there is doubt. With such a basic commodity, we will not rely on the producers being right and the Government or the people who have raised doubts being wrong: we cannot take a chance on that. If it were in relation to white wine or something, one could say, 'Okay, we will see what the future brings,' but it is not: it is a very basic commodity.

I would have thought that some of the members opposite—some of them could not care less—would have a very high regard for industry in this State and for people who run that industry, who are desperately worried as to what will occur to their operations. They do not want to worry just for the sake of having something to worry about; nor does AGL and the Government. People are desperately concerned and worried as to whether the gas is there and whether it can be secured for South Australia at a reasonable cost. People just do not imagine for the sake of it and get some kick out of worrying whether the gas is there or not.

So, the Government is satisfied that it is at least open to question whether the gas is there and available. Under those circumstances, it will take any action required to see that what gas is there is made available to South Australia at a reasonable price.

The Hon. L.H. DAVIS: One of the reasons given to the select committee on this Bill in the other place for the abandonment of negotiations between the producers and the Government negotiating team in February 1985 was increasing concern about the level of reserves in the Cooper Basin. That is beyond dispute: that is one of the key reasons for abandoning negotiations set down in the select committee report. Yet evidence provided by the producers indicates that reserves available as at 1 January 1985 on their calculations, were 3 132 billion cubic feet.

The South Australian Department of Mines and Energy gave evidence to the select committee that reserves at the same date, 1 January 1985, were 1 992 billion cubic feet of sales gas available in the Cooper Basin producers' unitised fields. Those figures are fairly critical. In other words, the Department of Mines and Energy's figures suggests that the producers have overstated the gas supply available in the Cooper Basin by some 50 per cent.

However, as I mentioned in my second reading speech, the Managing Director of Santos Ltd, the leading producer in the Cooper Basin, indicated that it was not until the producers arrived at the select committee that they discovered that discrepancy. Mr Adler was reported in the *News* of last evening, as follows:

> The facts are the Government asked about our position months ago and we went into great detail with them. When our people were being questioned by the select committee on the basis of discrepancies, they refused to give us details of their figures. This is not the way to negotiate. If there were wide discrepancies, why weren't we told earlier? It's quite disgraceful.

That is a pretty serious allegation made by the Chief Executive of one of the nation's 12 largest public companies. Given that negotiations were broken off in February 1985, given that one of the prime reasons for breaking off those negotiations at that time was the discrepancy between the producers' estimates of gas reserves in the Cooper Basin and the Department of Mines and Energy's estimates of gas reserves in the Cooper Basin, will the Minister say when the producers were told of this discrepancy between the Department of Mines and Energy's estimated gas reserve position and their own? Were they the subject of any discussion at the Barnes committee and, if they were not told or made aware of these discrepancies until the select committee of last weekend, why was that the case on such a fundamental issue?

The Hon. FRANK BLEVINS: The final results of the Department of Mines and Energy's study of the position was not available until 21 October, the date that they were presented to the Minister of Mines and Energy. I imagine that the producers were told soon after that.

The Hon. L.H. Davis: I know why you are going slowly, I can understand that.

The Hon. FRANK BLEVINS: I am not going slowly. I am happy for you to move the amendments and I will say, 'oppose' or 'agree' and we will vote; okay is that a deal, Martin?

The Hon. M.B. Cameron: No, we want some answers to questions.

The Hon. FRANK BLEVINS: There you are! You are being very tolerant, Mr Chairman. The question of the doubt about these reserves has been raised by consultants to AGL, by the Department of Mines and Energy and, equally importantly, by one of the producers themselves. I knew that this debate was coming up and, as the Hon. Mr DeGaris sees me doing every day, I was idly flicking through the *Finanical Review* of Thursday 31 October and I cut out an interesting article by—

The Hon. L.H. Davis: Not by one of the producers.

The Hon. Diana Laidlaw: By Crusader.

The Hon. FRANK BLEVINS: By Crusader, referring to one of the producers. I am sure that the Hon. Mr DeGaris, before he turns to the crossword, reads every word of the *Financial Review.*

The Hon. L.H. Davis: They do not have a crossword in the *Financial Review.*

The Hon. FRANK BLEVINS: Then it is the *News.* I was trying to give the Hon. Mr DeGaris a bit of status: we all know that it is the *News* crossword. I was being kind seeing this might be his last day. I commend this article to the Committee and, in fact, I will go further and seek leave to have incorporated in *Hansard* without my reading it a letter from Crusader Resources NL dated 1 July 1985 and addressed to the Hon. R.G. Payne, MLA, Minister of Mines and Energy.

The CHAIRMAN: We cannot accept the incorporation unless it is purely statistical. On the other hand, it can be tabled.

The Hon. M.B. Cameron: We would be happy for it to be tabled.

The Hon. FRANK BLEVINS: It is not in the least bit statistical, but there is nothing in Standing Orders to say that, if the Council chooses to give me leave, it cannot be incorporated in *Hansard* without my reading it, as I understand.

The CHAIRMAN: The Minister will set a precedent that we have not previously condoned. If it is not statistical it cannot be incorporated.

The Hon. M.B. Cameron: I would be quite happy for it to be incorporated in *Hansard.*

The Hon. FRANK BLEVINS: This is a debate that we will one day have to tidy up. I withdraw my request.

The CHAIRMAN: Does the Minister not want to table it, either?

The Hon. FRANK BLEVINS: No. Crusader sent a letter to the Minister of Mines and Energy.

The Hon. M.B. CAMERON: I rise on a point of order, Mr Chairman. I ask that the Minister table the document from which he is reading.

The Hon. FRANK BLEVINS: It has already been tabled in the select committee.

The Hon. M.B. Cameron: It has not. I ask the Minister to table the document.

The CHAIRMAN: That is not a point of order; it is a request to the Minister, who can deal with it as he wishes.

The Hon. FRANK BLEVINS: I have not read from the document at all yet, other than to say that I have a letter from Crusader Resources NL to the Minister of Mines and Energy. I have not quoted one word from it, yet. I understand that this letter was tabled in the select committee.

The Hon. Diana Laidlaw: The Minister only read part of it in the other place. It would be interesting to have it tabled.

The Hon. M.B. Cameron: For the purposes of the debate, it would be helpful.

The CHAIRMAN: We are not bound by what happens elsewhere. Generally, documents are tabled after referral to what they are and after asking leave to table them.

The Hon. FRANK BLEVINS: It will not be tabled.

The CHAIRMAN: That ends the argument.

The Hon. FRANK BLEVINS: It certainly does. I intend to read extensively from the *Financial Review* of Wednesday 31 October.

The Hon. Diana Laidlaw: Extensively or selectively?

The Hon. FRANK BLEVINS: Extensively. I will table the article.

The Hon. Diana Laidlaw: That article is based on selective aspects of the letter.

The CHAIRMAN: Order! The Hon. Miss Laidlaw can speak as much as she likes later.

The Hon. Diana Laidlaw: I want the matter clarified.

The Hon. FRANK BLEVINS: I will be happy to do so, if the honourable member will keep quiet for a moment. I will read and quote extensively from the article which appeared in the *Financial Review.*

The Hon. Diana Laidlaw: Which selectively quotes the letter.

The Hon. FRANK BLEVINS: That is your opinion. I think we should get back to the point that is in contention. The Opposition claims that there is no query about the guarantee of supplies of gas. I maintain that at the very least there is an argument—

The Hon. L.H. Davis: I didn't say that at all.

The Hon. FRANK BLEVINS: I am not referring to you: I am referring to the Hon. Martin Cameron.

The Hon. L.H. Davis: We are making the point that you broke off negotiations, using that as a reason.

The Hon. FRANK BLEVINS: I have dealt with that point. I am back to the Hon. Martin Cameron stating that there was no problem about supply. The point I am trying to make is that there is, at least some doubt. We hope that that doubt is wrong. However, as a responsible Government we cannot take that chance. If the Opposition still maintains that there is no doubt, I am surprised. If the Hon. Martin Cameron concedes that there is a doubt, then I am happy not to pursue this, because that is the only point that I am trying to make—that there is, at least, a doubt. Does the Opposition concede that there is at least a doubt? The *Financial Review* of Thursday 31 October, under the headline 'Unit gas producers accused of neglecting South Australian market', states:

> Crusader Resources NL, a junior partner in the giant Cooper Basin project, has written to the South Australian Government accusing the Santos Limited-led gas producers of deliberately neglecting the South Australian gas market.
>
> Further, the letter, which was written on 1 July to the State Mines and Energy Minister, Mr Ron Payne, by Crusader's Deputy Chairman, Mr Graeme Morris, says that, as a result of the neglect, it is unlikely the Cooper Basin unit producers will be able to supply South Australia with gas after 1987.
>
> Mr Payne has released the letter in part during the opening debate in State Parliament over legislation to control South Australian gas prices and ensure supplies until 1992.
>
> Its release is severely embarrassing to Santos Ltd—

The Hon. M.B. Cameron: The non-release of the letter is becoming embarrassing to you.

The Hon. FRANK BLEVINS: It is certainly not embarrassing to me. The article continues:

> Its release is severely embarrassing to Santos Ltd, which has attempted to focus public debate on the legislation away from gas supply issues to the question of producer rights being violated.

I did not hear any screams from the producers when Alan Bond's rights were being violated; I did from the Hon. Martin Cameron, but not from the producers—not a squeak. Now, all of a sudden, apparently, their rights are being violated. What about the rights of the consumer? The article continues:

> In part, Crusader's letter to Mr Payne says: '... over the past 12 months, Crusader has become increasingly concerned by the apparent inability of this unit to satisfactorily tackle the complex gas supply and marketing arrangements now arising in these (SA and NSW) markets.'

Crusader now sees the corporate goals of some larger unit producers dictating the course of the unit. Because these producers have significant gas reserves in South-West Queensland, they have not proceeded with due diligence to protect the traditional unit markets for gas produced from within South Australia.

Exploration and appraisal for additional gas in South Australia has been neglected because it is perceived that development money spent in Queensland has better corporate value than exploration money expended in South Australia.

Crusader believes that it is most likely that the independent expert (appointed by Australian Gas Light Company Limited in NSW to determine Cooper Basin reserves) will judge a shortfall to exist, and thus contractually the South Australian producers will not be able to contract to deliver gas to the Pipelines Authority of South Australia after 1 January 1988.

It goes on, but that is enough. One of the producers again makes the point that at least there is some doubt. No responsible Government would allow that doubt to become a reality. We can leave this point, if the Opposition will concede that at least there is a doubt or question. If it does not concede that, it is saying that the producers are 100 per cent correct: that there is no danger of any shortfall of gas supplies to Adelaide in the future. If that is the Opposition's position, I would be delighted to hear the Hon. Martin Cameron state it.

The Hon. DIANA LAIDLAW: It was not my intention to speak during the Committee stage. I agree with the Minister that the letter from Crusader is a most important letter which deserves, I believe, to be quoted in full rather than selectively. The Government has chosen to place an enormous amount of significance on this letter from Mr Graeme Morris. I do not deny that he is a most credible source to quote. He is a most eminent and highly respected lawyer from Queensland. I respect the remarks that I read in the *Financial Review* in the same article that the Minister has just quoted from dated late October.

Because of the regard with which I hold Mr Morris and because of the significance that the Government is placing on the letter, I believe it is important that the Government pays this Council, the producers that Crusader are criticising and also the people of this State the courtesy of reading that letter in full. The selective reading of that letter is not only most improper, but also most disappointing.

The Hon. FRANK BLEVINS: Of course, the letter is available to Crusader if it wishes to publish it in full. If Crusader chooses not to do so, is that the position?

The Hon. DIANA LAIDLAW: I am not aware, since the Minister in another place first quoted from the letter, that Crusader has been asked for a further opinion in this matter, either by journalists in this State, by the Government or, indeed, by the Opposition. The first reference to the letter was made by the Minister in another place. The *Financial Review* article simply picks up the references to which the Minister selectively referred.

The Hon. M.B. Cameron: He must have had permission for that.

The Hon. DIANA LAIDLAW: Mr Morris is a most credible source. The evidence that he has produced has a great deal of weight in this argument; I do not deny that. However, I believe that the Government, having placed such weight on that evidence, owes this Parliament and the people of this State the courtesy of reading the letter in full, rather than reading it selectively.

The Hon. Frank Blevins: Why don't you ring him up and ask him?

The Hon. DIANA LAIDLAW: This is where I am most critical of the Government. Why does not the Government pay—

The ACTING CHAIRMAN (Hon. Peter Dunn): Order!

The Hon. M.B. CAMERON: We have reached an interesting point in this debate. It seems that supplies of gas are in doubt because, first, a statement was made in a newspaper somewhere that AGL indicated doubt about the figures supplied by the producers to AGL, which then appointed a person to investigate the matter. I have asked a series of questions about the purported investigation on which the Government has based all its doubts and from which it indicated it had some results. Surely, the Government would not operate on the basis of a newspaper article. That is the first point. It has not answered that—

The Hon. Frank Blevins interjecting:

The Hon. M.B. CAMERON: I do not know. You said that someone had seen a report, or a report had been made public somewhere in New South Wales, stating that AGL had expressed doubt.

The Hon. Frank Blevins: It is common knowledge.

The Hon. M.B. CAMERON: Do we operate on the basis of common knowledge?

The Hon. Frank Blevins: I will have to go through it again for you.

The Hon. M.B. CAMERON: The Minister will have to go through it a number of times. This is the basis of the whole debate: on what basis did the Government get doubts about supplies, apart from the information provided by the Department of Mines and Energy last Friday to the producers, who were then allowed to test on Monday for the afternoon? The Minister has not said what reserves the AGL investigator found. Will the Minister do that? Surely he has that basic information from the report prepared for AGL. What did the investigator find? Turning to the question of Crusader, correspondence has been quoted selectively in the select committee as the basis of doubt about supplies.

The Hon. Frank Blevins: Not at all.

The Hon. M.B. CAMERON: Yes, you have just said that. You said there is doubt about supplies based on the letter that has been released in part by the Minister in another place. It was about to be tabled here when the Minister suddenly changed his mind. He got caught out. The Minister should table it so that we all know exactly what is in the letter. What is embarrassing about it? After the letter was sent on 1 July, Crusader (one of the partners) indicated its support along with other producers in the declaration of September 1984 in submissions concerning additional gas to PASA for supply to 1988-90 made in December 1984 and reflected in a letter to the Government to commit to a contract for supply to 1992.

This is the same company that says there is doubt about supply, yet it is willing to commit itself as one of the partners to supply to 1992. One cannot have it both ways. If I were a partner with doubts about supply, there is no way I would commit myself and indicate that I could supply to 1992. Crusader has been willing corporately to support the other producers concerning contractual undertakings to supply gas to South Australia until 1992. That is a funny action for a group that has doubts about supply. Will the Minister table the letter? I will give him every opportunity to table the Crusader letter. He was about to—

The Hon. Frank Blevins: The Chairman would not let me.

The Hon. M.B. CAMERON: I will give you every opportunity. The Chairman is away and I am sure the Acting Chairman would be more amenable. If you do not want to do that, we would be happy to have a copy of the letter tabled. The Minister can keep the original. Then we will know exactly what we are about. I cannot accept the expression 'doubt about supplies' when I have not seen one iota of information from the Minister that would convince me. I cannot accept that on the basis of a purported letter from a group of people willing to guarantee supply to 1992 anyway. It is ridiculous. They are acting against themselves. The Minister has not indicated what reserves were indicated by the AGL investigator.

If the Government knows of the reserves, when did it bring that to the attention of the partners? Did the Government ever take that information to the partners to ask whether it was right or wrong and, if it was wrong, did it ask how it was arrived at? Surely that is basic. The whole matter is obviously trumped up and, as I stated in my second reading speech, it is a farcical Bill based on absolutely no real facts.

The Government has not given any information to convince anyone that there is a doubt about supply. The Minister should do that, because he has not so far. He should not quote from a newspaper article and a purported part of a letter. He should table the letter and answer my questions about the doubts that have been expressed from New South Wales about which the Government purports to have information. I do not believe it has information at all.

The Hon. L.H. DAVIS: As to the disputed reserves figures, I refer to the select committee's observation that one of the prime reasons for breaking off negotiations in February was the doubt about reserves. Will the Minister categorically advise the Committee whether the producers were told specifically in January or February at the time the Barnes committee was negotiating with the producers that there was concern about reserves as set down by the producers? Last night in the *News* Mr Adler, Managing Director, Santos, categorically put on the record that the first he heard about this difference in estimated gas reserves between the producers' calculations and those of the department was at the time of the select committee.

Out of his own mouth the Minister lends weight to the argument that the Hon. Mr Cameron and I are pursuing. He said the first time the department's figures became available, setting out the level of reserves in the Cooper Basin—an estimated 2 000 billion cubic feet, as against the roughly 3 000 billion cubic feet estimate of the producers—was 21 October, yet the Government claims it was one of the main reasons negotiations were broken off in February.

I suppose that that is another good example of retrospectivity. Surely, if the Government was concerned about the lack of reserves in the Cooper Basin, is that not in itself a good reason to pursue negotiations rather than unilaterally breaking them off? There are several questions there and the first is fundamental to this argument: did the Government level with the producers? Yes or no. Mr Adler said the Government did not. What is the truth?

The Hon. FRANK BLEVINS: How about that. Mr Adler is entitled to his view of what was stated in negotiations and what was not. He has stated and printed his view. I do not argue with his right to have his view and to publish his view. The Hon. Miss Laidlaw raised the question about Crusader. Apparently the person who signed the letter is of the highest repute and known personally to the Hon. Miss Laidlaw—

The Hon. Diana Laidlaw: By reputation.

The Hon. FRANK BLEVINS: If the Hon. Miss Laidlaw has any queries about the contents of the letter, it has been misrepresented in some way or selectively quoted in order to give a false impression, she should take it up with the individual concerned. I believe that, if that was the case, the person concerned would have already protested. The remedy is in the Hon. Miss Laidlaw's own hands. As regards the Hon. Mr Cameron's comment, I point out that it is obvious that I will not get a straight answer from the Opposition, so I think I will let that point drop. I do not think that there is anyone in Australia—except, apparently, the Opposition—who would disagree with the proposition that there is at least some doubt about the level of gas reserves in the Cooper Basin available to South Australia.

I think I gave the Committee at least three reasons for there being at least some doubt: the AGL position, the position of the Department of Mines and Energy and, as an aside—not as a central point of the discussion—I mentioned the article in the *Financial Review* dealing with the Crusader letter. I am at a loss to understand how the Opposition cannot agree with that proposition. However, if it chooses to fly in the face of the evidence available, that is really up to the Opposition.

The Hon. M.B. CAMERON: It is going to be a long night, because I am going to be persistent. If we are going to pass a Bill which will have such a fundamental effect on the people who have invested in this State, the very least we can expect are some answers to our questions. I have not yet received those answers. First, if the Minister does not want to table the letter, I suppose we cannot force him to do so. However, because of the Minister's action in seeking to table the letter and then changing his mind, he has caused a doubt in the minds of members—

The Hon. Frank Blevins: I did not seek leave to table it; I sought leave to incorporate it in *Hansard.*

The Hon. M.B. CAMERON: The Minister can do whatever he likes, but I ask him to let us have a look at it because it must contain something that is causing a problem. The Minister has created a very grave doubt. For the Minister to then put forward part of the letter from a newspaper article as the basis for the legislation is absolute nonsense, and he cannot expect the Committee to accept that; he cannot expect reasonable men and women to accept that. It is just not on. The Minister has not answered a single question that I have put to him. I will continue to ask those questions in 20 different ways until he finally admits that he does not have the answers.

The Minister has been telling me that I must agree that there is a doubt. I am asking the Minister to answer the questions that I have put to him: what reserves did the investigator find that have created such grave doubts in the mind of the Government that it now feels it is necessary to introduce this legislation to break an indenture? When did the Minister receive notification of those reserves and the findings? Did the Minister take the findings to the producers and ask them to test them? I would have thought that they are fairly easy and fundamental questions—is the Government breaking the indenture because there is a doubt about the reserves?

I think the Minister, in fairness to the Committee and to everyone associated with the legislation, should answer these questions. I am quite happy for the Minister to report progress while he seeks advice, if that is what he wants to do. At the same time, he can telephone the author of the letter and tell him that there is a problem, that his credibility and the credibility of the Government is at stake because it appears that they have based a piece of legislation on a purported letter and on some other figures. The Minister can seek permission to table the letter, although I do not think that is necessary because he has already used that letter.

The Hon. Frank Blevins: No, I haven't.

The Hon. M.B. CAMERON: Yes, you have, and the Minister of Mines and Energy quoted from it in the other place.

The Hon. Frank Blevins: Then why didn't he table it in the other place?

The Hon. M.B. CAMERON: Indeed—why not?

The Hon. Frank Blevins: Because you were too slow there, too.

The Hon. M.B. CAMERON: I accepted the Minister's offer straight away, and I accept the offer now. I accepted the offer within 10 seconds of its being made.

The Hon. Frank Blevins: I have withdrawn the offer.

The Hon. M.B. CAMERON: Yes, the Minister withdrew it because he suddenly became embarrassed. The Minister

must have read the letter and found something which was a potential embarrassment to him.

The Hon. Frank Blevins: Not to me—I have not even read the letter.

The Hon. M.B. CAMERON: This gets worse. I will not use that comment from the Minister, because I understand how these things work. The Minister should report progress and then obtain answers to these questions—either way, I want fundamental answers to questions about supply.

Members interjecting:

The Hon. Frank Blevins: It's Stan Evans' law; that's what you're looking at. It's not—

The ACTING CHAIRMAN (Hon. Peter Dunn): Order! The Minister can reply later.

The Hon. Frank Blevins: I am replying to interjections.

The ACTING CHAIRMAN: Order!

The Hon. Frank Blevins: What about the interjectors?

The ACTING CHAIRMAN: I am suggesting that the Minister will have an opportunity to respond to the Hon. Mr Cameron when the Minister gets to his feet.

The Hon. M.B. CAMERON: I want answers to the questions that I have asked, and I am prepared to wait while the Minister seeks advice. The Minister can take all the time in the world. I have asked very fundamental questions. It was the Minister who raised a doubt about the New South Wales supplies. If matters such as that are raised in Committee on a fundamental Bill, the very least that the Minister can do is to give answers to these questions, if the Minister does not want to treat the Committee with contempt. This will not be the last time that I ask these questions. Members on this side will continue to ask these questions until we receive answers. This is very fundamental (as the Minister said) to the question of doubt about supplies. I suggest that the Minister should report progress and obtain the information that I seek.

The Hon. L.H. DAVIS: Why did the State Government refuse to reveal its own supply calculations to the Cooper Basin producers during the negotiations?

The Hon. FRANK BLEVINS: All this information has been given to the Committee several times. In fact, the Opposition is no longer seeking information—it is wasting time. I imagine that anybody who was watching this debate and who had any interest in it would not be terribly impressed by the defenders of capitalism on the other side. If that is the best that they can do, the people whom they are trying to impress would not be very impressed at all.

I will give the information again, as it has been asked for again, but there is a Standing Order against tedious repetition. The final figures were not available until 21 October. There was sufficient information available, apparently, prior to that to at least indicate to the Department of Mines and Energy, and through that department to the Minister, that there were some doubts about the level of reserves. There was an exchange of information in the select committee that indicated to the producers the figures that had been arrived at by the Department of Mines and Energy, but I have already given that information.

Irrespective of how many times members opposite want to ask the question, I will merely refer them from now on to the answer that I have just given. We can only go through the charade of restating it so many times. If the Opposition wishes to spend all night asking the question it will be a one-sided game, because that answer is now on the record and the Opposition will be constantly referred back to it.

The Hon. M.B. CAMERON: Well, well. Now we have reached the point where for the first time in my memory in this Council a Minister has said, 'No matter what the Opposition asks, there will be no answer.'

The Hon. Frank Blevins: The same question.

The Hon. M.B. CAMERON: Really no answer. I have asked a series of very important questions and not one answer has been given. The Minister has said that under no circumstances will he answer any further questions, except in the one way. That is an incredible situation, which shows that the Minister has no replies to the questions that are being asked by the Opposition on a very important and fundamental Bill. I would not be continually asking these questions if I had received answers.

The Minister talks about tedious repitition: one could not accuse him of tedious repetition because he has said nothing that can be repeated. In order to be accused of tedious repetition one has to say something; one has to give an answer. The Minister is showing an absolute contempt for the Committee by the answer that he has just given.

I repeat those questions which remain unanswered and which the Minister has indicated are the basis for this legislation: first, will he table the letter from Crusader in full—and I am happy to facilitate that right at this moment or at any other moment in Committee? What reserves did AGL receive from its special investigator when it discovered some doubt? When did the Department of Mines and Energy and the Government become aware of a doubt about supplies, expressed through the findings of this special investigator? Did it raise the matter then with the producers in order for the producers to answer before it stepped in with Draconian legislation to put doubt over any future investment in this State by the breaking of an indenture? I would have thought that they were very clear-cut and straightforward questions.

The Hon. FRANK BLEVINS: All right, we will go through them one at a time. Sit down! The Hon. Martin Cameron completely misrepresented what I said when I was last on my feet. I said that no matter how he framed and rephrased his question that he has asked tediously over the past couple of hours he would get the same answer—it is basically the same question—not that I would not answer any questions. The Hon. Martin Cameron knew exactly what he was doing. He has just asked me three questions: will I table the letter? The answer is 'No': I do not have the permission of the author of the letter to do so. Secondly, when did we become aware—

The Hon. M.B. Cameron: What reserves did AGL's investigator discover and what amounts are involved?

The Hon. FRANK BLEVINS: The Hon. Mr Cameron can express that question to AGL. That information is AGL's. What is the third question?

The Hon. M.B. Cameron: When did the Government become aware of the so-called shortfall in supply?

The Hon. FRANK BLEVINS: There is a report here of the select committee. I expect that the Hon. Mr Cameron would have seen it, but basically it says what I have said, in trying to satisfy the Hon. Mr Cameron, that the final data was available and provided to the Minister of Mines and Energy on 21 October, but that preliminary figure during the course of the exercise indicated at least some doubt.

The Hon. M.B. CAMERON: We are getting somewhere at last: that is a start. The preliminary figures became available: that is an interesting answer. When these preliminary figures became available—it must have been a matter of concern if they were as bad as the Government has obviously found out because they have led to this legislation—were they drawn to the attention of the producers and the bases for them discussed with the producers to see whether or not they were being worked over on a proper basis? If so, when did those discussions with the producers take place, and what were the answers from the producers on those matters?

The Hon. FRANK BLEVINS: The figures gradually became available and the Government gradually became aware that there was at least some doubt. I hate to introduce another issue because all the Opposition is doing here, apart from making a fool of itself in front of the producers, is trying to waste time, so I hesitate to introduce another element. However, the fact remains that in the opinion of the Government's negotiators the producers would not give the guarantees of security of supply that the Government required.

The Hon. M.B. CAMERON: Did the Government seek from the producers guarantees of supplies, and when did the producers refuse to give that guarantee of supply? I repeat this question because the Minister did not answer it: when did the Government draw the producers' attention to these preliminary figures that were causing the problem, and did it allow the producers to give an opinion on the bases for these figures and allow them at least a reasonable opportunity of testing the figures and giving some indication of their own figures?

The Hon. FRANK BLEVINS: Throughout the negotiations, the producers would not give the kinds of guarantees that would satisfy the Government.

The Hon. M.B. CAMERON: The question has not been answered yet. As these preliminary estimates became available, surely that matter should have been raised with the producers forthwith to make certain that everybody was on the same wavelength, because obviously the producers have a deeper knowledge of their field than has the Department of Mines and Energy, which was advising the Government.

It appears that there are all sorts of problems in testing figures that have arisen such as those relating to porosity and other matters. I repeat my question because the Minister seems to need a few repetitions of questions to give an answer: did the Government raise the preliminary figures with the producers and, if so, when? Did it allow the producers the opportunity of testing those figures and giving their own assessments of whether the figures were correct or not?

The Hon. FRANK BLEVINS: The greatest evidence that there is at least some question about the reserves is the fact that producers will not give the kinds of guarantee that will satisfy the Government. As I have stated, the Government's doubts about the level of reserves are due to a whole range of things, all of which I have mentioned and which I am not prepared to go through again. I suppose that the strongest piece of evidence is that the producers will not give the kinds of guarantee that the Government wants. That seems to me to be pretty damning evidence.

The Hon. L.H. DAVIS: I am reluctant to come back to a point I have already touched on, but I did not get an answer from the Minister. The Managing Director of Santos Limited, Mr Ross Adler, was reported in the paper of last evening as categorically claiming that the producers had not been privy to the Government's estimates of supplies and that, in fact, that information had been withheld from them. I would like a categorical 'Yes' or 'No' as to whether the Government agrees with Mr Adler's claim reported in the *News* last night?

The Hon. J.R. CORNWALL: The detailed information was not available to the Government until 21 October. It became available at that time when supplied by the Department of Mines and Energy.

The Hon. L.H. DAVIS: That is not a satisfactory answer. Mr Adler is reported as saying:

> When our people were being questioned by the select committee on the basis of discrepancies, they refused to give us details of their figures. This is not the way to negotiate. If there were wide discrepancies, why weren't we told earlier? It's quite disgraceful.

That is one of the overriding concerns that the Opposition has in this matter of such vital importance to the people of South Australia.

The Government really has not been serious in its negotiations having unilaterally broken off negotiations in February for no apparent reason. We are yet to hear whether any reasons were given to the producers as to why negotiations were broken off. Reasons were later given to the select committee for breaking off negotiations. When negotiations were resumed, effectively, in mid September with a letter to the producers very little serious negotiation took place after that date. In fact, there were only one or two full days of negotiations in October and it quite clearly took the producers by surprise when, at the opening of the power station at Port Augusta, the Premier said, 'We will move to legislate.' My question again is: were the producers specifically told that the Government viewed with concern the estimated 3 000 billion cubic feet of gas reserves that the producers claimed were in the Cooper Basin, given that that was the producers' best estimate and that that estimate had been checked by technical experts associated with the financial institutions making loans on the basis of those estimates? Now the pinch hitter has been removed my question to the Minister is: were the producers told at the time of the Barnes discussions that the Government was concerned about the accuracy of their estimate of 3 000 billion cubic feet of gas in the Cooper Basin? Were they categorically told of the Government's concern?

The Hon. FRANK BLEVINS: I understand that there are frequent technical discussions between the department and technical people from the producers about reserves. The fact remains that continually the negotiations always foundered on the simple fact that the producers would not guarantee reserves; it is as simple as that. Without that guarantee, obviously the Government's suspicion, along with other information that came to it from the department, was that quite obviously the producers themselves had some doubt about the level of reserves. If they did not have, they would give those guarantees. Everybody in Australia (except this Opposition), including the producers themselves, knows this; if they knew they had the reserves, why did they not give the guarantee?

The Hon. L.H. DAVIS: I indicated at the second reading stage that I wished to ask a question regarding continuing negotiations of this important matter. This clause seems to be as appropriate place as any to raise this matter. The Government rushed this legislation into the Council on 23 October. During the second reading in another place, and in the second reading debate only two nights ago, it was said that the Government would certainly prefer a negotiated solution and would still not rule that out either before or after the Bill has been passed by this Parliament. That is a pretty straightforward statement.

Will the Minister say how serious the Government has been in pursuing that statement? Has there been contact by the Government with the producers to work outside the legislation to achieve a negotiated solution? Has any approach been made by the producers to the Government with respect to that offer by the Government? When was that offer made, and, if an offer was made, what was the Government's response, if any?

The Hon. FRANK BLEVINS: There have been discussions with the producers on this legislation over, I think, the past few days, but certainly this morning. The offer, of course, still stands. Once this legislation is passed, if the producers wish to enter into negotiations, the Government will be very happy to accommodate them. As the Hon. Mr Davis said, that was a clear and categorical statement and it is still relevant. I suspect that the producers would like to do that tomorrow when the legislation is passed rather

than watching this silly performance being put on by the Opposition, I assume to impress them. Knowing the stature of the people concerned, I also assume that they are not the least bit impressed.

The Hon. L.H. DAVIS: The Minister does his case no credit with those last remarks. The fact is that this is serious legislation. I think he would not deny that. It is legislation that has been introduced at very short notice, it has far reaching consequences, and, indeed, the Government has recognised the inadequacies and imperfections of the original legislation that it rushed into this Parliament so speedily by accepting amendments to that measure in another place, and, I suspect, repeating that performance in this place, as we proceed through Committee. So it ill behoves the Minister to attack the Opposition for attempting to put on the record its concern and for quite properly examining the Government about this very messy saga, one which, as it unfolds, in my view, suggests increasingly that the Government has been less than candid in its approach to this matter, that there has been a certain cover-up and a certain lack of frankness in the Government's dealings with the producers and that, far from negotiating continuously, the Government unilaterally broke off negotiations for five months and then proceeded to legislation again unilaterally after very little serious discussion, after negotiations were resumed and after the area of dispute, at least from the producers' understanding, had been narrowed to two or three issues.

Therefore, while this Bill may well be calculated to bring short-term political gain to the Government, I suspect that, as I said in the second reading stage of this very important debate, it will not bring long-term commercial advantage to South Australia when it seeks national and international investment and when it attempts to encourage people to enter into indentures when its record is that indentures such as that with which we are dealing tonight can be so easily put through the shredder.

I want to pursue the matter that was touched on by the Minister when he was talking to this most central of clauses relating to the guarantee of gas supplies. The Minister indicated that the legislation is designed to provide more flexibility to the Government acting through its conduit pipe, so to speak—the Pipelines Authority of South Australia—in seeking gas supplies from sources other than the subject area. Although, no doubt, we could speak on this matter under the clause relating to prices, perhaps it is appropriate to deal with it now. Can the Minister give the Committee information about other areas from which gas or alternative sources of fuel could be obtained within the State or in other States? Can he give any indication as to whether those supplies of energy, whether natural gas, coal or other alternative forms of energy, would be seen as being competitive with gas supplies from the subject area?

The Hon. FRANK BLEVINS: Representations have been made to the Government about supplying gas but, until this Bill is passed, the Government cannot get into serious negotiations with other suppliers. Representations have been made from within South Australia and from interstate. One of the purposes of the legislation is to enable us to get into negotiations with those people, if necessary, to ensure the State's gas supplies. Of course, the Act prevents us from doing that.

The Hon. DIANA LAIDLAW: The Government has stated that it introduced this Bill because of its concern for gas supply. I do not deny that this is a highly important question, one that should definitely concern all legislators in this State. But to reinforce the reasons why the Government saw fit to introduce the Bill, the Minister earlier tonight with some sort of flourish quoted an article in the *Financial Review* of Thursday 31 October which, in turn, quoted part of a letter that had been received by the Minister of Mines and Energy, the Hon. Ron Payne in the other place, from the Deputy Chairman of Crusader, Mr Graeme Morris. When the Minister saw fit to quote from this letter—

The Hon. Frank Blevins: He never quoted from the letter.

The Hon. DIANA LAIDLAW: I apologise. When the Minister saw fit to quote from the article in the *Financial Review*, I was prompted to ask whether he would be prepared to read out the full content of the letter because it seemed apparent at the time that the Minister had that letter at hand. Initially, he seemed prepared to table or read it, but subsequently changed his mind. He then encouraged me to pursue channels to obtain a copy of that letter. I was persuaded to take up that challenge and received a copy of the letter far more quickly than I had believed would be possible.

That letter proves why, for very good reason, the Minister of Mines and Energy saw fit initially to quote from Crusader in part and why the Minister saw fit to withdraw his earlier indication that he would be prepared to table that letter. Without question, it undermines the weight that the Government has placed on Crusader's endorsement of the actions that the Government is presently taking. It also undermines, in part, the Government's suggestion that the letter is a criticism without qualification of the role that Santos has pursued in the negotiations to date.

Because of the Government's choice to deliberately distort the point of view of Crusader, it is my intention to read those parts of the letter that the Government has seen fit not to refer to. It is most disappointing that, in such an important Bill as this, which the Government has repeatedly told us is one of the most important pieces of legislation that it has introduced during the term of this Parliament, and when it knows that gas prices are so crucial to the well-being and future strength of industrial companies in this State, it is seen to politically distort and compromise the position taken by Crusader. I say that with some strength.

The Hon. I. Gilfillan: The *Financial Review* didn't—

The Hon. DIANA LAIDLAW: The *Financial Review* was only able to quote those parts of the letter that the Minister of Mines and Energy in the other place saw fit to quote.

The Hon. I. Gilfillan: So, the *Financial Review* didn't have access to it?

The Hon. DIANA LAIDLAW: The *Financial Review* did not have access to that letter, at least at the time that it went to print, and it refers to that. It says that it is quoting Mr Payne in the other place and is quoting that letter in part. I genuinely say to the Minister and the Government that I feel most disappointed about the Government's action in this place because, as I indicated in the debate on natural gas prices in October, I have not only a strong personal interest in this but also a strong interest in this whole question in terms of my present capacity as a legislator.

There is no doubt that industry and consumers in this State deserve better than they have been receiving in the past. I just do not believe, having that view, that it has been wise, prudent or fair of the Government to distort Crusader's part in this exercise. It seems typical of the Government in relation to this whole question of gas prices. I cite now parts of this letter under 'Gas sharing between AGL and the Pipelines Authority of South Australia'. The parts that I quote follow directly from the parts that the Minister in the other place talked about when Crusader noted that it was concerned that the independent arbitrator may judge that a shortfall may exist. Having made that comment, I now quote the letter:

> However, if we judge the situation in another light, it is our belief that present South Australian reserves are sufficient to supply the likely combined PASA and AGL markets until 1992-93 without shortfall.

The Hon. R.I. Lucas: The Government didn't quote that bit?

The Hon. DIANA LAIDLAW: It saw fit not to, and it is not surprising that it saw fit not to quote it. The letter continues:

On this basis, Crusader sees the present market impasse as being a legal/contractual problem, rather than a physical problem associated with shortage of reserves.

And yet shortage of reserves, I remind members, has been the basis for the Minister and the Government bringing in this Bill.

The Hon. R.I. Lucas: That is what they said?

The Hon. DIANA LAIDLAW: That is what they said, and yet I repeat that statement:

On this basis, Crusader sees the present market impasse as being a legal/contractual problem rather than a physical problem associated with shortage of reserves.

The letter continues:

We believe that the major effort of South Australia, both Government and producers, should be directed towards obtaining a reasonable gas sharing arrangement between the two markets with the post 1995 shortfall being made up from a drastically increased exploration effort in South Australia.

That I endorse very strongly. The letter continues:

Crusader is fully aware of the commercial, legal and constitutional difficulties involved in this line of action. However, we believe so firmly that this is the most logical course for all parties concerned that it must be possible to negotiate a deal of satisfaction to all.

I repeat: 'It must be possible to negotiate a deal of satisfaction to all,' and that is the position that the Opposition has been arguing all the time. It is a position that Crusader endorses, and yet the Government neglected to inform the House in the other place of that. The letter continues:

Crusader undertakes to assist in any way possible towards all parties reaching agreement on a reasonable gas sharing arrangement.

To that I say, 'Hear, hear!' I register my disappointment that, rather than taking up the constructive approach of the Crusader Deputy Chairman (Mr Morris) of 1 July 1985, indicating that he was willing to pursue the matter, the Government saw fit simply to quote Crusader's position out of context for its own supposed benefit. Having sought to bring this argument into some context and quoting that letter in part, I seek leave to table the correspondence.

The CHAIRMAN: Is leave granted?

The Hon. Frank Blevins: No.

The Hon. DIANA LAIDLAW: Could I—

The Hon. Frank Blevins: Maybe if you leave it a little bit later, but not just at the moment.

The CHAIRMAN: There being a dissentient voice, leave is refused.

The Hon. FRANK BLEVINS: As to the question of the letter, I did not table it or have it inserted in *Hansard* because I found out that I did not have the permission of the author. I invited the Hon. Miss Laidlaw, if she wanted the entire letter to be made available, to contact the author and not go to the producers or whatever and get a copy. I refused her leave to table the letter at this stage because I am not sure whether she has the author's permission to do so. As I have not read the letter, I have no idea whether there is anything in it that ought not to be tabled.

The Hon. L.H. Davis interjecting:

The CHAIRMAN: Order! The Hon. Mr Davis will come to order.

The Hon. FRANK BLEVINS: I have not read the letter. There may be nothing in the letter to which the author objects being made public.

The Hon. Diana Laidlaw interjecting:

The Hon. FRANK BLEVINS: I am not sure. I do not know.

The Hon. Diana Laidlaw: Did the Minister ask Crusader whether it would accept its letter being selectively quoted?

The Hon. FRANK BLEVINS: There were a number of members in another place when the letter was being quoted who could have asked that question. I have not read the *Hansard* report of the House of Assembly debate, but surely your people could have asked that question. Also, had the Opposition taken this legislation at all seriously, the amendments that it has moved here could have been moved in another place in front of the responsible Minister. Then at least the debate could have been around the points that are now being raised. However, that is the way in which the Opposition conducts its business.

Members interjecting:

The CHAIRMAN: Order! We will not have any of that nonsense at this time of night.

The Hon. FRANK BLEVINS: However, if that is the way that the Opposition chooses to do its business, that is up to it.

The Hon. M.B. CAMERON: Earlier this evening I had expected the Committee debate on this Bill to be reasonably brief and reasonable. I have just been accused by a prominent citizen of conducting a filibuster on this debate. I make absolutely clear that that is not the case.

Members of the Opposition and I have attempted tonight to obtain information. If we are to pass an important Bill like this, the Opposition and the people of the State should obtain information which is the background to that legislation. We were asked to agree that there is a doubt about supply. However, before we could answer a question like that we had to have some information. All night I have asked for that information. I have no doubt that this amendment will very shortly go forward. But, I am very surprised now to find that the Minister had in his possession a letter, which clearly was not as clear cut as the Minister had earlier purported it to be, based on a newspaper article.

The Minister has failed to provide the information in answer to questions that would have allowed us to make some judgment on the legislation. I express my very grave disappointment. I regret that the Committee stage has been so long on this item. If we had been given answers and had been properly advised earlier, I assure the Committee that we would not be sitting now: we would have finished the Committee stage. It is a direct result of the Government's not providing proper information that has resulted in this matter being still unresolved at this time of night.

The Hon. FRANK BLEVINS: I do not want to do the Hon. Miss Laidlaw an injustice, although I seem to remember her being on the other side of the argument on a division. So, it ill behoves her to come in here crying crocodile tears about having an interest in this area.

The Hon. Diana Laidlaw: I was concerned about—

The CHAIRMAN: Order!

The Hon. FRANK BLEVINS: She also said that she had a great concern in this area. It ill behoves the Hon. Miss Laidlaw to come in here crying crocodile tears about industrial and domestic consumers when she is a party to this performance that is going on here, trying to block this legislation.

The Hon. Diana Laidlaw: That is not true.

The Hon. FRANK BLEVINS: We will see where she is. I want to get back to the question of the letter. If the Hon. Miss Laidlaw can assure me that she has the permission of its author to make it public—either partially or totally—I would be quite happy for her to table the letter. However, I am concerned about its being tabled without the author's permission.

The Hon. R.I. Lucas interjecting:

The Hon. FRANK BLEVINS: The honourable member would have to take that up with the Minister of Mines and Energy who quoted from it in the House of Assembly. How many people were there who could have found out? If the

Hon. Miss Laidlaw wants to table that letter, the Government will certainly allow that to be done.

However, we want it on the record that it is without us knowing whether the author of the letter agrees to that. However, before the Hon. Miss Laidlaw tables the letter, I hope that she is honourable enough to contact the author to see whether he agrees.

The Hon. Diana Laidlaw interjecting:

The Hon. FRANK BLEVINS: It is not me. I was quite happy to have the letter incorporated in *Hansard* but, when I found out that I did not have the author's permission to do that, I changed my mind. If the Hon. Miss Laidlaw seeks leave to have the letter tabled and if she asks again, she will have the Government's permission because I will assume that she has the author's authority to do that; or that she is happy to accept the consequence of putting someone else's letter on the public record.

The Committee divided on the amendment:

Ayes (7)—The Hons J.C. Burdett, M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons C.M. Hill, Diana Laidlaw, and R.I. Lucas. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.T. GRIFFIN: On behalf of the Hon. Martin Cameron, I move:

Page 4, lines 36 to 40—Leave out subclause (4) and insert the following subclause:

(4) The Minister shall—

(a) before making a determination under subsection (3) *(d)* give the Cooper Basin producers a reasonable opportunity to make representations to the Minister in relation to the determination;

(b) when making the determination have regard to—

(i) representations (if any) made by the producers;

(ii) the needs of industrial, commercial and domestic consumers in this State;

and

(c) not later than 6 months before the first day of January in the year to which the determination relates, give to the Authority and the Cooper Basin producers written notice of the determination and of the reasons for the determination.

In essence, the amendment is designed to import into the Bill a degree of fairness and a greater level of certainty than it presently contains, so that before the Minister makes a determination under subclause (3) *(d)* he is to give the Cooper Basin producers a reasonable opportunity to make representations to the Minister in relation to the determination. That is fair and ought to be the norm rather than the exception.

When making a determination the Minister is to have regard to the representations, if any, made by the producers and to the needs of industrial, commercial and domestic consumers in this State. Again, that provides a balance that is appropriate. In addition, not later than six months before the first day of January in the year to which the determination relates, the Minister is to give to the authority and to the Cooper Basin producers written notice of the determination and of the reasons for the determination. Quite obviously that would be necessary to enable some forward planning so that there is not an unreasonably short period of notice with respect to the determination. If there is a determination, any decisions that need to be taken consequential upon the determination can be taken with a reasonable lead time.

The amendment is designed to ensure consultation with the producers and to ensure that those representations arising out of the consultations are taken into consideration by the Minister. It is also designed to ensure that at least six months notice is given to both the authority and the Cooper Basin producers with respect to the detail of the determination.

Amendment carried.

The Hon. K.T. GRIFFIN: On behalf of the Hon. Martin Cameron, I move:

Page 5, lines 3 and 4—Leave out 'The Authority is not obliged to accept reserved sales gas that the Cooper Basin producers are required to supply and'.

Subclause (7) provides:

The Authority is not obliged to accept reserved sales gas that the Cooper Basin producers are required to supply and where the Authority does not, in a particular year accept the volume of gas that the producers are required to supply, the obligation of the producers to supply reserved sales gas in that year is reduced to that extent.

It would seem to me appropriate to leave only those words in the subclause that provide that, where the authority does not accept the volume of gas that the producers are required to supply, the obligation of the producers is then reduced to that extent.

The difficulty that I would like to point out with this subclause is that it appears to be in conflict with clause 7 (4), which provides:

If, in a particular year, the Cooper Basin producers are able and willing to supply 80 per cent or more of the volume of reserved sales gas fixed by, or under, section 5 (3) or fixed under section 5 (5) for supply in that year the Authority is, subject to subsection (5), liable to pay for 80 per cent of that volume of gas whether it accepts delivery of the gas or not.

Clause 7 (5) provides that the authority is not liable to pay for gas that it is unable to accept by reason of circumstances beyond its control. Subclause (5) is not relevant to the conflict that I discern between clause 5 (7) and clause 7 (4). To avoid that conflict between the two subclauses, it is appropriate to delete the words referred to in my amendment. Otherwise, there is some ambiguity about the obligations, and it will be confusing not only to the Government—which I am sure the Minister will say can live with it—but, more particularly, to the authority and to the Cooper Basin producers. So, it is fair and reasonable that the words referred to in my amendment be deleted. It does not produce the Government's position, but removes the confusion that exists between those words and the words in clause 7 (4).

The Hon. FRANK BLEVINS: There is no ambiguity. It should be perfectly clear from reading the Bill that clause 5 (7) is subject to clause 7 (4). There is no mention in clause 7 (4) of clause 5 (7). Therefore, the 80 per cent penalty applies. Clause 7 (4) is specific in referring to clause 5 (3) and (5), but it does not refer to clause 5 (7). So, if gas is not supplied or if PASA does not take gas under clause 5 (7), it has to pay 80 per cent of the cost, anyway. Again, my understanding is that the producers are happy with that.

The Hon. K.T. GRIFFIN: With respect to the Minister, I do not follow that. As I interpret clause 5, a notice may require the Cooper Basin producers to supply, and under subclause (7) the authority is not obliged to accept that reserved sales gas which the Cooper Basin producers are required to supply. Under clause 7 (4), if they are able and willing to supply 80 per cent, the authority is liable to pay for 80 per cent, whether or not it accepts delivery of the gas. There is a conflict there between the two provisions in the Bill. I do not follow the argument that the Minister is putting in defence of the clauses that are already in the Bill.

The Hon. FRANK BLEVINS: Parliamentary Counsel assures me that the matter is perfectly simple, and that the Hon. Mr Griffin is wrong. There is no possibility of any ambiguity whatsoever. The position is spelt out very clearly indeed, that the authority is not obliged to accept reserved sales gas that the Cooper Basin producers are required to

supply. If this provision were not included, an offence would be created. However, where the authority chooses not to provide supplies it is liable to pay for 80 per cent of that volume of gas, whether or not it accepts delivery of the gas. My advice is that there is no reason why anyone should find that difficult to understand.

The Hon. K.T. GRIFFIN: I think we will have to agree to disagree on this matter. I still believe that there is no prejudice to the Government in deleting the words and, because of at least the potential for ambiguity, if not the actual ambiguity, I take the view that those words ought to be removed. I retain that point of view and suggest that we take the appropriate vote on the amendment.

The Committee divided on the amendment:

Ayes (7)—The Hons J.C. Burdett, M.B. Cameron, L.H. Davis, R.C. DeGaris, K.T. Griffin (teller), R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons Peter Dunn, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.T. GRIFFIN: On behalf of the Hon. Martin Cameron, I move:

After line 7—Insert new subclause as follows:

(8) Unless otherwise agreed (with the approval of the Minister) by the authority and the Cooper Basin producers the obligations of the Cooper Basin producers to supply gas under the gas sales contract are discharged.

This amendment has to be taken in conjunction with the indication that clause 6 will be opposed. Clause 6 provides that the gas sales contract be discharged. The difficulty with the discharge of the gas sales contract, although it expires in 1987 anyway, is that there may be circumstances that would allow the gas sales contract to continue in full force and effect. It would seem to be inappropriate for the contract to be discharged completely when in fact there might be a potential for continuing for at least some purposes by the authority and the Cooper Basin producers agreeing and with the approval of the Minister.

This new subclause provides a mechanism for retaining the gas sales contract if there is an agreement to do so, but if there is not an agreement to do so the gas sales contract is discharged. I do not see that that creates any problems for the Government because the effect is the same as clause 6 except that, if it is to remain on foot, that point becomes negotiable. It is negotiable subject to whatever terms and conditions may be negotiated, but if it is not perceived to be satisfactory to the authority and to the Minister, without their support, it is discharged. I cannot see any problem with the Government accepting this amendment in conjunction with opposition to clause 6. It does not in any way prejudice the Government's position, as I understand it, and provides for a level of negotiation which presently is not in the Bill but negotiation in which the Government continues to have all the cards.

The Hon. FRANK BLEVINS: The Government opposes this amendment to insert new subclause (8). We also oppose the following amendment which is really the substantial argument, the reason being that it is clear that the whole Bill is intended, when it becomes an Act, to substitute for the current PASA gas sales contract. The new subclause is superfluous and will only cause confusion. The new subclause is superfluous and will only cause confusion.

The Hon. K.T. Griffin: What sort of confusion?

The Hon. FRANK BLEVINS: There is no need for the new subclause, because the intention of the Bill is to make a total substitution for the PASA gas sales contract.

The Hon. K.T. GRIFFIN: The intention may be to impose a set of terms and conditions that have not been negotiated, but I cannot see how the new subclause will create confusion. If the Government does not agree with the Cooper Basin producers, the gas sales contract is discharged by force of this legislation, but it enables discussions to occur and, if the parties agree, retention of the gas sales contract on foot, subject to whatever negotiation the Government, the producers and the authority may undertake and the conclusions that they might reach. I cannot see how that will cause any confusion. Can the Minister identify the ways in which that confusion is likely to be demonstrated?

The Hon. FRANK BLEVINS: I can only repeat that my advice is that this new subclause could make the legislation unworkable. The intention of the Bill is to do away with the PASA gas sales contract and, given that fact, a provision such as this will, I am advised, create a degree of confusion. That is undesirable. This amendment and the following amendment will be strongly opposed for those reasons.

The Hon. K.T. GRIFFIN: I do not share the Minister's view. I cannot see that the new subclause would make the legislation unworkable. It only introduces into the Bill the concept of agreement to keep the gas sales contract on foot. If agreement is not reached and if the Minister says 'No' right from the start, that is the end of it. At least there would be the potential to keep the gas sales contract on foot if there was a negotiated settlement. I cannot take it any further than that. I believe that the amendment is a good one, and I will call for a division but, if I am unsuccessful, quite obviously our opposition to clause 6 would likewise not be successful; thus it would not be appropriate to proceed with opposition to clause 6. I repeat: that I see no complications arising from the provisions of subclause (8), as I am moving to have them inserted.

The Hon. FRANK BLEVINS: This amendment appears to have some kind of provision in it relating to when negotiations can take place. However, that can be done at any time, anyway. What this Bill does is substitute an Act for the present contract. It is available to the parties at any time to make a fresh contract should they wish. There is no requirement for a provision such as this, which could create confusion. Whereas I stated a moment ago that it made the Bill unworkable, I am now advised that that was something of an overstatement—that is not necessarily the case. However, it would create confusion. If the parties wish to make a new contract then they can at any time.

The Committee divided on the amendment:

Ayes (7)—The Hons M.B. Cameron, L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin (teller), R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons J.C. Burdett, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived; clause as amended passed.

Clause 6—'Discharge of Gas Sales Contract.'

The Hon. K.T. GRIFFIN: I indicate that, as my amendment to insert a subclause (8) in clause 5 was not successful, I regard that as an indication of the Committee's view in respect of clause 6, because my amendment sought effectively to vary the provisions of clause 6. In light of the decision on that division, it is not appropriate for a division to be called on clause 6.

Clause passed.

Clause 7—'Price of reserved sales gas.'

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

Page 5, line 43—Leave out ', subject to subsection (5),'.
Page 6, lines 1 and 2—Leave out subclause (5).

These amendments are to ensure that PASA will have to pay for gas that is produced. It seems to us to be unreasonable for the producers to be requested, and to be under an obligation, to produce gas and then, if it cannot be accepted, the Government or the authority not have to pay for it. Indeed, I would be surprised if the Committee accepted that request, because there are such things as production costs whether or not gas is produced because there has to be a facility, staff and everything associated with it.

This is the price clause, the one purporting to reduce the price of gas. I think that the Hon. Mr Milne has been taken in a bit by this clause. I will just quote from *Hansard* what he said:

> Overall, the Bill provides immediately for the continuing low pricing of the State's natural gas to ensure that electricity can be priced at such a level that the development of the State is not impaired by high fuel costs for our manufacturers.

I would have thought that that was quite wrong. I would have thought that, in fact, this provides for the very uncertainty that the Hon. Mr Milne feels has been wiped out. In the short term there is a reduction in price to below the prices that were offered in February and July to the producers. However, subparagraph (ii) states:

> when a new price payable by AGL comes into operation the Authority shall pay that price and thereafter shall pay the same price as AGL for natural gas from the Cooper Basin region.

That looks tremendous in the short term, because AGL pays a lower price at the moment. However, there is arbitration presently proceeding and none of us is certain what will come out of that arbitration. There is a price of $1.52 per gigajoule set at the moment, but what happens if the producers' claim for $2.20 per gigajoule is supported by the arbitrator, or $2 or $1.90, which could happen.

The Hon. B.A. Chatterton: How will your amendment keep the price down?

The Hon. M.B. CAMERON: I do not know how to amend it to keep the price down with that clause in the Bill. Obviously, the Government has persuaded the Hon. Mr Milne that in some ways this guarantees a low price on a continuing basis for ever. What advice have the Government and the Hon. Mr Milne about the price to AGL that would lead to him or the Government to claim that there will be a lower price? Can they read the mind of the arbitrator? Will the Government agree that, if the arbitrator comes out with a price of $2 in future weeks or months, we are stuck with it at a higher level that cuts across the claim being broadcast across the State at taxpayers' expense that we are going to end up, because of this great initiative of the Government, paying a lower price for gas and so reducing the price of electricity? In the short term that is the case, but the whole situation is so vague compared with the situation the Government was negotiating with the producers for a price that went through the various stages that everyone knew about until 1994. The Government has placed South Australian consumers in much doubt about the future price. Will the Minister answer those questions and comment on the amendment?

The Hon. FRANK BLEVINS: The Government opposes the amendment, which effectively eliminates the *force majeure* provision for PASA. We believe that PASA should have a *force majeure* clause. There is nothing radical or difficult in that. Why does the Opposition oppose it? The producers have a *force majeure* clause, in effect. Obviously, with the difference in transport costs, if the price to AGL and ourselves is the same, in effect gas delivered in Adelaide will be cheaper than that delivered in Sydney.

The Hon. M.B. Cameron: What price? You claim we will have a low price—$1.52.

The Hon. FRANK BLEVINS: It will certainly be lower than New South Wales.

The Hon. M.B. Cameron: You have no certainty.

The Hon. FRANK BLEVINS: We have absolute certainty. If the price at the Moomba gate is the same, but with lower transport costs to Adelaide, then obviously the price delivered here will be less. That is a perfectly reasonable proposition, especially as it is our gas.

The Hon. L.H. DAVIS: I want to leave aside for the time being the amendment proposed by the Hon. Martin Cameron and pursue another matter—certainty of gas price. As the Minister is well aware, the Australian Gas Light price is determined by two arbitrators, one of whom is appointed by the producers and one by AGL. Those negotiations are in train: it is expected that finality will be reached some time early in the new year and that a new gas price will come into force in February or March. That is the general expectation.

The Minister will also be well aware that in 1982 similar negotiations took place—both in South Australia and New South Wales. In South Australia the arbitrator (Mr Lucas, a retired Queensland judge) determined that gas prices should effectively rise by 80 per cent and that, of course, would result in an extraordinary increase in electricity tariffs. As a result of the initiative and intervention of the Tonkin Government, that price was broken down.

The CHAIRMAN: Order! The honourable member should confine his debate to the amendment moved by the Hon. Martin Cameron, not clause 7. We have already dealt with clause 7 in the second reading speech or at some other time, but the amendment is quite specific.

The Hon. L.H. DAVIS: I was seeking information. Of course, in the AGL case the price was $1.01. I want to pursue the Hon. Martin Cameron's point that it may well be that the Government finds, at the end of the negotiations that AGL has, that the price which South Australia locks itself into, given that it will be fixed in line with the AGL negotiated price, may well be higher than the price that could have been negotiated with the producers if negotiations had not been broken off in such a unilateral fashion.

How can the Minister guarantee, on behalf of the Government, that the price PASA may ultimately have to pay will be less than the price it may have negotiated, given that it is a pig in a poke, given that one is buying gas blind and that the arbitrators either for AGL or for the producers in South Australia may take a different view from what would perhaps have been taken in direct negotiations between the South Australian Government and the producers?

The Hon. FRANK BLEVINS: I hesitiate to go against your remarks, Sir, that perhaps we should stick to the amendment.

The CHAIRMAN: The Minister does not have to answer the question if he does not wish to do so.

The Hon. FRANK BLEVINS: No, but I feel that the Hon. Mr Davis gets so excited about his questions that that would be quite rude. We have already passed an amendment that there can be negotiations between the producers and PASA. We are not necessarily locked into anything. Is that clear?

The Hon. L.H. Davis: I made the same point.

The Hon. FRANK BLEVINS: Yes. We have just passed one of the Opposition's amendments to ensure that we would not get locked in: we have agreed that there can be negotiations. However, I oppose the amendments.

Amendments thus negatived; clause passed.

Clause 8—'Ethane.'

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

Page 6—

Lines 14 to 16—Leave out paragraph *(a)* and insert the following paragraph:

(a) in order to fulfil their obligations under the Letter of Agreement, use such quantities of ethane as they were entitled to use for that purpose under the terms of the Letter of Agreement immediately before the commencement of this Act;.

Lines 19 and 20—Leave out paragraph *(c)* and insert the following paragraph:

(c) use ethane for any purpose contemplated by the Cooper Basin Indenture or the Stony Point (Liquids Project) Indenture.

Lines 44 to 47 to lines 1 to 3 on page 7—Leave out definition of 'Letter of Agreement' and insert the following definitions:

'Letter of Agreement' means the contractual rights and obligations subsisting between the Cooper Basin producers and AGL in relation to the supply of natural gas from the Cooper Basin region;

'Stony Point (Liquids Project) Indenture' means the indenture (as amended from time to time) a copy of which is set out in the first schedule to the Stony Point (Liquids Project) Ratification Act, 1981.

The amendments are designed to allow the producers to continue currently permitted uses of ethane to avoid their becoming involved in massive capital expenditure that would be required to install new plant and storage facilities. As I understand it, the producers use ethane for various purposes. At the moment the only permitted use is for plant fuel at Port Bonython. In order to retrieve more oil (which is an important part of this whole Cooper Basin project), they pump down ethane gas.

It is the Opposition's view that the producers should not have to obtain permission to do this. It is a practice that is permitted under existing contracts. The ethane is not lost: it is recovered at a later stage from the oil and is then pumped back and used again for the purpose of obtaining more oil from the basin. That seems to be fairly reasonable and it should be allowed.

The Hon. FRANK BLEVINS: The argument against the amendments is that it is possible that they could be capable of being used to reduce the State's entitlement to ethane and to subvert the intentions of the Bill. I stress 'could be', because we do not suggest that the producers would do that. However, if one is going to legislate, it may as well be done properly.

The Hon. M.B. Cameron: You might as well make a real job of it, eh?

The Hon. FRANK BLEVINS: Yes. Of course, the legislation is in no way draconian. All current uses for ethane are covered by the Bill, along with the inclusion of small accounts to bring the sales gas up to specification for use as fuel at the Port Bonython liquids processing plant. The Minister may also approve such other purposes that are in the interests of the State.

The Hon. M.B. Cameron: No, I did not.

The Hon. FRANK BLEVINS: Someone did.

The Hon. Peter Dunn: It's in your notes?

The Hon. FRANK BLEVINS: No. If the Hon. Mr Cameron did not mention it, I will drop the subject.

The Hon. L.H. DAVIS: I support the amendment. I think it is most inappropriate for the Government to seek to legislate for the producers to approach the Minister to obtain written approval for normal operating requirements. I find it absolutely amazing that companies of the stature of Santos, Vamgas, Crusader, and so on, must go to the Minister cap in hand seeking written approval for what are day to day operations.

The Hon. Mr Cameron has already instanced the fact that ethane is a part of the natural gas stream which is separated only when it reaches Moomba. However, it can be used before that, as a fuel, for instance, for field compressors. There is also a proposal to use it for secondary oil recovery in Patchawarra Central and Tirrawarra. That is what the Hon. Mr Blevins was waiting for—and I fed it to him to give him the opportunity to respond.

As the Minister would appreciate, that is part of the operation that the producers carry out in enhancing that secondary oil recovery. It is not something that they do at the moment, but in future clause 8 will require them to obtain written approval from the Minister. I find that quite unacceptable, intrusive and not at all appropriate. I therefore support the amendment. Now that the Hon. Mr Blevins has realised what the amendment is all about, I think that he also may support the amendment.

The Hon. FRANK BLEVINS: I apologise for mentioning the word 'Tirrawarra', but I think the Hon. Mr Cameron and the Hon. Mr Davis suggested that the question of enhanced oil recovery was outrageous (at least the words of the Hon. Mr Davis were certainly colourful) and that the producers would have to go to the Government cap in hand, I think he said, for permission to engage in this operation. I can advise the Hon. Mr Davis that they do that now. Under regulation 226 of the Petroleum Act they now have to obtain permission to engage in this practice of enhanced oil recovery. That regulation provides:

An enhanced recovery scheme shall not be commenced in any pool in any field without the approval of the Minister. An application to the Minister to institute such a scheme shall be accompanied by all the necessary data to enable him to assess the merits of the proposal fully.

There is nothing new in that provision and certainly nothing for the Hon. Mr Davis to get excited about.

The Committee divided on the amendment:

Ayes (7)—The Hons M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin, R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K. L. Milne.

Pairs—Ayes—The Hons J.C. Burdett, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

Amendment thus negatived; clause passed.

New clause 8a—'Incapacity of Cooper Basin producers to comply with Act, etc., in relation to ethane.'

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

Page 7, after line 3—Insert new clause as follows:

8a. The failure of the Cooper Basin producers (or any of them) to extract, store or supply ethane shall not constitute—

(a) a contravention of or failure to comply with this Act or a requirement of a notice served under this Act; or

(b) an offence under this Act,

if the failure was due solely to—

(c) the inadequacy of the equipment and facilities of the Cooper Basin producers to meet the requirements of this Act or the notice;

(d) the need to maintain that equipment and those facilities in working order; or

(e) a combination of the circumstances referred to in paragraphs *(c)* and *(d)*.

That seems an eminently reasonable amendment. It means that the producers are protected from matters that are clearly laid out in the amendment. I ask the Minister to support that.

The Hon. FRANK BLEVINS: The Government cannot accept this new clause because this provision would also be capable, as was the previous one, of being used to reduce the State's entitlement to ethane. It could also conflict with existing powers in the Petroleum Act and regulations, which give the Minister power to cause any gas or petroleum liquids to be stored if necessary to avoid waste, and require ministerial approval of any proposal to undertake an enhanced oil recovery scheme, including one using ethane.

The Hon. M.B. CAMERON: That is a very disappointing response. It appears that the Government is determined to treat the producers as being terribly irresponsible. If one gets down to the nuts and bolts of it, the Government is virtually taking over the Cooper Basin gas field: that is the essence of it, because there is nothing that the producers will have to take decisions on—everything will be decided by the Government. As I indicated earlier, it really shows a contempt for people who have invested in the State, have continued to supply gas and have not at any stage been given reasonable treatment by the Government.

The Hon. FRANK BLEVINS: It is a gross exaggeration to say that the Government is taking over the Cooper Basin oil and gas fields. It is nothing of the kind: it is altering a very small part of the agreement. I am sure that it is not terribly significant to the producers, but it is certainly significant to domestic and industrial users in this State. It is absolutely fundamental to the welfare of the State. To suggest that it is a takeover of the Cooper Basin really is extrapolating to the extreme. I can only put it down to the lateness of the hour that the Hon. Mr Cameron uses such inflammatory language.

The Hon. M.B. CAMERON: That is nothing compared to what the Minister will hear, the way that this Bill is going. That is in fact the effect of this whole legislation, but I shall reserve my comment on that matter to a later stage.

The Committee divided on the new clause:

Ayes (7)—The Hons M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin, R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons J.C. Burdett, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

New clause thus negatived.

Cl 9—'Application of Gas by Authority.'

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

Page 7, after line 6—Insert new subclause as follows:

(2) The Authority shall not accept natural gas from any supplier, other than the Cooper Basin producers, without first giving the Cooper Basin producers a reasonable opportunity to enter into an agreement with the Authority for the supply to the Authority of gas of the same quality and quantity on terms and conditions that are not less favourable to the Cooper Basin producers.

This seems to me to be a very reasonable amendment. One agreement which gave a guarantee of supply has already been torn up. Santos is set up for the purposes of combined sales to New South Wales and South Australia and, if after 1988 the Government stopped buying, Santos would still have 50 per cent of excess capacity for the market with all the subsequent equipment associated with that.

Santos has already lost valuable rights under the PASA future requirements agreement, and it seems that, if an organisation such as Santos has invested heavily in this State and has come into the State with $1 600 million and has really given the State a boost in development such as in years gone by, we could never have expected that it would not have some right to supply at a price and on conditions at least the same as those of other people. In other words, we do not go racing off interstate trying to find gas if it is already in existence in this State.

The Hon. FRANK BLEVINS: The Government opposes this provision. Under clause 10, the powers of future requirements agreement is made void. This was agreed by the select committee, and it involved total agreement. The proposed amendment would reintroduce some of the most offensive provisions of the future requirements agreement by giving the producers first rights to supply gas to PASA. Delhi, Santos and Vamgas are all Cooper Basin producers, as well as having a major interest in gas discoveries in the Cooper Basin, Queensland and outside the subject area in South Australia. These companies could use the rights given by this amendment to force the remaining producers outside the Cooper Basin region to sell their gas via the Cooper Basin unit. This would perpetrate the monopolistic position of the Cooper Basin producers. I also point out that, if the producers could guarantee gas to South Australia we would not be looking elsewhere for supplies but, if the producers object to this provision, perhaps in negotiation they could have been more forthcoming with guarantees to supply gas to South Australia.

The Hon. L.H. DAVIS: It is somewhat surprising to hear the Minister describe the proposed amendment as obnoxious and say that it is unreasonable for the producers to be given the right of first refusal.

The Hon. Frank Blevins: I didn't use the word 'obnoxious'.

The Hon. M.B. Cameron: You said that it was the most obnoxious provision.

The Hon. Frank Blevins: I said 'offensive provision'.

The Hon. L.H. DAVIS: Call it what you will—it is a fairly strong rebuttle of the proposed amendment. It is interesting, in examining the select committee evidence in the all too brief time we have had to examine the Bill and the evidence, to discover a letter dated 23 September 1985 from the Department of Premier and Cabinet, signed 'B. Guerin, Director'. For the record we should know that Mr Guerin was the head of the negotiating team—and the new tough look negotiating team that came to bat after six months off the playing field. The letter from Mr Guerin is to Mr Adler, Managing Director of Santos Ltd., Adelaide and states:

Dear Mr Adler,

The attached draft PASA gas sales amendment agreement expresses the offer made to you in our letter of 26 and 29 August 1985 and my note following our meeting with the Premier on 10 September 1985. To finalise this matter we have been prepared to meet your request in regard to a first right of refusal arrangement.

There can be nothing unequivical about that—it is fairly clear. In other words, in that instance Mr Guerin, the head of the team, is saying that that is fine and that they are happy with the right of first refusal arrangement for the producers.

The Government was saying it then, in negotiations which, as we know, foundered when the Government pulled away from them at extraordinary speed—negotiations which the producers believed were proceeding quite nicely—and now the Government is saying that this is an offensive provision. It cannot have it both ways. In light of that evidence, I would like the Minister and the Australian Democrats to consider carefullly what is quite a reasonable amendment, under which the producers would have the right of first refusal: in other words, the authority shall not accept natural gas from any supplier other than the Cooper Basin producers without first giving the producers a reasonable opportunity to enter into an agreement with the authority.

The Hon. FRANK BLEVINS: During negotiatons the producers were offered a very limited right of first refusal as part of a total package. Perhaps on reflection the producers wish that they had accepted that package. However, as I have said constantly, the negotiations finally broke down after continuous stalling on the question of guarantee of reserves. The producers just would not give guarantees. As part of a package we were prepared to offer a limited right of first refusal. What we are not prepared to do now is put this State's power supplies entirely in the hands of the producers and say that, if they cannot deliver, it is tough for us; we cannot go elsewhere; we will take what they want

to give us, when they want to give it to us and at the price they want. We are not prepared to accept that; it is as simple as that—and neither would any other Government because, if it did, I am sure that it would get very short shrift at the polls. There is no question of this Government's giving the producers this veto over the State's energy supplies. There is no possibility of that occurring whatsoever.

The Hon. M.B. CAMERON: In fact, the producers would not be able to say, 'You will take it when we like, where we like and how we like.' That is not the purpose of this amendment. I hope that the Minister has misread the amendment, because that is not the way it is. Again, I express my disappointment that the Minister is obviously unable to read the words before him. That is the situation.

The Hon. FRANK BLEVINS: I read the words very clearly. There is no question in my mind that with this amendment the Opposition is trying to negate the whole Bill and to hand the whole box and dice back to the producers. The Cooper Basin producers have had a very good go, and perhaps they have pushed their luck a little too far. That is for them to judge. It is a decision they were entitled to make, but the Government is entitled to protect the interests of the people and industry in this State and it will not agree to a provision such as this which puts it back in the hands of these people.

The Hon. M.B. CAMERON: Obviously, the Minister wants another debate. I am quite happy to go on all night if he wants to make this sort of statement. Those statements have absolutely nothing to do with what I just said.

The Hon. Frank Blevins interjecting:

The Hon. M.B. CAMERON: I will say a bit more about it at a later stage. The Minister said that the Cooper Basin partners have had a pretty good go, indicating, 'That's that. We'll do something about them. Perhaps they wish they had accepted an earlier deal.' I do not think that they were really given the opportunity. They were certainly not given the opportunity concerning reserves; we went through that debate at length earlier tonight when we failed to get any answers. Reserves had nothing to do with the negotiations,as the Minister well knows. During the early Committee stage of the Bill the Minister failed to produce any evidence as justification for what he is now doing. He failed to answer the questions that would perhaps have given the producers some opportunity to talk about reserves. I do not want to go through all that debate again, but I am quite happy to do so if the Minister raises the question of reserves again.

The Hon. L.H. DAVIS: This debate is reaching an absurd level when the Minister says that the proposed amendment of the Hon. Martin Cameron threatens to negate the Bill. In fact, the head of the negotiating team on 23 September said:

> We have been prepared to meet your requests in regard to a first right of refusal arrangement.

That first right of refusal arrangement proposed by the producers, I would have thought, was not dissimilar to the proposal we presently have. What is proposed is clear and unambiguous. To say that it negates the Bill is a nonsense.

The Hon. FRANK BLEVINS: It is not a nonsense. I can only restate that certain offers were made as part of the package, and they were made in good faith. It became clear to the Government that perhaps the negotations were unnecessarily dragging on too long. If the guarantees had been given, the Government was certainly prepared to give a limited right of first refusal. However, those guarantees were not given, and therefore the Government feels no obligation to give any right of first refusal any more to the producers.

Amendment negatived; clause passed.

Clauses 10 and 11 passed.

Clause 12—'Consequence of contravention of or failure to comply with this Act.'

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

Page 7, line 24—After "producer" insert "knowingly".

This amendment is to make clear that under the clause 12 the producers are liable only to expropriation of their licences and other assets and are liable only to offences where the relevant contravention of or failure to supply has been committed or omitted knowingly.

The Hon. FRANK BLEVINS: I oppose the amendment. Under this clause the producers are given one month's notice of warning of any breach of this Act and then have a reasonable time to comply, whether the breach was knowing or unknowing. If the amendment is accepted the burden of proving knowledge shifts to the Minister and knowledge for legal purposes would be practically impossible to prove in most circumstances.

Amendment negatived.

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

Page 7, line 36—After "within a" insert "reasonable".

The intention of this amendment is to make sure that the producers will not be caught by some offence for failing to comply with the provisions of the Act through no fault of their own. In other words, some measures in the Act when it was proclaimed earlier were impossible to be complied with. That was not the intention of the Government and, if it was, it is not now.

The amendment on line 36 is to say that a period stated in a notice given by the Minister claiming a default should be a reasonable time. To say merely that the producers must rectify a fault in a period specified in the notice is not fair. They are not dealing with a small building of a house or a big building. They are dealing with an enormous enterprise with a very wide variety of things that can go wrong, especially not under their control, and some things might be rectified in a day, some in a week and some might take three months or longer, so it needs to be much more flexible, and the words 'reasonable period' are of some value in a court case. I ask that that word be inserted in line 36.

The Hon. FRANK BLEVINS: After hearing the Hon. Mr Milne and giving it careful consideration, I am, on balance, prepared to consider the amendment favourably.

Amendment carried.

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

Page 7, line 39—Ater 'recurred' insert 'and the default, or the recurrence of the default was not due to circumstances beyond the producer's control'.

In effect it says that the Minister shall not publish a notice under subsection (1) unless due notice has been given and unless the default was not remedied within that period, or having been remedied, subsequently recurred. Again, the question arises how often a default would arise which was not the fault of the producers. This could happen quite frequently and hopefully they would be the only ones that would arise.

The Hon. C.M. Hill: Is this your valedictory?

The Hon. K.L. MILNE: Yes, it is, and I am not going to mention you either. Where have you been?

The Hon. C.M. Hill: I have been lurking.

Members interjecting:

The CHAIRMAN: Order!

The Hon. K.L. MILNE: I ask for support for the amendment in my name.

The Hon. FRANK BLEVINS: I am happy to accept the amendment.

Amendment carried; clause as amended passed.

Clause 13—'Offences.'

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

Page 8—

Line 4—After 'A person who' insert 'knowlingly'.

Line 8—After 'Where a person' insert 'knowlingly'.

Amendments carried; clause as amended passed.

Clause 14 passed.

Clause 15—'Limitation on liability of Minister, Crown, etc.'

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

Page 8—

Line 24—Leave out this line and insert 'any powers under this Act (other than those in section 5 (1) *(a)*, (3) and (4) and section 8 (2) *(d)* and (5))'.

Line 28—After 'Act' insert '(other than the power comprised in section 5 (5))'.

Line 31—After 'Authority' insert 'or by the Cooper Basin producers or any of them or any of their officers or employees or any person acting on behalf of them or any of them'.

If the legislation is to operate, it may be necessary for the producers to have the ability to require an observance by the Minister and the authority of certain of the powers fundamental to the statutory obligations imposed upon the producers.

The Hon. FRANK BLEVINS: I oppose the amendments. As to the first, that clause could prevent reserve gas being supplied as it would give the producers the right to take action against the Minister when he nominates how much gas is required in the next year. Therefore, the State's energy requirements could be denied. The amendment relating to line 28 could frustrate introduction of non-reserve gas by PASA. In the event that PASA contracts to obtain additional supplies, for example, from outside the Cooper Basin region, the producers could take court action to frustrate introduction of this gas.

Amendments negatived.

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

Page 6—

Line 31—After 'Authority' insert 'or by the Cooper Basin producers or any of them or any of their officers or employees or any person acting on behalf of them or any of them'.

Line 37—After 'civil' insert 'or criminal'.

Line 39—Leave out 'enforce a' and insert 'enforce a loan agreement,'.

This amendment relates to the question of liability. The major concern that we are addressing here relates to ensuring that, by virtue of compliance by the Cooper Basin producers with this Bill, any breach of any other arrangement is at least minimised in terms of the liability which would be attracted by the producers.

There are potential civil and criminal liabilities which may attach to the producers' compliance with the Bill, which may perhaps be in breach of the Companies Code in relation to duties which directors have to the company and to shareholders, and which might have civil consequences in relation to contracts with, say, AGL and particularly with the financiers. Some of these relate to contracts, loan agreements and mortgages made outside South Australia, some of which are governed by law other than South Australian law.

The Hon. FRANK BLEVINS: We accept the amendments.

Amendments carried; clause as amended passed.

New clause 16—'Powers under this Act to be exercised reasonably, etc.'

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

Page 8, after line 41—Insert new clause as follows:

16. No person shall, when exercising a power under this Act, act capriciously or unreasonably.

This is designed to ensure that neither the Minister nor PASA (nor anyone acting on behalf of PASA) exercises any power under this legislation in an unreasonable or capricious way. It is a very reasonable amendment and I hope that the Minister and the Hon. Mr Milne will accept it.

The Hon. FRANK BLEVINS: The Minister will certainly not accept it. The provision is quite unnecesary—not to say offensive. The fact that it is offensive does not bother me, but the fact that it is unnecessary does—and that should bother members opposite, too. I understand that it is a principle of statutory construction that a person exercising powers under an Act cannot act unreasonably or capriciously—you either act lawfully or you do not.

The Hon. K.T. GRIFFIN: What may be lawful may nevertheless be capricious. There is authority which indicates that where discretions and powers are to be exercised there is a very wide power in a Minister, for example, to exercise those powers and functions. If the Minister says that they are unnecessary, what is the harm in inserting the new clause to put the question beyond doubt? In relation to the Minister finding the amendment offensive, the fact is that it may be offensive to a particular individual, but I point out that we are making legislation for all time—we are making it for persons who are not specifically identified but who hold a particular office. Whether or not it is offensive to a particular individual is irrelevant to the principle. Therefore, I strongly support the amendment.

The Committee divided on the new clause:

Ayes (7)—The Hons M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, K.T. Griffin, R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Pairs—Ayes—The Hons J.C. Burdett, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 1 for the Noes.

New clause thus negatived.

First schedule.

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

Clause 2, paragraph *(a)*—After 'unavoidable' insert 'or is necessary for the maintenance of equipment or other facilities'.

The Hon. FRANK BLEVINS: I accept the amendment.

Amendment carried; schedule as amended passed.

Second schedule, preamble and title passed.

Bill reported with amendments. Committee's report adopted.

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

That this Bill be now read a third time.

The Hon. M.B. CAMERON (Leader of the Opposition): We have gone through the process of the Committee stages, and of course amendments that would have assisted people who are affected by this legislation have been rejected time and time again. It is a very sad day for South Australia and the potential for investment in South Australia that we have arrived at this point. It is very sad indeed that a Bill has been introduced (and I am a realist and accept it) and will be passed by this Council knowing that it is legislation that breaks an indenture. Without obtaining any agreement on the matter it breaks an agreement between Governments and people who have invested in the State. Those people who are affected by it have had no chance of putting their case.

We have sat through the Committee stages and observed the failure to answer questions and the very shallow base of the reasons for this legislation. The Minister has indicated that it was introduced as a result of certain information coming from AGL in New South Wales, but when we sought information on that matter it was not forthcoming. We sought information from the Minister as to the exact reserves that were outlined to AGL that have caused this problem, but no answer was given. We sought to find out exactly when the Government discovered that there was a problem, and we received no answer.

We sought to find out when the producers were told that there were problems with the supply, and we got no answer because there was no answer: the Minister has no answer. The whole legislation has been drawn up because the Government wants to reduce the price of gas for political purposes.

This reduction is a very short-term situation indeed. If we find that AGL's arbitrations end up with a higher price, of course, we will end up with a higher price, and there is nothing that we can do about it now because we have written into a Bill that that will take place. So, that in itself is a bit of a farce.

There was always in the past three years the possibility of the Government's doing something about the price of gas to South Australia. It was always in the hands of the Government to reach the stage of introducing legislation to put a royalty on gas. The Government now claims that that was not possible. I do not believe that it has explored it or ever been game to take on New South Wales and try it out.

In order to demonstrate our point on this—that is, the question of how to get lower gas prices, and how it would have been done in the past three years if we had been in Government—I will read out a statement that has already been given in another place.

A Liberal Government would immediately legislate to ensure gas prices for South Australia which will be lower than those proposed by the present Government and the present legislation. Under the legislation the South Australian Government would collect an extra royalty on sales of Cooper Basin gas to New South Wales and use these funds to subsidise the Electricity Trust, the South Australian Gas Company and other major industrial users of gas in South Australia.

That legislation would be satisfactory to the Cooper Basin producers. It would equalise Sydney and Adelaide gas prices allowing a price to be set at present—and it could have been for the past three years—at $1.31 per gigajoule for gas in each State. This compares with a price of $1.54 per gigajoule in the Government's legislation that is now before this House and $1.72, which the Premier secretly agreed with the producers just prior to the introduction of this legislation in July.

Under this legislation existing royalty arrangements for the Cooper Basin gas would be changed. At the time of the 1982 election this question was raised and agreement had been reached in principle with the producers to rationalise the gas contracts in this way. It would have allowed extra royalty returns from the sale of the Cooper Basin gas to New South Wales to be rebated to South Australian consumers in order to hold down their prices.

However, the present Government has failed to pursue this initiative. It has ignored it because it has not been prepared to take on its counterparts in another State—New South Wales. It has had three years to do something about the mistakes of the Dunstan Labor Government of the 1970s in approving the present gas contracts. Because it failed to properly renegotiate these contracts and deceived the Cooper Basin producers, the Government is now rushing through this legislation just before an election, which will probably be called tomorrow. That shows the shallowness of this move. The Government will dishonour existing agreements and an indenture without agreement.

As a result, further investment in South Australia, which would create more jobs, will be denied to this State because who on earth would come to this State under the present situation? Above all, it would have meant lower gas prices and electricity tariffs for South Australian consumers for the past three years. Not only have we had gas prices that are too high because of the Government's failure, but also we have had taxes on electricity, as I have said time and time again this evening.

This specific proposal would have involved the levying of an extra royalty on all gas sold from the Cooper Basin. If in the present situation the Government legislation had not been introduced, and certainly if it passes tonight, as I accept that it will, we will certainly take steps to introduce such a royalty when we win the election, which will be called, I imagine, tomorrow and which will be completed by the end of this year.

The Government is legislating to break an indenture, with serious implications for South Australia's economic future, when all along a much better and more honourable solution has always been available. I am just staggered that the Government has decided to take this step at this stage. The Government has attempted to say that a select committee of the Lower House was set up and that it came up with findings. What absolute nonsense: it was a farce, as everyone knows, and particularly so, when the producers were not given the opportunity of answering the figures that were given to them in relation to supply. They were given one afternoon to answer some figures which were presented to them and which purportedly were different from the ones that they had always produced.

The whole legislation is based on a very shallow foundation, and that has been shown up all through the Committee stage. While I ask the Committee to vote against this legislation, I accept that the numbers will be against us. I trust the Hon. Mr Milne when he leaves this Council will understand that he is doing so having broken an indenture and having been part of the breaking of a contract between the Government and citizens of the State and the people who invest in it. When in future we have difficulty in obtaining investment in this State, I would appreciate his remembering that he played a role in reducing the confidence of people to invest in this State.

The Hon. K.L. MILNE: I think that the real truth of the situation is that it took a crisis of fear, a crisis in statistics, to make everyone sit down and really examine the ramifications of Santos and its partners, a monopoly supplier of an essential survival commodity to an entire State, a State which had deliberately placed itself in the hands of the suppliers by switching over to natural gas. By this process the company that was created has grown so well and so big and has become a monopoly. No-one expected this situation to arise, and neither side did it on purpose.

If the Hon. Mr Cameron wants to be nasty about this and blame me, I will wear it. But I do not want to leave the Parliament knowing that the Hon. Mr Cameron has accused me of simply supporting this on the grounds that it has broken an indenture, when he knows perfectly well that it involves a conflict in relation to whether one stands by an agreement which is outmoded and which is no longer fair or whether one looks after the consumers.

The Hon. R.I. Lucas: What about Stony Point?

The Hon. K.L. MILNE: There is nothing wrong with Stony Point.

The Hon. R.I. Lucas: The Democrat here might change his mind in 10 years.

The PRESIDENT: Order!

The Hon. K.L. MILNE: I am saying that the dilemma for us all is to decide between trying to control the suppliers, the producers, or trying to protect the consumers. I think that if we come to the right answer we will make it fair for both parties. I heard the Hon. Ms Laidlaw say that, with a longer time available, perhaps an answer could be found that would be fair to both parties—and there must be an answer that is fair to both. However, at the moment the situation is not fair for the consumers, the manufacturers,

or to the standard of living in South Australia—and honourable members know it.

Members interjecting:

The Hon. K.L. MILNE: And you know it—yes you do!

The PRESIDENT: Order!

The Hon. K.L. MILNE: So, do not blame me or my colleague the Hon. Mr Gilfillan for it.

The Hon. R.I. Lucas: You can't wash your hands of this.

The Hon. K.L. MILNE: And you will not be able to, either. I am glad that the honourable member mentioned that. Members opposite are looking at this simply in relation to the money aspect. It has to be looked at from both sides. If the Government has gone too far—some think it has not gone far enough—then it will be rectified.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.L. MILNE: The Minister has already indicated in one of his speeches that the door is open to recommence negotiations.

Members interjecting:

The Hon. K.L. MILNE: Have members read it?

Honourable members: Yes.

The Hon. K.L. MILNE: Then members have mis-read it.

The Hon. L.H. Davis: Why did they not negotiate—

The PRESIDENT: Order! If the Hon. Mr Davis wants to make a speech, he is entitled to, as is the Hon. Mr Lucas.

The Hon. K.L. MILNE: There is a dilemma and some of us have come down for the time being on the side of the consumers, because we felt that the balance was too much on the side of the producers. Many of the consumers are Liberal voters. Do not think that all consumers are against the legislation or that the Stock Exchange is entirely against it. All of us feel that the whole situation is unfortunate. I make no excuses for what I have said or for the part I have played. I hope that the Democrats will feel that I have done the right thing as far as their philosophy is concerned. I hope and am sure that it will lead to further contracts and further negotiations between the two major parties—the Government and Santos.

I will support the legislation. We all wish that we had more time. It was a fault that we had to do it in a hurry. If we made mistakes, we will have to wear it, but the mistake may well be that the Liberals do not support certain parts of it. The mistakes may be that we should not have done so either. I make no excuses—I support it and trust that the State and the companies will be the better for it in the long run.

The Hon. FRANK BLEVINS (Minister of Labour): I support the third reading and urge the Council to carry it. Despite all the mock hysteria from the Opposition, this is a good Bill—a good measure for South Australia. As the Hon. Mr Milne so eloquently pointed out, there was undoubtedly an imbalance. You can pick over history and allocate blame if you wish. To me that makes no difference. The imbalance had to be fixed and I do not believe that the producers will be terribly upset, as business will be affected only slightly. The offer to negotiate still stands and on behalf of the Government I make that offer again, only this time it will not be possible for there to be constant delays or for the producers not to give the guarantees that the Government on behalf of the people of this State has to have.

Again, I do not believe that the producers can complain, as they have done very well out of the Cooper Basin—and good luck to them. I am not complaining about that, but make the point that when legislation dealing with them was before the House on at least one occasion over the last 10 years that I have been here they were delighted at being treated by the Government as a special case. The fact is that the product with which they are dealing is a vital commodity and of vital importance to the State. It will not be treated by any Government as a normal commercial operation—it never will be. If the producers expect it to be, they are foolish people and I do not believe that they are. I give the guarantee that they will always be treated as a special case by any Government—Liberal or Labor.

It only remains for me to say that, if this is the Hon. Mr Milne's swan song, as it were (and I have no real knowledge of that), he certainly has nothing to apologise for regarding this legislation at least—

The Hon. M.B. Cameron: From your point of view.

The Hon. FRANK BLEVINS: From the State's point of view. He has nothing for which to apologise in connection with the period he has been in the Parliament. Far from making no apologies, the Hon. Mr Milne has reason to be proud that he stood up and assisted the consumers, both domestic and industrial, to obtain a measure of justice. That is what is occurring here tonight. I urge the Council to support the third reading.

The Council divided on the third reading:

Ayes (8)—The Hons Frank Blevins (teller), G.L. Bruce, B.A. Chatterton, J.R. Cornwall, C.W. Creedon, M.S. Feleppa, I. Gilfillan, and K.L. Milne.

Noes (7)—The Hons J.C. Burdett, M.B. Cameron (teller), L.H. Davis, R.C. DeGaris, Peter Dunn, R.I. Lucas, and R.J. Ritson.

Pairs—Ayes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese. Noes—The Hons K.T. Griffin, C.M. Hill, and Diana Laidlaw.

Majority of 1 for the Ayes.

Third reading thus carried.

Bill passed.

PUBLIC WORKS STANDING COMMITTEE ACT AMENDMENT BILL

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

The Hon. J.R. CORNWALL (Minister of Health): I move:

That this Bill be now read a second time.

In view of the lateness of the hour, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Its purpose is to carry out some much needed reforms to the Public Works Standing Committee Act by these amendments. For the most part these are simply good housekeeping. I believe that this Bill will have the general support from all members of this Council, as it carries out reforms that members on both sides have sought. Members will be aware that the previous Government was also considering changes to the Act, and this Government has reviewed those proposals in light of this Government's program to reduce red tape while ensuring effective Government administration. Accordingly, I believe this Bill will be supported. The Bill has the following points:

1. It raises the declared amount the Minister may appropriate to any project without going to the Public Works Standing Committee from $500 000 to $2 million. This figure is in line with Acts $500 000 after allowing for inflationary changes: in other words, this amendment carries out the intent of the original Act.

2. Adding to this is a change to allow future Governments to adjust this figure for inflation by proclamation. I believe

this makes good administrative sense in carrying out this Parliament's wishes.

3. The Bill also strengthens the original intent of the Act to describe works as all the costs associated with finishing the project, including its fittings and furnishings. The Government believes this is important in todays technological environment, for instance, where a building to house computers may well be worth less than the computers.

4. The Bill also tidies up the difficulty arising from the Appropriation Bills being passed by this Council prior to all proposed projects being examined by the Public Works Standing Committee. In the need for long term Government planning for capital works, Governments need to make allocations in budgets, but must also ensure parliamentary accountability. The Bill achieves these aims.

5. The Bill does not broaden the net for the Public Works Standing Committee to include statutory authorities. The Government believes that statutory authorities have by and large been established to carry out tasks in the commercial environment unrestricted by Governmental red tape. Examples such as the State Bank, SGIC, ETSA, and so on spring to mind. Thus, the Government believes that only where an organisation obtains funds directly appropriated by the House, should it be examined by the Public Works Standing Committee.

6. The Government is also of the view that the Public Works Standing Committee should not encroach upon the work of the Public Accounts Committee. The roles are quite separate, one in examining purposed public works, the other in reviewing Government expenditure. Accordingly, the intent of the original Act will continue in this regard.

7. Finally, the Government believes the committee should have regard to all the associated costs of the proposed expenditure. Accordingly, this Bill seeks to ensure that the committee reviews the ongoing recurrent costs of a purposed public work.

These changes are the very concerns of the Bill. I believe they are necessary and timely, and I commend them to this Council.

Clause 1 is formal.

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

Clause 3 amends section 3 of the principal Act which provides definitions of expressions used in the Act. The clause inserts new definitions of "work", "construction" and "public work". "Work" is defined to mean any building or structure or any improvements or other physical changes to any building, structure or land. "Construction" is defined as including the making of improvements or other physical changes to any building, structure or land and the acquisition and installation of fixtures, plant or equipment when carried out as part of, or in conjunction with, the construction of a work. "Public work" is defined to mean any work that is proposed to be constructed where the whole or a part of the cost of construction of the work is to be met from moneys provided or to be provided by Parliament. The new definitions are intended to clarify and widen the scope of the Act in several respects:

(a) the present definition of "public work" is limited to works that are constructed by the Government or any person or body on behalf of the Government - the new definition requires that it need only be shown that moneys provided or to be provided by Parliament are to be applied towards the work;

(b) the new definitions make it clear that a work is a public work although only part of the cost is to be met from moneys provided or to be provided by Parliament;

(c) the present definition includes only construction or the continuation, completion, reconstruction or extension of a work or any addition to a work - the new definitions make it clear that the Act extends to any improvements or physical changes to a building, structure or land and to the acquisition and installation of fixtures, plant and equipment when forming part of the overall project;

(d) the present definition excludes repair or maintenance - this exclusion is not retained but instead the Act will apply to any work that constitutes an improvement or physical change to a building, structure or land subject to the monetary limitation fixed by or under section 25.

Clause 4 amends section 24 of the principal Act which sets out the matters to which the committee is to have regard when considering and reporting upon a public work referred to it. The clause adds to the matters presently listed the following matters:

(a) the recurrent costs (including costs arising out of any loan or other financial arrangements) associated with the construction of the work and its proposed use;

(b) the estimated net effect upon Consolidated Account of the construction of the work and its proposed use.

Clause 5 amends section 25 of the principal Act which contains the requirement for works to be referred to the committee. The requirement is presently imposed by rendering unlawful the introduction of a Bill either authorizing the construction of a public work estimated to cost when complete more than $500 000, or appropriating money for expenditure on a public work estimated to cost when complete more than $500 000, unless the work has been first inquired into by the committee. Under the clause, no amount is to be applied for the actual construction of a public work from moneys provided by Parliament, where it is estimated that the total amount applied for the construction of the work out of moneys provided by Parliament will, when all stages of the work are complete, be more than the declared amount, unless the work has first been inquired into by the committee. The clause defines the declared amount as being $2 000 000 or such greater amount as is fixed by proclamation. The clause inserts a transitional provision applying the present provisions of the section to any work where construction has commenced, or a contract for construction has been entered into, before the amendments come into force.

Clause 6 repeals section 25a of the principal Act which permits a Bill relating to a public work to be introduced without the work having been first inquired into by the committee in the circumstances of war or where the Bill itself provides that the Act is not to apply. This provision is no longer required in view of the changes proposed to section 25 under which the introduction of such a Bill will no longer be affected by the section.

Clause 7 substitutes a new provision for section 27 of the Act. Section 27 presently enables a newly constituted committee to take into account evidence on a public work presented to the committee as previously constituted. The new provision has that same effect but also makes it unnecessary to again refer a public work to a newly constituted committee where the work had been referred to the committee as previously constituted but the committee had not completed its inquiry into and report upon the work.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

MOUNT LOFTY BOTANIC GARDEN

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:

That this House resolve to recommend to His Excellency the Governor that, pursuant to sections 13 and 14 of the Botanic Gardens Act 1978, part section 529, hundred of Onkaparinga, be disposed of.

The Hon. J.R. CORNWALL (Minister of Health): I move:

That the resolution of the House of Assembly be agreed to.

This resolution refers to a small parcel of land that forms part of the Mount Lofty Botanic Garden and a house on that land. This matter was agreed by the Hon. Mr Wotton in the other place, who knows this area very well. The Botanic Gardens Board considers that the long-term savings in relation to the maintenance of the house can be achieved from its disposal and that the revenue from the sale should be put back into further development of the Mount Lofty Botanic Garden for a public interpretive centre adjacent to the upper car park, restoration of fire damage adjacent to Summit Road and upgrading of Crafers quarry.

I am sure that, if any other areas can be assisted through the sale of the two sections comprising the land and the house, the money will be used for that purpose. The Opposition in the other place has supported this proposal, and it is not a matter of great moment. I urge all members to support the motion.

The Hon. M.B. CAMERON (Leader of the Oppostion): The Opposition supports this motion.

Motion carried.

SITTINGS AND BUSINESS

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

That the Council at its rising adjourn until Tuesday 19 November at 2.15 p.m.

Motion carried.

DENTISTS ACT REGULATIONS

Adjourned debate on motion of Hon. J.C. Burdett:

That the general regulations under the Dentists Act 1984, made on 22 August 1985 and laid on the table of this Council on 27 August 1985, be disallowed.

(Continued from 23 October. Page 1450.)

The Hon. K.L. MILNE: For what could possibly be my last night in Parliament, I am having a rotten time. After a detailed and very sympathetic discussion with the dental profession, I have managed to make the private dentists unhappy, the Minister of Health unhappy, the Dental Board unhappy, the hygienists unhappy, the Hon. Mr Burdett unhappy, and I am as miserable as hell: so I am not going too well.

However, I support the motion of the Hon. Mr Burdett, although my decision whether or not to support it has been a difficult one. If there was no threat of an election, I would have preferred to adjourn the debate for a week to allow the Minister to confirm his undertakings in writing and for the Dental Board to confirm theirs. The Government could have altered the necessary regulations itself. However, we are not sitting next week, and that has compounded the problem.

After a conference with the President of the Dental Board (Dr John Day), the Chief Executive of the Dental Service, and a member of the board (Dr John Blaikie) and one of the Minister of Health's main advisers, we made some progress towards agreement, and the Minister has given some undertakings: I want to give him credit for that. One was that he agrees that the proposed review of the dental policy, on the implementation of the review committee in September 1987, will be a thorough review which will involve the four members of the Australian Dental Association on the committee. It is his intention that if the committee were to recommend further registration, a formal course would be established in consultation with the appropriate tertiary education authorities, and that would be another regulation according to the Hon. Mr Burdett.

The Hon. J.R. CORNWALL: I rise on a point of order, Mr President. These undertakings are all subject, of course, to the Democrats voting with the Government.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: I thought I was among gentlemen, but I was the only gentleman involved. The Hon. Mr Burdett is jeopardising the whole legislation. He tries to rewrite the legislation through the regulations, and it is just not on. It is an extraordinary step to move disallowance and for the Hon. Mr Milne to be supporting it.

The Hon. K.L. MILNE: I was really trying to compliment the Minister, as a matter of fact.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.L. MILNE: Another agreement was that the Dental Board, as an administative action and in consultation with the Australian Dental Association, will circulate the profession with the list of duties considered appropriate for dental hygienists. The Dental Board acccepts two amendments and it will formally propose them to the Minister in the near future; both of them will need new regulations. There is also the question of the dental hygienists at Julia Farr Centre. I have spoken to the Minister about the use of dental hygienists at Julia Farr Centre in the future. If that plan is implemented, it will need another regulation as well.

I refer now to a matter that was important to the dental profession. The Minister has agreed that with the introduction of hygienists at Julia Farr Centre, as it is a new scheme, there will be a registered dentist for a minimum initial period of two sessions a week and dental hygienist three sessions a week. This will be monitored by the Dental Board to see whether that is sufficient. Also, the dentists have asked that the regulation requiring reporting to the board of civil and criminal proceedings taken against them—

The Hon. J.R. Cornwall interjecting:

The Hon. K.L. MILNE: The situation is that the dentists have disagreed with the existing regulation and the Minister has undertaken to withdraw that regulation on the understanding that it will be remade in its existing form unless the dental profession can come up with an acceptable new version. It may simply be that, instead of saying it will report alleged complaints against it, it will have to report proven complaints against it, or the like.

From my discussions with the Minister I am grateful. The profession should be grateful, but I am not sure that it is. I feel that we have done our best. I would like to leave one more message: it is ridiculous that if this or any House wants to amend the regulations, or two or three regulations, it must disallow them all. Surely that is completely mad. Nevertheless, that is the situation. We have the power to do it so we may as well use it on this occasion, knowing that the Government can put them back unaltered tomorrow if it wants to. That, too, is ridiculous. I hope it will be changed in the next Parliament.

When the new regulations are promulgated I hope the Government will try to protect the profession. The Council has heard me previously on the professions: they are much a part of our freedom and democracy, as the Minister knows as well as anyone, being a successful member of one of them. Some of the professions—dentists, medical practioners and to some extent lawyers—are going through difficult times while the relationship between those practising in the public sector and those in the private sector is changing.

For dentists and doctors this situation is further complicated by what I shall call paradentals and paramedics. Therefore, one of our objectives in supporting the disallowance is to call the Government's attention to the fact that life is complicated for dentists in the private sector and to seek support for them. We believe we have helped to negotiate some undertakings which will go some way towards just that.

Therefore, I thank the Minister for his help and cooperation: he did help and was cooperative. The fact that I am still opting for disallowance is not criticism of him or his staff. It is simply that I have been convinced by discussions with all parties involved that disallowance is a most appropriate course to take in these circumstances at this time. I confirm my support for the motion.

The Hon. J.C. BURDETT: I thank members for their contributions to this debate. Particularly, I thank the Hon. Lance Milne because I know he had some difficulty in deciding what he should do in the matter. The Minister in his speech resorted to his usual practice of making rude and stupid statements about anyone who disagreed with him. In fact, the Australian Dental Association submission presented to the Standing Committee on Subordinate Legislation by the President, a former President, and the executive officer of the ADA, had the support of the executive of the ADA (South Australian branch).

So, there is no question about one faction or anything like that; the submission was the submission of the ADA. The Minister carried on at some length about the School Dental Service. That was not raised in the motion: irrelevance as well as denigration is a hallmark of the utterances of this Minister. The Minister eventually condescended to talk about the regulations, which were the subject of the motion.

Let me speak first about dental technicians. No-one suggested that there is a current course at the Institute of Technology. We are all aware that the Government initially undertook two assessment courses at the Gilles Plains TAFE and that this will be reviewed in 1987. The point is that the Act and the regulations at present would make it possible for further courses to be undertaken, and the courses contemplated by the regulations are assessment courses only.

The original intention of the select committee and the Government was to provide for grandfathers—that is, for persons who had already been practising as clinical dental technicians in direct contact with the public illegally. These persons appear to have some experience. However, if any further courses are undertaken it would be necessary to see that the courses were diploma type courses and that there was adequate instruction and experience, as well as assessment.

The regulations allow for a continuation, if the Government so desires, at any time of an assessment-type course. Whatever undertakings are given by the Government, this part of the regulations should be disallowed. If future courses are undertaken they can be addressed by regulation then. However, these regulations would allow this assessment only type course to continue for the future. I refer next to dental hygienists. The Minister said:

> First, the Australian Dental Association has recommended that a schedule of treatment which may be performed by dental hygienists should be included in the regulations. I am informed that this is not possible under the regulation-making power of the Dentists Act 1984.

The Minister does not know his own Act. Section 42 (2) provides:

> Dental treatment provided by a dental hygienist shall be provided subject to any restrictions or conditions prescribed by regulation.

It is perfectly clear that restrictions could include a limitation as to the kind of treatment provided. This is spelt out perfectly clearly in the Act. The request that the ADA made in its submission could be complied with if the Minister only had the will to do it.

I refer to dental hygienists in the Julia Farr Centre. They should be subject to supervision of dentists in the same way as all other hygienists. A medical practitioner or general nurse may well have no ability or knowledge in the supervision of dental hygienists. In fact, the dental hygienist will usually know more about dental matters than a medical practitioner or general nurse supervising her. The Minister said:

> Many patients at the Julia Farr Centre need oral hygiene instruction and assistance with the care of natural teeth and dentures.

I would have no objection to regulations that specifically provide that in relation to the Julia Farr Centre hygienists not under supervision of dentists could carry out instruction and assistance in regard to the care of natural teeth or dentures. The Minister in his second reading speech said:

> He parrots away. He has parroted the same line since I have been in this place. It is like a broken record! The final regulation to which the Australian Dental Association objects, and to which the Hon. Mr Burdett devoted considerable time when moving the extraordinary motion for disallowance, is regulation 19.
>
> I was about to say, when I was rudely interrupted by young Mr Lucas, that you have not only my word (and let him scoff at this), but also the word specifically or Dr Day, President of the South Australian Dental Board and Dr Blaikie, Director of the South Australian Dental Service. Scoff at that if you will. I have given the Medical Pracitioners Act, again the model Act on which these things have been based, that undertaking and they have given that undertaking. I have been asked to give that undertaking to this Chamber again, specifically by them.

I am afraid I do not know what undertaking the Minister is talking about and I do not understand this extraordinary passage in his speech. I refer now to regulation 19 to which the ADA objected. Section 80 of the Act provides:

> Where a person has claimed damages or other compensation from a registered person for alleged negligence committed in the course of dental practice the registered person concerned shall within 30 days after:
>
> *(a)* he is ordered by a court to pay damages or other compensation in respect of that claim; or
>
> *(b)* he agrees to pay a sum of money in settlement of that claim (whether with or without a denial of liability)
>
> provide the board with prescribed information relating to the claim.

Regulation 19 prescribes this information which comprises:

(a) full details of the alleged negligence;

(b) the nature of the treatment or procedure which is alleged to have been carried out negligently;

(c) the address of the premises at which the alleged negligence took place;

(d) the time and date of the alleged negligence;

(e) full details of any judgment of the court or settlement out of court in respect of the claim including the amount of damages or compensation either awarded by the court or agreed to in settlement of the claim; and

(f) full details of the injury incurred or allegedly incurred by the claimant as a result of the alleged negligence including death or permanent or other incapacity.

The regulation refers to a great number of things alleged. It is in my view a breach of natural justice that a person who

has simply been sued civilly should have to provide to the board all of these details which may well tend to incriminate him. It is disgraceful that he should have to disclose the terms of a settlement out of court even though those terms may not have been disclosed to the court.

The fact that similar provisions apply in the Medical Practitioners Act and regulations is irrelevant. If the injustice was not picked up there, that is no reason why it should not be remedied in these present regulations. As I said when I moved the motion, Dr Verco, the President of the ADA, made it quite clear that he would prefer to have these regulations disallowed *in toto* rather than to stand in their present form. As the Hon. Lance Milne said when he spoke, it is perhaps a difficulty which may need to be addressed in regard to regulations that niether House or Parliament has any power to amend any regulations.

All the Parliament may do is disallow or not disallow. The present state of legal opinion is also that specific regulations (there may be 50 in one group of regulations) may not be disallowed. I agree with the Hon. Mr Milne that this is a matter that ought to be addressed and I believe that the current provisions in regard to subordinate legislation are not as they might be. We have to deal with the situation at the present time.

At the present time the only power that the Council has is to disallow the regulations, or otherwise leave them standing *in toto*. The Minister said:

> It is a amazing that the Hon. Mr Burdett should move for total disallowance and mean it. It is one of the most extraordinary things I have seen in my 10 years in this place.

That is ridiculous. Since I have been here many regulations have been disallowed. Disallowance *in toto* is the only action that the Council can take. This power is provided in the Subordinate Legislation Act and is obviously meant to be used if the Council considers that any part of the regulations are objectionable, because there is nothing else that it can do. Dr Blaikie and Dr Day, when giving evidence to the Joint Committee on Subordinate Legislation, gave some undertakings that certain parts of the regulations would be amended in future by the Government. I understand from what the Hon. Mr Milne said that the Minister has given some other undertakings.

However, these remain as undertakings and the Minister has informed the Council that the undertakings were conditional upon Mr Milne supporting the regulations and opposing the disallowance, so they were totally conditional, anyway.

The Hon. J.R. Cornwall interjecting:

The Hon. J.C. BURDETT: All right, the compromise did not work. If the Minister is serious about reviewing the regulations the sensible course for him would be to accept this motion, let the regulations be disallowed and make fresh regulations that are in accordance with his undertakings, or whatever he thinks is proper, and let them stand there 14 days and be subject to motions in either House of Parliament.

The procedure for disallowance is one of the procedures which this Council can undertake. I have indicated substantial objections to a number of regulations and I suggest that the proper course would be to disallow these regulations and let the Minister make fresh ones that address the matters that have been objected to. I commend the motion to the Council.

The Council divided on the motion:

Ayes (9)—The Hons J.C. Burdett (teller), M.B. Cameron, L.H. Davis, R.C. DeGaris, Peter Dunn, I. Gilfillan, R.I. Lucas, K.L. Milne, and R.J. Ritson.

Noes (6)—The Hons Frank Blevins, G.L. Bruce, B.A. Chatterton, J.R. Cornwall (teller), C.W. Creedon, and M.S. Feleppa.

Pairs—Ayes—The Hons K.T. Griffin, C.M. Hill, and Diana Laidlaw. Noes—The Hons Anne Levy, C.J. Sumner, and Barbara Wiese.

Majority of 3 for the Ayes.

Motion thus carried.

DOG CONTROL ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 31 October. Page 1703.)

The Hon. FRANK BLEVINS (Minister of Labour): The Government supports this Bill. It is a commendable measure, and we see no reason for delaying it. In fact, we are delighted to assist.

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

[Sitting suspended from 1.37 to 1.47 a.m.]

GOVERNMENT MANAGEMENT AND EMPLOYMENT BILL

The House of Assembly intimated that it had agreed to the recommendations of the conference.

NATURAL GAS (INTERIM SUPPLY) BILL

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

ADJOURNMENT

At 1.50 a.m. the Council adjourned until Tuesday 19 November at 2.15 p.m.