

LEGISLATIVE COUNCIL

Wednesday 6 August 1986

The **PRESIDENT (Hon. Anne Levy)** took the Chair at 2.15 p.m. and read prayers.

PETITIONS: PROSTITUTION

Petitions signed by 1 125 residents of South Australia praying that the Council uphold the present laws against the exploitation of women by prostitution, and not decriminalise the trade in any way, were presented by the Hons Peter Dunn, I. Gilfillan, K.T Griffin, and J.C. Irwin.

Petitions received.

PETITIONS: PETROL PRICING

Petitions signed by 143 residents of South Australia praying that the Council urge the Government to make all possible efforts to remove the iniquitous position in relation to petrol pricing and asking it to strongly consider intervention to achieve realistic wholesale prices as a means of achieving equity for the country petrol consumer were presented by the Hons Peter Dunn and J.C. Irwin.

Petitions received.

PETITION: TIME ZONES

A petition signed by 71 residents of South Australia praying that the Council support the retention of Central Standard Time for the whole of South Australia and exempt areas on Eyre Peninsula west of 137° east and including the hundreds of Wilton, Warren, Charleston and McGregor from daylight saving was presented by the Hon. Peter Dunn.

Petition received.

QUESTIONS

BRITISH NURSES

The Hon. M.B. CAMERON: I seek leave to make a brief explanation prior to asking the Minister of Health a question about British nurses.

Leave granted.

The Hon. M.B. CAMERON: My question relates to a number of British nurses working at the Royal Adelaide Hospital—I believe 23, although I cannot guarantee this figure—who were recruited in the United Kingdom through an agency called Medical Control Centre Pty Limited, which operated on behalf of the South Australian Health Commission which, it appears, recruited on behalf of the Royal Adelaide Hospital. These nurses were given an information sheet, which I now seek leave to table.

Leave granted.

The Hon. M.B. CAMERON: Members will note that the indications were that the nurses would be provided with prepaid return air tickets, travel and health insurance, and a holiday package. At that stage there was no indication that they would have to pay for everything. However, the agreement which was due to be signed was not provided to the nurses until very late in the piece when they had made all their arrangements and left their jobs in the UK. When

they arrived in Australia they had signed the agreement which, on my reading of it, is the next best thing to slave labour that I have seen.

I am not reflecting on the hospital in using those words. Many of these nurses have attempted to change the holiday package and to reach other agreements with the agencies. The holiday package was not arranged until after the nurses arrived in Australia or, in many cases, until they had been here for some time. The nurses have not been allowed to change the arrangements; they have been forced to stick to the original agreement. I shall refer to part of the agreement. I want to table the entire agreement because I think it is important for members to have this information, and I seek leave to table that.

Leave granted.

The Hon. M.B. CAMERON: Clause 3.9 of the agreement provides:

It is further agreed by the nurse: not to disclose, save and except to any person having lawful authority requiring such disclosures, any information whatsoever in regard to the MCC agencies general operations or affairs pursuant to this agreement.

Further, clause 3.11 provides that it is agreed by the nurse:

To obtain the prior written consent from the nursing director of the MCC agency before using in any manner whatsoever any information collected during this agreement for release to the public or any other persons.

This means, of course, that if I disclosed the names of these nurses that, in fact, could lead to their being accused of breaking their contracts—just by approaching me to discuss the matter. I find that somewhat extraordinary. Clauses 4.11 and 4.12 are important, particularly the last part of clause 4.12 which states:

The nurse acknowledges that all deductions referred to include clauses 4.11 and 4.12 shall be nonrefundable to the nurse should she fail to complete this agreement for whatever reason or should the nurse not undertake the holiday as arranged by the MCC agency.

In other words, if the nurse does not take the holiday, for whatever reason, he or she loses all the money that has been placed in a trust for the nurse. Why on earth that is a problem to the agency if the nurse does not decide to take the holiday outlined in the agreement is beyond me. One can only assume—and I have done some checking—that amounts charged for the holidays are far in excess of the costs for the package, so the agency is protecting its profit. That certainly appears to be the case on checking through tourist bureaux. I find that disgraceful and totally unnecessary. The most disgraceful part of this agreement is 4.3, and I quote:

The MCC agency shall not be liable to the nurse for any loss or damage suffered by the nurse howsoever caused including but not limited to loss or damage caused by the negligence of the MCC agency, its employees, servants or agents, relating to all provisions of this agreement and including travel arrangements, accommodation, income or loss thereof, delays in obtaining visas and invalidation of insurances.

In other words, the agency has absolutely no responsibility whatsoever. The nurse is completely tied to the agency right down to the details of the holiday that she should take, her time of departure and what she should do while on holiday, and the agency takes absolutely no responsibility for negligence on its part whatsoever.

The Hon. T.G. Roberts: That is a deregulated British labour market!

The Hon. M.B. CAMERON: It sure is. It is quite clear that these nurses have been taken for a ride and it is unacceptable that no attempt is being made to rectify what has been done to present recruits. There has been some approach from the recruits to the South Australian Health Commission. I seek leave to table a letter in reply, which states at paragraph (6):

As can be seen from the above, my preliminary view is that there will be little satisfaction to anyone in trying to assist the nurses currently in South Australia. The best that can be done is to try to avoid problems in the future. This can be done by either clarifying matters with the agency or by dealing with a different agency.

Leave granted

The Hon. M.B. CAMERON: My questions to the Minister are as follows:

1. Who decided to use this organisation to recruit nurses from Britain?
2. What requirements were placed on the organisation for recruiting?
3. If the Health Commission was the body responsible for deciding on recruitment procedures, why was it the body? Why did the Royal Adelaide Hospital not carry out its own recruitment?
4. What steps will the Government take to force this organisation to abandon the more bizarre aspects of this agreement and treat these nurses in a fair and reasonable manner?
5. What steps have been taken to check the recruitment procedures of this and other organisations dealing with British nurses?
6. Will the Minister ensure that the Royal Adelaide in future does its own recruitment without using such agencies if there is no move to rectify the situation for these existing nurses?
7. Will he ensure that any further recruitment procedures are carried out in such a way as to treat any future recruits fairly and justly?

The Hon. J.R. CORNWALL: Let me make quite clear at the outset (which initially the honourable member was loath to do) that this deal was done and the contracts were signed directly between the agency and the individual nurses. The one thing that the RANF, as the principal industrial trade union for nurses in this State, has insisted upon is that no-one should be recruited except under the exact terms and conditions of salary and so on, as would apply to its members in this State. The RANF has not approached me about this matter.

I suggest that in the first instance the best approach would have been for the British nurses to contact the RANF as their appropriate union in this State, and I further suggest that that is still the appropriate course for them to take. They should certainly approach the RANF. One hopes that they would be members of the RANF in good standing, and that organisation, no doubt, will take up the cudgels on their behalf. Certainly the RANF has not raised the matter with me to this time. I understand that there have been negotiations between various parties and senior officers of the Health Commission, but I do not know the exact position at this time.

I repeat that the contract was entered into in the United Kingdom between an agency and the nurses who were recruited. On the face of it, it would seem that it was a poor contract (to put it mildly) from the point of view of the nurses. I hope that various people have learnt from the experience, since it will be our policy in the medium term to continue to recruit nurses, particularly short-term nurses on a 12-monthly basis, pending the local nurse shortage being overcome completely. Since it is our policy that that practice will continue, I will ensure that the commission, the major hospitals that are recruiting and officers in my office consult specifically with the RANF and any other interested body to, first, see what can be unscrambled from the present situation (and I am unsure about what can be unscrambled at present) and, secondly, and most impor-

tantly, ensure that contracts of this nature are not entered into in the future.

I stress that the contract is between the individual nurses and the agency that recruited them, so in that sense there is no direct responsibility on the part of the hospital concerned or the Health Commission. Nevertheless, if these contracts would not stand up to scrutiny under the industrial awards and conditions under which local nurses work and, just as importantly, if they would not stand up to all the accepted conventions of the international labour organisation, I will take whatever steps are necessary to ensure that the situation never occurs again.

EMERGENCY SERVICES

The Hon. R.J. RITSON: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister of Emergency Services, a question about death and emergency services.

Leave granted.

The Hon. R.J. RITSON: Yesterday, the Government announced that it was refusing to replace Rescue One with a helicopter adequate for emergency medical retrieval. The Hon. Dr Hopgood was reported publicly as saying that the aircraft is perfectly safe while it is operating within its capabilities. What he neglected to say, of course, is that the aircraft is required from time to time to operate beyond its capabilities, often with adverse results.

Because of the tragic importance of that Government decision, it becomes necessary for me to explain to the Government the consequences of that decision. I have a number of horror stories which I will not trot out at length, but I give one tragic example of the limitations of this aircraft. I will blur some of the fine details so that the case is not too recognisable to friends of people who may have been aggrieved by the result.

About two years ago in a country hospital which was a short flying time from Flinders Medical Centre but a longer road distance, a baby was delivered and the treating doctor became immediately concerned for the welfare of the baby and called for a medical retrieval of that baby. The State rescue helicopter flew to the country town with a neo-natal paediatrician. Unfortunately, in the meantime the condition of the mother had deteriorated.

The aircraft landed on the oval in that country town and, by that time, the mother was in extreme danger of death from haemorrhage which could not be controlled by the treating doctor, so a decision was made to fly the mother, baby and doctor out. Unfortunately, owing to the limitations of the aircraft and its power weight ratio, the aircraft could not make a vertical take-off from the oval, neither could it make an oblique take-off because of the presence of trees around the oval, so another decision was made to fly the baby out and return with a gynaecologist and with blood for transfusion.

The baby was flown out to the hospital and the aircraft returned with blood and an obstetrician. Unfortunately, darkness had supervened and, again, owing to the limitations of the aircraft and its night flying capability, it was not able to land with the blood and with the gynaecologist. Alternate road transport was called for but, regrettably, the mother died before she could be taken into surgery. I think that is very sad.

There are other episodes where it has been demonstrated that air medical evacuation is not optimum in this State, and I will save them for another day. But I will be watching closely, Madam President, day after day and month after

month and if, as a result of this penny pinching decision—and it is penny pinching compared to some of the costs of things such as the free standing abortion clinics at \$3 million or so—I will be watching, and if there is further preventable death as a result of this decision I will be accusing the Minister of Emergency Services of manslaughter. My question to the Minister is this: will he—

Members interjecting:

The Hon. R.J. RITSON: Not you. I am sure that the Hon. Dr Cornwall is very concerned about this matter.

The PRESIDENT: Order!

Members interjecting:

The Hon. R.J. RITSON: I am sure that the Hon. Dr Cornwall is personally very concerned about the matter—

Members interjecting:

The PRESIDENT: Order!

Members interjecting:

The Hon. R.J. RITSON: I am sure that the Hon. Dr Cornwall is very concerned about this matter, and I am sure that he would have fought hard in Cabinet to upgrade that facility. I do understand the question of Cabinet loyalty and I understand the motions through which he has gone on this occasion. I ask the Minister representing the Minister of Emergency Services will he have further discussions, get the matter back into Cabinet, and have the decision reconsidered as urgently as possible?

The Hon. C.J. SUMNER: I will refer the question to the Minister of Emergency Services and bring back a reply. The Minister has advised me that the present helicopter is safe and efficient when used within its operational limits, and he has not received any—

The Hon. R.J. Ritson: It is used beyond its limits.

The Hon. C.J. SUMNER: He has not received any advice to the contrary. Further, I understand that a helicopter of this type is widely used around the world for the sort of purpose that it is used in South Australia. The Minister has no knowledge of the helicopter being used in a manner that would breach air safety regulations and he intends to draw the attention of the steering committee to the fact that the aircraft should be used within its operational limits.

The extra cost of a new machine would be \$70 000 per month and \$650 per hour flying time, which cost (and I understand it would be something in the vicinity of \$1 million a year) has to be weighed against the cost effectiveness of the present helicopter. In addition, as the honourable member would know, not all rescue is carried out by a helicopter; there are other more conventional means that are employed. That is the situation as I have been advised by the Minister, but I will refer the honourable member's question to him in case there is anything further that he wants to add.

COMPANIES AND SECURITIES CODE

The Hon. K.T. GRIFFIN: I seek leave to make a short explanation before asking the Attorney-General questions about the Companies and Securities Code.

Leave granted.

The Hon. K.T. GRIFFIN: It has been reported that the Federal Attorney-General is pushing for the Commonwealth Government to take over the whole of the regulation of companies, takeovers and the securities industries and to exclude the States from any part of the operation of the law. As members would know, the current scheme is a cooperative one involving the States and the Commonwealth, each with one vote on the ministerial council which controls the scheme. Because of the cooperative nature of

the scheme, South Australia does have some say in the administration of companies law and all of the power does not vest just in Canberra. The South Australian Corporate Affairs Commission that administers the scheme in this State is accountable to the State Attorney-General.

The abdication of responsibility for the companies and the securities industries to Canberra would mean that South Australia would miss out considerably in a number of ways and any dealings with companies in this State would be through an Adelaide branch office of a Canberra controlled agency, much like the tax office based in Canberra has an office in each State controlled from Canberra. Some difficulties have been acknowledged about the lack of parliamentary involvement in the legislative process and that is a concern, but it ought to be remembered that an earlier State Attorney-General (Peter Duncan) was a party to the agreement between the States and the Commonwealth which, in 1978, established a cooperative scheme.

It should also be said that those difficulties about involvement in the legislative process are not fatal to the scheme. The federal Attorney-General's Department, in addition to the federal Attorney-General, has made a submission to a federal parliamentary committee advocating Commonwealth control. It is on the record that, in this State, the Liberal Party does not support Commonwealth control.

The Hon. C.J. Sumner: Senator Hill does.

The Hon. K.T. GRIFFIN: He has not said that.

The Hon. C.J. Sumner: He moved the motion: they are the ones who are trying to drag it down.

The Hon. K.T. GRIFFIN: Recently, there was a meeting of the ministerial council, of which the Attorney-General is a member, and this issue was considered at that meeting. My questions to the Attorney-General are as follows:

1. What view did the Attorney-General express at the ministerial council meeting on the question of Commonwealth control?

2. Do the Attorney-General and the State Government support Commonwealth control or the continuation of State responsibility?

The Hon. C.J. SUMNER: I am surprised that the honourable member would even bother to ask a question of that kind in this Parliament when he knows full well that the threat to the cooperative scheme is coming from the Senate and, in particular, from Liberal members in the Senate. Indeed, one Liberal member, who is well known to the Hon. Mr Griffin—and in fact I understand that that Liberal member is President of the Liberal Party in South Australia and also has a familial connection with someone in this Council—

The Hon. R.I. Lucas: That is outrageous! What are you suggesting?

The Hon. C.J. SUMNER: I am suggesting that they are related to the family. The fact is that this same Senator Hill, President of the Liberal Party in South Australia, moved the motion in the Senate to refer to the Legal and Constitutional Committee of the Senate the operations of the cooperative scheme, including in particular the role of the Federal Parliament in relation to that cooperative scheme. When the Senate committee received that reference, it did not consider that its brief was to deal just with the role of the Parliament in relation to the scheme: it put out an explanatory memorandum to everyone who it considered ought to give evidence on the topic but it canvassed every issue in relation to the scheme, including whether or not there ought to be Commonwealth legislation and a Commonwealth bureaucracy to administer the scheme. That was the document that was authorised by Senator Hill to be distributed.

The Hon. K.T. Griffin: Senator Tate?

The Hon. C.J. SUMNER: And Senator Tate of course. As the honourable member ought to know, the impetus for it came from Senator Hill, who moved the motion in the Senate to refer the cooperative scheme to the Senate Legal and Constitutional Committee, which issued a paper drawing to the attention of potential witnesses the sorts of things that should be canvassed and that included whether or not the scheme should continue in its present form, or whether it ought to be a Commonwealth scheme.

The Hon. Mr Griffin cannot escape that fact: Senator Hill, President of the Liberal Party in South Australia, apparently determined to undermine the cooperative scheme in the way that he has proceeded in this matter in the Senate and, furthermore, having obtained the reference, he then acquiesced in sending out a document that virtually amounts to the calling of submissions as to whether the scheme in its present form ought to exist at all.

In response to that the Commonwealth Attorney-General's Department put in a submission that criticised certain aspects of the scheme and it said that the scheme should not continue to exist, but should be run by the Commonwealth with a Commonwealth bureaucracy. That, as I understand it, is the Commonwealth Attorney-General's Department's submission. I do not think that the Government and the Minister as such have made their views known on that. However, I should say that, before the 1983 election, Senator Evans indicated that he felt that the cooperative scheme should continue for the present while it was achieving its aims and the Federal Labor Government has proceeded, since its election in 1983, with the cooperative scheme. Since that time there have been a number of significant achievements as a result of that scheme, such as the establishment of the Companies and Securities Law Review Committee, the establishment of an Accounting Standards Review Board, and other legislative initiatives. That is the situation at present.

The Hon. K.T. Griffin: That is your view.

The Hon. C.J. SUMNER: I might like to know what the Hon. Mr Griffin's and the Liberal Party's views are.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: We do not know whether or not to trust you, because your President, Senator Hill, has moved the motion in the Senate. When he introduced the motion to refer it to the Senate Select Legal and Constitutional Committee, he was very critical of the scheme and, in fact, other Liberal Senators in the Senate have also been very critical of the scheme over the past few years, including Senator Rae, who has now left the Senate for greener pastures in Tasmania. In the Federal Parliament at least, the Liberal Party does not seem to be providing a great deal of support for the scheme and one of those Liberal Senators, prominent in apparently criticising it to the extent, I might add, of referring it to the Legal and Constitutional Committee of the Senate, is none other than Senator Robert Hill, President of the Liberal Party in South Australia.

Submissions have been called by the Senate standing committee and this Government will prepare a submission to present to that committee. The State Government has supported the cooperative scheme and in the very near future we will prepare a submission that will go, assuming Cabinet approves, to the Senate standing committee.

At that time, when Cabinet has determined the content of that submission, I imagine that there will be no objection to providing the honourable member with details of it, if for no other reason than that he might then be able to confer with his colleague, Senator Hill, to determine whether

or not he still wishes to attempt to sink the cooperative scheme.

The Hon. K.T. Griffin: What is your view?

The Hon. C.J. SUMNER: I have indicated my view on previous occasions—that the State Government has supported and worked with the cooperative scheme. I assume that that will be the view put to the Senate standing committee.

The Hon. R.I. Lucas: Resist the Commonwealth takeover.

The Hon. C.J. SUMNER: The honourable member says, 'Resist the Commonwealth takeover.' There is not any suggestion from the Federal Government, as I understand it at this stage, that the Commonwealth intends to take over. The suggestions of problems with the scheme have come from, among others, Liberal Senators in the Federal Parliament. I anticipate that the matter will be discussed by Cabinet in the near future and an attitude determined that I expect to be consistent with the past attitude of the State Government to the cooperative scheme. When the matter is finalised I will confer with the honourable member and it may be that he will be able to elicit some support for South Australia's view from his colleagues in the Federal Senate.

MUSIC FOR OPENING OF PARLIAMENT

The Hon. C.M. HILL: Madam President, did the provision of music in this Chamber at the opening of Parliament last Thursday involve the expenditure of public funds and, if so, what was the cost involved?

The PRESIDENT: The provision of music did involve payment of the musicians. They were paid the reasonable professional fee which they had negotiated—a sum of \$400.

THEBARTON COUNCIL

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Minister of Local Government questions about the Thebarton council.

Leave granted.

The Hon. I. GILFILLAN: In light of the substantial publicity on the unhappy situation at the Thebarton council and the summary dismissal of the Town Clerk, Mr John Hanson, I have further questions in relation to this matter. I digress to comment that in the past 24 hours I have had discussions with people about that dismissal, which has created at least some doubt in my mind concerning the validity of the form of the dismissal, bearing in mind that Mr Hanson is the principal employee of the council and that this is a matter of great significance not only to that council but also to councils generally and to the Government.

In light of that, I was disappointed that the Minister did not make a statement today in relation to this matter. There were many matters raised in the questions that I asked yesterday which she undertook to address. Quite obviously, the implications of my questions of yesterday were that the Minister carrying the responsibility for local government should, as a matter of top priority, be fully briefed and be in a position to respond to those questions and to allay the fears in the public mind that things are not good down at Thebarton. In the light of that, I ask the Minister, first, does she agree that the Thebarton council is in a sorry state of disrepair and desperately needs to lift its game for its own sake and for the reputation of local government generally? Secondly, would she please indicate what action she

has taken to assess the situation at the Thebarton council? Thirdly, when will Parliament have a full report from the Minister on the situation at the Thebarton council and, in particular, with regard to the dismissal of its Town Clerk?

The Hon. BARBARA WIESE: As I indicated to the Hon. Mr Gilfillan prior to Parliament sitting today, it had been my intention to make a statement about the Thebarton council issue. Unfortunately, some quite important information, which would have assisted me in the preparation of that statement, was—due to circumstances beyond my control—not made available to me prior to the Parliament resuming this afternoon. I hope that I will be able to get that information in the next 24 hours.

The Hon. R.I. Lucas: You can tell them, not ask them—you're the Minister.

The PRESIDENT: Order!

The Hon. R.I. Lucas: You—

The PRESIDENT: Order! I have called the Hon. Mr Lucas to order.

The Hon. BARBARA WIESE: I hope that the information will be provided to me in the next 24 hours and that I will be able to make a statement tomorrow afternoon about this matter.

PRIVATE HOSPITAL BED SUBSIDY

The Hon. J.C. BURDETT: I seek leave to make a brief explanation prior to asking the Minister of Health questions about private hospital bed subsidies.

Leave granted.

The Hon. J.C. BURDETT: I understand that in recent times the Minister has put forward a plan which is being studied by the Commonwealth Government that the private patient bed subsidy be paid proportionately to each State rather than via the health insurance funds as recommended by the National Deregulation Working Party. My questions are:

1. Can the Minister inform the Council how far the Commonwealth Government has got in its consideration of his plan?

2. If the scheme is put into effect, will all of the money allocated to South Australia be expended on patients in private hospitals or will some of it be spent in public hospitals and, if so, what are the details?

The Hon. J.R. CORNWALL: The plan did not get very far. I do not think, however, that that is any cause for complacency on the part of the private hospitals, given the difficult budgetary situation that faces the Federal Government and some of the political courage that it will be necessary for it to show in the Federal Budget. With regard to using that subsidy to fund public patients in private hospitals in order to reduce unacceptably long waiting times for some of our public patients, that scheme was not proceeded with. However, we have proceeded with a specific scheme which involves the allocation of \$3.82 million for the strategy in 1986-87. That is Medicare money that is being held in trust. I am also very happy to be able to inform the Council that a similar amount will be made available in 1987-88.

The initial Medicare agreement will expire at the end of June 1988, but we have two years of guaranteed funding in which to finance that strategy to reduce the waiting times for elective surgery. I think that it is most important that I stress that the present strategy for reducing the waiting times for elective surgery in our metropolitan public hospital system is a minimum strategy for which funding is guaranteed outside the normal budget process for the financial years 1986-87 and 1987-88.

BEVERAGE CONTAINERS

Mr ELLIOTT: I seek leave to make a brief explanation before asking the Minister of Health, representing the Minister for Environment and Planning, a question on the application of the Beverage Container Act.

Leave granted.

Mr ELLIOTT: As a strong supporter of the Act—indeed I wish to see it further strengthened—I am concerned that it is apparently being applied for reasons other than its original intentions, namely, to reduce the wastage of non-renewable resources and to reduce litter.

Mr Roy Milne, dairy farmer of Bordertown, wished to sell his milk through local shops in PET bottles. The milk was certified as safe for human consumption. However, under the requirements of the Beverage Container Act, there is a need for the bottles to have a deposit on them. So far, so good! There is only one registered bottle collector in Bordertown, and he and Mr Milne failed to come to an agreement on the collection of bottles. Without my attributing blame, the consequence was that Mr Milne could not sell his milk. Mr Milne applied for a licence to act as a depot for his own bottles, but the Minister for Environment and Planning refused the application. Mr Milne has been informed by the Minister that, failing an agreement with the local bottle agent, he should use alternative containers. Presumably, he is implying that a carton plant should be installed—for about 400 litres a day. I have been advised on good authority that the decision was made at Cabinet level that Mr Milne was to be discouraged, not because of his containers *per se*, but for reasons relating to milk marketing in this State. I support orderly marketing and am also aware of the fears of interstate milk being dumped in South Australia. However, it is wrong to use the Beverage Container Act for other than its stated intentions. If there is a need to strengthen marketing legislation, then do it! My questions are as follows:

1. Did Cabinet consider the case of Mr Milne or the general principle involved?

2. If so, was the question of milk marketing discussed in relation to it?

3. If question (1) or (2) is answered in the negative, did the Minister himself consider the question of milk marketing while considering Mr Milne's case?

4. What realistic alternative does Mr Milne have?

5. Why did the Minister refuse to discuss the matter personally with Mr Milne and me?

6. In the proposed review of the Beverage Container Act, will Mr Milne be approached so that his problems may be considered?

The Hon. J.R. CORNWALL: I believe that is Mr Roy Milne, who is no relation to the former distinguished leader of the Democrats in this place.

The Hon. C.J. Sumner: Fine leader he was, too.

The Hon. J.R. CORNWALL: Things have never been the same since he left, I might say.

The Hon. C.J. Sumner: Fine leader, very balanced.

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: I shall be pleased to refer those questions to my colleague in another place and to bring back the replies.

The Hon. M.J. ELLIOTT: By way of a supplementary question, I point out that I feel the question of Cabinet consideration—

The PRESIDENT: Order! A supplementary question cannot have an explanation; it can only be a question.

The Hon. M.J. ELLIOTT: Did the Cabinet consider the case?

The Hon. J.R. CORNWALL: I am not really about to discuss in great detail what Cabinet may or may not have considered at any particular time. There is a fairly well established Westminster tradition with regard to that. However, to the best of my recollection the name of Mr Milne has never been raised in the South Australian Cabinet during the time I have been a member of it, including my period in Cabinet for 4½ months in 1979.

HUMAN SERVICES

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister of Local Government a question on human services.

Leave granted.

The Hon. J.C. IRWIN: On about 12 May 1986, Cabinet approved the Minister's setting up a human services task force. Apart from a small article in the *News* of 15 May, which I missed, the only knowledge that I had of the task force being set up was on reading the Council and Community publication of June 1986. The task force was to report to the Minister by the end of July 1986. My questions are:

1. Who are the members of the task force?
2. Have their names ever been published and, if not, why not?
3. Has the task force made its report to the Minister?
4. When will the report be made public?
5. Is there any cooperation with the Department of Community Welfare?

The Hon. BARBARA WIESE: The task force that is looking at the question of human services and its relationship with local government was established by me as Minister of Local Government following a Cabinet decision made in May, as the honourable member has said. The Cabinet submission outlined in broad terms a State Government policy on the question of local government's role in the delivery of human services in South Australia. The task force which I established and which has been chaired by the Director of the Department of Local Government was set up to look at the details of implementing a policy, to which I referred earlier. The questions that the task force has been addressing include the following: what sort of human services are best delivered at the local level? What role can local government play in either delivering those services or assisting other community organisations to deliver those services? If local government is to be involved in the delivery of human services, what funding arrangements are suitable for the purpose? What will be the administrative arrangements between the State Government and local government in those instances? In general terms those are the sorts of issues that the task force has been addressing. The task force comprises representatives of each of the State Government departments or agencies that have some responsibility for the delivery of human services in South Australia and, in addition, a representative of the Local Government Association.

The Hon. C.M. Hill: Any men on the task force?

The Hon. BARBARA WIESE: Several—I think, from memory, the numbers are roughly fifty-fifty. Mr Des Ross, currently the President of the Local Government Association, represents that organisation on the task force. I was very pleased when the LGA nominated Mr Ross because it indicated to me and to the Government that the LGA considers, as does the State Government, that this matter of local government's involvement in the delivery of human services as being a very important. The Department of

Community Welfare certainly has some role to play. The task force includes a representative from that department, as it is obviously one of the key organisations at the State Government level with an interest in human services. As well as that, there is very close cooperation between the various State Government Ministers with an interest in the human services area. We meet regularly and discuss those issues in a subcommittee of Cabinet known as the human services subcommittee.

The task force was due to report to me by the end of July. I was approached towards the end of the month to say that some of the issues with which the task force was dealing were taking a little longer than it had hoped and it sought an extension of two weeks. I am expecting a report to be produced by the middle of August. I will then decide whether I need to take the report back to Cabinet or take some other action. It depends on what is contained in those recommendations.

NORTH TERRACE PRECINCT

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before directing to the Minister of Tourism a question on pamphlets for visitors to North Terrace.

Leave granted.

The Hon. L.H. DAVIS: The North Terrace cultural precinct, running from the Botanic Gardens in the east through to the Railway Station and, hopefully in time, the Living Arts Centre at the western end, has been a vital ingredient in the promotion of Adelaide as a visitor destination. The Botanic Gardens, Ayers House, the University of Adelaide, including the Museum of Classical Archeology, the Art Gallery, the Museum, the Mortlock Library of South Australia, the State Library, the Migration and Settlement Museum, Government House, Parliament House and the Constitutional Museum form what is universally regarded as a unique kilometre of culture.

It is reasonable to expect that visitors to Adelaide would have easy access to information about this North Terrace cultural precinct. An interstate visitor during the Festival of Arts complained to me about the paucity of information on North Terrace institutions at the South Australian Travel Centre in King William Street. I have since visited the travel centre on several occasions. I did so again this morning. The foyer area acts as a display area for pamphlets on visitor attractions in Adelaide and elsewhere. However, in that display area this morning there were only two pamphlets relating directly to the North Terrace cultural precinct. One related to free guided tours of the South Australian Museum and another promoted the Constitutional Museum.

I then asked at the counter for brochures setting out details of the North Terrace institutions. I was given just one pamphlet, entitled 'A North Terrace walk'. It is a pleasant enough pamphlet, but dated in its content and limited in its scope. For example, the map makes no reference to the Mortlock Library, the Migrants and Settlement Museum, the Botanic Gardens, Ayers House, or the classical archaeology museum at Adelaide University. There is no reference to the redevelopment of the museum. It would seem that the pamphlet was prepared at least four years ago. The sad fact is that there is no quality, up-to-date pamphlet highlighting, in an attractive fashion, Adelaide's tourist jewel in sesquicentenary year. The Minister is well aware that tourism in a festival year and particularly during the 150th Jubilee has been relatively easy going; she would also be well aware that the signs are that in 1987 this area will be much tougher going. My questions to the Minister are as follows:

1. Does the Minister agree that there can be no excuse for the lack of a pamphlet featuring the North Terrace precinct, given its importance and the relatively low cost involved in the production of such a pamphlet?

2. Does the Minister accept that the failure to meet such a basic visitor requirement attracts visitor criticism and suggestions that Adelaide is still a hick town?

3. If the Minister cannot give an assurance that this matter will be rectified immediately, will she accept my genuine offer to assist, without fee of course, in the production of such a pamphlet?

The Hon. BARBARA WIESE: I do not share the honourable member's view that Adelaide is a hick town. It seems to me that Adelaide is a very beautiful city in a very pleasant State. We have many attractions to offer visitors to this State, and the honourable member is being quite disingenuous by referring to Adelaide as a hick town. I agree most wholeheartedly that the North Terrace precinct is very important with respect to the promotion of the various institutions located there. It is a very attractive part of the city, and there are important things for people to see. We have one of the finest art galleries in Australia, and we have a very fine museum (which is now undergoing renovation and upgrading) as well as the new Mortlock Library (which has already been referred to).

As it turns out, Ms President, this matter has been the subject of long and detailed consideration by representatives of the Department of Tourism. I understand that it was intended that a brochure along the lines referred to by the honourable member be produced towards the end of the last financial year but, as it happened—

The Hon. L.H. Davis: That was 14 months ago.

The Hon. BARBARA WIESE: Financial years usually end on 30 June. I understand that the negotiations between the representatives of my department and various organisations and proprietors of properties within the North Terrace area concerning sponsorship to assist in the cost of producing such a pamphlet are still taking place. However, the Department of Tourism has believed for some time that we should be trying to promote that area. It will be promoted as the cultural boulevard.

The Hon. L.H. Davis: The sesquicentenary year will be over by the time you get around to it.

The Hon. BARBARA WIESE: I do not see what the sesquicentenary year has to do with it. I hope that tourism will last way beyond the end of this year: if it does not, something is wrong. The preparation of material on tourism is very useful at any time.

The Hon. L.H. Davis: Don't you think time is of the essence?

The Hon. BARBARA WIESE: Be quiet, will you? The point I am making is that we have anticipated the issue by having the matter in hand.

The Hon. L.H. Davis: For three years you have had it in hand?

The PRESIDENT: Order!

The Hon. L.H. Davis: There have been a few visitors going through North Terrace since then.

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I would like to remind the honourable member that I have been a Minister for one year, so I have had nothing in hand for three years. The department is preparing promotional material and literature on this State to promote the North Terrace cultural area and I hope that that material will be available in the very near future.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 5 August. Page 51.)

The Hon. T.G. ROBERTS: In speaking to this debate, I take the opportunity to elaborate on a portion of the Governor's speech, which states that 'our nation is facing a major test of its ability to adapt to difficult economic times'. I would venture to say that our first major tests as a mature nation preparing itself for difficult times have already presented themselves, but collectively we have failed them miserably. We are heading down a divided course to correct the problems and imbalances, and I hope that the scenarios that have been drawn up do not come to pass.

The economic strategy under a Federal Labor Government has proved considerably successful in providing a stable industrial relations arena for industry to be tested in its endeavours to create profits and reinvest its surplus profits in new technology, plant, equipment and new industries. It has been slow to respond. In this case, we could genuinely say that industry has failed its first test. Corporate profits are now at an historically high level, having increased from about 11 per cent of GDP in 1982 to about 16 per cent of GDP as of September 1985. Profits measured by the non-farm operating surplus product ratio are now at their highest level for 20 years, having increased from 30.8 per cent in 1982 to 35.8 per cent in 1984-85, yet people have been slow to reinvest some of the profits to make Australia more competitive at an international manufacturing sector level.

The 1983-84 budget deficit was allowed to expand by \$3.5 billion above the previous year to simulate overall economic growth, and coupled with wage indexation and tax cuts, consumer demand stimulated the economy. The success of this approach was evident in 672 000 jobs being created between March 1983 and July 1986; economic growth had been between 4 per cent and 5 per cent unemployment was pulled back from the disastrous 10.7 per cent to 7.3 per cent last November, and inflation was cut from almost 11 per cent under the previous Conservative Government to below 8 per cent last year. The stable climate was produced, stimulation had taken place, and profits had increased, but where was the new investment?

The structural dismantling that took place over the last 25 years meant that industrial skills had been lost, and manufacturers turned to being importers and exacerbated our balance of trade problems, soaking up the stimulated funds. The brakes were applied, imports reduced, and pressure was taken off the dollar. The Treasurer, Paul Keating, was being hailed as No. 1 on the charts while waiting for the J curve. But it did not occur. It really depends on to which economic school of thought you belong to work out why. Some say that deregulation of the dollar allowed the casino cowboys of the money market to manipulate the dollar to cash in on currency speculation. Others say that world demand for our value-added raw materials and primary produce diminished. The J curve is just coming into play at a time now when international demand has dropped off for all of our products, so it is also going to exacerbate a very alarming problem.

What everyone agrees with is that commodity prices, both in minerals and primary products, have fallen, and that subsidised primary commodities like wheat, barley and rice are being dumped on our traditional markets at cut-price rates by many of our 'trading friends'. Subsidised American grain sales to Russia, and probably China, have really knocked our primary producers about. They have also sold

to the Middle East and are looking at South Africa. They are looking too, at some of our other traditional markets. I understand they are looking at some in the near Pacific region. The Europeans are looking at everyone.

The Gatt conferences, and other world trade talk fests, are used as lecture forums to tell expanding and third world countries to use their natural trading advantages to tap into world markets: 'deregulate' and become a free trade club member. Free up your domestic market, lower your tariffs, deregulate your labour market, cut your social welfare programs, reduce your labour overheads, cut out annual leave loading. Cut back on annual leave, reduce youth wages, privatise the public sector and lower taxes—these are all traditional formulae put by conservative economists in times of difficulties.

Members interjecting:

The Hon. T.G. ROBERTS: Well, that formula can only spell disaster for Australia and Australians. We have seen a bit of that over the last couple of days. A hysterical media and Opposition campaign has been waged to try to convince Australians that they are highly taxed while building expectations for expanded Government services. We have to develop a stronger, independent economic line that can act as a buffer against the excesses of the free market Philistines who think of nothing but generating and rolling over digital dollars, not for the good of communities and people but for roller dollars, money that moves around the world playing havoc with nations' economies and people's livelihoods, similar to what is happening in Australia at the moment. We are one of the nations that are suffering. We have in Australia advocates of such economies policies, both inside and outside the parliamentary parties, whose voices are being trained to accommodate these policies. Unfortunately, even in the Opposition benches they are starting to become a majority.

If one believes the economic propaganda that is being used for climatic conditioning, one might be excused for believing Australia has absurdly high protection levels. This is not so. When considered against some other countries, Australia's 14 per cent protection on manufacturing is not exactly a massive amount of protection, or a huge impost to the nation. Protection can come in more forms than tariffs, and import restrictions come in more forms than quotas. We are seen to be playing the rules as outlined by many of our trading partners when, in fact, many of our trading partners are applying questionable tactics against many of our products. Australia, as a unified nation, has to decide what forms and to what extent we protect our industries, and what are the impacts on our economy generally.

Nobody is advocating *carte blanche* on protection, but there are some areas that have to be looked at and considered in the national interest, similar to the way Europeans look at food. They have an emotional response to being self-suppliers in food, and that consequently brings around an economic response to dumping their excess food on world markets. Perhaps we need an emotional response to some of our problems.

The Hon. Peter Dunn: What are you referring to as an emotional response?

The Hon. T.G. ROBERTS: They determined after the Second World War that they would never starve again. So, in general terms those people who are in power have an emotional response to making sure that they have well stocked larders. In times of nuclear accidents like Chernobyl and some potential nuclear accidents, perhaps, in France and Britain, it really will not matter how much they grow because it will be entirely useless.

Australia has a natural advantage in being isolated from many of these factors, and we could pick up—although one would not like to see our advantages being used under those circumstances—but who knows? There is a further factor to analyse in Australia, and that is the role of the multinational corporation. Most of the world's trade is not between companies that are in open competition with each other. It is often between transnational corporations in cooperation with one another, or within the same corporation. So it may be that figures which show up on the balance books of nations as being trade between one country and another are nothing more than a transfer of goods or components from one arm of a corporation to another. So much for free markets and international competitiveness.

Adam Smith, who is now becoming popular again after 210 or 215 years, said, and I do not know whether it was a casual comment or one that he had structured into his economic lectures:

People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices.

Unless there is broad agreement about Australia's direction across party lines, then only confrontation and suffering will be the result. Then we will have really caught the problems that have plagued the British. I do not hold too much hope when you see and hear John Howard gloating about Australia's declining international trade position with only one goal in mind—to win back Government to allow him the mandate to deregulate, privatise, cut wages, dismantle the role of the Arbitration Commission, etc., all in the interests of our national well-being, so that we can then all pull together for the team.

Unfortunately, there are some nations at which we can look which have gone down that road. Perhaps historically it might pay us to look at them. I cannot see any different results in Australia from Britain. The big test that has failed, which gives me a major cause for concern about Australia's ability to unite and fight, was contained in an article in the *Advertiser* on 10 February 1986. The *Advertiser* reported on an article which had appeared in the English *Observer*. The *Observer* wrote, when describing the first run on our dollar after deregulation:

The crash came with volcanic severity. It does not take long to shift the Australian dollar. A couple of \$10 million sales will move it substantially and by now two sales had already occurred.

No trader or banker would admit who made them but market rumours identify the first big sale as originating in the London dealing room of the Chemical Bank of New York acting on behalf of a large Australian Corporation. As the hours passed and the market moved to New York, big American banks with large Australian holdings began to sell. Australia was innocent in the world currency speculation. Most of Australia's top 40 companies lost money in the collapse. That is all money creamed off the top of our economy which we have to pay for in some way or other. That same article stated:

The Australian dollar was kicked off by astute speculators.

Some of those speculators were our top trading banks—the Commonwealth, Westpac and ANZ.

To sum up, Australia's drop in revenue receipts, which has impacted on the South Australian economy, has been caused by deep-seated structural problems associated with Australia's economic direction of relying too much on agriculture and mining export revenue, while dismantling manufacturing. Couple this with a drastic fall in commodity prices, and that leaves us with a blowout in our balance of payments of \$10.5 billion for 1984-85.

It is very easy for me to say that we now need more markets and better prices for our export commodities,

including our primary products, and that we need to build and plan our manufacturing industries to develop an independent Australia, one that is, to a degree, protected from the manipulative international pressures. However, one cannot say that with too much conviction, because we do have to open up to international trade, and that exerts an influence over our economy. We must all work for this aim in a unified way.

The alternative, as outlined by the John Stones, Katharine Wests, John Leards (and, of late, the John Howards) is too horrific to contemplate. The easy answer brigade needs to understand that the recession cycle is off and running again, and is running over the vulnerable. If you listen to the debates on radio and if you read the press, you will know that there is now a campaign to blame the vulnerable in society for their own dilemma. Workers have played their role by accepting wage cuts and a 2.3 per cent increase at the last indexation hearing, but I venture to say that, if the predictions that are being made are accurate and if the campaign being run by the press builds up into any more doom and gloom in terms of the sharing of wealth within the nation, then the accord is on very shaky ground and there will be a rush by some of the more militant unions to extricate themselves from the national direction finding formula that has been established and they will start to run off on their own.

If the easy answer brigade expects the vulnerable to take the brunt of this cyclical downturn, as is the case, without a national strategy being put in place that assists in preventing further cuts in living standards, a planned economy with national control and direction is necessary. If we do not have that, we will have failed all the tests and we will fall to the bottom of the new world order class in total disarray.

I have perused some of the Address in Reply speeches in other difficult years. I read what the Hon. W.G. Duncan outlined as a formula for pulling Australia's economy back into line and this was in 1928, just prior to another international hiccup in the world economic order. The Hon. Mr Duncan said:

Politicians for years have, by innumerable Acts of Parliament, and the appointment of various commissions and courts, price fixing, bonuses,—

by the way, the Hon. Mr Duncan was a conservative—

higher salaries, higher duties, tariffs up and been bolstering, etc. an artificial and uneconomical position. They have tried by every means possible to bolster up these artificial conditions, and now the crash has come, and South Australia today, like the rest of Australia, is still trying to find some way out. As an instance, practically all the mines of Australia are shut down and the men are looking for work. Australia used to export over a million tons of coal a year. Last year not an ounce of coal was exported except for tankering ships. All vessels used to take out a full cargo to get them home. Now, they take out as little as possible, and fill up somewhere else. The shutting down of so many industries has been the main cause of the present unemployment.

That was very astute. The Hon. Mr Duncan continued:

I will give you another cause for a good deal of the trouble, namely, strikes. According to the Prime Minister's figures for Australia, 1 712 000 working days were lost last year, and the estimated loss in wages was £1 666 000. That sum would be a nice nest egg at present.

He went on with a little union bashing and said:

They are supported in their illegal action by the unions, who not only encourage the men to remain out, but prevent other men desirous of carrying on their work from doing so.

That speech can be read in its entirety in the Address in Reply debate in *Hansard* of 8 May 1928. A more astute assessment was made by a Labor politician of the day when he predicted the crash of 1929. He had the foresight to outline a more constructive formula for a national recon-

struction at that time. I do not claim to have a complete monopoly on solutions, but we appear to get into cyclical problems and there appear to be cyclical responses which, from the conservative side of politics, means getting in, bashing your own and then hoping that, in a unified way, or perhaps in a class dominated way, you come up with an answer that gets you out of the national crisis and that will then put you on a footing to be competitive at the international level.

If you have a look at the cyclical problems in the period 1928 to 1929, you will see that it would not have mattered one iota what Australia did in that difficult period. We could have saved people from suffering anguish and anxiety in that period by at least having a national economic plan to prevent some of the excesses of poverty and unemployment which occurred as a result of the collapse of the international economic order.

I would say that now we are entering a dangerous period internationally and nationally which requires such a response. We do not need solutions drawn from both ends of the extreme political spectrum, but we do need to be able to work out, with labour and capital, a solution that will at least, in a unified way, allow Australia to weather the storm which is about to occur. There are some pleasing aspects of some responses that have occurred just recently where the cattlemen's union and the Federal Government combined with the Canadian Government to get a countervailing levy imposed on the import of European beef into Canada, and that allowed our markets to be sustained. Further, in America at present there is a three Party delegation that is trying to obtain some results and to convince the American people—not the American Administration, because it is past convincing and it is down the road of domination, economically and militarily, in relation to any economy that it feels is a threat to its own—that they should put pressure on their Administration to allow the free trade processes to be opened. The United States of America, which is the home of private and free enterprise, is showing the rest of the world that the system does not really work. It is now trading with its ideological enemy (not mine) and giving that enemy precedence over other countries in relation to its food prices and, at the same time, it is destroying an ally's right to free trade.

The Hon. J.C. BURDETT: I support the motion. I thank the Governor for the speech with which he opened the Parliament. I take this opportunity to reaffirm my loyalty to Her Majesty the Queen. I join His Excellency in expressing sympathy to the families of previous members of Parliament who died during the recess. In particular, I would like to refer to Charles Albert Harrison, who was the member for Albert Park. Charlie was the Chairman of the Joint Committee on Subordinate Legislation when I first became a member of it. I can remember his thoughtfulness and kindness to me as a new member when I first joined that committee. He was a good Chairman and I have the kindest memories of him. I certainly join with His Excellency in extending my sympathy to his family.

At the present time Commonwealth and State Labor Governments are facing a crisis of their own making. They have so mismanaged the economy of the country and their respective States that they have brought the country to its knees. The Australian dollar has been disgraced and on the international financial scene we have been gravely embarrassed. Labor Governments should think back to the time when Liberal Governments in Australia, including South Australia, were defeated during a period of financial difficulty. It was clearly apparent that the mood of the electorate

during that time was not so much that the Liberal Governments had done anything wrong but that things could hardly be worse financially—"So let's give the other side a go." That was against a background when Liberal Governments around Australia could not be logically blamed for the bad financial situation, because there was a worldwide slide.

I think that electors recognised this, but still thought, 'Let's give the other side a go.' That is understandable. However, the situation is quite different today. Previously, the world was in a slide. Although our inflation rate was high, it did not rank badly on the international scene. The same could be said about unemployment, but the rest of the Western world, including our trading partners, has recovered and we have not. Our inflation rate has been only marginally reduced, whereas other Western countries like Japan and West Germany have radically reduced inflation. The current figures for inflation are: Australia, 9.2 per cent; United Kingdom, 3 per cent; France, 2.6 per cent; Japan, .9 per cent; United States, 1.6 per cent; and, West Germany, minus .2 per cent.

Previous Liberal Governments had been caught up in a worldwide financial crisis, but still suffered the consequences. Present Labor Governments have done it all themselves. Although their trading partners have recovered, they have not. A large part of the reason for this, of course, has been that the Governments have been enmeshed by the militant left wing part of the union movement. I support strongly the large and rational element of the union movement which interests itself mainly in supporting its members' claims in regard to pay and conditions and the many other matters which are properly within the purview of the unions. But the Commonwealth Government in particular, and to a considerable extent the State Government, are showing that they are completely in the hands of the unions.

At a time when radical action is needed to rescue the national and State economies from problems created by Labor Governments' own actions the Governments simply fall back on the accord and seem to regard that as a conclusive reason not to take the necessary action which would have been in the national good. I do not think that Labor Governments are interested in the national good or the State good—they are only interested in serving their masters, the militant unions. Members of the State Government, or at least one member of that Government—namely, the Minister of Health and Community Welfare, no doubt motivated by panic and the financial prospect he could see before him in regard to his portfolio areas—advocated a property tax to assist in the areas of poverty. He was frustrated and peeved because he could not get adequate money to implement his policies. The Minister usually does something inappropriate when he is frustrated. This will not be the last time that this Minister, and other Ministers, will be frustrated in coming months and they will make more mistakes.

I strongly advocate Government and community support for measures to alleviate poverty, but the Minister seems to have got it all wrong. In the Government sector relief is the responsibility of the Government and should be provided for out of the general revenue of the Government in the same way as are health, education, housing and all the rest of such expenses. The levy that the Minister was proposing was an addition to an already overburdened State taxation system. The media and the people quickly recognised this and the Minister is still looking for the nearest hole to crawl into.

One of the worst aspects of the Minister having floated the poverty tax is that he has killed off an excellent voluntary scheme which would have substantially helped the

poor. The scheme has been variously known as Community Chest or United Way. It first came to my notice in any detail in Singapore in 1981 while I was Minister of Community Welfare. I reported upon its activities. In the following year the then Director-General of Community Welfare went to the United States and observed the phenomenon usually called in that country The United Way. He did not report on this in the official report of his trip because it was not within his general terms of reference. He did, however, report on it to me.

The essential elements are that the Government, the Opposition, the unions and industry are united to cooperate in the scheme at the outset. The scheme is that industry, employees and the public at large are invited to make voluntary contributions to a fund to be distributed between the voluntary welfare sector. Industry itself would contribute voluntarily according to each company's own means and concerns; members of the public would do the same; employees would do the same, and employers would be encouraged to extend to their employees the facility of payroll deductions for their convenience.

Distribution in the voluntary welfare sector would be carried out by a properly representative committee. There would be no suggestion of inhibiting voluntary welfare groups from doing their own thing in regard to fund raising. In mid 1982 I considered setting the wheels in motion for the necessary preliminary consultations. I was advised that the timing was inappropriate because a State election was obviously imminent and that it was not a desirable climate in which to initiate the program. I accepted that advice. My successor as Minister of Community Welfare, the Hon. Greg Crafter, pressed on with the scheme and set up a working party to investigate its implementation. The working party undertook extensive consultation with industry, the unions, the Commonwealth Government, about tax deductibility, and the State Opposition.

I was a party to the latter consultations together with some of my colleagues and expressed support for this scheme. Following the poverty tax debate, the press wrote up the Community Chest scheme as a voluntary tax which is, of course, a contradiction in terms. I do not blame the press, but certainly following the poverty tax issue the public were alarmed and suspicious and saw the Community Chest as perhaps a pale shadow of the poverty tax. As shadow Minister of Community Welfare the Hon. Diana Laidlaw has pointed out in a press release the Minister by his poverty tax proposition has killed the Community Chest concept stone dead, destroyed years of work and deprived the community of what would have been a great boost to the voluntary welfare sector and the disadvantaged people whom it supports.

I now turn to a not unrelated subject—the position which families find themselves in at this time of financial stringency brought about by Labor Governments, both State and Federal. The Australian Catholic Social Welfare Commission has brought out an excellent booklet *A Fair Go for Families*. The inside cover of the booklet tells us that it is a shorter version of a document of the same name which provides more detail and a valuable collection of statistics related to the taxation of the family. Income taxation is a federal matter, but taxation does greatly affect families in this and other States.

The booklet sets out possible solutions which the Commonwealth Government could take up and which the State Government could well support. It states:

The decline over the years in the Federal Government's economic support of the family through the changes in the Australian tax and social security systems has subjected families to increasing financial hardship.

The tax system penalises families with children at every level of income, particularly single income and large families.

According to Parliamentary Library figures tabled in the Senate in 1985, the amount of income tax imposed on a family with four children living on average weekly earnings over the past 10 years has increased 435 per cent while wages have increased only 135 per cent.

By 1988, despite the reforms proposed by the Federal Government following last year's tax summit, it is estimated that a taxpayer on average weekly earnings with two children will be receiving tax rebates worth 0.78 per cent of his or her pay (plus family allowances worth 2.58 per cent of the average weekly wage) whereas, in 1951, the average wage earner with two children had his taxable income reduced by a deduction worth 21.56 per cent of average weekly earnings. The deteriorating economic position of Australian families is clearly seen when one compares the disposable share of earnings enjoyed by families in 1977 with the forecast for 1988. In 1988, average weekly earners with a dependant spouse and five children will have nearly nine percentage points less in disposable share of earnings than their counterparts with the same number of dependants in 1977. In contrast, an average weekly earner with no dependants will have two percentage points less in disposable share of earnings, and a taxpayer earning three times the average weekly wage but with no dependants will have three percentage points more in disposable share of earnings. Families, particularly large ones, are simply not being treated fairly under the present tax transfer system. Australian single income families with children are subsidising the living standards of childless taxpayers.

Further on, the booklet sets out five possible solutions to the problems. The first solution refers to cash payments, and states:

If adequate support is not to be given to families with dependents through the tax system, then the present cash payments made to families with dependants through the social security system need to be increased to a level which reflects the real costs of sustaining a family, particularly the nurturing and educating of children. These payments need to be indexed to keep pace with changes in the cost of living.

The second solution is income splitting. Income splitting between husband and wife is something that I have advocated for about 30 years. The booklet goes further and suggests that the total income which supports a family of, say, seven should be split between all the members of the family. This seems a radical suggestion but logically there is a good argument for the proposition. A single person's income is used to support and maintain that person, while the income produced by the bread winning members of a family of say, seven people, comprising husband and wife and five children, supports and maintains seven people, and there is a strong argument to suggest that they should be taxed accordingly. Certainly my wife and I have a large family, and I know that the Minister of Health has a large family, too. My wife and I certainly know the financial burden of bringing up such a family: it is a welcome burden, but nonetheless it is one.

The Hon. J.R. Cornwall: More welcome sometimes than at others, you know.

The Hon. J.C. BURDETT: Mine was quite welcome and I am sure that the Minister's was, too, but I certainly take the point. During the time when our family was dependent on us I was unable to split my income with my wife for tax purposes to any substantial extent. Whilst supporting the logic and equity of applying income splitting not only between husband and wife but in regard to the whole family, the practical politics of the situation at present is probably that income splitting between spouses is about the best that could be achieved. After all, the Commonwealth Government has so far refused to implement even that system of income splitting.

The booklet points out that the United States and France have operated family income splitting taxation arrangements for many years. It also states that the British Government has recently proposed a form of limited income splitting through the pooling of tax thresholds between hus-

band and wife. In itself that may be accurate but other research has indicated that there has been a form of income splitting in the United Kingdom for many years that still persists. The United States method is voluntary splitting, while the United Kingdom method is compulsory aggregation between husband and wife and then splitting the aggregated figure. The booklet describes the French system in some detail. The third solution referred to in the booklet, involving income tax rebates, is as follows:

Tax rebates for family dependants have the merit of reducing the tax burden on parents. The commission urges strongly that, unless some better family unit taxation measure is developed, the dependant spouse rebate be retained, increased and indexed to a realistic level as a recognition of the value to society of the work of an unpaid spouse in the home.

The fourth solution is adjusting the tax threshold and tax credits. The booklet states:

A two income family has an advantage over a one income family because it enjoys the benefits of two tax-free thresholds and lower marginal tax rates. Lowering or eliminating the tax-free threshold would be one way of moving towards the more equitable taxation of one and two income families.

The fifth solution is as follows:

Income tax deductions for family dependants may be considered as equivalent to additions to the basic tax-free threshold to allow for the fact that the tax-free subsistence requirements of a family are greater than those of a single person. Deductions were the preferred means of adjusting for family circumstances until the 1975 budget changes.

My next subject concerns the quite amazing burning cost arrangements between the South Australian Health Commission and the SGIC. Last year I placed on notice a series of questions relating to the scheme. On about half a dozen occasions the Minister had not been provided with an answer. At last, on the final day of sitting for the last session the Minister came up with an answer. The reason why the Minister had not previously provided an answer was, as he said, by design and not neglect. He could not come up with a satisfactory answer.

The whole of the answer is interesting and demonstrates the totally unsatisfactory nature of this system. It means, in effect, that the insurer, in this case the SGIC, is reimbursed the actual cost of workers compensation during the relevant period. The cost is burnt. I asked in the questions on notice, 'Does the arrangement make allowance for claims handling or administrative costs?' The answer to that question was 'Yes'. This makes perfectly plain that the arrangement gives no incentive whatever for efficiency on the part of the insurer, in this case the SGIC. However inefficient the administration may be, the cost thereof will be borne by the insured, in this case the South Australian Health Commission.

Under this arrangement the SGIC has got it made and the South Australian Health Commission is the sucker. Whether the administrative costs of the SGIC are good, bad or indifferent, they are passed on to the Health Commission. It has been put to me that the problems related to workers in South Australian hospitals produce results which are grossly unsatisfactory to the workers themselves (and that is the most important point) and the situation is grossly unsatisfactory to the hospitals, particularly against the background that I have mentioned, that, as far as the SGIC is concerned, the cost does not matter.

Where workers are injured there is frequently a long delay in settling the claims. These delays often cause further health problems for the injured workers. There are often stress-related problems for workers who have been injured and whose claims have been grossly delayed in settlement. This happens frequently in the South Australian hospital system and, of course, the burning cost system gives the

insurer, in this case the SGIC, no incentive to settle the matter.

The total costs will be reimbursed by the Health Commission. The people who suffer are the injured workers and (financially) the Health Commission. The burning cost system means that the SGIC is in a no-lose situation. The ultimate pay-out figure is almost certain to be very much greater because of the delay. Private insurance companies settle more quickly, in fact. They want to arrive at the pay-out figure and send the injured workers on their way.

The Hon. J.R. Cornwall: Will you get some of your colleagues to pursue this matter during the Budget Estimates Committees, because you do not understand?

The Hon. J.C. BURDETT: It has been alleged that I do not understand, but I do understand, very much better than the Minister does. The matter was pursued at the last Budget Estimates Committees. Questions were asked about the burning cost system, but the Minister gave very few replies, and he will probably give even fewer in the coming Budget Estimates Committees. The private insurance companies want to arrive at a pay-out figure and send the injured workers on their way—usually back to work—and that is what the great majority of injured workers want, too. They want to get their compensation and go back to work.

The SGIC in the hospitals often stops payments and waits for the lawyers to take action. Sick leave and sickness benefits are often initially used by the injured workers to maintain themselves and not all are aware that the benefits should ultimately be reinstated. Nearly all claims are eventually approved, so there is no justification for or point in the delays of the SGIC.

The Hon. J.R. Cornwall interjecting:

The Hon. J.C. BURDETT: I have not opposed the present system of workers compensation. Under the present system, the majority of claims are paid and ultimately approved. There is no justification for the SGIC to delay settlement at present. The SGIC does not seem to have the inspectorial staff to check out the position of injured workers. When workers are placed on modified duties, this situation is often not followed up. When matters go to court, SGIC solicitors often appear to have been briefed inadequately.

I can cite a few examples relating to the hospital system. First, a worker, while going to work in March 1985, missed her footing on a kerb and suffered back strain: even at this stage no offer has been made, and she is not back at work. Further, a domestic who was emptying a bucket in October 1984 injured herself and, because of the delays in settling the claim, she has developed psychological and psychiatric problems. She is not back at work. If claims were settled (and a private insurer would settle them) there would be no problem.

The Hon. J.R. Cornwall: You consistently oppose amendments to the workers compensation legislation.

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

The Hon. J.C. BURDETT: My Party has opposed—

The Hon. J.R. Cornwall: You are a dead set hypocrite.

The Hon. J.C. BURDETT: I am not a hypocrite. I ask the Minister to withdraw and apologise.

The ACTING PRESIDENT: The Minister has been asked to withdraw the word 'hypocrite' and apologise.

The Hon. J.R. CORNWALL: Is the word 'hypocrite' unparliamentary?

The ACTING PRESIDENT: It is not very civilised. I do not know whether it is unparliamentary.

The Hon. J.R. CORNWALL: I think it is entirely civilised and also very descriptive. In this case it is probably terribly appropriate. But, if it offends the sensitivities of the Hon. Mr Burdett, who has persistently, throughout his career in this place, opposed amendments to the workers compensation legislation, then I withdraw and apologise.

The ACTING PRESIDENT: Order! I do not want to get into a debate. The Minister has apologised.

The Hon. J.C. BURDETT: It is reasonable to say that in regard to the Workers Rehabilitation and Compensation Bill, which was introduced in the previous session by the Government, neither I nor the Opposition opposed the principle of compensation, and proper compensation—and we have never opposed that. The Minister is quite wrong in calling me a hypocrite on that account. I have always supported proper compensation.

The Hon. J.R. Cornwall: And the adversarial system. You have a vested interest in it because of your profession.

The Hon. J.C. BURDETT: If the Minister looks at *Hansard*, he will realise that, when I spoke on the Bill that was introduced in the previous session by the Government, the main thing I opposed was the single insurer scheme, because I believe that that would be totally disastrous in relation to costs and for the workers themselves. Surely it is likely to operate along the same lines as the SGIC operates in the area to which I have been referring. The SGIC has been much worse than the private insurers. It has not pressed on with matters, has not employed proper inspectorial staff and has not made offers. It has caused delays, which have caused additional stress on workers, and additional cost to the Government and ultimately to the taxpayers.

The Hon. J.R. Cornwall: But why do hospitals like the Ashford Community Hospital want to get into the scheme if it is so inefficient?

The Hon. J.C. BURDETT: I will not answer for the Ashford Community Hospital. At present, delays in people returning to work are frequent. There is a big backlog. People do not return to work. Costs are not debited against the budgets of individual hospitals. The South Australian Health Commission (ultimately the taxpayers, of course) picks up the tab. Whatever happens to the Workers Rehabilitation and Compensation Bill (and it may be reintroduced in this session—the Government has said that that will occur), it could not come into force, I suggest, for at least one year. The Minister should do something in the meantime to rectify the position, because workers in the hospital system are suffering, the Health Commission is suffering and the taxpayers are suffering. I support the motion.

The Hon. C.M. HILL secured the adjournment of the debate.

ADJOURNMENT

At 4.7 p.m. the Council adjourned until Thursday 7 August at 2.15 p.m.