LEGISLATIVE COUNCIL

Tuesday 28 October 1986

The PRESIDENT (Hon. Anne Levy) took the Chair at 2.15 p.m.

The Clerk (Mr C.H. Mertin) read prayers.

FIREARMS ACT AMENDMENT BILL

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

PETITION: BOTANIC PARK

A petition signed by 245 residents of South Australia praying that the Council request the immediate return of the area designated for a car park, located in the south-east corner of the Botanic Gardens, and urge the Government to introduce legislation to protect the parklands and ensure that no further alienation will occur before the enactment of this legislation was presented by the Hon. I. Gilfillan.

Petition received.

PETITION: PROSTITUTION

A petition signed by 1 788 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, was presented by the Hon. K.T. Griffin.

Petition received.

PETITION: EGG BOARD

A petition signed by 100 residents of South Australia praying that the Council urge the Government to retain the South Australian Egg Board and therefore the orderly marketing of eggs in this State was presented by the Hon. K.T. Griffin.

Petition received.

ADELAIDE FESTIVAL CENTRE PLAZA

The PRESIDENT laid on the table the following report by the Paliamentary Standing Committee on Public Works, together with minutes of evidence:

Adelaide Festival Centre Plaza—Repair and Improvement.

PAPERS TABLED

The following papers were laid on the table:

By the Attorney-General (Hon. C.J. Sumner)—

Pursuant to Statute—

Firearms Act 1977—Regulations—Special Firearms Permit.

Local and District Criminal Courts Act 1926—Local Court Rules—Preconference Trials and Costs.

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

Pursuant to Statute—

Regulations under the following Acts—

Health Act 1935—Fees for Notification of Infectious and Notifiable Diseases.

Planning Act 1982—Victor Harbor Development.

Poultry Farmer Licensing Committee—Report on Operation and Activities of, 1985-86.

Nurses Board of South Australia—Report, 1985-86.

Pest Plants Commission—Report, 1985.

State Supply Board—Report, 1985-86.

By the Minister of Tourism (Hon. Barbara Wiese)—

Pursuant to Statute—

The Flinders University of South Australia—Report, 1985 and Statutes.

QUESTIONS

URANIUM

The Hon. M.B. CAMERON: I seek leave to make a short explanation prior to directing to the Minister of Health a question on the subject of uranium.

Leave granted.

The Hon. M.B. CAMERON: In 1982, the Minister made a series of statements which reflected on officers of the Department of Mines and Energy. I quote from *Hansard* of 1 April 1982 as follows:

> Most certainly the Minister of Mines and Energy has a vested interest because his Act charges him directly with the business of getting into the mining of whatever is about in the most effective way possible. The Mining Act provides that the Minister is charged with the responsibility of literally pushing the business of mining. It is quite wrong in those circumstances to have somebody from the Department of Mines and Energy acting as the Health and Safety Officer.

On the same day, the Minister said:

> We do not believe that mines inspectors are the appropriate people to look after that safety aspect of uranium mining.

However, at the time when these statements were made, the Health Commission was entirely satisfied with the involvement of the Departmnt of Mines and Energy. I quote from evidence given to the Roxby Downs (Indenture Ratification) Bill Select Committee by Dr Keith Wilson of the Health Commission:

> We envisage a three-tier monitoring plan. There is the continual day-to-day monitoring by the company as required under the code and our requirements. The mines inspectors will have a daily or almost daily presence on the site and then, superimposed over that, will be our monitoring surveillance, which will be more in the nature of coming into the field of operation and doing detailed monitoring all at once, and comparing our results with the results sent back from the company and the mines inspectors.

Does the Minister still hold the views that he expressed in 1982 that mines inspectors should not be involved in radiation protection and control activities associated with uranium mining, despite the fact that the Health Commission was entirely satisfied with those proceedings?

The Hon. J.R. CORNWALL: Unlike the Democrats, the Government is committed to supporting the Roxby Downs $1 billion venture. I suppose that in the history of South Australia no other subject has been debated at greater length or in more detail not only in this Parliament but also in the community, so our position is clear: we support the Roxby Downs venture. Unlike the Liberals, we do not support the Roxby Downs project—and never have—with an open commitment to allow any mining to proceed without regulations and rules which govern the health and safety of the miners.

The Hon. L.H. Davis: You know that we have provisions in that indenture Act.

The Hon. J.R. CORNWALL: Mr Moneybags, I will tell you what you have got: you have got nothing. You have got nothing because Roger Goldsworthy and his colleagues in the Tonkin Cabinet, in their great haste to conclude the

arrangements at any price, messed it up. For almost two years I have tried, with the support of my colleagues, including the current Minister of Mines and Energy, to unscramble that mess. The simple fact is that, under the current indenture and indenture agreement, the only sanction for a breach, and particularly a continued breach, of occupational health or safety rules, under the codes of practice, is to cancel the indenture. That is manifestly stupid.

The reason why that situation arose is that Roger Goldsworthy negotiated the indenture and the Roxby Downs (Indenture Ratification) Act without reference to his colleague, Jennifer Adamson, as she then was. There was no consultation with the Minister of Health of the day. Almost simultaneously the then Minister of Health, with her officers in the Public Health Division (and now my officers and not too many players have changed) developed very comprehensive legislation which subsequently finished up as the Radiation Protection and Control Act. Quite clearly there was no communication between Roger Goldsworthy and Jennifer Adamson. Had they been able to cooperate; had Roger Goldsworthy trusted anybody and conferred with his colleague, the then Minister of Health; and had the senior officers of the Public Health Division, the radiation protection officers, been involved, then the mistake would never have been made.

As a Government (and I stress 'as a Government', because there has never been the slightest doubt that we would cooperate), all we are trying to do is to have penalties which are realistic and enforceable. It is the height of absurdity to persist with the present situation which was engineered by the Tonkin Liberal Government. The principal architect of this fiasco was Roger Goldsworthy, the then Minister of Mines and Energy. It is the height of absurdity to persist with the present situation where the only sanction is to revoke the indenture.

The Hon. M.B. Cameron: That's absolute nonsense.

The Hon. J.R. CORNWALL: The Hon. Mr Cameron says it is absolute nonsense. I have an opinion from the former Solicitor-General, Malcolm Gray—and that is his opinion, not mine. I have an opinion from a former distinguished Deputy Crown Solicitor, Michael Bowering, who has been elevated to the judiciary. I also have an opinion from the current Crown Solicitor. When I need legal advice I do not go to Mr Cameron. I have been to a Solicitor-General, to a Crown Solicitor and to a Deputy Crown Solicitor. Mr Cameron says that it is absolute nonsense: apparently, he knows better than a Solicitor-General, a Crown Solicitor and a Deputy Crown Solicitor.

The Hon. M.B. Cameron: What are mines inspectors for?

The Hon. J.R. CORNWALL: Everyone knows what mines inspectors are for—they are trained particularly in mine safety. They have particular skills and qualifications in mining engineering. They are involved in the occupational safety of miners, among other things, and the structural safety of mines. Quite properly, they ought to be involved in the routine inspection of mines to ensure the structural safety of the mining operation and the safety of miners. That is what mines inspectors are about, and they are very good at their job.

They are not radiation physicists. The radiation physicists, the experts in the area of radiation protection, are employed in the Public Health Division of my department specifically in the area of occupational health and radiation protection. If we are looking for experts in radiation protection, of course we look to the Occupational Health and Radiation Protection Branch of my Public Health Division. Everyone recognises that, even the previous Minister of Health, because it was always contemplated in section 8 of the indenture Act that, should radiation protection legislation be introduced and passed by this Parliament, of course the indenture agreement and the mining of uranium should come under the purview, to some extent at least—and to the extent necessary—of the Occupational Health and Radiation Protection Branch of the Public Health Division of the Health Commission.

Let me further tell the Council that, in terms of the administration of this area, there is a formal written agreement between the officers of the Department of Mines and Energy and the mines inspectors (and the Chief Inspector of Mines is one of the architects of this agreement) on the one hand, and the Occupational Health and Radiation Protection Branch on the other hand. Only a fool would suggest that radiation protection should be monitored daily or regularly by the South Australian Health Commission. Quite properly, the day-to-day supervision, the safety of the mining operation, is the province of mines inspectors, but there are clear points at which the experts from the Health Commission should be able to check the monitoring to ensure that the levels of exposure in the mine where there are radioactive ores do not exceed maximum permissible levels.

Furthermore, their expertise should be used and their advice sought in applying the lowest reasonably achievable principles. Let me explain to members opposite who do not know—

The Hon. M.J. Elliott: Don't want to know.

The Hon. J.R. CORNWALL: —and don't want to know, what ALARA means: 'as low as reasonably achievable'—social and economic factors taken into account. It is enshrined in the Australian codes of practice for the mining and milling of radioactive ores. All we ask—and all we have ever asked—is that those codes of practice be enforceable in the mining operation at Roxby Downs. That is our modest but very reasonable position. It means, of course, not only that those codes clearly state the maximum permissible levels of exposure over any 12 months working, but also stipulate that those levels should be kept to a point that is as low as reasonably achievable, social and economic factors being taken into account. That point is a matter for negotiation. Certainly in negotiating them we have to look at economic and social factors—they cannot be unduly harsh.

What we will be able to do, once we have introduced suitable amendments into this place and passed them through the Parliament, is ensure that we have appropriate and realistic penalties. Instead of having an all or nothing situation where a breach, particularly a continued breach, of the radiation protection in the mining operation at Roxby Downs could only be corrected by the outrageous action of cancelling the indenture, then of course we will have the penalties currently contained in the Radiation Protection and Control Act applying. They are realistic penalties—the sort of penalties that will ensure that the miners and other members of the work force at Roxby Downs who are involved in the milling of the ore body, once it has been mined, are given a reasonable, decent standard of protection. I am not suggesting for one moment that that is not occurring presently.

What is important and imperative is that in the medium and long term the mining workforce at Roxby Downs can be protected by the State authorities, both in the Mines Department and in the Health Commission, being able to enforce the codes of practice which have been agreed upon as the basis for mining by both the joint venturers and the previous Government and this Government. We insist that they must be enforceable and think it is, to say the least, extraordinary that a previous Minister for Mines and Energy

allowed that legislation to go to the Parliament and through the Parliament in a form in which he should have known—and quite possibly did know—that the codes of practice were unenforceable except by completely aborting the indenture.

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

The Hon. J.R. CORNWALL: The Hon. Mr Cameron comes back for more: he does not know when he has had enough. It is disgraceful, all right! It is disgraceful that Roger Goldsworthy and the Liberal Government were so immoral in their quest to get the Roxby Downs indenture through that they did not check that there is no reasonable way the Australian codes of practice for the mining and milling of radioactive ores were not enforceable in practise under the indenture which they signed and ratified.

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

Leave granted.

The Hon. L.H. DAVIS: I served on the Uranium Resources Select Committee with the Hon. Dr Cornwall for some two years and well remember that he was implacably and consistently opposed to mining at Roxby Downs and in fact this was also carried through in the debate on the Bill when it came into the House in 1982.

The Hon. Dr Cornwall made repeated statements critical of the codes of practice laid down in the indenture. I quote, for example, from a statement in the Council on 16 June 1982, when he said:

> We do not accept that at this time in our history, in 1982, the five codes laid down in the indenture are adequate.

This was despite evidence to the contrary given to the Roxby Downs Indenture Bill select committee by a respected world authority, Sir Edward Poching. It also conflicted with evidence by the principal Health Commission officer, Dr Keith Wilson, where he said at paragraph 252 of the evidence:

> Commission officers generally believe that both pieces of legislation give ample ability for controls to be imposed and monitored and to ensure adequate protection of employees and members of the public.

If the Minister is not satisfied with the codes of practice in the indenture, the way is always open to him to raise the matter with Federal authorities and seek changes to the Commonwealth code, with which the joint venturers must comply. This would automatically be built into the Roxby Downs Indenture Act through section 10 (1), which states:

> Notwithstanding any other provision of this indenture, in relation to the initial project or any subsequent project, the relevant joint venturers will observe and comply with the undermentioned codes, standards or recommendations and any amendments thereof or any codes, standards or recommendations substituted therefor—

The other way the Minister could proceed is to obtain the agreement of the joint venturers to changes in the Roxby Downs Indenture Act. Any other course of action would automatically mean the breaking of the indenture—something which this Parliament has consistently rejected unless such changes have the agreement of all the parties to the contract. My three questions are:

1. Does the Minister still hold the view that the existing codes of practice for worker safety laid down in the indenture are inadequate to protect workers—notwithstanding the fact that the principal Health Commission officer of the time gave evidence to the select committee that they were adequate?

2. If so, does he believe that the indenture Act should be changed even if such a change does not have the agreement of the joint venturers?

3. Has the Minister had any discussions with Federal Government authorities regarding changes to the Commonwealth code?

The Hon. J.R. CORNWALL: Let me set the honourable member's mind to rest at once. I have never contemplated—nor has the Government ever contemplated—that the Indenture Act should be changed—full stop. There is no proposal before Cabinet at this time, and there has never been any proposal before Cabinet which contemplated a change to the Indenture Act, or to the indenture. I have made this clear on a number of occasions. With regard to the codes of practice everybody, except the Hon. Mr Davis and some of his immoral friends opposite—immoral in the sense that they would mine uranium at any cost—

The Hon. L.H. Davis: That is not true.

The Hon. J.R. CORNWALL: It is true. Members opposite would mine uranium at any cost and sell it—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: They would not only mine uranium at any cost, but would flog it to any customer. They would have no regard to the Nuclear Non-proliferation Treaty.

Members interjecting:

The Hon. J.R. CORNWALL: There is, of course, no proposal to sell uranium to Taiwan. Everybody, except Mr Davis and some of his colleagues, now accepts—certainly all reputable scientists now accept—the linear progression theory or hypothesis.

The Hon. R.I. Lucas: You're the only regression in this Parliament.

The Hon. J.R. CORNWALL: The honourable, and sensitive, Mr Lucas interjects. He really should keep his head down.

The Hon. R.I. Lucas: You backed off.

The Hon. J.R. CORNWALL: The honourable member hasn't denied it in this place: he did outside, but did not risk his seat in this place—he did not attempt to mislead the Parliament.

The Hon. Diana Laidlaw: What are you talking about?

The Hon. J.R. CORNWALL: Only Mr Lucas and I know; it is a private discussion between us.

The PRESIDENT: Order! Perhaps it can be kept for a private time, then.

The Hon. J.R. CORNWALL: The linear hypothesis accepted by all reputable scientists quite clearly says that any level of exposure to radon or alpha radiation is likely to increase the risk of lung cancer. It is a simple fact of life that there is a risk, albeit what is described as 'an acceptable risk', to miners mining uranium.

The name of the game is to lower that risk to the most reasonable point possible. That is what the ALARA principle is all about. There is a maximum permissible level of exposure set within the current codes of practice and that must be met as a minimum position. Over and above that, it is highly desirable that the levels be as low as reasonably achievable. Under the codes of practice one cannot set unreasonably low levels, or levels which are unattainable. One can, however, and must, if one takes a moral position with regard to worker protection, see that those codes can be applied in practice. That is what is wrong with the current situation. That is what this Government has been at great pains to negotiate. It is imperative that we take the sensible middle ground. We do not accept the Liberal Party's position to mine at any cost.

The Hon. L.H. Davis: Answer the question.

The Hon. J.R. CORNWALL: I am answering the honourable member's question. My view, and the view of the

Government, is that we reject the Liberal Party's immoral position that it would mine uranium at any cost with a reckless disregard for the safety of miners. We also reject the position of the Democrats.

The Hon. M.B. Cameron: Stop whipping yourself into a frenzy.

The Hon. J.R. CORNWALL: That is quite an act for the honourable member to put on for the kids: they know what a super goose you are, now. We also reject one of the landed gentry using the Aboriginal people for cheap political stunts again yesterday. We reject the immoral position of the Liberal Party, which has scant regard for the safety of the mining work force. We also reject the position of the Democrats, who would close Roxby Downs. We take the sensible, responsible middle course.

The Hon. M.B. Cameron interjecting:

The Hon. J.R. CORNWALL: My preselection has never looked better.

The Hon. R.I. Lucas: For number four.

The PRESIDENT: Order!

The Hon. C.J. Sumner: Better than Michael Wilson and a few of them.

The Hon. J.R. CORNWALL: The—

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: The Hon. Mr Cameron, in a wonderful prediction, says that he would not want to lose me. The presumption in that statement is that I will be back here as Minister of Health after the next election. I thank him very much for that prognostication. I will not tell honourable members what great shape my superannuation is in. Perhaps members of the left and centre left in good standing could consider replacing me, because I could retire to the sun, but they will not let me go—they say that I am invaluable.

Members interjecting:

The Hon. J.R. CORNWALL: They are my close personal friends. I repeat, and need say no more, that our position regarding safety levels at Roxby Downs is that we support the sensible middle ground and want to see the codes of practice adhered to. They are being adhered to, to the best of my knowledge and information, at the moment. We insist that they must be enforceable and that the ALARA principle must be enforceable.

It is as simple as that. We reject the immoral position of the Liberal Party, which would dig it up at any cost to the workers and which would flog it to any country in the world. On the other hand, we do not support the Democrats in their position, which, of course, would be to close the mine.

The Hon. K.T. GRIFFIN: I seek leave to make a explanation prior to directing to the Attorney-General a question on the subject of the Roxby Downs indenture.

Leave granted.

The Hon. K.T. GRIFFIN: The Roxby Downs (Indenture Ratification) Act 1982 provides in section 8 the maximum standards which may be imposed on the Roxby Downs joint venturers in relation to the mining, milling, treatment, handling, transportation and storage of radioactive substances. It does that in the context of saying that, if a licence is imposed or required, the conditions which may be attached to that licence may be no more stringent than the certain codes referred to in the indenture. Clause 10 of the actual indenture, which is an annexure to the Roxby Downs (Indenture Ratification) Act, identifies the specific codes of practice and standards, so there are criteria by which regulations and legislation affecting the joint venturers can be judged.

My colleague the Hon. Legh Davis has referred to the fact that at the select committee dealing with the indenture in 1982 Dr Keith Wilson, of the Health Commission, asserted that commission officers generally believed that both pieces of legislation gave ample ability for controls to be imposed and monitored and to ensure adequate protection of employees and members of the public. At that select committee, the then Mr Michael Bowering (now Judge Bowering of the District Court) indicated that, in his interpretation of the indenture, the joint venturers were contractually bound to comply with the ALARA principle and, if they did not, they were in breach of the indenture and that certain consequences ultimately could flow from that. But the indenture did not in any way prevent a Government from proposing regulations which adopted standards of practice, provided of course that they were judged according to criteria which were specified in the Act.

Today the Minister of Health has said that those provisions are not enforceable and he has also indicated that there is no intention to amend the indenture. He has not indicated whether or not there is an intention to introduce other legislation which might be inconsistent with the Roxby Downs (Indenture Ratification) Act. My questions to the Attorney-General are:

1. Does the Attorney-General agree with the Minister of Health that part of the Roxby Downs indenture is unenforceable and, if so, why?

2. If he does hold that view that part of it is unenforceable, does that mean that the Government proposes to introduce some form of legislation or regulations which will have the effect of unilaterally amending the indenture and which will in fact mean legislation that is inconsistent with the standards set out in the indenture as the maximum standards to be applied to the joint venturers?

The Hon. C.J. SUMNER: There is no intention to amend the Roxby Downs (Indenture Ratification) Act. As I understand the position, the situation with respect to the indenture is that there are no penalties that apply to breach of the indenture. That is the position. It may be a breach of contract but it is not something from which penalties flow. I think the honourable member would agree that that is the legal position. The State may be able to take some civil proceedings, but within the structure of the indenture there is no means to enforce what is included in the indenture as the appropriate protections in respect of radiation.

So, discussions are proceeding with a view to clearing up that area. But there is no intention to amend the indenture. It is intended that we arrive at a point where the ALARA principle is enforceable, the codes of practice that exist with respect to radiation in uranium mining are enforceable. The question at present, however, is that the Roxby Downs (Indenture Ratification) Act does not contain any penalties for breach of those principles. It is that aspect of the matter that is being addressed by the Minister of Health and the Minister of Mines and Energy, and the matter will be the subject of an announcement subsequently.

The Hon. K.T. GRIFFIN: I ask a supplementary question. Do I take it from that answer that the question of penalties is the only question being addressed in respect of the possible introduction of legislation?

The Hon. C.J. SUMNER: The honourable member will have to await the legislation and the announcement that I am sure the Minister of Health and the Minister of Mines and Energy will make in due course when the matter has been finally determined by Cabinet. I am not going to pre-

empt the final decision. I have outlined the position, which I am sure—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: There is no question of winning or losing. The situation is that the matter is being discussed within Government and obviously when these matters are discussed in Government differing points of view are put, particularly at officer level, and if those differences persist they have to be resolved by Cabinet. The Minister of Health has outlined the situation as it is at present. In response to the Hon. Mr Griffin's question, I have outlined the situation pertaining to the indenture Act and the legal consequences that flow from a breach of it—with which I am sure that he would not disagree. In due course the decision of the Government on this topic will be announced within the broad limits that have been outlined in the Council today.

The Hon. I. GILFILLAN: I seek leave to make a very brief explanation before asking the Minister of Health a question relating to radiation control at Roxby Downs.

Leave granted.

The Hon. I. GILFILLAN: In relation to the current activities at Roxby Downs, I have been advised that there is some question as to the adequacy of monitoring the trucks and equipment, as far as radioactivity contamination is concerned. This issue of getting correct compliance by the mining companies with the standards and detail of monitoring and control is very properly to be addressed by the Government. In that regard I ask the Minister the following questions:

1. Will the Minister indicate the current standard of compliance by the joint venturers at Olympic Dam? Are they in fact complying with all the obligations and requirements imposed by the Radiation Protection and Control Act 1982?

2. If there is non-compliance of which the Minister is aware, what are the issues that are affected and what action does he intend to take? If they are complying with the letter of the Act, are they complying with its intention? To explain that question, I understand (and perhaps the Minister will elaborate on this) that part of the amending legislation is designed to tidy up and make more effective the current Act as it deals with radiation protection and control, so does the Minister believe that the mining companies are complying with the intention of the legislation, if not the specific dotted i's and crossed t's?

3. Would he explain the broader context of the intention of the amendments to the Act other than the penalties which both he and the Attorney-General already have outlined, but in a wider context what areas does this amending legislation intend to deal with?

The Hon. J.R. CORNWALL: As to the details, the Hon. Mr Gilfillan, like everyone else, will have to be a little more patient. It is a matter about which I have shown patience over quite a period and, if it is good enough for me to be patient, it is good enough for anyone else. I found the rest of the question a little hard to follow. Is it a bit of a trick question? He talked about monitoring trucks. If he refers to the relatively small amount of radioactive substances that are transported from time to time from Roxby Downs to Adelaide, following a well publicised incident some years ago when, to my recollection, a leak or some unsatisfactory situation arose on a consignment that went to Port Adelaide, I have ensured that shipments are regularly monitored. I have ensured also that I receive reports directly on my desk of the results of that monitoring.

Over at least the past two years, if not longer, every one of those reports (and they have not been terribly frequent because there has not been a lot of movement of anything from the mine to Adelaide during that time) that has come to my desk has indicated that the packaging and the general safety has been satisfactory.

The Hon. I. GILFILLAN: As a supplementary question, I really want to know whether the Minister is satisfied that the joint venturers are in fact complying with the requirements of the Radiation Protection and Control Act, both with the detail of the legislation and its intention, in relation to the mining and equipment that is used in the mine at Roxby?

The Hon. J.R. CORNWALL: If the Hon. Mr Gilfillan is referring to the procedures in the mine itself, all the indications that I have had are that the procedures are satisfactory.

The Hon. R.J. RITSON: I seek leave to make a brief explanation before asking the Minister of Health a question about radiation protection at Roxby Downs.

Leave granted.

The Hon. R.J. RITSON: The Minister, in reply to earlier questions, stated that he is concerned only with enforceability and he has given an assurance that he does not seek to revise the present code of practice but, rather, he seeks greater enforceability. When asked by the Hon. Mr Griffin whether any other areas of legislation would be used to alter those codes of practice, the Hon. Mr Sumner declined to give an assurance. We are concerned about the assurances from Labor Governments; we all remember Mr Hawke's assurance that there would be no capital gains tax. The leaked BP documents caused members on this side some alarm, because they implied that the Minister of Health believed that under the present safety provisions workers would be unduly exposed to risks of cancer. The documents quote the Minister of Mines and Energy as saying:

> Payne said that Cornwall takes the view that he does not want on his shoulders the 40 extra cancer deaths.

Has the Minister of Health said to the Minister of Mines and Energy that current safety provisions as laid down by the indenture are inadequate and will cause higher rates of cancer deaths? If so, what is the evidence for the Minister's belief? If he does not hold that belief, but merely seeks greater enforceability of existing safety codes, will he please once again assure us that the doubt on the matter cast by the leaked documents is not so and that he does not intend to revise the current codes of practice? We need this assurance again and again and again, because others, Mr Hawke included, have proved to us that a single assurance, or even a double assurance, does not mean that things will in fact turn out that way. I ask the Minister to repeat the assurances that he previously gave to the Council.

The PRESIDENT: I am happy to let the Minister give whatever assurance he wishes and I call upon him to do so, but I remind the honourable member of the Standing Order regarding tedious repetition which applies to both questions and answers.

The Hon. J.R. CORNWALL: I feel constrained by your comments, Ms President. I will have to try and keep this answer very short. I have given repeated assurances today (and I am sorry about having to do it again, but I was asked the specific question)—

The PRESIDENT: I specifically said that I was happy for you to do so. I was really reminding the Hon. Dr Ritson. He said that he wanted the assurance again and again and again. Whatever he may want, there is a Standing Order regarding tedious repetition.

The Hon. J.R. CORNWALL: I know that you, Ms President, are required to be totally impartial. In all my time in the Council you are the best President that it has been my good fortune to see in the Chair. Of course, I am not bound by the same constraints. I must say that it was hardly the top question of the day by Dr Ritson. I repeat that there is no intention—and there never has been—to change the indenture or the Roxby Downs (Indenture Ratification) Act. All we want to do is ensure that the current codes of practice are enforceable. That means not only that the maximum permissible levels are adhered to, but also that the level of exposure to miners and to workers who are involved in milling radioactive ores will be as low as reasonably achievable with social and economic factors being taken into account. Those things are spelt out clearly in the codes of practice.

If at some later time the Federal authorities in their wisdom opt to change the codes of practice in any way and changes are adopted, of course they would become the codes of practice. They would be the codes of practice as contemplated in the indenture and the indenture Act, and the current codes of practice are those which I and the Government seek to make enforceable by the imposition of realistic penalties.

The Hon. R.J. RITSON: I wish to ask a supplementary question. I asked the Minister, and I ask him again, whether the comments as quoted in the leaked documents are correct that 'Payne said that Cornwall takes the view he doesn't want on his shoulders the 40 extra cancer deaths'. If that is true, has the Minister said to the Minister of Mines and Energy that current safety provisions in the indenture are inadequate and will cause a higher cancer death rate and, if so, what evidence does the Minister have?

The PRESIDENT: Order! I do not think that that is a supplementary question: it is a repetition. It is exactly the same question that the Hon. Dr Ritson asked a minute ago. It is not a supplementary question.

The Hon. R.J. Ritson: But he didn't answer it.

The PRESIDENT: The Minister may answer any question in any way he wishes under Standing Orders. If the Minister of Health wishes to answer, he is very welcome to do so.

The Hon. J.R. CORNWALL: It was entirely an oversight, let me assure members. The leaked documents (and I have seen all of them) were so idiotically inaccurate, by and large, that they did not deserve very much comment. For example, one of these gurus who has apparently paid good money (tens of thousands of dollars, at least) to these snooks for these sorties referred to 'another secretary' in a department, a Jill Fitch, who was described as 'a secretary' (and that is a sexist comment if ever I heard one). She happens to have a Masters degree in physics: she is a radiation physicist. He went on to say that she had assisted the McClelland Royal Commission: in fact, she was a Royal Commissioner.

The Hon. C.J. Sumner: Who said this?

The Hon. J.R. CORNWALL: This snook who prepared the dossier on various people. It was scandalously and stupidly inaccurate.

The Hon. C.J. Sumner: Who does he work for?

The Hon. J.R. CORNWALL: He works for BP, but I will not go on with that. With regard to the specific question as to whether I have said something about having deaths on my shoulders, I point out that my use of English is more precise than that, and, if I had talked about deaths being on anything, I would have talked about deaths being on my conscience rather than on my shoulders. With regard to the number, Dr Ritson would know (or should know) that, if we expose human beings to alpha radiation at increasing levels of exposure, of course the higher the exposure, the higher the number of lung cancers. That is very simple arithmetic.

It is for that reason, of course, that it is imperative not only that the mining at Roxby Downs follow the codes of practice but also that the codes of practice in the long term, long after Dr Ritson and I have gone to heaven, are still enforceable. The life of that mine is estimated to be anything up to 200 years and, unless the codes of practice are enforceable, unless the 'as low as reasonably achievable' principle is enforceable, somewhere along the line management or a Government which is less scrupulous about protecting workers than the current Government could allow that additional exposure to occur. That must never be allowed to happen. We must ensure—we have a duty to ensure—that the ALARA principle is enforceable, and we will see that it is enforceable.

PERSONAL EXPLANATION: MINISTER'S REMARKS

The Hon. R.I. LUCAS: I seek leave to make a personal explanation.

Leave granted.

The Hon. R.I. LUCAS: Last Thursday the Minister of Health, Dr Cornwall, made an outrageous public attack upon my personal credibility and integrity in this Chamber. It was public in the sense that is was clearly audible to all members of this Chamber and that was backed by independent members of the public gallery.

The Hon. L.H. Davis: That is what is called a private conversation.

The Hon. R.I. LUCAS: Yes, a private conversation. It was audible to members in the public gallery some 30 yards away, independent of the political process. The Minister said that he had dossiers on my pot smoking activities.

The Hon. J.R. Cornwall: Just the one, I said. I said that I have a dossier.

The Hon. R.I. LUCAS: The Minister subsequently was publicly humiliated in having to back off from that line.

The PRESIDENT: Order! A personal explanation must not reflect on anyone else. It is a personal explanation.

The Hon. R.I. LUCAS: The Minister had to back off, because the press approached him and asked to have a look at the dossier, but he had to say that, no, he did not have a dossier really, that it was a personal dig, a jibe or a joke across the Chamber with me. I had not intended to raise this matter again this afternoon, but earlier in Question Time the Minister made a further slimy inference that I was not prepared to deny the allegation.

The Hon. J.R. Cornwall interjecting:

The Hon. R.I. LUCAS: In this Chamber, the Minister made that slimy inference that I was not prepared to deny it, and that is the only reason why I stand in this Chamber this afternoon.

The Hon. J.R. Cornwall interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: There will be more coming for the Minister in a minute.

The PRESIDENT: Order!

The Hon. R.I. LUCAS: If the Minister wants to trade jokes across the Chamber, he will get them. It is in the Minister's hands.

The PRESIDENT: Order!

The Hon. R.I. LUCAS: Will you call him to order?

The PRESIDENT: I have called you both to order.

The Hon. R.I. LUCAS: I have the floor.

The PRESIDENT: The honourable member does not have the floor when I call 'Order!': everyone in the Chamber should cease speaking. The Hon. Mr Lucas may now continue with his personal explanation.

The Hon. R.I. LUCAS: Thank you very much, Ms President, for your protection. Can I place on public record in this Chamber for all members, in particular for the Minister, that I have never smoked marijuana in my life. In fact, I have never touched a marijuana joint or whatever in my life. My only experience with cigarette smoking was at the age of seven when my father gave me a puff of a cigarette: that is the only puff of a cigarette I have had in my life, and I suspect, Ms President, that that is not a record that can be matched by the Minister of Health—but I will not go into that.

The PRESIDENT: Not in a personal explanation. A personal explanation deals with personal matters.

The Hon. R.I. LUCAS: I hope that this will be the end of the matter but, if it is not, I issue a note of warning to the Minister that I am more than happy to trade jokes across the Chamber. I will raise in Parliament the circumstances of an interesting party three years ago at the Minister's home when he was present, the details of which we will discuss later.

The PRESIDENT: Order! I ask the honourable member to withdraw those comments. They are not part of a personal explanation.

The Hon. Diana Laidlaw: The Minister is not asking him to withdraw, you are.

The PRESIDENT: The Minister is not giving a personal explanation. The Hon. Mr Lucas was giving a personal explanation.

The Hon. Diana Laidlaw: He hasn't objected.

The PRESIDENT: I can object, the Hon. Miss Laidlaw; I do not have to react solely to responses from members of the Parliament. I ask again, will the Hon. Mr Lucas withdraw those remarks which have no place in a personal explanation?

The Hon. R.I. LUCAS: I am delighted to have stung the Government and its representatives into action. If the President wishes me to withdraw that particular part of my personal explanation because it is not appropriate as part of a personal explanation, I do so solely on those grounds but, nevertheless, the warning will remain. If the Minister wants to trade jokes, he will get them.

PERSONAL EXPLANATION: MEMBER'S REMARKS

The Hon. J.R. CORNWALL (Minister of Health): I seek leave to make a personal explanation.

The Hon. R.I. Lucas: You are a bit sensitive.

The Hon. J.R. CORNWALL: No, I am not.

The PRESIDENT: Order! The Minister is seeking leave. Is leave granted?

Leave granted.

The Hon. J.R. CORNWALL: There was an imputation in that remark of the not so honourable Mr Lucas that there was some sort of activity at my home which was presumably unacceptable or illegal. If that imputation is directed at me, I am a big boy and can take it.

The Hon. R.I. Lucas: It is directed at you.

The Hon. J.R. CORNWALL: I can assure the Hon. Mr Lucas that there have been no activities at my home that I would not be prepared for anybody to talk about at any time. It is reprehensible and disgraceful in the extreme to make an imputation like that.

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: However, Ms President, the Hon. Mr Lucas ought to be aware that I have a wife and seven children.

The Hon. R.I. Lucas: What about my wife and four kids?

The Hon. J.R. CORNWALL: Therefore, when he refers to activities that may have taken place at my home, by imputation he is reflecting on my wife and any one of my seven children. I take grave exception to that and ask that he have guts enough to apologise properly and not in some half-baked sort of way.

The Hon. R.I. Lucas: You don't like jokes across the Chamber, John?

The Hon. J.R. Cornwall: I do not like traitors to the working class. I do not like working class boys who are traitors.

Members interjecting:

The PRESIDENT: Order!

DAYLIGHT SAVING

The Hon. PETER DUNN (on notice) asked the Attorney-General:

1. Has the Minister conferred with any other areas of the State to assess their feelings about starting daylight saving one week earlier than 26 October?
2. What effect does the Minister believe this earlier start will have on young schoolchildren?
3. Is it the Labor Government's intention to extend the daylight saving period at the end of the summer of 1986-87?
4. What will be the exact advantage to South Australians during the Grand Prix of daylight saving?
5. What will be the exact advantage to travellers from overseas or interstate to South Australia for the Grand Prix, seeing that there is already a time differential between South Australia and other States and countries?
6. Is the Minister just using the Grand Prix as an excuse to introduce summer time to South Australia permanently a week earlier?
7. What reasons did the Minister use for not starting daylight saving one week later than 26 October?

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

1. Not personally. Government officers have received propositions from various interests around the State.
2. Shifting the date forward one week will have no measurable effect on young schoolchildren.
3. Yes.
4. Greater enjoyment of all the activities centring around the Grand Prix.
5. See above.
6. No.
7. See 4 above.

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 23 October. Page 1419.)

The Hon. L.H. DAVIS: The State budget is predicated on a number of economic assumptions. In the 1986-87 State budget 46.3 per cent of estimated recurrent receipts totalling $3.2 billion come from the Commonwealth Government. The bulk of it is in a form of payments pursuant to the tax

sharing arrangement between the Federal and State Governments. The figure of 28.8 per cent of estimated current receipts or $922 million come from State taxation and of that amount $283 million or 30.7 per cent comes from pay-roll tax. Pay-roll tax is an iniquitous tax: it is a tax on employment—a positive disincentive to employment in an economy where unemployment is growing rapidly.

I want to query straight away the assumptions on which this budget is based, namely, that the outlook for the economy is strong. I deny that assumption and will underline my observation with several examples. For a start the budget papers indicate a modest increase in employment is anticipated in the 1986-87 financial year. The financial statement of the Premier and Treasurer, tabled just two months ago on 28 August, indicates at page 17:

> Pay-roll tax revenues are anticipated to increase, reflecting a moderate growth rate in private sector employment between 1985-86 and 1986-87.

At the same time page 7 of the financial statement makes clear that the budget seeks to peg public sector employment levels. It states:

> Planned employment levels for June 1987 will be virtually the same as at June 1986.

Let us reflect on that statement because in August 1985 the Treasurer, the Hon. John Bannon, in another place estimated that public sector employment would increase by 0.7 per cent. In fact the budget documents now before us indicate that there was a 2.8 per cent increase in full-time equivalent employees in the public sector in the financial year 1985-86. In other words, there was an increase three times that estimated to occur in public sector employment over the 12-month period July 1985 to June 1986.

That, of course, was an alarming blow-out in public sector employment and it indicates the Treasurer's fairly reckless economic housekeeping. He promised an increase in public sector employment of 0.7 per cent or about 670 employees. In fact, the budget papers reveal that the increase was 2.8 per cent, or about 2 500 employees. That means that, with this additional employment of 1 800 people, the State has to find an extra $55 million in a full year to pay salaries. What confidence, then, can the taxpayers of South Australia have in this Government when it says in financial statements attached to the budget that it will peg public sector employment levels as at 30 June 1986 for the next 12 months?

I turn now to private sector employment because, likewise, that is an important ingredient in determining whether or not the assumptions on which this budget is based are likely to hold up. The figures are grim: unemployment in South Australia for September 1986 was 9.5 per cent, the highest of all States. In August it was 8.7 per cent, so there was a massive jump of nearly 1 per cent between August and September. It was well up on what it was in September 1985, and it is the highest unemployment rate South Australia has recorded since February 1985.

Employment growth in South Australia, likewise, has been lamentable; in fact, in the period July 1985 to July 1986 South Australia ranked last of all States in employment growth: we had a growth of only 2.6 per cent against a national average of 4.3 per cent. We ranked well behind States such as Western Australia, where the growth rate was 5.8 per cent. Even Tasmania, which is traditionally regarded as an economy growing more slowly than that of South Australia, had a much greater growth rate of 3.4 per cent.

The other unemployment statistic that I believe is most alarming relates to youth unemployment. Currently in South Australia 26.5 per cent of teenagers seeking full-time work are unemployed. That September 1986 statistic is a grim reminder of a deteriorating economy as far as young people are concerned—that more than one in four 15 to 19-year-olds seeking full-time employment in South Australia cannot gain that full-time employment.

The first point that I am making quite clearly is that the anticipated modest increase in employment, which is quite clearly one of the cornerstones in this State's budget when it comes to planning the expected revenue for the 1986-87 financial year, is a distinctly squishy figure. Other economic indicators also underline the vulnerability of this State. Our net migration gain, from most recent figures, was a negative factor—in fact, people are leaving South Australia. If we aggregate the migration into South Australia from overseas, and also take into account migration from other States, we have a net outflow—a negative factor of 0.04 per cent from overseas and interstate for the year ended 30 June 1985 (the most recently available figures). That is against a national average growth of 0.44 per cent.

Similarly, in overtime worked, the most recent figures show that over the last year there has been a reduction of more than 20 per cent in the amount of overtime worked in South Australia compared with an increase in overtime worked Australia wide. Building approvals in South Australia for private sector dwellings have collapsed in this current year and the deterioration here is far worse than in any other State. In new private capital expenditure, which takes in the all-important investment in factories, equipment, machinery and mining, we again rank second last in terms of overall growth in forecast increases for 1986-87. So, the sorry story goes on with motor vehicle registrations, where we rank second worst of all States; in new motor cycle registrations, where we rank last; in retail sales, where we rank second; and in bankruptcies, where South Australia's growth over the past financial year was easily the greatest of all States: we had a massive 40 per cent increase in bankruptcies in South Australia in 1985-86 over 1984-85.

In State taxation, the most devastating figure of all, and the greatest indictment of all as far as the Bannon Government is concerned, is that since 1981-82, the last Tonkin Liberal Government budget, there has been a 68.5 per cent increase in State taxation in South Australia compared with a national average of only 54.5 per cent.

Finally, I turn to inflation which, of course, is the method used by the man and woman in the street to measure their cost of living. There was a 2.6 per cent increase in the Consumer Price Index through the June and September quarters at the national level. Sydney, over the 12 months to the end of September 1986, recorded the largest annual increase of 9.2 per cent. Adelaide had the second largest increase over the quarters June to September 1986 of 2.9 per cent, in fact, the largest quarterly increase that Adelaide had had for four years, which is not good news. South Australia, over the period of the Bannon Government, has tended to be regarded as the inflation capital of Australia. The economic statistics, the facts which have been quoted directly from the Australian Bureau of Statistics figures, are a grim indictment on the state of this economy and on the Bannon Government.

It causes me alarm when I look at this State budget and the expectations of a continuing strong economy. I believe that when we come to review the actual outcomes for this budget, as distinct from the budget estimates we are now discussing, sadly there will be a vast difference between the two. It is important to recognise that the economic information provided in the Treasury documents on the economy was prepared probably three months ago for the Treasurer and tabled with the budget papers two months ago. On their own admission, the observations on the South Australian economy contained in the booklet *The South*

Australian Economy, which was tabled at the time of the budget, contain some fairly damning statistics.

In the booklet *The South Australian Economy*, there is an admission that the economy is not motoring along too comfortably. I would submit that that information is now two months old and that in fact there has been a significant deterioration in the South Australian economy since the preparation of that booklet. So I remain sceptical about the ability of the Government to recoup the budgeted amounts in respect of State taxation and in respect of departmental fees and recoveries which, of course, account for a large portion of total State revenues.

There is also some confusion, it would appear, on the part of the Government at least, as to the state of tourism in South Australia. That is not surprising because, as I have mentioned on more than one occasion in this place, the Minister of Tourism has difficulty in keeping up with this very demanding and increasingly important portfolio. At page 24 of the Premier and Treasurer's Financial Statement, we read:

> Tourism is an area where there are excellent prospects for continuing growth in 1986-87 as a result of events overseas and the devaluation of the Australian dollar.

Yet, we read at page 31 of *The South Australian Economy*:

> The outlook for the tourism sector is mixed. A continuation of the growth in both overseas and domestic travel by Australians apparent in recent years is not expected in 1986-87 because of a decline in business travel volumes associated with the slowdown in the economy generally and a pause in household demand for travel. Personal tourism activity of Australians (and South Australians) will reflect the net result of some decline in total activity and a likely increase in market share of Australian (and South Australian) destinations because of the decline in the value of the Australian dollar . . . However, most of the international growth is anticipated from markets using eastern gateways (Japan and USA), involving short lengths of stay and related to well known attractions, not well represented in South Australia. Thus, South Australia may have some difficulty holding market share.

So, one document says that everything is rosy in the garden of tourism while another document says that there are a lot of thorns and prickles ahead. Quite frankly, I prefer the latter view and, in fact, that latter view has been confirmed more recently by the release of fairly comprehensive documents about a tourist development plan for South Australia for the next five years. Those documents, released in the latter part of September, confirm that South Australia's share of the international visitor market to Australia, its share of the interstate visitor market in Australia, and the domestic visitor market are all declining as a share of national aggregates. The outlook for tourism in South Australia is not good and of course that impacts directly and indirectly on the revenue figures that we have in the budget before us.

Of course, it impacts very directly on employment, because tourism is a very big provider of jobs. It alarms me to think that tourism in South Australia is not going as well as the Minister of Tourism would have us believe. We must not get carried away with the predictable upsurge which has occurred, because 1986 is both a festival year and a very important celebration of South Australia's 150th anniversary. So, there has been a surge in activity, both in domestic and interstate activity and perhaps to a much lesser extent in relation to international visitors to South Australia. However, from talking with people in the industry, I detect considerable concern about the vacuum that will be left in 1987, as there is no major festival scheduled in 1987; nor, of course, will 1987 be a jubilee year. Most certainly there will be a Grand Prix—and for that there is of course bipartisan support, as all members would know—but that tends to be a fairly frenetic event, with the majority of people coming in and going out in a very short space of time. It is a great help, but we really need a concentrated effort to sell South Australia more effectively than is occurring at present.

Specific reference is made in the budget to the contribution of SAFA (South Australian Financing Authority). SAFA is an extremely complex animal. It is very much an animal cobbled together from a variety of sources, given that SAFA is an umbrella organisation that has been established over semi-governmental authorities and Government agencies in South Australia to act as a conduit pipe for both the raising of funds and the borrowing of funds. Members would be well aware that a similar vehicle was proposed by the Tonkin Liberal Government in late 1982, but the legislation was not put in place because of the 1982 State election. So, I must say that the principle of SAFA is something that I fully support, but I must also stress that does not take away the Opposition's prerogative to examine closely the role, operation and profitability of SAFA. I have spent some considerable time examining not only the annual reports of SAFA but also the information provided with the budget papers in relation to SAFA's activities.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: The Attorney interjects—although he is not allowed to, Madam President—and suggests I am complaining about and opposing SAFA. The spirit of inquiry is alive and well in the Opposition, and if we did not ask questions the Attorney-General would accuse us of being a weak and ineffective Opposition. If we ask probing, searching, demanding and relevant questions we are attacked for being carping and negative.

Madam President, let me put on the public record that this Opposition stands here firmly to protect the people of South Australia from the excesses of this Labor Government—and I refer to the excess waste of the Government that has been well demonstrated in recent weeks. With regard to SAFA I think it is important to ask questions, which, quite frankly, were not fully explored during the Estimates Committees hearings. That appeared to be because of some considerable obstruction and long-windedness on the part of the Treasurer during the Estimates Committees and it leads me to ask the Attorney-General to make available officers from the Treasury during the Committee stage of the Appropriation Bill to provide us with an opportunity to ask further questions about SAFA.

The Hon. C.J. Sumner: You could have done that during the Estimates Committees hearing.

The Hon. L.H. DAVIS: We ran out of time and, as the Attorney would know, it is easy to run out of time. If a well organised and concerted effort is made by the Government to have all its members ask long and probing questions, quite clearly that makes it more difficult for the Opposition. I do not begrudge Government members asking questions but questions that members ask must be properly answered.

The Hon. C.J. Sumner: You could put them on notice.

The Hon. L.H. DAVIS: The Attorney-General says, 'Well, if you are not satisfied with the answers you got during the Estimates Committees, put them on notice.' Let me tell the Attorney-General that I have not had a happy experience when it comes to putting questions on notice. I have had some questions on notice for 12 weeks—very basic questions. There are other questions that have been on notice for nine or 10 weeks. There is a deliberate policy on the part of the Government to cover up and to not provide answers to questions in relation to statutory authorities or in relation to ASER—very basic information.

The Hon. C.J. Sumner: Give us the questions now.

The Hon. L.H. DAVIS: No, we will ask them in due course; we will have the officers down here.

The Hon. C.J. Sumner: You don't conduct an Estimates Committee in the Legislative Council.

The Hon. L.H. DAVIS: The Attorney would well know that there has been plenty of precedent for that.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: I will give you notice. I will provide the questions.

The Hon. C.J. Sumner: Do them now.

The Hon. L.H. DAVIS: I will give them to you in due course. The Committee stage will not occur until next Tuesday, so the officers will have plenty of time. The answers would be at hand. They just simply have to be provided to the public through the Parliament.

The Hon. C.J. Sumner: Taking thousands of dollars of time.

The Hon. L.H. DAVIS: Not at all. If you have not got the answers to the sorts of questions that I am asking, you should not be in Government.

The Hon. C.M. Hill: The Attorney gives answers that are far too long. They couldn't stop him on the radio this morning.

The Hon. L.H. DAVIS: Did they have to have a commercial break?

The Hon. C.M. Hill: People were trying to phone in with questions and couldn't get through.

The Hon. L.H. DAVIS: He's probably wise; he didn't want to handle the questions.

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: I find the Attorney in a mischievous and distracting mood. In relation to SAFA it was interesting to note that just over a month ago it was revealed that the Bannon Government had been caught out in a $100 million scheme to exploit taxation loopholes. Of course, that was done in close cahoots with other Labor Governments in New South Wales and Victoria. In fact, the information that I have is that they just scrambled the documents through before the 8 o'clock deadline to the loophole which had been announced by the Federal Treasurer, Paul Keating. It was quite strange that these people who are purists when it comes to taxation and who have been quite vehement about clamping down on tax rorts, as they would call them, are at it themselves. It is quite amazing that at a time when they talk about stamping out tax rorts they should be the very perpetrators of the scheme. The deferred annuity scheme into which the South Australian Government entered, in cahoots with New South Wales and Victoria, had interesting implications for budget figures in 1986-87 and in the future. I think that that is worthy of further examination.

The other point that has been of major concern to the Opposition is the very sharp blow-out in debt servicing obligations, including interest on trust funds and other moneys, which are expected to be $457.2 million in 1986-87, which is an increase of 13.8 per cent, or $55.7 million on the 1985-86 obligations of $401.5 million. When recoveries of interest are considered, net obligations for the current year are $354 million, which is an 18.1 per cent increase on the 1985-86 figure of $299.7 million.

If we take the total increase in debt servicing obligations in the period of the Bannon Government from 1982-83 through to 1986-87, they have increased from $257.6 million to $457.2 million. That is a very large increase, which of course not only has an impact on current taxpayers of South Australia, but also locks in future generations of taxpayers to an ever-increasing debt burden.

The Government admits the gamble that has taken place with its borrowing program (this borrow-and-hope budget to which I referred earlier) because, on page 9 of the Financial Statement, the Treasurer says:

> The Government's continued ability to borrow at such levels and to service the debt commitments arising from those borrowings will depend to a marked extent on how quickly the national economy improves.

Given that the South Australian and the Australian economies are running very roughly (more roughly than Nigel Mansell's car after it lost a wheel in Dequetteville Terrace Straight) that is an interesting comment. That massive increase in borrowings is a major worry about which the Opposition is very concerned, particularly at a time when the economy is going badly.

It is appropriate to say that this Government has misled the people of South Australia about the state of the economy. In 1985, during the State election campaign, we were told in the Labor slogan that this State was up and running. If the economic indicators are taken as any guidance to this State's current economic performance, I would have thought that at the moment it is down and walking. Even more recently the Treasurer is on record as saying that he has confidence in the South Australian economy because, when he delivered the budget on 28 August, he said:

> My Government believes that the domestic economy, and in particular the South Australian economy, has considerable basic strength.

I have pointed to 13 economic indicators which show that the South Australian economy is running last in nine of them and second last in four of them. If that is an example of economic leadership, obviously the Government has to think again.

Finally, in relation to other areas of concern, the Department of Housing and Construction has a lot to answer for. It has a building which has vacancies on many floors. It has attended to the salt damp in the Treasury Building, so it says, but within four months after a $1 million facelift the salt damp is breaking through. In Parliament House there is a works program which I suspect has been undertaken without reference to the Heritage Branch. As far as I am concerned, there is no management plan for the maintenance—

The Hon. C.J. Sumner: What has been undertaken without reference to the Heritage Branch?

The Hon. L.H. DAVIS: The painting of the basement corridors.

The Hon. C.J. Sumner: What about your office?

The Hon. L.H. DAVIS: Have you seen it? I will show you afterwards. Many of your Labor colleagues have come into look at it and they have thought that it was terrific; they appreciated it. They wished that I had the time to do their offices also but, sadly, my parliamentary duties will preclude me.

The Hon. C.M. Hill: Your quotes might be too high.

The Hon. L.H. DAVIS: My quotes could well be too high.

The Hon. B.A. Chatterton: How much an hour?

The Hon. L.H. DAVIS: It is costless to me but, as the shadow Minister for the Arts and sometime painter, I can say that I will rest on my laurels for the time being and I am afraid that members will have to go to the Department of Housing and Construction if they want any improvements to their offices.

In relation to the Department of Housing and Construction, I also have some grave concerns about the current employment levels and productivity within the department, the tendering methods that it uses, its activities in respect of Parliament House, and the management of its head office. Again, I indicate to the Attorney-General that I

would like officers of the department down here for discussions in Committee.

The Hon. C. J. Sumner: Just ask the question. You could have had your go during the Estimates Committees.

The Hon. L.H. DAVIS: I am not allowed to be part of the Estimates Committees. The Attorney's Government could have rectified that.

The Hon. C.J. Sumner: It was a Tonkin Government proposition.

The Hon. L.H. DAVIS: This Government has been in office for four years. I refer now to the ASER project. I have had a question on notice for some weeks relating to the cost of the ASER project. During the budget Estimates Committees the Government refused to provide answers, and that is amazing. Tens of millions of dollars of public moneys are at stake directly through the South Australian Superannuation Fund Investment Trust which, of course, has a major investment in that very large project. The Question on Notice should have been answered but was not, and the questions were not answered during the budget Estimates Committees, so I will respectfully request that officers of Treasury be available for further questioning on that important subject in the Committee stage of the Appropriation Bill, which I anticipate will be next Tuesday.

I refer finally to one of my particular interests—the arts portfolio. An overall 8.2 per cent increase has been anticipated in the total budget payments from 1985-86 to 1986-87. Undoubtedly, one of the major attractions of Adelaide for the visitor is the North Terrace cultural precinct. The Hon. Murray Hill, when he was Minister for the Arts, took a particular interest in upgrading that most important precinct. He ensured that the first stage of the upgrading of the museum was under way and, of course, he gave every encouragement to the establishment of the very important Art Gallery Foundation, which later raised almost $2 million through government and private sector support.

I am alarmed to note that arts funding for North Terrace in this budget is quite miserly. In fact, there has been a 7.2 per cent decrease in the allocation for the Art Gallery of South Australia. After adjustments for certain items that have not been included in the estimates for this year, the decrease of 7.2 per cent (from $2.4 million to $2.17 million) is most disappointing. While the Art Gallery is not large, it is a major attraction for visitors. Its entrepreneurial and energetic Director, Mr Daniel Thomas, together with a very competent curatorial staff, has continued to set high standards and has attracted a lot of support with a wide range of exhibitions in this important Jubilee year. Similarly, it is disappointing to see static funding of $3.25 million for the Museum.

The Hon. C.J. Sumner: You are amazing, absolutely amazing!

The Hon. L.H. DAVIS: No, I am not. In real terms, that funding is down by 7 to 8 per cent, given that inflation is expected to move at that level in the current year. The most recent estimates might suggest that the Government has not taken into account the fact that inflation may move higher than forecast in this current financial year. I have referred to the North Terrace boulevard on more than one occasion as the kilometre of culture, given that it starts at the east end of North Terrace with the extraordinarily beautiful and at times under-promoted Botanic Gardens. Then there is Ayers House and the University of Adelaide, which has a magnificient Museum of Classical Archaeology (about which very few people know). Adjacent to that is the Art Gallery, the Museum and the State Library. There is also the Royal Society Art Gallery in Kintore Avenue, another jewel which is generally not known by the public and visitors, and there is the Migration and Settlement Museum, which the Minister of Ethnic Affairs opened earlier this year.

The Hon. C.J. Sumner: Hear, hear!

The Hon. C.M. Hill interjecting:

The Hon. L.H. DAVIS: That is interesting, because Mr Hill as the Minister for the Arts in the Tonkin Government was responsible for naming that museum the Migration and Settlement Museum and, of course, it gave him particular satisfaction to see that project proceed earlier this year.

The Hon. C.M. Hill: We were responsible for establishing it. It was an election promise.

The Hon. C.J. Sumner: It was a proposal of a report of the previous Labor Government—the Edwards report.

The Hon. C.M. Hill: It had nothing to do with the Edwards report. We started the Edwards report. That was five years before anything happened.

The Hon. C.J. Sumner: That's all right—it was carried on.

The Hon. C.M. Hill: The museum has been part of Liberal policy for the past—

The PRESIDENT: Order!

The Hon. C.M. Hill: What about the way they have forgotten the visual arts?

The Hon. L.H. DAVIS: That is right. Moving down North Terrace, we take in Government House and Parliament House which, of course, is a real heritage item. Then there is old Parliament House formerly the Constitutional Museum, the casino, the railway station and in time there will be the living arts centre. This Government has neglected two of those major cultural institutions in this budget, and that is disappointing.

Many other matters could be canvassed in relation to the budget, but I will conclude with one note of warning. Over the past three years to 30 June 1986 the people of Australia have been fortunate in the sense that they have been part of a world economy that was going through relatively strong growth. More particularly, Australia as a country attached to the Pacific rim, which is the fastest growing economic region of the world, has enjoyed some of the fruits of that growth. However, as we have seen from recent events, that growth has been of a quite superficial nature. The deregulation of our money markets and most of all the deregulation of the dollar has exposed the Australian economy to the measurement of other major economies of the world. This economy has been found wanting. The fact that our dollar has depreciated against the Swiss franc and the Japanese yen over the past 20 months by some 55 per cent, against the English pound by 43 per cent and against the American dollar by 25 per cent underlines the force of that argument.

There is a growing view that the world is now entering a slower period of economic growth. There has been a lack of pressure from burgeoning commodity prices. On the contrary, of course, the slump in oil prices has been beneficial to most world economies, including that of Australia, because it has contained the costs of manufacturing and transport. As we come to the end of what has been an abnormally long economic growth cycle, the cold winds of recession and maybe depression could well affect the Australian economy and, in particular, the very brittle South Australian economy in a very harmful way. I voice this concern not because I want to be negative but because essentially I am a realist with a background in the private sector—in the hard world of the private sector where dollars have to be earnt with good ideas and hard work. My underlying theme in this debate is that I believe that the 1986-87 budget is based on overly optimistic assumptions. I do not believe that when we come to review this budget in 12

months the revenue figures will be up to the budget estimates.

I also have severe doubts about some of the key items on the payments side, which I have not had the opportunity to explore this afternoon. It is, of course, traditional to support this financial measure in the Legislative Council and I have no hesitation in doing that. However, I indicate to the Attorney-General that I certainly will be taking advantage of the Committee stages to further examine officers of the Government with reference in particular to the ASER development, the South Australian Financing Authority, the superannuation fund and the Department of Housing and Construction.

The Hon. B.A. CHATTERTON: I support the Bill. This State budget has been framed in the context of the national need to exercise restraint within the economy. The main reason for constraint within the national economy is the severe downturn in the balance of trade. In the short term this has been caused by poor prices for our rural and mineral exports, but in the longer term it has been caused by the failure of our manufacturing industry to develop substantial export markets. Unless the manufacturing industry can improve its performance and close the trade deficit considerably we will be unable to have sufficient economic growth to keep unemployment from growing. The development of export markets for manufactured goods depends on their cost, their design and on marketing. High cost and poor design have been blamed for the poor level of exports over the past several years but more recently real unit labour costs have fallen considerably and the fall in the Australian dollar has made our manufactured exports extremely price competitive. In spite of this, we have not seen a surge in manufactured exports, which seems to indicate that other factors besides cost may be of greater importance.

The export of Australian farm machinery, much of it from South Australia, over the past decade and a half provides an interesting study of the relative importance of price, design and marketing. It also provides some useful lessons for other industries in the importance of marketing skills. In general, Australian farm machinery, when exported to countries with similar climates and farming systems, is technically very suitable. Outdated or poor design can rarely be identified as a relevant factor in export performance.

The major market for Australian farm machinery since the Second World War has been Libya and it is worth studying that market in some detail as it provides considerable insight into Australian marketing problems. It is significant that the Libyan farm machinery market was not identified by Australian manufacturers or the Australian Department of Trade, but rather it was the Libyans who identified Australian equipment as being most suitable to their needs. Exports began in the early 1970s and most major Australian farm machinery manufacturers have been involved in the market at various stages.

One of the first orders was obtained by a South Australian company which sent scarifiers and seeders to Libya in the early 1970s. At that time Australian farmers were changing from manual to hydraulic lifting equipment on their machines. The company concerned asked their Australian customers to specify which equipment they would like fitted in the factory. The Libyan authorities failed to understand the significance of this option and did not specify the type of lifting equipment, so the company fitted none. A comparison would be a car company offering its customers the choice of disc and drum brakes and if the customer did not specify which type the company would fit no brakes at all. It is difficult to understand how a company with more than one hundred years of experience in South Australia could make a blunder on this scale. It is also difficult to understand an organisation where no-one from the sales manager down to the dispatch clerk noticed or cared that totally unusable machines were being sent overseas.

Fortunately, complete disaster was averted as there were some South Australian farmers working in Libya for another organisation on and they were able to cannibalise some hydraulic gear off some old discarded bulldozers and fit them to the South Australian machines. Naturally the Libyans did not purchase another machine, nut or bolt from that company ever again, but fortunately they did not extend the ban to other South Australian companies, as they might well have done.

Another South Australian company then became the major supplier of machinery, at least to the eastern half of Libya. This company produced a seeder especially for the market based on the simple but brilliant premise that Libyan farming was like South Australian farming, only with smaller farms. So they took the old design for the seeder they sold in South Australia when farms were smaller, modernised it with rubber tyres and rubber coated fertiliser stars and shipped it off to Libya where it was a great success. The machine was solidly constructed and as an old design very reliable. It was easy to use and very popular with the Libyan farmers. Ten years later it is still one of the best machines available in the region. Obviously, the company should be congratulated on the excellence of the idea. What is disappointing is they did not follow up the initial achievement with a regular system of feeding the customer requirements back to the designers. For example, Libyan farmers began using diammonium phosphate and triple super long before Australian farmers. These seeders were designed to put out large quantities of plain super and it was almost impossible to put out small quantities of concentrated fertiliser. They could have been modified at very low cost.

The main exports were in the mid 1970s when the Libyan agricultural development program was in full swing and each new farm was equipped with Australian machinery, pasture seeds and fences. Australia had a high rate of inflation at the time and a high exchange rate so the unit price of the machinery was high. Some would argue that Libya had a great deal of money at the time and could afford the best. Those who have actually traded with Libya know that they are shrewd businessmen and are unlikely to buy unless they are convinced that they are getting good value for money. With the Australian machinery the unit price was high, but as it lasted on average four to five times as long under farm conditions as the equivalent machinery from Europe, so the true cost after a realistic depreciation cost was much lower. The Libyans were apparently aware of this, but looking at the promotion material put out by the Australian companies for use in the region there is no evidence of them using this point in their advertising material.

By the early 1980s the Libyan market for farm machinery was running out of steam. Most Libyan farms by that time had been equipped and the Australian machinery was proving to be very durable. Libya was also cutting oil production so development funds were not readily available. In 1982 I discussed with a director of a large agricultural development project in western Libya the future of Australian farm machinery exports. First, he assured me that the Libyan authorities were totally convinced that Australian tillage and seeding were the most suitable for Libya and tenders were only sent to Australian firms. He went on to express disappointment that Australian companies, with few exceptions, had learnt so little about the mechanics of exporting to Libya over the preceding 10 years. Libya is certainly not

an easy place to trade as the ports are always overcrowded with up to 40 vessels waiting to be unloaded. Vessels can wait for as much as three months and the waiting list can change frequently with changing priorities. After the equipment is unloaded there are still problems of transport and storage. The project director was aware of all these problems but pointed out that the Italians, French and Americans had all found ways of overcoming them while the Australians in spite of their decade of experience continued to complain about their difficulties and to try to write contracts that shifted the responsibility for delivery to the agricultural project. 'I have enough to do running the project without doing the job of harbormaster and transport manager as well' he explained to me.

Over the period of about a decade Australian companies sold many hundreds of machines to Libya. While not a startling number by world standards they were excellent sales, given the small scale of the Australian industry. If similar sales could be achieved now it would do a great deal to lift the industry out of its current state of depression. With a few small exceptions, other markets in the region have not been developed and it is important to examine why. First, the Libyans were convinced that Australian farming methods were ideal for their country and that they needed Australian machinery as a component of the system. South Australian firms spent their promotional effort in trying to convince the Libyans on the merits of their machines compared to other Australian machines. In other countries European farming methods were firmly entrenched and the message needed to be different. The companies did not use their Libyan experience to build a complete package for use in promoting their machinery elsewhere in the region. Another problem has been that people in other countries in North Africa speak French and the Australian firms have not considered exports worth the trouble of employing a French speaking salesperson or learning French. In fact, they have only recently translated some of their material into French, and some of that not very accurately.

If course, it would be quite unfair to blame the poor marketing of farm machinery on manufacturers alone. We have the Federal Department of Trade, which was established to assist export trade. In Libya they established their mission after the largest sales had been made and the main contacts developed. The mission pulled out when the going got tough and before the market completely dried up. Elsewhere there have been some Trade Commissioners who have done an excellent job and others that have been so hostile to the countries to which they have been posted that their involvement has decreased exporters' chances of gaining orders. The Department of Trade has never developed a policy on how farm machinery exports to the region could be expanded. There have been discussions and some Trade Commissioners have sent reports to Canberra, but no coherent policy has ever emerged. The nearest the department came to a plan was in the late 1970s when it produced a series of booklets to promote Australian farming and farm machinery overseas. Unfortunately, the target audience was never identified and the material was more suited to an Australian audience at the school project level than to an audience of buyers of machinery in the region. The books were never translated into French or Arabic.

Trade and aid usually leads to the worst of both, but an Australian aid project in Jordan proved an exception. The project had the objective of improving cereal and livestock production and included the supply of some South Australian farm machinery. The Australian Government, however, took pains to warn the Australian project teams not to become involved in promoting Australian farm machinery. In spite of this, the farm machinery was the major success of the first phase of the project. The use of Australian tillage and seeding machinery alone, without other improved farming techniques, enabled yields of cereals on Jordanian farms to be lifted from 1 700 kg/ha to 2 300 kg/ha.

The Jordan Cooperative Organisation, which acted as a counterpart to the Australian project, was certainly impressed and purchased a number of seeders in addition to the three that were supplied under the aid project, in spite of the fact that they were given $3.5 million worth of German farm machinery completely free. While the cooperative supplies contract tillage and seeding services to many Jordanian farmers, there are many thousands outside the cooperative who either use their own equipment or who employ private contractors. One might have expected the Australian aid project, in its second phase, to have extended the demonstration of Australian techniques to them. Such a plan would have brought immediate benefits to Jordanian farmers and trade to Australian manufacturers. Instead, the second phase of the project has withdrawn to the university and research centre to carry out academic research.

State Governments, firstly, South Australian and Western Australia, but now also Victoria and New South Wales, have been involved at times in agricultural projects which they hoped would provide some spin-off trade in the form of farm machinery sales. Those projects have all now finished with the exception of Jordan, where a State Government advised ADAB to shift the emphasis of the project away from direct contact with farmers to academic research. At other times State Governments have been prepared to offer their services to European farm machinery manufacturers as they have come to regard consulting fees as more important than sales of machinery from Australia.

This study shows that the principal reason for the poor export performance of farm machinery has been poor marketing on the part of the manufacturers and an uncoordinated Trade Department working without a coherent policy. The Libyan example showed that Australian machinery was technically superior for the North African environment to anything available from Europe or America. Unit prices were high, but as the machines were so durable real prices were competitive. Orders were excellent, but no marketing was needed as the Libyans were already convinced. Now prices are lower, because of the low value of the Australian dollar, the Australian machines have been improved and European machines are still unsuitable, yet exports are low.

The poor marketing performance can in turn be partly attributed to the fragmented nature of the Australian farm machinery industry. If we cannot support more than five car makers we cannot support as many farm machinery manufacturers. Consolidation should be a primary objective of Federal and State Governments if we are to have an industry strong enough to become a major exporter. Manufacturers will have to learn to communicate with their clients who do not speak English. Australia has the incredible advantage of having thousands and thousands of citizens who are completely bilingual and who can be employed not just as interpreters but as salespeople in their own right and who speak foreign languages. The Federal Government does not need to put any additional resources into the Trade Commissioner service for the region, but merely to use existing funds more effectively by developing a coherent policy that is coordinated with the activities of manufacturers and State Governments.

Both State and Federal Governments, should place at least as high a priority on improving marketing as on improving productivity within industry. State Governments need to examine critically whether their efforts in the area

of agricultural projects have attracted any additional trade to any export industry and whether their continued activity in this area can be further justified. It is difficult to tell whether other manufacturing industry is similar to the farm machinery sector. Of course, some manufactured exports from Australia are too expensive even with our devalued dollar, and we do suffer form poor design in some instances, but there are many products other than farm machinery which are excellent and are competitively priced. If it is the marketing of these products that is the problem in expanding exports both State and Federal Governments will need to review their policies which have placed greatest priority on reducing labour costs and research and development of new ideas.

If marketing is the major bottleneck, we cannot expect a rapid expansion of manufactured exports in spite of their low price on foreign markets. The Australian balance of payments will remain a cause of concern until commodity prices rise and Australian Governments, both State and Federal, will be forced to exercise restraint. I support the Bill.

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

PAY-ROLL TAX ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 23 October. Page 1420.)

The Hon. L.H. DAVIS: State taxation accounts for about 28.8 per cent of estimated recurrent receipts in the 1986-87 financial year. In 1986-87 pay-roll tax revenue is estimated to be $283 million or some 30.7 per cent of State taxation of $922 million. At the 1985 election, the Liberal Party proposed that the exemption level for pay-roll tax be lifted from $250 000 to $300 000. This Bill proposes a lift in the pay-roll tax exemption level from $250 000 to $270 000. This lift in the exemption level was foreshadowed in the recent State budget. It is very little more than adjusting for the rate of inflation, given that salaries and wages are expected to increase by some 6 per cent to 7 per cent in this current financial year.

It is disappointing that the exemption level is not greater. As I indicated, had the Liberal Party been elected to office, it would have lifted the exemption level by some 20 per cent, from a level of $250 000 to $300 000; not only that, it was prepared to commit itself for several years to lifting the exemption level by $50 000 annually, and that, of course, would have had the advantage of enabling businesses to plan with some confidence in relation to tax relief in future years. Furthermore, the Liberal Party would have maintained the provisions which relate to the phasing in of the pay-roll tax exemption levels which, under this current legislation, will provide benefit for employers who have a payroll of up to $1.35 million annually. Had the Liberal Party's proposal been implemented, that benefit would have extended to employers with an annual payroll of some $1.5 million.

In speaking to the Appropriation Bill, I indicated that pay-roll tax is an iniquitous tax. It is a tax on employment at a time when unemployment is starting to increase again to unacceptably high levels, with the unemployment figure for South Australia not far short of double figures. Notwithstanding that this Bill proposes to increase the pay-roll tax exemption level to $270 000, the fact is that the majority of the States still have higher exemption levels. The Bill proposes that from 1 September 1986 the threshold is to be changed to $270 000. In addition, it proposes to exempt university colleges from pay-roll tax. The Opposition has no objection to that proposed amendment to section 12. The Bill proposes to allow the Pay-roll Tax Appeal Tribunal to publish decisions that it makes, along with the reasons for those decisions, because there is a view that this will enable taxpayers to gain a better understanding of pay-roll tax and it will perhaps reduce the number of appeals and inquiries relating to pay-roll tax.

Earlier this year the Council discussed an amendment to the Pay-roll Tax Act, which related to trainees under the Australian Traineeship Scheme. Although it is not part of the Bill, I would be interested if the Minister, in time, could provide information on this point. I do not seek to delay the Bill in any way at the moment but I would be interested if the Minister could indicate what benefit has flowed from the exemption in respect of approved trainees. That decision was agreed to earlier this year, and I would be interested if the Minister could provide some information on that point later.

As we know, all States are contributing to the Australian Traineeship Scheme by waiving pay-roll tax in respect of trainees. While that does mean that some pay-roll tax is given up, I suspect that the economic benefits derived more than defray the costs to the State Government. So, I indicate the Opposition's support for this proposal. However, I point out that, whilst undoubtedly there will be some benefit provided to small business operators, in particular, from the lift in exemption levels, this is no more than they could reasonably expect, given that salaries and wages are expected to increase at about the same level as this, effectively, 8 per cent increase in the exemption level for pay-roll tax.

The Hon. C.J. SUMNER (Attorney-General): I must thank the honourable member for his support for the Bill. I will attempt to obtain from the Treasury officers answers to the questions raised by the honourable member.

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

METROPOLITAN TAXI-CAB ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 23 October. Page 1409.)

The Hon. L.H. DAVIS: When I previously spoke on this Bill, I underlined the importance of the Select Committee Report into the Taxi-Cab Industry. I made the point that this was the most significant inquiry into the taxicab industry for several years. Obviously, part of the select committee's report has been the basis for these amendments to the Metropolitan Taxi-Cab Act. However, it is disappointing that several of the select committee's recommendations have either been varied or been deleted from the Act. This is one occasion when I hoped that, with such a far reaching review of an industry, the Government would have tabled the draft regulations at the same time as the Act to enable those members of the select committee and other parliamentarians to have the opportunity of perusing both the Act and the regulations at the same time. While certain undertakings have been given concerning the select committee's key recommendations regarding the structure of the board, the role of the board and the establishment of various committees

and tribunals, nevertheless it is somewhat unnerving to have to debate what are just a few amendments to the Act knowing that the bulk of the recommendations of the select committee in fact will be contained in regulations.

I am not for one moment suggesting that we defer consideration of this Bill until the regulations are tabled. I understand that they will be ready (perhaps in another few weeks), but the Government may bear in mind, on some future occasions where amendments to key Acts occur as a result of a select committee's inquiries, if there are amendments not only to the Act but also to regulations (in fact new regulations, as is the case with the Metropolitan Taxi-Cab Act), that the two should be tabled together so that a proper understanding can be arrived at as to the Government's intentions.

I have indicated already that the Opposition basically supports these amendments. There is some reservation about the decision to restrict the board to seven members as provided in clause 3. The existing board consists of eight members, three of whom are representatives from the taxi industry, although one is a member of the Transport Workers Union. Never in anyone's wildest dreams, irrespective of whether they sit to the right of the Chair or to the left of the Chair, could they say that the TWU has even a fingernail hold in the taxicab industry. Evidence was given that there were probably only 15 members of the TWU in the taxi-cab industry and, given that there are some 2 700 or 2 800 full-time and part-time drivers, it hardly can be said that 15 is a major representation for the union. Not surprisingly, there is no specific reference to the TWU in the board proposed in clause 3.

The taxi industry is a very individual industry. Although none of my farming colleagues is present, I do not think that they would mind me drawing an analogy between taxi drivers and farmers. They are both enterprising, they delight in being self-employed and they are great individualists. The taxi drivers, many of whom gave evidence to the select committee, invariably had a different view on key questions and, perhaps not surprisingly, it was very difficult for the select committee to get a consistent theme to emerge from the evidence of taxi drivers. We respected their individuality and in fact we found it refreshing that they were prepared to give their views more often than not very frankly. As a result of this, it has enabled a very comprehensive review of a most important industry to take place.

Because of the need to compromise, the select committee proposed a board of 11 members, of whom five would represent the taxicab industry. The composition of the board in the Bill provides for only two of the seven members to come from the taxicab industry. I have some reservations about this, because previously in the Act there was a representation of three out of eight. The select committee proposed five out of 11, but it is now proposed that they have only two out of seven. Those seven members will comprise one member from the Adelaide City Council and one member nominated by the Local Government Association: in other words, there are two local government representatives out of seven board members. In addition, the Minister will have the right to nominate three members, one of whom has experience in the transport industry (and that could well be someone from the taxi industry); one of whom has appropriate knowledge and experience of the tourism industry (and that is recognition of the very important nexus which exists between the taxi industry and the tourism industry); and one of whom has experience in industrial relations. That person could come from a range of occupations. He or she could be a unionist or someone who practises in the law in that area.

Although the Opposition was tempted to amend the clause dealing with the size of the board and perhaps to make it a little bigger to allow for increased representation from the taxi industry, on balance we elected not to do so. Obviously, given that the Minister has the ability to directly select three members of that board, a lot rests with him. The two remaining people on this board of seven come from the industry. One must be a holder of a taxicab driver's licence. That is not to say that they now drive a cab—they could well be a manager who owns a cab or cabs and who now has people driving on his or her behalf. The remaining members will be nominated from the industry. Those two persons are nominated at the request of the Minister by a body or bodies representing the interests of persons engaged in the metropolitan taxicab industry.

Quite wisely, the Minister has refrained from naming the actual bodies, because the taxi industry has been a movable feast; a number of smaller independent groups or bodies have come and gone. However, I must say that the TCOA (the Taxi-Cab Owners Association) has existed continuously since 1956 and it can claim to represent 80 per cent of the industry. Without wishing to pre-empt what the Minister might do, I believe that it seems reasonable that the TCOA at least be consulted on the selection of those two people to represent the industry.

I want to place on record that we have some reservations about the size and composition of the board. We rely on the Minister's skill and judgment in nominating those three people. There is an argument, which I readily accept, that it may be useful for people outside the industry to be members of the board so that there would be a balance in favour of outside representation providing a more objective approach to issues within the industry, given that in the past the taxi industry has been perhaps too introverted, and too obsessed with fighting the merits and demerits of the two plate system (and that, of course, is now behind us with the acceptance of the one plate system, which was implemented following the recommendation of the select committee last year). Increasingly, the taxicab industry must recognise that it is an integral part of the South Australian transport system and that it has a growing and important role in tourism in South Australia.

Because I believe it is important that the role, responsibilities and functions of the board are properly spelt out in the Bill, I have placed on file amendments to clause 4 seeking to strengthen the responsibilities and functions of the board. The select committee (page 8) stated:

> In formulating a statement of objectives for the operation of the new board, the select committee suggests that comment should be framed around the following aspects:
>
> *(a)* the role of taxis and hire cars in a total public transport network.
>
> *(b)* relationship of the taxi industry to other transport providers.
>
> *(c)* the industry's role in the tourism industry.
>
> *(d)* the role of the board as a policing agency for taxis.
>
> *(e)* research functions for the board.
>
> *(f)* other roles for the board, including licensing controls, regulations and amendment, and advice on taxi fare pricing.

I have sought to pick up some of those thoughts and include them in the responsibilities and functions of the board. I accept that there is already reference to the importance of the tourism industry in the fact that one of the persons to be nominated by the Minister under clause 3 must be someone with knowledge and experience in the tourism industry, but it is important in undertaking a major review of a most important industry that we spell out as fully as we can the responsibilities and functions of the governing body of that industry, in this case the Taxi-Cab Board.

I have also placed on file an amendment to clause 7. The existing clause provides that the Governor shall appoint a member of the board to be Chairman of the board, but I believe that the members of the board—two people from local government, two from the taxi industry and three nominated by the Minister—would have enough commonsense and wisdom to be able to appoint a Chair from amongst their own number. The Opposition supports these measures, expressing reservation or perhaps disappointment that the draft regulations have not been available for perusal, because there was in particular a series of recommendations that sought to strengthen the teeth of the Metropolitan Taxi-Cab Board and the administration and operation of the industry. For example, the introduction of a taxi industry appeals tribunal to replace the present appeals tribunal, the establishment of a taxi standards committee to handle consumer complaints, and, most importantly, the establishment of a taxi industry development fund financed from the sale of new licences that would be used to support driver training courses and the promotion of the industry.

I am pleased to hear that the board has recently acquired land and is seeking to enlarge its head office operations. That will provide space for the additional driver training and lecturing facilities, which are a most important adjunct of its operations involving training new drivers and retraining, and educating drivers not only in relation to the industry but also about tourism. Subject to those amendments, the Opposition has no reservation in supporting this Bill.

The Hon. R.I. LUCAS: I support the second reading. In general terms, I support the comments made by the Hon. Mr Davis. I particularly support the notion that it is desirable that we see the whole package of proposals including the Government's response to the recommendations of the select committee into the taxi-cab industry and matters relating to appeals, standards and the development fund, to which the Hon. Mr Davis referred.

The one matter that I want to address is my disappointment at the proposition in the Bill in relation to the composition of the Taxi-Cab Board. The Government proposes that the board consist of seven members, one from the city council, one from the Local Government Association, and three nominated by the Minister (one with experience in transport, one with experience in tourism, and one with experience in industrial relations). The final two members are to be persons, one of whom shall be the holder of a taxi-cab drivers licence, nominated at the request of the Minister by a body or bodies representing the interests of persons engaged in the metropolitan taxi-cab industry. Under the current scheme of things, those two persons will be nominated by the TCOA. Given the current constitutional arrangements, those two persons would be nominated by a small executive of the TCOA comprising four persons. I am concerned that that would be the arrangement for the nomination of those two members to the new board.

I support the recommendation of the select committee (which followed the Western Australian provision), whereby drivers in the industry are to hold a secret ballot, to be conducted by the electoral office, to elect two persons to the board so that all persons in the industry would be able to have a vote in respect of two positions on the board. Our advice was that that democratic provision worked fairly well in Western Australia. Under the arrangement that the Government puts to us, you must be a member of the TCOA and you have to hold a taxi-cab drivers licence to be nominated to the board.

In the industry, at least 1 000 part-time drivers and a small number of licence holders are not members of the TCOA. There are some suggestions that one radio company currently a member of the TCOA may soon no longer be a member of the TCOA. If that occurs about 80 licences would not belong to the TCOA, in addition to the non-members of the TCOA to whom I have already referred. Under the Government arrangement, I believe that all those people in the industry, in particular the part-time drivers—who in my view have a right to have a say in the industry—are in effect disfranchised in relation to being able to have a say in nominations to the Taxi-Cab Board. If provisions are introduced to allow all drivers in the industry a vote in a secret ballot to elect two persons to the board, it would be of great advantage for the whole industry and would also give those 1 000-odd drivers a say in the running of their industry.

When the select committee took evidence, I was very mindful of the fact (and I do not criticise anybody in particular) that the people at the top of their respective industries and perhaps representing various interests on the board were not really representing the interests of the average worker at the bottom rung of the taxi-cab industry. Many part-time drivers and some licence holders are not members of the TCOA. Some of the independents, as they were known, have indicated their concern at some aspect of the composition of the board. A provision allowing all members in the industry to vote for their nominees on the board would in effect give the opportunity to these independents, to part-time drivers and possibly to the company that might soon be dropping out of the TCOA, to nominate a representative and have representation on the board.

I would have hoped that an amendment such as that would be acceptable to a Government of Labor persuasion. It is certainly in line with the notions of industrial democracy or worker participation that were in vogue in the rather more flowery Labor Government days of the 1970s.

The Hon. C.J. Sumner: You didn't like industrial democracy.

The Hon. R.I. LUCAS: I wasn't here, so you can't say what I liked. Liberal members always make a distinction between worker control and worker participation. Even the Attorney-General, who is one of the more reactionary members of this Labor Administration, would support worker participation in the form of workers in the industry having a say in the control of their industry. I do not support that they have total control and that is not what I am suggesting at all. It was accepted by the Minister of Tourism (Hon. Barbara Wiese) and the Hon. Brian Chatterton, as representatives of the Labor Party, and the Hon. Mr Gilfillan during the select committee that that was a sensible provision and ought to be supported.

At the second reading stage I would like to leave it at that and indicate that I thought it was a sensible provision and still do. I am not keen at all to support the composition of the board in the Bill. I accept that my view in the Chamber is in the minority and I do not intend to delay the Council with my views. I leave on the record that I am disappointed that a Government of Labor persuasion is not prepared to stand up for the workers in the taxicab industry and allow them direct representation on the board as suggested by two members of the Government Party, one Democrat and three Liberals in this Chamber. With those comments, I support the second reading.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ANIMAL AND PLANT CONTROL (AGRICULTURAL PROTECTION AND OTHER PURPOSES) BILL

Adjourned debate on second reading.

(Continued from 21 October. Page 1269.)

The Hon. PETER DUNN: In rising to support this Bill, I point out that it has been in the making for a number of years. I recall when the first pest plants boards were made up. They were rather controversial, to say the least. However, they have been proved to be extremely effective and, during the long period they have been in force, they have effectively restricted the spread of pest plants, in particular, and pest animals. However, we have reached a stage where, in the interests of the economy and better administration, especially for local government, those two boards may be merged. The Minister has introduced a Bill amalgamating the two Acts—the Pest Plants Act and the Vertebrate Pests Act—into one Act entitled the Animal and Plant Control (Agricultural Protection and Other Purposes) Bill. I have an amendment on file. I believe that 90 per cent of the Act deals with pests and therefore the title should be the Pest Animals and Plant Control Act.

If in future one is endeavouring to discover what Acts relate to pest plants and pest animals, surely it would be better that the title is prefixed with the word 'pest'. The Bill covers issues other than those related to pests. I will deal with them as I proceed. The Bill in its definition clause binds the Crown. I read with interest the debate in the other place. In that debate members on the Government side were quite unsure as to who had control of what areas. The Minister for Environment and Planning said that he had control of his area and the Minister of Agriculture said that he had control of his area. That worries me a little, so I hope that in his reply the Minister makes quite clear what the words 'this Act binds the Crown' mean, because the Crown should be bound in this case, it being the biggest landholder in the State.

This land could cause the reinfesting of surrounding land. There is an enormous area around, particularly if one thinks of all the reserves in the State, which must be managed and controlled in a manner required of individual farmers surrounding Crown land. It is reasonable to ask that the Crown keeps its pests, whether plant or animal, under reasonable control. I hope that when he replies the Minister at least acknowledges that everybody is bound and that the Department of Environment and Planning, the department which handles all issues with regard to reserves and parks, is bound by this clause.

The Hon. C.J. Sumner: Who is suggesting they are not?

The Hon: PETER DUNN: There is great confusion. If the Attorney reads the record of the second reading debate from the Lower House he will see that Minister Mayes said that the Crown was bound and Minister Hopgood said 'No', that he was in charge of his section, so there is confusion. I suggest that the Bill indicates that the Crown is bound and I hope that the Minister makes that quite clear in this Council, because it is certainly not clear from reports of debates in the House of Assembly, or to the people who have read those speeches.

The Hon: C.J. Sumner: What does the Bill say?

The Hon: PETER DUNN: The Bill says that the Crown is bound, and my advice is that it is bound.

The Hon: C.J. Sumner: Well, keep to it.

The Hon: PETER DUNN: Thank you for clearing that up.

The Hon: I. Gilfillan: That is an unorthodox way of clearing it up.

The Hon: PETER DUNN: It is, but the Attorney-General, in his wisdom, says that the Crown is bound, and he should know. Minister Hopgood should take note of the Attorney and take his advice. Clause 6 of the Bill determines the commission; that is, a group of seven people selected by the Minister to administer the Act. It will be a quite enormous task. Everybody knows that when someone has pest plants or animals, and when he has to report that fact, it is very important that there be an authority which can give good advice to the people concerned.

The combination of people on this commission is quaint, to say the least, the way it appears in this Bill. Anyone who can understand the Bill on first reading it is certainly adept at reading Bills, because it is most confusing. The commission will consist of one person from the Department of Environment and Planning; one from the Department of Agriculture, which is quite clear; two persons chosen by the Minister from a panel from local government, which makes up four of the total of seven; and the final three members shall be selected from anywhere. It does not say so in the Bill, but the Minister will have the right to select those three people.

I have an amendment on file that these people be selected from a panel submitted by the United Farmers and Stockowners Association. My reason for doing this is that the Bill does not contain a provision for people from outside the incorporated areas. That is most important, because about 80 per cent of South Australia is unincorporated, and that is a huge area from which there can be reinfestation, particularly of weeds, and animals too, and I think of the dingo in particular.

There are a number of weeds in the station country and in the unincorporated areas which can very rapidly reinfest more densely populated and highly productive agricultural areas. There needs to be representation from those areas. The reason for weeds being in those areas is fairly simple. We transport sheep and cattle on rapid transport, including trucks, and they carry the weed seeds, either in the mud on the truck or, more than likely in the faeces of the animals. Initially they are damp and do not transmit, but then some miles down the road they may blow off the truck. I ask members to consider areas between Port Augusta and Port Pirie and the number of pest weeds on the sides of the roads. In fact, if one goes further inland one finds just as many weeds on the sides of the roads which are the result of reinfestations caused by passers-by. The weeds might not be a pest in these areas, but they certainly can be a pest in the inside areas.

Clause 7 (5) states that one of the members of the commission shall be appointed by the Governor to be the presiding officer of the commission. I have an amendment on file in relation to this clause, because I believe that, if a commision is to work, it should appoint its own Chairman as it has to work with that Chairman. The commission will give advice to the Minister and it is reasonable that he has the right to agree or disagree with that advice. I believe that it would be better for the commission to select its own Chairman.

The Bill deals with a very broad section of pest plants and animals. It contains a specific clause relating to areas outside the present control boards: that is the area that I suggested before is station country. Therefore, representation should come from that area. There should be at least one member from that area so that people can be fully informed so that if messages have to go back to people in relation to the control of weeds and pests in those areas—and I particularly instance the dog fence, the area nearby, and the people who own land on either side of that fence—

they are made fully aware of what is happening. It is hard to get their cooperation unless the people who give them messages are people they trust and understand.

Clause 17 (5) contains an interesting provision which states that if a council fails to appoint a person to a vacant office required to be filled by the appointment of that council the commission may appoint to that vacant office a person who is a member of, or resides in the area of, that council. I find that a most unusual clause: it could mean that anybody could be appointed to that office. If there is a vacancy there must be a very real cause for it. I suggest that, if a council area does not wish to nominate a person for appointment to a board, there should be a person from the area that may be affected, for example, nominated by the United Farmers and Stockowners Association.

The functions of the control board are interesting, but even more interesting is the matter of the powers of the authorised officers. I find some of these rather unreasonable. I think they go beyond what is reasonable in today's law in South Australia. Authorised officers have the authority to enter and inspect any land, premises, vehicle or place. I agree with that. I think it is most important that inspectors be allowed to inspect for weeds, pest plants or animals; however, in relation to authorised officers, the Bill provides:

> . . . where reasonably necessary for that purpose, break into or open any part of, or anything in or on, the land, premises, vehicle or place . . .

In my opinion, that is taking it a little too far, because under this pretext any authorised officer could enter any farm, home, vehicle or place, could break in and enter, inspect, and then leave, without having to state his reasons. I know that amendments have been asked for in the Lower House. I have not seen the amendments, but I believe that the Minister has the proposed amendments to rectify this situation, and I suggest that such an amendment is only fair and reasonable, in that these authorised officers must obtain from the commission permission to enter and inspect. Under the legislation, if an officer has a reasonable suspicion, he has other means at his disposal whereby he can ask people to take a vehicle to a certain area to be inspected, and he has the authority to require that a person in possession of pest plants or animals must take those to be positively identified. So, there is a very wide range of powers for authorised officers. They need to be reasonably strict I would suggest in the case of people smuggling animals; however, I do believe that the powers in this Bill are greater than are necessary. I query a matter concerning the financial provisions covered by Division IV of the Bill. Clause 28 provides:

> Subject to this Act, the moneys required for the purposes of this Act shall be paid out of moneys appropriated by Parliament for those purposes.

I would hope that a quicker method could be implemented as required. There may be a sudden influx of a certain pest and more rapid action may be required than that which Parliament can provide. So, I hope that the Minister will have at his disposal funds suitable for handling something quite severe, in the form of an outbreak of a pest plant or an animal. The Bill is quite clear in providing that local government has the control over the administration of the legislation. Clause 41 is an interesting provision. It provides:

> A person shall not bring an animal of a class to which this section applies, or cause or permit an animal of that class to be brought into a control area for that class of animals.
> Penalty: $2 000.

This relates to an area where one is not supposed to have animals. Some people have suggested that that penalty is not sufficient. That may be so, and I understand that the Democrats have an amendment on file, to provide that a penalty shall follow the profit made from any such introduction of an exotic animal, pest or plant, from which a profit may be derived. For example, I cite the case of cannabis, which is classified as a pest plant. I have a schedule and the third plant on it is *cannabis sativa*, which is Indian hemp and, therefore, it is reasonable to expect that someone could introduce it, as a primary pest plant, and make a big amount of money out of it. Under the provision as it stands, $2 000 would be the maximum penalty that could be imposed, although it is reasonable to assume that, in view of profits that could be made, a penalty greater than $2 000 would be reasonable. In most circumstances this would be unlikely, but where profits made are greater than $2 000 I think the penalty should be commensurate with that.

The Bill has a little addendum to it: it allows people to bring in, under permit, animals that are perhaps not usually found in this country. This may relate to perhaps a rabbit, a deer or a goat. The animal might be used for a specific purpose, for the hair, wool or meat. It might have a specific use, and under this Bill people will be allowed to bring in these animals, under permit, and use them perhaps for a reasonably short time while observing their performance under Australian conditions. I have recently corresponded with a person who wishes to introduce Angora rabbits, because of their very fine hair which is used for apparel making. At this stage I know of no State that has allowed them to be brought into Australia, but there may be a case under this legislation where, under permit, a reasonable number could be brought in and observed to see whether they are an economic proposition and whether or not they would be a pest. This Bill deals with that. It also allows for the keeping of specified animals: it may be that one wants to keep a lion or a tiger in one's backyard, and this legislation would allow one to do that, under permit.

The Act is compelling, in that it has penalties for not abiding by the terms of the Act in relation to getting rid of either pest plants or pest animals. However, the Bill has a provision which allows local government or some other authority to go in and clean up a pest that may be present and then apply the resultant cost to the resident landowner. That is fair and reasonable, and I think it will be found that this is the most effective provision in the legislation. It is not draconian. It simply provides that if it costs a certain amount to eliminate a pest, and the landowner has made no effort to do so, local government has the right, in the interests of the people in surrounding areas, to clean up the pest and charge the landowner for doing so. I think that that is fair and reasonable in any legislation, and it deals with both pest plants and animals.

Clause 56 (1) provides that where an owner of land within a control area for a class of plants to which this section applies becomes aware of the presence of plants of that class on that land, the owner shall, within seven days, notify the authorities or the control board in the area. A severe penalty of $1 000 applies for not notifying the control board.

I think that that is rather severe, because there are times when people, for very good reasons, cannot notify somebody within seven days that there is an outbreak of a pest plant on their property. I think that it would be better to penalise somebody who knowingly delays notification. If a person has a property for sale and there is an outbreak of, say, skeleton weed, which is a weed much feared by most wheat growers because of its great use of nitrogen, and if the person does not notify the purchaser of the existence of that weed, there should be a penalty. I think a strict application of the seven day notification period is probably more severe than is necessary for a Bill of this type.

Clause 64 refers specifically to the destruction of native trees and vegetation and it provides that, when destroying the pest, one must take all reasonable precautions to not damage and destroy the surrounding native vegetation and I would agree with that provision. By the same token, I hope that, when authorities destroy pests, they take care also not to harm the crops and pastures which may be the livelihood of the property owner.

The Bill has had a long gestation period and I hope it can be dealt with to the satisfaction of the Government, because I think it is beneficial for the whole of South Australia, not only the rural areas, but also the Adelaide Hills in particular and those areas that border on urban and semi-urban areas, where pest plants and pest animals can be a menace also. The requirement to administer this Act definitely lies with local government and I think that that is fair and reasonable. Experience has proved that sensible application and a lot of consultation with the people who are involved with these pest plants and pest animals are the best ways of curing the problem. The application of draconian penalties often will not work. Generally, that approach gets people off side and it does not work very well at all.

I suggest that when the Act is finally proclaimed and a commission and local control boards are set up, if they work as they did in the past, there will be a great deal of success. I do not have the figures, but pest plants and pest animals cause enormous expense to everybody and they add to the cost of production of items exported overseas as well as those sold in Australia. If the pests can be controlled, so much the better. There are two methods of dealing with pest plants. The first is to eradicate them and the second is to control them. With the new and improved chemicals and methods such as biological control, pests that were previously not able to be controlled can now be controlled or contained, and in the future I think that we will see great advances in that area. As an example I cite myxomatosis in reducing the rabbit population, the cactoblastis in the control of prickly pear and possibly in the future, by using a mite and a weevil, the control of salvation jane, which can be a real pest in the high rainfall areas. In supporting the Bill I suggest that the Government takes on board the propositions that I have put forward that, before the Bill is implemented, there be good liaison with the rural community and good publicity. I hope that my amendments will improve the legislation.

Bill read a second time.

In Committee.

Progress reported; Committee to sit again.

BUDGET PAPERS

Order of the Day, Government Business, No. 10:

Adjourned debate on the question:

That the Council take note of the papers.

(Continued from 28 August. Page 734.)

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

That this Order of the Day be discharged.

Order of the Day discharged.

NATIONAL COMPANIES AND SECURITIES COMMISSION (STATE PROVISIONS) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 October. Page 1337.)

The Hon. K.T. GRIFFIN: This Bill is really consequential upon two later Bills, the principal one being the Futures Industry (Application of Laws) Bill, which my colleague, the Hon. Mr Davis, will deal with in more detail. In consequence of the decision to regulate the futures industry across Australia in the same manner as companies and securities are regulated, there need to be amendments to the National Companies and Securities Commission (State Provisions) Act to accommodate the broader jurisdiction of the commission and to apply that to South Australia.

The cooperative companies and securities scheme, as members will recollect, allows the States and the Commonwealth together to participate in the regulation of companies and securities. It is a scheme which, notwithstanding its detractors, in my view has worked reasonably well. It is in a state of development and, as a result of practical experience, from time to time amendments to the scheme are required. While the inquiries of the Senate Constitutional and Legal Affairs Committee are not directly the subject of discussion under this Bill, it is important for me to put on the record that the Liberal Party in this State strongly supports the maintenance of the cooperative scheme which involves the States and gives the States power—

The Hon. C.J. Sumner: What about Senator Hill?

The Hon. K.T. GRIFFIN: Quite obviously, Senator Hill along with other colleagues in the Federal arena was concerned about an aspect of the operation of the scheme (about which I have expressed concern) and that is the lack of parliamentary involvement in and scrutiny of the decisions taken by the ministerial council which are translated into law. The problem at a Commonwealth level is more pronounced than at the State level, because the Commonwealth Parliament is required to pass legislation which is the basic legislation thereafter taken up by the States and applied as State law. Quite reasonably, Federal parliamentarians become somewhat agitated when they cannot move amendments to the cooperative scheme legislation and cannot reject any part or all of such legislation: in fact, they act very much as a rubber stamp.

That is the same sort of frustration that State members of Parliament feel if they have an interest in this area, but it is one of the penalties that has to be paid for having a cooperative companies and securities scheme in which the States in some way retain an involvement. At some stage in the future the question of parliamentary accountability will have to be addressed yet again and perhaps the scope of the consultation will have to be broadened.

The Hon. C.J. Sumner: You could have given evidence to the select committee.

The Hon. K.T. GRIFFIN: I do not have the resources to prepare submissions, but I am making a public statement now. I will write to the committee, telling the members what I think. If the State Government continues to introduce legislation at the current rate, my submission to the Senate standing committee will have to wait until Christmas. The point I make, which is related to the Bill, is that it may be that other ways of ensuring proper parliamentary accountability need to be explored. Perhaps Oppositions, of whatever political persuasion, need to be included in some way in the decision making process at the ministerial council level. Obviously, that raises questions of confidentiality and the potential for partisan politics, but they are issues that are important from a constitutional point of view and must be explored.

I reiterate that I and the State Parliamentary Liberal Party in South Australia very strongly support the continuation of the companies and securities cooperative scheme, and I suggest that the Liberal Party as a whole believes that this

is a reasonable way to deal with the regulation of companies and securities. If the responsibility goes to Canberra, to the Commonwealth Government, I suggest that ultimately the business community will suffer, particularly in States such as Western Australia, South Australia, Tasmania and Queensland, because people who are involved in the companies and securities industry whether as participants or professionals—accountants and lawyers—have ready access to the Corporate Affairs Commission and have an input into some of the policy decisions that are ultimately made both at the ministerial level and at the administrative and bureaucratic level. There is a lot to be gained by States in retaining involvement in the scheme, and I would certainly support any proposal to ensure that a move by the Commonwealth to take it over or to transfer power to the Commonwealth be resisted.

This Bill deals with administrative and machinery matters in addition to changes that are required as a result of the futures industry legislation. Those administrative and machinery matters deal essentially with the powers of the national commission, powers to summon witnesses, proceedings and hearings and delegations by the commission. They are not matters of a controversial nature; nor are the earlier provisions of the Bill relating to the futures industry controversial. Accordingly, the Opposition supports the second reading.

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

SECURITIES INDUSTRY (APPLICATION OF LAWS) ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 October. Page 1339.)

The Hon. L.H. DAVIS: This is one of a package of three Bills that have been introduced following agreement to the package by the ministerial council, which consists of Federal and State Attorneys-General and representatives from the Territories. It is cognate with the Futures Industry (Application of Laws) Bill and the Opposition has no hesitation in supporting it.

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

LAND TAX 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 1985-86 the Government introduced a simplified land tax scale which reduced the impact of the steep increases in land values in recent years. That modified scale introduced a general exemption of $40 000 and reduced the number of landowners liable for tax from about 100 000 to about 21 600. The general exemption and the simplified scale reduced land tax which would otherwise have been payable by approximately $8 million. During 1985-86 two factors have contributed to further increases in land values:

- the Valuer-General has implemented a computer based system of property valuations which has enabled him to bring all valuations up to date in the one year and to dispense with the calculation of equalization factors;
- the values of commercial and industrial properties have continued to increase although there has been some levelling of values of residential properties.

Therefore, the Government proposes to modify land tax liability for 1986-87 to ensure that the calculation of land tax on up to date land values does not impact too harshly upon taxpayers.

Land tax rates will be varied by increasing the threshold level by 50 per cent to $60 000. This will mean that the number of taxpayers will remain substantially the same as last year. In addition, for 1986-87, liability for tax will be reduced by 25 per cent of that part of the tax calculated on taxable values between $60 000 and $200 000 and by 10 per cent of that part of the tax calculated on taxable values in excess of $200 000. Further relief will be given by removing the metropolitan levy on that part of the value of land held by a taxpayer in the metropolitan area which does not exceed $200 000. The 10 per cent rebate in excess of $200 000 will also apply to the metropolitan levy.

Section 12a of the present Act provides for certain associations to be treated as 'partially exempt' and thereby taxable at the concessional rate of 2 cents for every $10 of value above the threshold, (that is, a tax rate of 0.2 per cent). The Government now proposes that such land be entirely exempted from tax. This will provide significant benefit to over 200 associations holding land which is used for sporting and recreational purposes and for the benefit of ex-servicemen and women and their dependants. In total, these measures will provide relief of about $11 million to taxpayers in 1986-87. Apart from these major changes, the Commissioner for Statute Law Revision has included a number of other provisions. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 provides for the commencement of the measure. It is proposed that the principal provisions of the Bill be deemed to have come into operation at midnight on 30 June 1986. The Statute Law Revision amendments will come into operation on a day to be fixed by proclamation.

Clause 3 amends section 10 of the principal Act, which is the section specifying exemptions from land tax. Proposed new paragraph *(i)* is an amalgamation of the existing paragraph and section 12a (1a) of the Act. It is proposed that a total exemption be available to associations established for a charitable, educational, benevolent, religious or philanthropic purpose if the relevant land is intended to be used wholly or mainly for that purpose or if the income from the land is to be applied for that purpose. Proposed new paragraph *(ia)* is similar to existing section 12a (1) except that land that has been partially exempt under that section will now become totally exempt.

Clause 4 provides for the repeal of sections 11 and 11a of the principal Act and the substitution of a new provision. The new provision has the same effect as the existing sections except that provision need no longer be made for an equalisation factor as the Valuer-General now operates a computer-based system of property valuation which enables him to bring all valuations up to date and dispense with the need to introduce such an adjustment.

Clause 5 proposes a new section 12 containing the scale of land tax. The general exemption from the tax is to be altered from $40 000 to $60 000. Furthermore, the metropolitan area levy will only be imposed on land where the taxable value exceeds $200 000 and will only be calculated on so much of the value above that amount. A partial remission of tax is included for the current financial year.

Clause 6 provides for the repeal of section 12a and is consquential on the amendments to section 10.

Clause 7 provides for the making of various other amendments to the principal Act which are being made in conjunction with the proposed reprinting of the Act. The proposed amendments are contained in a schedule to the Bill and in most cases either eliminate unnecessary or outdated material or revamp provisions so that they accord with modern drafting practices. Some of the more noteworthy amendments are as follows:

(a) New section 4a (and the repeal of section 6). The new provision is consistent with the Government Management and Employment Act 1985.

(b) Repeal of section 9. This provision is to be dealt with as part of new section 73.

(c) New section 33. This section is being revised to accord with modern day practices. In particular, it is not proposed to continue the practice of requiring companies to appoint public officers for the purposes of this Act. The practice has fallen into disuse and land tax is being levied and enforced against companies without the need to rely on proceeding against a public officer. Most companies are unaware of the requirement to appoint a public officer and no real advantage is afforded by requiring them to do so. This outmoded imposition may therefore be dispensed with.

(d) New section 73. This is an amalgamation of sections 9 and 73. (The penalty is being revised from $40 to the more appropriate level of $200.)

The Hon. L.H. DAVIS secured the adjournment of the debate.

[*Sitting suspended from 5.55 to 7.45 p.m.*]

FUTURES INDUSTRY (APPLICATION OF LAWS) BILL

Adjourned debate or second reading.

(Continued from 22 October. Page 1339.)

The Hon. L.H. DAVIS: The futures industry has been with us for longer than perhaps many people appreciate. The cotton industry in America has a futures market stretching back over 100 years. In Australia trading in futures has been of a more recent origin. The Sydney greasy wool futures exchange was established in 1960 and subsequently had a change of name to become known as the Sydney Futures Exchange. Initially futures were used as a hedge against future movements in commodity prices. The traditional commodity futures market, which was the forerunner of the broader futures market of 1986, takes in not only commodities but also a range of financial products. It is a market which allows one person to take a view on prices and another person who has an opposite view to also get set; in other words, there are always two sides to a futures transaction. For example, one side commits you to buy at a certain price, which gives you an advantage if the price subsequently goes up, and the other commits a party to sell at a given price which, of course, will be of advantage to that particular party if a price falls.

The Hon. C.J. Sumner: Do you think that there is any economic interest in the community in the futures market?

The Hon. L.H. DAVIS: The Attorney asks whether there are any economic advantages, and perhaps I will explain that. The buying and selling of these contracts is done in an area of the exchange called the pit and involves an open auction. It has become known to many people as the 'bear pit'. In the initial traditional commodity futures market it would enable a farmer to sell his wool forward at a fixed price for six, nine or 12 months ahead: in other words, he was guaranteed that that was the price that would obtain on the day of the sale irrespective of what the price may be in the market place. Sometimes, of course, the farmer does not make the right decision and subsequently suffers because the price goes up rather than down as anticipated.

It is generally accepted that that has had some benefit to people in the agricultural and pastoral areas. In America there has been an expansion of trade in the futures market beyond the cotton, wool, and wheat markets. They now trade in such things as porkbelly futures, grapefruit, and soya beans. A whole industry has developed around futures in commodities outside those traditional futures.

Since 1978 in Australia there has been a growth in the futures market so that it not only includes those traditional agricultural and pastoral products such as wool, beef, wheat, and so on, but has extended to gold, United States dollars and Treasury bond interest rates. The futures industry in Australia, unlike that in America, has generally been self-regulating. In the United States for some time it has been controlled by both Federal legislation and the Commodity Futures Trading Commission. Members opposite have quite vigorously attacked through their interjections tonight, no doubt inspired by a pleasant dinner, the very nature of the futures market.

The Hon. C.J. Sumner: I wasn't attacking; I was asking you a question.

The Hon. L.H. DAVIS: I accept that the Attorney-General was being quite reasonable about things, but some of his backbenchers were being decidedly vociferous and aggressive, I would have thought, about the existence of the futures market. Perhaps just to set them back a little bit on their red benches I will quote something I was not going to quote from a speech made by the late Mr Paul Landa, former Attorney-General of New South Wales, when he introduced the futures market Bill which ultimately became the Futures Market Act of 1982 in the State Parliament of New South Wales.

New South Wales alone, for a few years, was the only State that attempted to regulate the conduct of futures trading, which perhaps was not surprising given that the Sydney Futures Exchange was the only place for futures trading. Paul Landa said, when introducing this Bill, which was supported by the then Labor Government and the Liberal Opposition:

> Originally, the futures market was a rather specialised one of interest mainly to wool producers and users. In recent years, however, the futures market has developed into a large and diverse forum in which persons engaged in commerce as well as primary production may seek profits or a redistribution of the economic risks and uncertainties they may face. An indication of the width of the market can be seen from the types of contract that have been traded on the exchange. They include not only the more traditional commodity items such as the wool contract, cattle contract and fat lamb contract, and the metal contracts such as the gold contract and silver contract, but also financial futures including the United States dollar contract, and the bank accepted bills of exchange contract. It will be appreciated that, though based in Sydney, the activities of the exchange have an important influence on a number of sections of the national economy and it plays an important role in the capital markets of Australia.

I can see that a quotation such as that, which was really a very factual observation of the operation and role of the futures market, has quietened Government backbenchers. I am pleased to see that; perhaps this is a tactic that could be used more often.

I will give briefly a few examples of the newer forms of futures contract which can be entered into. As I have mentioned before, commodity futures enable people to buy and sell a specified amount of a commodity at a fixed price, delivered at a fixed date in the future. This commodity must always be capable of specification; in other words, one has to be able to say, 'This is what we are contracting about.' To give an example of the financial leverage which results from a futures contract and which is the attraction of futures contracts for many speculators, investors and people perhaps actually dealing in the physical commodity who want to hedge their business operation, let us take, for example, a situation where a person enters into a 100 ounce contract for gold worth, say, $30 000, assuming a gold price of $300 an ounce (in fact, gold is rather higher than that at the moment). That 100 ounce contract for gold is worth $30 000, but that particular 100 ounce contract can be bought for a deposit of around $2 000. If the price of gold rises $100 an ounce, then a profit of $10 000 will be made. In other words, the person has contracted for $30 000-worth of gold on a $2 000 deposit, gold goes from $300 to $400 an ounce, and the buyer makes a $10 000 profit.

For an outlay of $2 000 he has made $10 000—a profit of 500 per cent. That is in sharp contrast to a person who has bought $30 000-worth of gold, physical gold, and the gold price moves from $300 to $400 an ounce: he also gets $40 000, but he has made a profit of $10 000 on his outlay of $30 000, in other words, a profit of 33 per cent on his outlay. So, there is enormous leverage, and that is the attraction of the futures market. The expectations of investors can be high and people can make a lot of money.

The Hon. C.J. Sumner: You are not investing anything. It doesn't exist.

The Hon. L.H. DAVIS: However, as my colleague the Hon. Bob Ritson rightly observes, of course, the market can go the other way: that is the rub; the fact is, far more people lose money by entering into futures contracts than make money. As the Attorney has said, there is nothing physical about a futures contract. Although a person is entering into a contract for physical gold, no gold will change hands at the end of the contract—only the profit or loss. In fact, the futures market in Australia generally is undeveloped compared with the United States market, and in particular in Adelaide and South Australia it is almost non-existent, where trade in futures runs at a very low level. In the United States the futures market has developed to such an extent that, for example, in the Philadelphia-Baltimore-Washington Exchange, which accounts for perhaps 3 per cent of total stock exchange dealings in the United States, more than 50 per cent of all dealings on the exchange are in dealings other than physical shares and fixed interest securities.

The Attorney quite rightly expresses reservations about these sorts of transactions. He is aware that I have had some background in stockbroking. I do not claim to be an expert in the futures market, nor do I want to be an expert in that market. All I can say is that the big dippers at the sideshow of the Royal Adelaide Show have nothing on the futures market. One of the alarming things about the futures market is that its very existence can trigger very sharp movements in the prices of commodities that are dealt with by the futures market. For instance, if there is a sharp fall in the price of gold in Hong Kong, other markets when they open and come to trade some hours later may well find automatically that they have stop loss orders triggered as the result of the fall overnight in the price of gold People set limits, because a feature of the futures market is that, although one has put down a deposit of, say, only $2 000 on a 100 ounce contract of gold, if the price keeps falling one would be expected to keep topping up the monetary contribution to stay with that contract.

So, after a while many people set a limit, below which they will not go, and this will trigger a lot of selling or buying, as the case may be. Futures contracts can be entered into taking a view that a price may go up as well as come down. I do not intend to give a lecture on the merits and demerits of the futures market tonight. It was because of the Attorney's interjection that I got a little carried away and have strayed somewhat from the subject before us. I just want to give one last example. There are now also futures on the share index itself.

The Hon. C.J. Sumner: It is straight gambling, isn't it? That is basically what it is. It is like the TAB.

The Hon. L.H. DAVIS: Movements in share prices are measured by indices, and the most important share price index in Australia is the—

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: Madam President, can I be protected from this unruly behaviour!

The PRESIDENT: I am happy to call for order, but it strikes me that it is a lot less unruly than on other occasions.

The Hon. L.H. DAVIS: I do not know why you are looking in my direction, Madam President.

The PRESIDENT: I am glad you said that to go into *Hansard.*

The Hon. L.H. DAVIS: The TAB is a sort of futures market in a sense, and the Government takes a rake-off from that. Anyway, to return to the subject matter at hand: the all ordinaries index measures the average movement in a selected bundle of key share prices in Australia, and that is the basic index used to measure the movement in the share market as a whole. There is now a share index future, which follows the introduction of a similar instrument in the United States in 1982. An example of how that operates may be of some interest to members. Let us say, for example, that a trader puts a deposit of $600 to trade a share price index contract. In other words, if he takes a view, for example, that the share price index will move up by, say, six points and in fact the share price index does move up by six points he will double his money. However, if the share price index goes the other way and the price drops by, say, eight points the person will show a loss of $800, which would be more than his original deposit. So, it can be seen in that very simple example there is enormous leverage to be had in the futures market.

It is precisely for that reason that we are debating this measure tonight. Unlike other investment operations, and I refer principally to the share market, there has been virtually no control over futures trading in Australia, apart from that New South Wales legislation, which had very few teeth. So, the ministerial council which represents the Federal and States Attorneys-General and the Northern Territory unanimously agreed to introduce legislation to govern the futures industry. The Commonwealth Futures Industry Act was passed earlier this year, and the Futures Industry (Application of Laws) Bill now before us is consequent upon that measure.

Quite clearly, the deregulation of financial markets, the growing sophistication of financial markets, the increased range of investments available to potential investors—both corporate and individual—and the increased internationalisation of financial markets have meant that more and more people are entering the futures market. Therefore, people who wish to participate in the futures market must be confident that other parties to the transaction will be in a position to meet obligations arising from the contracts made. There are several examples of malpractice that have occurred

in recent years in the futures industry, and the second reading explanation instances some of those. So, this measure seeks to bring the futures industry and brokers operating in the futures industry into line with other persons already offering investment services.

The legislation provides for the establishment of a fidelity fund for the protection of clients against defalcation by members. It sets down penalties for a number of offences; accounting and auditing requirements will also be tightened up.

The Liberal Party, as the Attorney would know, philosophically is anti-regulation, but, of course, that has to be balanced by the public interest. Clearly, investors large and small are entitled to a measure of protection. Certainly, risks are involved in the futures market that may well lead to heavy financial loss, but that is another matter from incurring losses because of the defalcation of the brokers and the inability of the people involved in the futures industry to manage their affairs properly. It is important that professional standards are set and adhered to. This Bill seeks to do that, and the Attorney-General can be assured of the Opposition's support for this Futures Industry (Application of Laws) Bill. I support the second reading.

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

METROPOLITAN TAXI-CAB ACT AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 1481.)

Clauses 2 and 3 passed.

Clause 4—'Repeal of s.5 and substitution of new sections.'

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

Page 2, line 30—After 'public' insert '(in particular, in meeting the requirements of tourists)'.

This is not a significant amendment: all it seeks to do is give some recognition to the very important and expanded role of the Metropolitan Taxi-Cab Board following the report of the select committee. Section 5 of the principal Act is to be repealed and a new section substituted, which sets out the responsibilities and functions of the board. As I indicated in my second reading speech this afternoon, the select committee spent some time examining what it believed should be the role of the Metropolitan Taxi-Cab Board. Some of the thrust of what it said about this important matter is already tacitly agreed to in the composition of the board in clause 3, namely, that it should have persons with experience in the transport and tourism industries and in industrial relations; in other words, the industry must be more extroverted in its outlook. It must not look inwards; it must recognise that it is a transport industry; it must lock in with other providers of both public and private transport, and examine the relationship of the taxi industry with those transport providers.

Clearly, the industry has an important role in tourism. Specific reference was made by the select committee on page 17 with respect to this. For example, it was suggested that the new board, in consultation, as we styled it, with the major Government and private sector tourism organisations develop ways to improve knowledge and information on tourism among taxi operators. Examples were given of that: regular circulars of coming events, cassette tapes describing tourist destinations, and occasional seminars for taxi operators. This amendment simply seeks to formalise the recommendations of the select committee, which the Government has tacitly accepted. Legislation should properly spell out what those responsibilities and functions are. It is better for the board to be aware from the legislation exactly what its responsibilities and functions are. I hope that the Minister will support this amendment.

The Hon. J.R. CORNWALL: I am not terribly excited about this; my adrenalin is not flowing at all. It is a bit of a silly amendment. If one is to say, 'In particular, meeting the requirements of tourists', why not say, 'and farmers, doctors, lawyers, politicians, women, men, boys and girls, and just about anyone else one might like to think of'? We all travel in cabs from time to time: I travel in them fairly frequently. It is a bit silly, but I have already conferred with the Hon. Mr Gilfillan and he does not think it is quite as foolish. I will not go to the barricades over it seeing that it does not add much and does not take anything away.

Amendment carried.

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

Page 2, line 37—After 'operation' insert 'and its relationship to other public transport services'.

The Hon. J.R. CORNWALL: My previous comments apply to this amendment. I add that it is not terribly good English, but that is no reflection on the Parliamentary Draftsperson. It will read:

To keep under review and report to the Minister on the operation of the metropolitan taxi-cab industry (including the economic aspects of its operation and its relationship to other public transport services).

Again, Mr Gilfillan seems to be marginally attracted to it, so I will not make a big issue of it. I do not think it adds or takes away from it.

Amendment carried; clause as amended passed.

Clauses 5 and 6 passed.

Clause 7—'Chairman.'

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

Page 3, after line 10—Strike out clause 7 and insert new clause as follows:

Section 8 of the principal Act is repealed and the following section is substituted:

8. The board may appoint from amongst its members a chairman and deputy chairman of the board.

The Opposition believes that there is an argument that the board may appoint the Chairman and the Deputy Chairman rather than have the Governor (effectively the Government), appoint a member of the board to be Chairman. I will not go to the barricades on this matter, but when we look at the composition of the board we see that there are two representatives of local government, two from the taxi industry, and three members nominated by the Minister; one from the transport industry, one from the tourism industry, and one from the field of industrial relations. Quite clearly, that is a fairly diverse representation of interests. Undoubtedly, they will be strong and useful board members. One hopes that there are no lame ducks amongst the seven members. I think there is a good argument that the board is in a position to appoint the person who is most appropriate to be Chairman rather than to have a Chairman foisted on it by the Government.

The Hon. J.R. CORNWALL: I am prepared to go to the barricades on this matter. The Chairman of the Metropolitan Taxi-Cab Board, by the very nature of his or her appointment, must have a good working relationship with the Minister of the day. In a sense it is almost comparable to a Minister having to work with his or her Director-General. It is important as a matter of principle and practice that the Minister be able to have a say as to who should be the Chairman of the board.

The Hon. C.M. Hill: He gives it to one of the boys, does he?

The Hon. J.R. CORNWALL: No, that is not so at all. You have been a Minister, Mr Hill, and you know very well that you have to have a good working relationship with the Chairman; otherwise, it is hopeless.

The Hon. C.M. Hill: Why shouldn't you have it if he is appointed by the board? You have seven or eight responsible people on the board.

The Hon. J.R. CORNWALL: I would have thought that that is self-evident. I rest my case, and I know also that I have the numbers.

The Hon. L.H. DAVIS: The example that the Minister gave is not a good one. He said that it is important for the Minister to have a good working relationship with the Chairman of the board or, for example, his Director-General. The fact is that Governments change and I hope that a new Minister of Health, for example, coming in will not automatically ditch the Director-General or the Chairman of a board who happens to be there at the time. If he wants to have the American style of system where political appointments extend not only to ministerial officers but also to heads of statutory authorities, then let the Minister say so, but I am fundamentally opposed to that and I hope that the Minister, on mature reflection, is likewise opposed to that. The example that the Minister gave could lead to the danger of stamping on the traditional and respected independence of the Public Service. When we refer to the Chairs and Deputy Chairs of statutory authorities, I hope also that there is some measure of autonomy attached to their role as Chair of a statutory authority, board, committee, or whatever it may be. As I said, I do not wish to prolong the debate, but I do not think that the Minister chose a good example when he referred to Directors-General and Chairmen who may not be of the same political persuasion or who perhaps have different personalities from the Minister of the day.

I think also that perhaps it is appropriate to mention that this amendment is not without precedent. As the Minister would know, there are several examples where boards and committees appoint their own Chairman. One can cite colleges of education and I am quite confident that, if we had the time, we could think of many other examples where the board does in fact appoint a Chairman from amongst its members.

The Hon. J.R. CORNWALL: I will have to go through it again slowly, because clearly the Hon. Mr Davis did not understand the point that I made. If there is a change of Government and a new Minister inherits a Director-General or head of department then, unless there are extraordinary circumstances, it is normal for that person to continue in the position, but it is clearly accepted practice for any Minister, in the appointment of a new permanent head (although not so permanent these days, because they are all on contract) of a department, to have a say in that appointment. It is accepted tradition and practice that, if the Minister has a vacancy in the head of department position, he or she has a say in that appointment. Obviously, it is subject to Cabinet ratification, in the same way that this appointment would be because, when the clause provides that the Governor shall appoint a member of the board, in practice it means that the Minister puts forward the nominee and that is ratified and supported by the Cabinet, but it is simply normal practice (and it always has been, as the Hon. Mr Hill knows, because he has spent two periods in his political career as a senior Minister) for the Minister to have a say in that appointment.

If Mr Davis aspires to make it to this side of the Chamber (I do not think that he is young enough), let me give him that very simple lesson, that in fact, if there is a vacancy and if it is an appointment, the Minister of the day always has that one appointment above all others in the department—the head of the department—and, in this case, the Minister has to have a very close working relationship with the Chairman of the Metropolitan Taxi-Cab Board. It would be perfectly normal and accepted practice for the Minister to be given the opportunity, no matter what the political colour of the Government of the day was, to have a say in it. There is nothing exceptional about that. There is no tramelling anyone's rights and there is no trampling on democracy or anything else: it is simply following a well established tradition.

The Hon. L.H. DAVIS: The Minister has just indicated why he is the Minister of Health and not the Minister of Transport. If one looks at the existing composition of the Metropolitan Taxi-Cab Board, it is readily seen that in fact the Chairman of the board is always someone from the Adelaide City Council: in other words, the existing legislation provides that the Chair of the Metropolitan Taxi-Cab Board is someone from the Adelaide City Council.

That has been the position for many years and, as the Minister has said, hanging his own head on his argument, the Minister of Transport has a very close relationship with the Chairman of the MTCB. In fact, that has been a good and cordial relationship, I understand, for both Liberal and Labor Governments over the past decade. The present Chairman of the MTCB is Alderman Steve Condous, who is known to the Minister. We are not dealing with people who have no experience, no guile and no understanding of the committee process. All the Minister has done in his arguments today is to advance the merit of the case that, in fact, the board is quite able and competent to appoint its own Chairman and Deputy Chairman. I hope that the force and merit of this argument has persuaded the Democrats to support my amendment.

The Hon. I. GILFILLAN: I understand that there was to be an amendment to the amendment.

The Hon. L.H. Davis: I was advised that that was not necessary: the word 'may' means 'shall'.

The Hon. I. GILFILLAN: That is an extraordinary use of that word. It seemed to me that it meant that the board had an option, however bizarre, of not appointing a Chairperson and therefore being virtually rudderless, as it were. I take it that the honourable member has had sound advice from the right quarter.

The Hon. L.H. Davis: Very sound advice.

The Hon. I. GILFILLAN: It has been a matter of intellectual brinkmanship in choosing loyalty to the Government, given the very persuasive and logical argument put forward by the Hon. Legh Davis. With due respect to the opinion of the Government and the deliberations of the Minister in charge of the Bill in this place, we will oppose the amendment and support the Government's intention that the Minister have the power to appoint the Chairman of the board.

Amendment negatived; clause passed.

Remaining clauses (8 and 9) and title passed.

Bill read a third time and passed.

ANIMAL AND PLANT CONTROL (AGRICULTURAL PROTECTION AND OTHER PURPOSES) BILL

Adjourned debate in Committee (resumed on motion).

(Continued from page 1484.)

Clause 1—'Short title.'

The Hon. J.C. IRWIN: On behalf of the Hon. Mr Dunn, I move:

Page 1, lines 14 and 15—Leave out 'Animal and Plant Control (Agricultural Protection and Other Purposes)' and insert 'Pest Animal and Plant Control'.

This Bill repeals the Vertebrate Pests Act and the Pest Plants Act. Under clause 3, 'plant' means vegetation of any species, and includes the seeds and any part of any such vegetation, but does not include (except where reference is made to native plants or vegetation) protected native plants within the meaning of the National Parks and Wildlife Act. Therefore, we are really considering pest plants and vertebrate pests. Thus, the short title should refer to pest animal and plant control.

The Hon. J.R. CORNWALL: The Government does not accept the amendment, for a very good reason—it does not adequately describe the intention of the Bill. This Bill not only effectively amalgamates the Pest Plants Act and the Verterbrate Pests Act but also incorporates provisions for the control of exotic animal species. This procedure was agreed to, I understand unanimously, by the Standing Committee on Agriculture. In other words, every Minister of Agriculture in Australia has accepted that this is the way to go and that this is the spectrum not only over which the Bill should extend but also over which the description should adequately extend.

The controls over exotic species of animals will extend far beyond pest or potential pest animals. Many of these animals will be confined to zoos, for example, or private collections and, consequently, if the title is amended to pest animals and plants, the legislation would fall significantly short of the extent of control that the Government intends. I oppose the amendment.

The Hon. M.J. ELLIOTT: If a Government has the right to do anything it has the right to name its own Bills. I have not heard an argument against the name profound enough for me to support any amendment to change the name of the Bill. Thus, I will be opposing the amendment.

Amendment negatived; clause passed.

Clauses 2 and 3 passed.

Clause 4—'Crown bound.'

The Hon. J.C. IRWIN: This Act binds the Crown. We support that 100 per cent. However, we want an assurance from the Minister that this is correct and in fact applies to all Ministers of the Crown including the Minister of Environment and Planning and any other Ministers.

The Hon. M.B. Cameron: And the Minister of Transport.

The Hon. J.C. IRWIN: Yes, I said all Ministers and that would include the Minister of Transport. When this matter was debated in the other place the Minister of Agriculture stated:

> It is not envisaged that the department would be bound. That is not the practice. If the department is judged not responsible or judged not to be a good manager the matter would be one for me to take up, as the Minister responsible for the Act, with the Minister responsible for national parks. It is not envisaged, as I understood it, that we should bind that Minister.

The Opposition wants some assurance that that Minister will be bound by that statement that the Act binds the Crown.

The Hon. J.R. CORNWALL: As we have seen in the Chamber tonight, everyone can have a momentary lapse. When a clause says that an Act binds the Crown, it absolutely binds all Ministers of the Crown, all departments and all statutory authorities.

Clause passed.

Clauses 5 and 6 passed.

Clause 7—'Members of the commission.'

The Hon. J.C. IRWIN: I will not proceed with my amendment on file.

The Hon. M.J. ELLIOTT: I intend to move:

Page 4, lines 29 to 35—Leave out all words in these lines and insert:

(b) 4 shall be persons selected by the Minister from a panel nominated by the Local Government Association of South Australia;

and

(c) 1 shall be a person selected by the Minister from a panel nominated by the United Farmers and Stockowners of South Australia Incorporated.

A major concern that I have had about a number of commissions and other such bodies set up by Governments is that quite often those commissions or boards have a very poor understanding of what is happening at the grass roots of what they are controlling. We have seen some evidence of that in the CFS, where a large number of people on the CFS board do not understand the functioning of the CFS at the grass roots level and that is contributing to many of the problems. My amendments need to be looked at in totality rather than individually. Their effect is to provide a board or commission that understands the functioning of the local boards they are controlling.

All members of local boards are nominated by local government and represent various councils. It is virtually guaranteed that they also will be practising farmers, because I cannot imagine that local councillors would get involved otherwise in a pest control board. In my paragraph *(b)* I propose that four of the commission members shall be persons selected by the Minister from a panel nominated by the Local Government Association of South Australia. Further on I am proposing that a panel in subclause (3)*(b)* be nominated by the Local Government Association of South Australia and must consist of two or more residents from each of the regions who are or have been members of control boards under this Bill, Act or under local boards established under an Act repealed by this Act.

So, we will have four people with experience on local control boards who are or have been members of local government and who are or have been practising farmers. It is essential, if this commission is to work at its optimum, that we have such a clause in place. There is a real danger currently where we have two nominess of local government being people without farming experience who may not have pest control board experience. Further on there are four other people who shall be primary producers, but they may have no pest control experience. That is a ludicrous situation. There will be no problems in finding the quality or calibre of people we need. I am sure we can do that with the amendments I propose.

I refer also to other proposals I have for the overall structure of the commission. My proposed subclause (3)*(b)* mentions regions. It is essential that the commission, as far as possible, broadly represents interests across the State. The sort of pest control problems that occur in the South-East are distinctly different from those on Eyre Peninsula or elsewhere. I was at the UF&S conference recently where South- East farmers had a quite different opinion on a pest control problem from opinions in the rest of the State. If we set up a commission where, for example, the South-East is not represented, there is a real danger that an important viewpoint will not be expressed at this top level, and this should not occur. I am suggesting that the Minister produce four regions within local government areas with one representative from each of those regions. We would then have one person from Eyre Peninsula, one from the near environs of Adelaide, one from the South-East and another from the Yorke Peninsula or the Mid-North.

The Minister could prescribe the exact regions, but I envisage something like that. I am also suggesting a necessity for one person to represent the unincorporated areas. Obviously, the Local Government Association cannot nom-

inate somebody for unincorporated areas. For that reason, I propose that there be one person who shall be chosen from a panel who has been nominated by the United Farmers and Stockowners Association, which I think is the only body that can possibly represent the views of people in unincorporated ares with regard to pest control problems.

The amendments I have mesh and produce a whole. The amendments produced by the Liberals have set about trying to achieve a somewhat similar result, but I think do not integrate matters very well. I think that they fail to ensure that there is the sort of experience from local pest control boards that I think is necessary at the commission level.

Many of the people they suggest would be chosen from UF&S nominees. We will be guaranteed of getting farmers there, but they may not have the essential pest control experience. I have canvassed this matter with the Local Government Association, which is more than happy with my amendments. I have canvassed this with the UF&S and, with the exception of one person I spoke with, it is quite happy with the suggestions that I have made. I do not claim these to be my ideas as I was lobbied initially by farmers and people on local pest control boards, who are very keen for this sort of thing. What I am proposing is not something that is a scheme of mine but something which seems to be widely supported by people with whom I have spoken.

The Hon. J.C. IRWIN: The Hon. Peter Dunn, intends to move:

Page 4, line 29—After 'panel' insert 'of not less than 4 persons'.

This amendment clears up the size of the panel that the nominations made by the Minister shall come from. It means that two shall be persons chosen by the Minister from a panel of not less than four persons, so it is a simple amendment nominating the size of the panel from which the Minister can make selection.

Contingent on that amendment passing, that runs into other areas where the Hon. Mr Dunn and the Opposition wish to move further amendments. I will speak against the Democrats' amendment now. We have similar intentions to those of the Democrats, as the Hon. Mr Elliott has said, but have approached the matter in a different way.

If one is looking at turning the State into four regions for the sake of finding a panel, what will we do about the cities, because the City of Adelaide will be in one of the regions and the regional cities of Port Pirie and Mount Gambier must also be considered. Their requirement in the areas of weed and vertebrate pest control are different from those of the broad agricultural areas.

The reason why we do not like regions is that they are not set up at the moment, so they will have to be set up. I think that that will be a cumbersome exercise producing another bureaucracy and set of rules and regulations to run that region. There must be officers to run such a region, there will be minutes to be taken and procedures will have to be set up to nominate people from the region for the panel.

We do not know the position of the capital cities. I envisage that people in the regions will meet only once each year or every three years, because they will not be set up to meet at any other time. The maximum term for nominees is a three year period, so a whole set of meeting and electoral procedures will have to accompany the setting up of a region, and this will become very cumbersome, and I believe unnecessary.

I do not mind the wording 'who are or have been members of control boards under this Act or local boards established under an Act repealed by this Act'. That wording is all right because members of those control boards in rural areas are mainly primary producers. In the case of most boards, not only local councillors are involved; local boards have been encouraged to nominate, and in fact have nominated, primary producer representatives to those boards.

The Democrats' proposal is that for the purpose of subsection (2) *(c)* a panel nominated by the United Farmers and Stockowners of South Australia must consist of two or more residents from that part of the State outside the council area. We can support that provision. However, we have attempted in our amendment to cover that area. There are no instructions to the Minister about qualifications for those being nominated from that panel, but we assume that, coming from the United Farmers and Stockowners, they would have some regard to skills in the area involved. We do not support all the Democrats' amendments and urge the Committee to support the amendment which I have just moved.

The Hon. J.R. CORNWALL: Mr Acting Chairman, may I speak to the original clause 7 and then comment on the Hon. Mr Irwin's amendment and then the Hon. Mr Elliott's amendment?

The ACTING CHAIRMAN (Hon. C.M. Hill): I am concerned that the Hon. Mr Irwin has not explained his new paragraph *(c)*. I think the Committee wants to hear that so that the two proposals can be compared. However, if it will hasten the proceedings I will simply read out new paragraph *(c)*, which provides:

(c) the remainder shall be persons chosen by the Minister from a panel of not less than 6 persons nominated by United Farmers and Stockowners of South Australia Incorporated.

The Hon. J.R. CORNWALL: I will briefly explain what clause 7 really does. I ask for the attention of the movers of both amendments, because I think that that might relieve some of their concern and might make life a little easier for us if we stick with the original. The present clause 7 allows for the appointment of two persons by the Local Government Association from a panel of three people, two of whom must be primary producers. That seems to me to be a very reasonable proposition. In addition, four of the non Public Service members of the commission must be primary producers.

So, there will be a panel of three people, two of whom must be primary producers. Then there will be four non-public servant members of the commission who must be primary producers. This means that in practice and in fact the commission will contain two people with local government experience, and at least five people with agricultural experience, including one public servant. The commission will contain two people with local government experience and at least five people with agricultural experience, including one public servant. It is also considered that there should be an opportunity for the Minister to engage people with other specialist interests or skills. That is the effect of the current clause 7, which of course was acceptable to the Opposition spokesman on agriculture in the House of Assembly.

The Hon. M.B. Cameron: This is the House of Review.

The Hon. J.R. CORNWALL: Yes, and sometimes I wonder how one spells it. Turning specifically to the amendment that the Hon. Mr Dunn has on file, the Government opposes that amendment because it precludes the appointment of people other than LGA or UF&S nominees to the commission. It totally ignores (and I hope that the Hon. Mr Elliott listens carefully to this) the interests of other groups, for example, conservation interests. It is surely legitimate for them to have a chance to be represented, albeit in a minority way. The Minister of Agriculture, in the other place, has indicated quite clearly that consultation will take place with the UF&S when the membership of the commission is to be determined and, more importantly, the UF&S in their

discussions with the Minister of Agriculture accepted his assurances. So much then for the Hon. Mr Dunn's amendment.

I turn now to the amendment to clause 7 as proposed by the Hon. Mr Elliott, to which I will refer in some detail. The amendment places the selection of four of the non-State Government members in the hands of local government. The Government believes that this will provide a totally bureaucratic committee, comprising State and local government personnel. So, it will in fact make the committee, overly bureaucratic. Based on considerable experience, the success of the Pest Plants Commission and the Vertebrate Pests Control Authority has been due largely to the inclusion of private landholder interests. Both the present groups are adamant—and I stress this—that the new commission must include primary producers with experience in agriculture and matters of animal and plant control. Not all members of the pest plant control boards are practising farmers or people with any farming experience and therefore it would be possible for a person with no experience in agriculture to be nominated by local government. There could be the quite extraordinary and certainly undesirable situation where a person nominated by local government would have no experience in agriculture.

I am sure that members of the Opposition would not want to see that happen—experienced as they nearly all are one way or another in agricultural pursuits. Members of the commission do not represent any particular sectional or regional interest. Again, that is apropos of the Hon. Mr Elliott's idea that they should represent specific regions. Members of the commission are expected to take the broad view and represent the interests of the whole rural community in South Australia. Pest plants and pest animals do not respect boundaries—as is probably obvious to most members opposite—and in the same way, members of the commission—

The Hon. M.B. Cameron interjecting:

The Hon. J.R. CORNWALL: I do not put them in the same category as pest animals—let me make that absolutely clear. However, in the same way, members of the commission recognise the control of pest plants and animals as an issue of State concern, rather than purely a regional one. People have been chosen as members of the commission because they have had the ability to consider issues on a State-wide basis. This sort of person is not necessarily located in a specific region of the State or is a member of any particular group. There could be difficulties for a member representing a group, for example the UF&S, when decisions are made on certain issues, for instance, the Pest Plants Commission is unanimously in favour of the release of biological control agents for salvation Jane, but not all zones of the UF&S support this, as is well known.

The Hon. M.B. Cameron: The South-East does. The sooner the better.

The Hon. J.R. CORNWALL: I will not express an opinion on it—despite the fact that it is hepatotoxic. Also, there is a division amongst groups in the UF&S regarding the classification of horehound, the botanic name for which, as all members would know is *Marrubium vulgare*. The amendment could preclude the appointment of a person with much expertise and knowledge, if that person happens to reside in the wrong region. Local pest control boards have the responsibility to administer the legislation within their area, without direct commission representation on a regional basis.

Apropos of the Local Government Association's position on the matter (and I have not had an update on this), I can tell members that at 12 noon on 23 October 1986 discussions were held with the Secretary-General of the Local Government Association regarding the proposed amendments. He was not aware that such amendments were being proposed at that time. However, upon investigation he ascertained that a Mr Elliott had contacted a staff member, advising him of the proposed amendments. Neither the President of the Local Government Association nor the senior executive had considered the amendments at that time. The amendments as presented were not supported by the Secretary-General, in discussions that occurred as recently as 23 October. So, while not being trenchant in my criticism at all, because I have found the Hon. Mr Elliott to be an intelligent person, who very often agrees with the progressive forms of legislation which the Government puts forward in this place, I point out that on this occasion the Hon. Mr Elliott may have been a little over enthusiastic, that he may have acted unilaterally. I suggest that clause 7 as it exists is preferable, and the Government opposes the amendments put forward by the Hon. Mr Dunn, for the reasons that I explained at the outset.

The Hon. M.J. ELLIOTT: Certainly, one matter that was raised by the Minister had escaped my notice, and that concerns the question of environmental interests. It was indeed an oversight on my part, and I might seek an opportunity later for this Committee to report, because I think that is an important point. Nevertheless, I want to look at two other points that the Minister raised. First, he referred to differences of opinion concerning salvation Jane and horehound. I would indeed be very sorry if we set up a commission that did not have differences of opinion. There is no doubt that there are differences of opinion on certain pests coming from different parts of the State.

If we produced a commission that did not have differences of opinion, then such a commission would merely be a Mickey Mouse organisation. We might have something of a reverse situation of 'Yes Minister', with officers of the commission behaving rather as they are told. I think it is very important that we have a commission in as close contact with the various parts of the State as possible, and as such I dismiss the nonsense that the Minister gave us about horehound and salvation Jane.

In regard to the question of contact of local government, I did not contact them just once but on several occasions. The person in the office who handles legislation said to me that he was referring the matter to Mr Ross. When I contacted him on a later occasion he said that everything was okay. I cannot go on anything other than those assurances that I had from that person from the Local Government Association. I now refer to the amendments that the Liberals have proposed. I am rather concerned that what has happened is that the Liberals have seen a very good proposal come from the Democrats and have decided that it does not always look good for the Democrats to do something and get some sort of credit for it.

In fact, the amendments that we have proposed are very good. Unfortunately, whilst the Liberals have attempted to do the same thing, they really have failed at a couple of points: the sorts of proposals that they have do not guarantee that anybody will have any pest control experience whatsoever.

When I have talked with people on the question of regions, this was the most important thing. They thought all the things that I have had in my amendments, yet those are totally missing from the Liberal proposals. So, the amendments are deficient in the two most important areas: pest control experience and having representation from across the State. They should recognise that my amendments have

certainly addressed both those issues and that theirs have failed to do so.

As to the matter raised by the Hon. Mr Irwin as to how regions will exist, I expect that the regions do not need to meet on a regular basis, have constitutions and those sorts of things. The regions would be prescribed by the Minister. The Local Government Association could quite easily come up with a set of guidelines whereby it might put forward a set of names. I would not try to say how it would do it. I can only go on the contacts that I have been given. I have not had one contact: I have had several.

An honourable member: Is it at the senior executive level?

The Hon. M.J. ELLIOTT: Certainly I did not talk to Mr Ross personally.

An honourable member interjecting:

The Hon. M.J. ELLIOTT: I may have been; I do not know. That really is a non-issue, anyway. As to the question of cities existing in regions, clearly, if the Minister was to prescribe four regions I imagine that one would be metropolitan Adelaide and probably the near Hills areas, which would cover the major metropolitan area. As far as other cities are concerned, there are no problems with Mount Gambier's being incorporated with some sort of South-East region. It does not have rabbit problems in the middle of the town—perhaps dandelions! That is not really a problem at all.

While the Liberals say that they are in sympathy with what I was trying to do, they have failed to address the important parts that I set out to achieve. I ask them to look very carefully. They have no guaranteed pest control experience. Nor do they guarantee representation across the State, and those are two important points. I suggested earlier that there might be some chance that the Committee could report, because I would like to consider the question of environmental interest. Since Des Ross is saying different things (from what I have been told), I would like the chance of speaking to him personally on this matter.

The Hon. C.J. Sumner: Come on!

The Hon. M.J. ELLIOTT: Do not say, 'Come on!' It is a reasonable request.

The Hon. PETER DUNN: There is confusion here: it is not a very clearly worded clause. I am endeavouring with my amendment to tidy up the last paragraph. I agree that there should be seven on the commission.

The Hon. C.J. Sumner: It has been on the Notice Paper for a month.

The Hon. PETER DUNN: Is the Minister in this debate or not?

The Hon. C.J. Sumner: One month!

The Hon. PETER DUNN: Madam Chair, who is in this debate? Could I get that identified? Who has the floor?

The CHAIRPERSON: Order!

The Hon. PETER DUNN: Can you and I just have a talk about it?

An honourable member interjecting:

The CHAIRPERSON: Order!

The Hon. PETER DUNN: Somebody has a burr under his saddle.

An honourable member interjecting:

The CHAIRPERSON: Order!

The Hon. M.B. Cameron: Does that include me, too?

The CHAIRPERSON: Yes.

The Hon. PETER DUNN: Madam Chairman, someone has a burr under his saddle: I am not sure who it is.

The CHAIRPERSON: I would appreciate it if the honourable member did not call me 'Chairman'.

The Hon. PETER DUNN: Madam Chairwoman—

The CHAIRPERSON: Thank you.

The Hon. PETER DUNN: You're welcome. I agree with what the Government is doing. Seven is a very good size for a group, with six nominated by the Minister: one is nominated from the Department of Environment and Planning; one will come from the Department of Agriculture; and two from local government. There are three more to elect. My amendment states that we would put up a panel of six, from which the Minister would select three: that is not unreasonable. As it stands, it is up in the air. I do not know where the Minister would select them from: anywhere! It is not clear at all where they would be selected from.

The Hon. M.B. Cameron interjecting:

The Hon. PETER DUNN: They are the end users, and so on. That is what my amendment endeavours to do. If it is worded incorrectly I apologise, but I am endeavouring to provide that they will be selected from the group that represents farmers right around the State, including the pastoral areas: that is fair and reasonable. If the Minister has this he can choose three: they can be conservationists, if he wishes.

I agree with the Minister's comments that the Democrats' amendments are sound until one gets to the restrictions that they impose. They very much impose restrictions on choice because they provide for former members or for members of a present board. That is far too restrictive. There is merit in sectionalising the State, but the present clause is reasonable if we can just identify who those last three people could be chosen from.

The Hon. J.R. CORNWALL: We may be able to recommit: I do not know about this 'chance to report'. The Hon. Peter Dunn and I have to work this out as between gentlemen and scholars. We are all trying to ensure that we have representative membership and that this functions as well as it possibly can. It is not a political argument: it is certainly not a Party-political argument. It is not a question of doing a New South Wales and deciding whether the Labor Government of the day can stack the commission with its appointees or whether the Liberal Party if it came to power could stack it with its appointees. It is a question of finding the appropriate people with the sort of skills, common sense and background that would enable the commission to function.

The Hon. Mr Dunn wants to take it a step further and insist that the UF&S be formally represented. That was taken into account by the Minister of Agriculture. As I said before, he discussed that with the UF&S. He gave it a very clear indication that consultation would take place when the membership of the commission was to be determined.

More importantly than the assurance is the fact that the UF&S has accepted that position. I do not believe that standing around and arguing all night, reporting progress or seeking leave to sit again, conferring in the corridors or anything else will really improve this very much. Whilst I do not take any hard line on behalf of the Government at all, having taken some advice from one of the senior officers of the department and having considered it during the course of the debate, I think that clause 7 as it stands ought to be supported.

The Hon. M.B. CAMERON: I am sure that nobody in the Council wants to sit here all night arguing about this point. However, as far as the Opposition is concerned, it is an important point because there is no doubt that the UF&S is the appropriate body for the selection of primary producers; otherwise, not only this Minister, but also, if there is a definition to that effect, any Minister could select people who would not be considered to be appropriate by the general primary producers. That is rather hard to arrive at. May I suggest to the Minister that, rather than going on

arguing backwards and forwards, because nothing will be achieved by that, we in fact proceed with this amendment and that, when it gets to another place, it will again have to be discussed, because obviously the Minister will have a point of view and, while that process is in train, we, with the Hon. Mr Dunn, again will have the opportunity to discuss the matter with the UF&S to establish exactly where that body stands and whether it has a firm position, or whether it accepts what the Minister has put.

I assure the Minister that, when the Bill comes back for discussion after it has been to the other place, we will certainly be reasonable and consider the arguments put forward by the Minister when the amendments are brought back, either accepted or rejected and, in the meantime, we will have the opportunity to discuss the matter with the appropriate body.

The Hon. M.J. ELLIOTT: I know that many people in this place would think that this is a rather trifling matter, but the control of pests in South Australia would cost a damn sight more money than the Grand Prix or any other thing in this State might generate. I have endeavoured to try and suggest a commission which I believe will be the most workable one and I set about getting one which has the appropriate experience in all fields; that is, local government experience, Pest Control Board experience and also experience in farming. If a commission were composed of those sorts of people, they will really make it work and it is in their best interests to make it work, because weeds and other pests cost them a great deal of money. I have not heard any member point to any difficulties with my proposition and I would like to hear them on that, because at this point they have not been enunciated.

The Hon. J.R. CORNWALL: I think that the Hon. Mr Cameron's suggestion that we accept the amendment, without prejudice as it were, will not do any harm. It will give everybody a chance to further confer as civilised and reasonable people. The Opposition can consult further with the UF&S; the Minister can consult to the extent necessary and desirable; and Mr Elliott can scurry about the countryside and talk to whomever he wishes. In a sense it will achieve the same thing as reporting progress and it will probably achieve a good deal more, because it will tend to sharpen the minds, so I make it clear that on behalf of the Government I accept the Hon. Mr Cameron's suggestion without prejudice. Obviously, we reserve our right to send it back from the other place if it is unacceptable, but in the meantime everybody can consult on it.

The Hon. PETER DUNN: I move:

Page 4—
Line 29—After 'panel' insert 'of not less than 4 persons'.
Line 35—Leave out paragraph *(c)* and insert paragraph as follows:

(c) the remainder shall be persons chosen by the Minister from a panel of not less than 6 persons nominated by United Farmers and Stockowners of South Australia Incorporated.

The Hon: M.J. ELLIOTT: I move:

Page 4, lines 29 to 35—Leave out all words in these lines and insert:

(b) 4 shall be persons selected by the Minister from a panel nominated by the Local Government Association of South Australia;

and

(c) 1 shall be a person selected by the Minister from a panel nominated by the United Farmers and Stockowners of South Australia Incorporated.

The CHAIRPERSON: The first question I will put is that the words in line 29 down to and including 'panel' stand part of the clause.

Question carried.

The CHAIRPERSON: The next question is that the words proposed to be inserted by the Hon. Mr Dunn be so inserted.

Amendment carried.

The CHAIRPERSON: I now put the question that the remainder of paragraph *(b)* stand as printed.

Question carried.

The CHAIRPERSON: In relation to paragraph *(c)*, the question is that paragraph *(c)* stand as printed.

Question negatived.

The CHAIRPERSON: The next question is that the new paragraph *(c)* as proposed to be inserted by the Hon. Mr Elliott be so inserted.

The Hon. M.J. ELLIOTT: I suggest that, because the first portion was lost, it is nonsense to continue with this. I seek leave to withdraw all those amendments proposed for clause 7.

Leave granted; amendments withdrawn.

The CHAIRPERSON: I now put the question that the new paragraph *(c)* as proposed to be inserted by the Hon. Mr Dunn be so inserted.

Amendment carried.

The Hon. PETER DUNN: I move:

Page 4, lines 36 to 39—Leave out subclause (3).

Amendment carried.

The Hon. PETER DUNN: I move:

Page 4—
Line 40—Leave out 'The Local Government Association of South Australia' and insert 'a body'.
Line 45—Leave out '*(b)*'.

Amendments carried.

The Hon. PETER DUNN: I move:

Page 5, line 2—Leave out 'Governor' and insert 'Commission'.

The Hon. J.R. CORNWALL: I oppose the amendment. A very similar amendment was put forward in relation to the last Bill that was before the Council. We believe that it is entirely appropriate for the Minister of the day, in the event that a new Chairman must be appointed, to have the discretion to choose that Chairperson, for the reasons I argued previously. It is a long established practice to give the Minister of the day the right to appoint a Chairperson. In the event that there is a vacancy, it is perfectly reasonable for the Minister to consult widely and to appoint a Chairperson with whom he has reason to believe he will have a good working relationship.

There is nothing unusual about that. If members see this as some sort of sinister plot whereby we can appoint blue collar trade unionists to the Chair of every committee around the place, let me say that that is not only undesirable but also in practice impossible. Anyone who tries to stack a board of any description is bound to fail. I have a long history with and interest in hospital boards, and let me assure members that, if we tried to appoint ministerial nominees to hospital boards on a basis other than merit and special qualifications and ability for the job, we would be on a slippery slope. Quite clearly, the same would apply to this appointment. I oppose the amendment very strongly.

The Hon. PETER DUNN: I moved this amendment not because I was looking for reds under the beds. The Minister is in a most gregarious mood this evening. The reason is quite simple: if the board is to work properly, the members of the board must have confidence in the person who is directing operations or who reports back to the Minister. A number of boards around this State elect their own Chairman, and that is reasonable and normal. I recall, from my term on the advisory board of agriculture, that that board elects its own Chairman, and I guess that a number of others do the same.

I am not being sinister in any way and I certainly do not wish to give that impression. There should be a good working relationship: I would have thought that it was paramount for a very important body such as this that the Chairman be respected by the members of the board. Furthermore, it is not as though the Government will be providing all the money for the operation of the board. There will be local government money and money from individuals.

The Hon. J.R. Cornwall interjecting:

The Hon. PETER DUNN: Funds will go into the boards and they will be administered by the commission. It would not be improper for that board to elect its own Chairman, who would have the respect of the members.

Amendment negatived; clause as amended passed.

Clause 8—'Terms and conditions.'

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

Page 5—
Line 3—Leave out 'A' and insert 'Subject to this section, a'.
Lines 3 and 4—Leave out 'not exceeding' and insert 'of'.
After line 5—Insert new subclause as follows:
'(1*a*) of the first members of the commission to be appointed, three shall be appointed for a term of two years.'
Line 29—After 'office' insert '(but a person who is to fill a casual vacancy in the office of a member shall be appointed only for the balance of the term of the person's predecessor).'

Amendments in line with this model, in relation to the term of office of committees, commissions and boards, have been moved on many occasions, and to my recollection the Minister has never seriously opposed any such amendment. I trust that he will not oppose this amendment. The Bill provides that appointment shall be for a term not exceeding three years. As has been pointed out on many occasions previously, technically the appointment could be for one month, six months or one year—for a short period—which could mean that the member so appointed would be very much in the pocket of the Minister and would depend on the Minister for reappointment. He would not be truly independent (and I do not necessarily refer to the present Minister) but he would rely on the Minister. Members of the commission should be able to do their job.

The amendment provides for a term of three years. Similar amendments have been moved several times in the past and have not been opposed. There is a provision in relation to first appointments; it permits staggered terms so that not all members retire at the same time. This will provide the necessary continuity.

The Hon. J.R. CORNWALL: The Hon. Mr Burdett is quite right. He has consistently moved this sort of amendment on a number of occasions and I have never had any trouble accepting them before. The Hon. Mr Sumner and I are very close personal colleagues. I value his political judgment and friendship highly, indeed, but in this particular matter—the only thing I can think of in all the 15 years I have known him—we do not entirely see eye to eye. As I am in charge of this Bill on behalf of the Government I will quickly accept the amendment.

Amendments carried; clause as amended passed.

Clauses 9 to 12 passed.

Clause 13—'Functions of the commission.'

The Hon. PETER DUNN: Will the Minister give an assurance that there is no confusion and that the Minister for Environment and Planning, his department and areas under his control are bound by this Act?

The Hon. J.R. CORNWALL: Yes, when the Act says that it binds the Crown it does exactly that: it binds all Ministers, all departments and all statutory authorities. It is unusual for Governments of the day to put in that clause.

Clause passed.

Clauses 14 to 26 passed.

Clause 27—'Powers of authorised officers.'

The Hon. J.R. CORNWALL: I move:

Page 12, lines 37 to 39—Leave out 'there is any animal or plant, or any records or papers, that is or are likely to afford evidence of an offence against this Act' and insert 'an offence against this Act is being or has been committed'.
Page 13—
Lines 33 to 34—Leave out all the words in these lines and insert 'subsection 1 *(a)* or *(b)* in relation to any house or other building except on the authority of a warrant issued by a justice'.
After line 34—Insert new subclause as follows:
(2a) A justice shall not issue a warrant under subsection (2) unless satisfied, on information given on oath—
(a) that there are reasonable grounds to suspect that an offence against this Act is being or has been committed in a house or other building;
and
(b) that a warrant is reasonably required in the circumstances.

All my amendments have been placed on file in this place on behalf of the Government following negotiations with the shadow Minister of Agriculture in another place. The matters were raised by the member for Eyre during debate and taken on board by the Minister of Agriculture. These amendments are there because of those discussions and I would expect the vigorous support of the Opposition.

The Hon. J.C. IRWIN: On behalf of the Opposition I accept the amendments moved. I realise that they have arisen from discussions with our shadow Minister. The Opposition in another place raised some concern on the whole of clause 27. The change of words in clause 27 (1) *(a)* does not make much difference to the intention of this clause, but new subclause (2a) tightens up proceedings with respect to buildings. It does not alter the fact that a warrant or notice is required to be given to inspect land, vehicles or place if an authorised officer reasonably suspects an offence against the Act has taken place. Although it has moved some way towards allaying the fears expressed by the Opposition, it does not really go far enough in taking out some of the draconian measures in clause 27. We accept the amendments.

Amendments carried; clause as amended passed.

Clauses 28 to 68 passed.

Clause 69—'Control boards may obtain review of certain decisions, etc.'

The Hon. J.R. CORNWALL: I move:

Page 30—
Line 8—After 'control board' insert 'or council'.
Line 10—After 'board' insert 'or council'.

The explanation for these amendments is the same as the one I gave for previous amendments.

Amendments carried; clause as amended passed.

Clauses 70 to 74 passed.

New clause 74a—'Forfeiture of profits on conviction of certain offences.'

The Hon. M.J. ELLIOTT: I move:

Page 31, after line 33—Insert new clause as follows:
74a. Where a person is convicted of an offence against section 52 (2) *(b)*, 53 (4) or 54 (2), the court by which the conviction is recorded shall order the person to pay to the Crown an amount estimated by the Court to be the amount of the profit that has accrued to the convicted person, or any other person with whom the convicted person has a business or personal association, in consequence of the commission of the offence.

In moving my amendment I am mindful that with the offences specified in clauses 52 (2) *(b)*, 53 (4) and 54 (2) the maximum penalty is $200. It is possible that if a person

moved a large number of stock infested with weed seed (and knowingly infested) the person may make a profit that well exceeds the maximum fine. In such an instance we need a penalty that covers that sort of case. I am not seeing the penalty itself increasing so much as the person also being expected to pay to the Crown an amount estimated by the court that relates to the size of the profit. Not only is the person fined for committing the offence but can also expect to lose any profit made during the commission of that offence.

The Hon. J.R. CORNWALL: The Government opposes new clause 74a and I hope that I get the enthusiastic support of the Opposition. This clause greatly increases the penalty provisions of clauses 52 (2) *(b)*, 53 (4) and 54 (2) by declaring any offences against these clauses to be offences pursuant to the Crimes (Confiscation of Profits) Act. Should a person transport or sell any produce and he is subsequently charged and found guilty of a breach of the Pest Plants Act an additional offence under the Crimes (Confiscation of Profits) Act will occur. The person may then be forced to forfeit any profits from his action, for example, profit from transporting the goods or sale of the produce. He may also be forced to sell any property which was purchased by him through his business involving goods or produce which have attracted an offence under the Pest Plants Act.

The Hon. Mr Elliott's amendment relates to pest plants only and not pest animals. Therefore, we are talking about confiscation of property, and all sorts of draconian things, for offences involving pest plants. The Government believes that this provision is too harsh for a breach of the legislation for pest plants control. A penalty of six months gaol is surely sufficient deterrent to avoid a second offence. If the offence is serious enough to warrant action under the Crimes (Confiscation of Profits) Act, surely it would be serious enough to require the maximum penalty under the Animal and Plant Control Act. There is no profit made from transport or sale of actual pest plants, but there could be large profits made from transport or sale of pest animals, for example, exotic birds or animals. Therefore, the provision could apply more to the activity and be in line with the National Parks and Wildlife Act in relationship with the Crimes (Confiscation of Profits) Act. We do not support the amendment and seek the support of the Opposition in opposing it.

The Hon. M.J. ELLIOTT: Unfortunately, the Minister is not aware that I earlier tabled an amendment which has since been superseded by another. What he was debating was an amendment that is no longer in place. I will read the proposed amendment, as follows:

> Where a person is convicted of an offence against section 52 (2) *(b)*, 53 (4) or 54 (2), the court by which the conviction is recorded shall order the person to pay to the Crown an amount estimated by the court to be the amount of the profit that has accrued to the convicted person, or any other person with whom the convicted person has a business or personal association, in consequence of the commission of the offence.

That clause is identical to one that the Government is proposing in relation to travel agents. I would have thought that, if it is suitable there, it would be suitable here as it is no more draconian than that clause under the other Act. Therefore, I will be interested to hear arguments brought against this amendment. What happened was that I approached counsel and said that I wanted a clause which would cater for people where profits exceed penalty. I believe that the courts will be reluctant to gaol people. I think that he has accepted the various amendments proposed by our shadow Minister, the member for Eyre, and we are happy to get on with it. Of course, today there was a shower of amendments like king-sized confetti.

Having told a senior officer who had been about earlier in the day that there were no problems about this at all, I found at about 4.15 that there were pieces of paper all over the place; now we have another one. Having made that explanation for what might otherwise appear to be an aberration on my part—and I do not often make mistakes, even when I am not speaking *ex cathedro*, as I said the other day—and having now read the latest version—Elliott mark two, as it were—I believe it is a fairly reasonable amendment. I therefore indicate that, without prejudice perhaps, since I have not had occasion to consult directly with the Minister of Agriculture, I am prepared to accept this amendment and to take a little advice from my colleague after the Bill goes back to the other place for further consideration.

The Hon. PETER DUNN: I agree with what the Minister said regarding the previous amendment moved by the Hon. Mr Elliott. We spoke to him because we were not happy with the heavy penalty. However, this amendment appears to have what is a typographical error in line 4 were it should state 'may' instead of 'shall' at the end of line four. Does the court not have discretion there? I point out that the third weed on the pest plants schedule is Indian hemp and I can see somebody making a real killing on that. It is reasonable to assume that, if somebody makes a killing out of that, the profit they make goes to the Crown.

The Hon. J.R. CORNWALL: I have consulted with senior Parliamentary Counsel who advises me that the word 'shall' is quite appropriate in the context of this amendment, and that it ought to stay.

The Hon. K.T. GRIFFIN: I do not want to enter this debate on a subject that is, generally speaking, better within the knowledge of some of my colleagues. However, I would have thought that if there is to be a provision for forfeiture of profits the provision as drafted means that the court 'shall' order and that there is no discretion there. I would have thought that that, in effect, is a minimum sentence, upon which the Attorney-General made some comments earlier today on another subject. I intended to raise this matter in relation to travel agents when we came to that Bill because, even though this amendment is identical with the one in the Travel Agents Act Amendment Bill, I still think that the court ought to have a discretion there and that it ought not be mandatory that the court order the forfeiture of profits.

The Hon. C.J. Sumner: It's an illegal profit.

The Hon. K.T. GRIFFIN: The court has to have a discretion there as to what is or is not a profit and have a discretion whether it makes an order that it is appropriate in all the circumstances that that be forfeited.

The Hon. J.R. CORNWALL: Again, my advice is that one follows the other. It is not a question of minimum penalties. If in fact a conviction has been recorded the court 'shall' order confiscation; so it should be seen, as I understand it, as a package. I do not believe that it is a minimum sentence. I am certainly prepared to take advice from my learned friend the Attorney-General about this matter.

The Hon. C.J. Sumner: He has illegal assets; they are illegal profits and they ought to be confiscated. That is what it says.

The Hon. J.R. CORNWALL: I rest my case.

The Hon. M.J. ELLIOTT: I think on a reciprocity basis I rest my case by saying that I think the word should be 'shall'. There is a penalty for committing the offence, and one loses the profits made as well, and I think that that is the way it should be.

New clause inserted.

Remaining clauses (75 to 77), schedules and title passed.

Bill read a third time and passed.

EDUCATION ACT AMENDMENT BILL

In Committee.

(Continued from 23 October. Page 1423.)

Clauses 2 to 5 passed.

Clause 6—'Advisory committees.'

The Hon. BARBARA WIESE: I move:

Page 1, line 33—Leave out 'Minister' and insert 'Governor'.

The amendment places the responsibility for approving changes to fees paid to non-government members of committees established under section 10(1) of the Education Act on the Governor in Executive Council rather than on the Minister. Eight standing committees have been established under this section of the Act, and they will be named in the Cabinet submissions seeking variations to fees. The fees will be approved by the Governor in Executive Council. The total membership of these eight committees is 125, 70 of whom are from outside Government employment.

The Hon. R.I. LUCAS: I am interested in those final statistics, as I have had a question on the Notice Paper for some two or three months which seeks that information. So, I am delighted with those figures and it is hoped that a reply to that question is on the way. In my second reading speech I indicated that the Opposition would seek to amend this clause in line with the amendment that has been moved by the Minister. I indicated then that a number of other boards under the Education Act (such as the Teachers Classification Board, the Teachers Registration Board, the Teachers Salaries Board, the Teachers Appeal Board and the Non-Government Schools Registration Board) all had their fees or salaries or remuneration amended or prescribed in this way. So, the Opposition supports this amendment.

Amendment carried; clause as amended passed.

Clauses 7 to 15 passed.

Clause 16—'The Teachers Registration Board.'

The Hon. M.J. ELLIOTT: I move:

Page 3, after line 21—Insert paragraph as follows:

(aa) by striking out from paragraph *(c)* of subsection (2) the word 'six' and substituting the word 'seven'.

In moving this amendment, I am very mindful of the present structure of the Teachers Registration Board and what will occur with the proposals that have been made by the Government in the introduction of a representative from the Association of Teachers in Independent Schools (South Australia). I am trying to strike what I consider to be a representative balance of what is happening out in the real world. There are independent teachers who are represented both within ATIS and also SAIT. Until this time SAIT has been the only body that has represented them.

However, with the recent formation of ATIS there is clearly a need that those persons be represented by a person, and the Government has taken that into account. However, in doing that I believe it has changed the composition of the board somewhat in that now 40 per cent of those persons who are representing schools are directly representing independent schools, while we find that about 23 per cent of the pupils are in the private school system. That concern has been raised with me. I think it is reasonable, and the balance of the board can quite easily be found by changing the SAIT representation from six to seven; that I think would create a board representative of the systems that now exist in the education system in South Australia.

The Hon. BARBARA WIESE: The Government opposes the amendment. I understand the sentiment expressed by the honourable member, but the Minister of Education opposes this amendment as does the South Australian Institute of Teachers. The Minister has been in touch with the South Australian Institute of Teachers to gauge its view on this matter, and at this stage SAIT opposes the inclusion of one more representative, because there is going to be a review of the nature and functions of the board, which will be taking place later. One of the things that will be under review is the size and composition of the board. The Institute of Teachers is happy for this matter to be deferred until that time, and it is certainly the Minister's wish that that be so. Therefore, accordingly, the Government will oppose this amendment.

The Hon. R.I. LUCAS: Before discussing the amendment, I seek some information from the Minister: in relation to the review into the composition of the Teachers Registration Board, to which the Minister has just referred, is there any suggestion that the Minister will be looking at the abolition of the Teachers Registration Board?

The Hon. BARBARA WIESE: It is not the Minister's intention to abolish the Teachers Registration Board. Rather, he is looking at extending the period of registration of teachers for life rather than being registered for a certain number of years. It is certainly not his intention to abolish the board.

The Hon. M.J. ELLIOTT: I respectfully suggest to the Minister in this Council that SAIT may have been saying not that it was happy with things as they are but that it would accept things as they are. With a slight difference of emphasis, we get from one position to the other: SAIT will accept the Government's doing this because the Government may insist that it wants to do this, which is quite different from saying that SAIT is happy with this: that is a misrepresentation of the SAIT position.

Secondly, I have been very firmly led to believe that the Registration Board is under the gun at the moment. That is a matter of deep concern to SAIT. Alternatives to registration, like registration for life, may be being considered, but I am under the impression that the Teachers Registration Board may be abolished. I would like the Minister to make it clear what the position is on that. I am not expressing an opinion as to whether it should or should not be, but I have been given an impression very different from the one that the Minister gave.

The Hon. BARBARA WIESE: I can only repeat that the Minister does not intend to abolish the board. How much clearer can I be?

The Hon. R.I. LUCAS: I am delighted to hear the assurance from the Minister on behalf of the Minister of Education about the future of the Teachers Registration Board. The Opposition will not support the amendment of the Hon. Mr Elliott: I will quickly run over the practical effects of his amendment. Under the present Education Act the union—the South Australian Institute of Teachers—has six out of 13 positions, that is, it does not have a majority of members—slightly less. Under the Government proposal in the amending Bill, the unions—the South Australian Institute of Teachers and ATIS—will have seven out of 14 positions, once again not an absolute majority of the members of the Teachers Registration Board.

If the Parliament accepted the amendment moved by the Hon. Mike Elliott, the unions—SAIT and ATIS—would have eight positions out of a board of 15: that is, for the first time the teachers unions combined would take control of the Teachers Registration Board. I do not know whether that was the intent of the Hon. Mr Elliott's amendment, but that is the result: from the unions having slightly less than a majority, for the first time the Hon. Mr Elliott would ensure that the teachers unions together would take control of the Teachers Registration Board through a combined

total of eight out of 15 representatives. Given that a review is evidently going on into the Teacher Registration Board—

The Hon. M.J. Elliott: Reviews take years.

The Hon. R.I. LUCAS: Yes, but it is interesting to know that it is a review and not a review with intent to abolish the Teachers Registration Board. It is not appropriate for us to give the teacher unions control of the Teachers Registration Board—certainly at this stage of a review process. I am not inclined to give them an absolute majority on the board at any stage of a review process, but I would be interested in looking at the results of any review of the role of the Teachers Registration Board.

There seems to be much continuing debate about the relative membership strengths of ATIS and the non government sector of SAIT. I have cited evidence in my second reading speech, provided by ATIS, that it has a membership in excess of 1 300, and the size of the non-government sector of SAIT in a Federal hearing was admitted to be only 198. The Hon. Mr Elliott, obviously with information provided by SAIT, says that ATIS has only around 400, which ATIS strenuously denies, and that the non-government sector of SAIT is as high as 300. Obviously, members here are not in a position to know what the individual membership strengths of unions are or are not.

The Hon. Mr Elliott puts the view that the reason for ATIS's dropping from 1 300 to 400 relates to subscription fees, etc. The reverse argument from ATIS is that many of the people within the non-government sector of SAIT have not continued their subscription renewals with SAIT and that the numbers have dropped from 198, which its representive conceded at a public hearing a little while ago. There is not much further that we can develop that argument. It is accepted, whichever figures one looks at, that ATIS represents more non-government schoolteachers than does the non-government schoolteachers section of SAIT. For that reason, everyone in this Council supports the extra position for ATIS on the Teachers Registration Board. If ATIS gathers strength, as ATIS indicates it is, and if the non-government sector of SAIT was to diminish, at some time in the future we ought to have another look at the six representatives from SAIT, one of whom must come from the non-government sector. It may be appropriate in those circumstances for the six representatives to come from SAIT, full-stop, and not to have the proviso that at least one of those teachers should come from the non-government sector within the SAIT total of six on the Teachers Registration Board.

The Hon. M.J. ELLIOTT: Nothing that I have said was ever intended to question ATIS. In fact, I thought that I said earlier that ATIS should be properly represented. However, it is clear that we will now have two of the total of seven representatives of the unions coming from the independent system and four of a total of 10 people representing schools generally, if one includes headmasters and others representing the independent school system, which is grossly out of line with the percentage of pupils.

As to the implications that the Hon. Mr Lucas made about what would happen to the voting inside the Registration Board, that was not a matter that concerned me. It is not a matter of any concern, anyway. The total teacher representation would still be seven out of 14: a tied vote is lost and they do not have control. Perhaps the Hon. Dr Ritson could tell us what happens with registration of doctors. Most of the people dealing with that matter are doctors, who are very concerned about their standards. That is what the Registration Board is concerned about: standards of teachers. Who better to uphold those standards than teachers themselves?

An honourable member interjecting:

The Hon. M.J. ELLIOTT: That is what it is supposed to be doing. That is exactly why teachers wanted registration introduced in the first place: because they wanted to be recognised as a fully fledged profession. They are very concerned about their professionalism and the quality of people who teach. There is no way known that even if the teachers had a majority that would cause a drop in the standard of teachers. In fact, the reverse would be true: they would insist that the standard of teachers be higher. The concerns that the honourable member raises are a bit of a nonsense. The registration board of every other type of trade would be made up almost entirely of people in that trade. For that reason I would not be concerned if they had a majority, which they still do not, if one looks at the numbers.

Amendment negatived; clause passed.

Clauses 17 to 21 passed.

Clause 22—'Non-government schools to be registered.'

The Hon. R.J. RITSON: I expressed my concern about this clause in the second reading debate. I want briefly to reiterate that concern. I notice that in clause 22 (2) *(b)* in lines 17 to 20 there is a rolling penalty, so that whereas the maximum fine for a first offence is a flat $1 000, for a subsequent offence it is $1 000, or $100 for every day on which students have received instructions since the date on which the authority was last convicted under subsection (1), whichever is the greater. I can envisage a situation where a first offence is committed and a conviction is recorded. Then, let us imagine that the school continues to operate and three or four days later it is again reported and a conviction is recorded which is appealed. Such appeal, if it is taken to the highest court in the land, may take months, a year or more. It seems that, if the appeal is lost, then the time would run from the first offence to the commencement of proceedings of the second offence and that would not be a very long period, but the school may continue to operate in the hope that the appeal will succeed. The school may believe that the law is not yet clear until the full bench of the High Court of Australia has decided a matter so, by the time the matter is decided, it may be that, if the appeal is lost, a third offence has been committed which may have run for at least 300 or 400 days.

It would not surprise me if this provision were designed particularly to have that effect, to discourage someone from chasing an appeal through the courts, because they would have the disincentive of knowing that, if the appeal for the second offence were lost and they continued to run the school until the final state of the law was clarified, they would have committed a third offence for all of those days or years during which they operated the school while awaiting the final decision on the second offence. This clause, in political terms, is the get rid of Pastor Shriver clause, and that minister of religion has a firm principled belief that it is not for the State to issue authority to educate children but, rather, that that authority resides with the parent and other people and agents of the parents' authority when they teach those children. He believes this so firmly that I think he would be prepared to suffer political martyrdom rather than abandon that principle. My advice is that, if he applied for registration, it is likely that his school would be registered, but I believe that he has repeatedly refused to apply for registration.

The view of the school that is to be got rid of by this clause is that the law of the land has a place, a right and a duty to protect children in terms of safety and welfare in the playground. I believe that laws concerning qualifications of teachers and core curricula would be accepted as material controls that the State should exercise for the welfare of schoolchildren but that these can be exercised without the

creation of a statutory authority which dispenses as of right the right to educate. It is a philosophical argument and I know that many practical people say that it does not matter whether you have a statutory authority dispensing the right to educate or whether you have an advisory board with the Minister promulgating a code of practice which parents exercise when they take up their right to educate—the result is the same. Given a wise Government, in practical terms maybe the result would be the same, but I am surprised that the Government fails to understand that, when a person takes a stand on principle, they will see it through to the bitter end. I rather fear that we will see a case of political martyrdom on this principle, but that situation is avoidable.

The whole question of quangoes is a question of Parliament and the elected parliamentary heads of the department spinning off their authority in a responsibility shedding way so that they can say. 'I don't have the discretion: the board has the discretion.' It is much more uncomfortable if the Minister actually has a discretion, acting on advice of a board, and has to make decisions or exemptions. In general, society labours under the autonomous bureaucracy of *quasi* judicial quangoes. The President of the Law Society had something to say about the principle in this morning's *Advertiser*. In the past the Chief Justice (Mr King) has spoken out about it and this is another example of a responsibility shedding quango. At other times and places I have said that there are other sorts of quangoes, such as friendly rewarding quangoes and policy perpetuating quangoes.

This may be a policy perpetuating quango because, if one makes the right appointments to such a body, one can ensure that the policies of the Government making the appointments can extend beyond the life of that Government and, hopefully, until that Government can be returned to office. These are general principles which cause me concern about quangoes in general and those principles are the reasons why I object to this type of legislation in the first place, if it is at all avoidable. In particular it is obvious that the Government has decided to take a sledgehammer to an ant, as it were, and to smash the small fundamentalist Christian school which refuses on principle to accept that the right to educate children flows from this licence-giving authority.

I hoped that the Government could find a way to avoid such a confrontation while still ensuring, through other forms of regulation, that every child at that school was kept safe and healthy and was taught a proper core curricula by registered teachers. The Government obviously is not interested in attempting to do that. I recognise that the Government is the Government. I have not counted the numbers on this matter, and I suspect that I do not have them. I will call 'No' on this clause.

The Hon. BARBARA WIESE: I think that the honourable member was perhaps correct when he said that the question of whether or not schools should be registered was a philosophical issue. I think that the vast majority of people who have any knowledge of or interest in education would subscribe to the view that schools should be subject to some form of registration.

In fact, that is certainly the view of both the Government and the Non-government Schools Registration Board. The Non-government Schools Registration Board certainly believes that schools should be registered and that the present penalties for non-registration are not acting as a sufficient deterrent to schools that are in breach of the Act. In fact, it was that board that recommended this amendment to the Government. There are two cases in South Australia of schools being prosecuted but continuing to offend: one of them has been prosecuted three times and the other once. In both cases the courts have imposed a fine that was less than the maximum.

The Hon. R.J. Ritson: That is normal, isn't it? The maximum is kept for the worst cases—the repeated offenders.

The Hon. BARBARA WIESE: That is right. I point out that this is a discretionary power. If a case was taken right through the legal system and it ended up in the High Court, and if the High Court believed that it was not appropriate to make the penalties as stiff as under this provision, it would have the discretion to award lesser penalties or no penalty.

The Hon. R.J. Ritson: For a first offence, $1 000 is the maximum. The courts say that they can make it $200 if the circumstances prescribe. For the second offence, the maximum is $1 000 or $100 for every day, whichever is the greater. I would think that, if the $100 a day was greater than the maximum penalty, that discretion would go. It would be very hard for a court to bring that down.

The Hon. BARBARA WIESE: They are still maximum amounts. There is a philosophical question whether or not schools should be registered.

The Hon. R.J. Ritson: The maximum penalty might be a mandatory amount for a second offence if it adds up to more than $1 000.

The Hon. BARBARA WIESE: This gives the court the discretion to choose what the penalty will be. The vast majority of people involved with education believe that schools should be registered and would agree that there should be penalties which act as a deterrent to schools not being registered. These penalties are reasonable and it is believed in the education community in both the government and non-government sector that they are reasonable as maximum penalties. I think that the honourable member will find that the majority of members in this Council will support the Government's position in this case.

The Hon. R.J. RITSON: It does not affect me personally. I do not want to rehash the matter, but I suspect that the Government can put a pastor in gaol, if that is what members opposite want to do.

Clause passed.

Clauses 23 and 24 passed.

Clause 25—'Compulsory enrolment of children.'

The Hon. BARBARA WIESE: The Hon. Mr Griffin asked questions about this clause during the second reading stage. At present, there is no legal entitlement for primary school students to claim a place at a particular school, including their local school. The amendment seeks to give them the right to demand, and be provided with, a place at their nearest school. The provision of an entitlement to be enrolled at their nearest school in no way restricts their right to seek to be enrolled at a more distant school. While these requests would usually be accommodated, particularly at a primary school, there may be a few cases where space limitations at a school preclude the enrolment of students other than those resident in the school's natural catchment area. This is nothing new: it has happened in the past. It is simply not possible to give parents to whom the honourable member referred in his questions an unequivocal assurance that their children will be enrolled at the more distant school.

In these circumstances, it would be prudent for parents to consult the Area Director of Education before making a commitment to enrol their children at other than the nearest school. The Director-General of Education has not yet developed guidelines for dealing with such cases. It can reasonably be assumed that the sibling rule, which has been developed for secondary schools, will also apply to primary school enrolments, and Area Directors have developed pro-

cedures and skills for dealing with these situations, which are common in secondary schools. In general, each case is considered on its merits without recourse to carefully worded guidelines and rules, so I think that the assurance that the Hon. Mr Griffin was seeking, that provisions will be flexible and that cases will be treated sensitively, will be the case, and I believe that that is the case with enrolments in secondary schools.

The Hon. R.I. LUCAS: I seek further clarification of the Minister's response on behalf of the Minister of Education in relation to current education policy, and I raised this matter in the second reading stage. My understanding was that the *Education Gazette* for the week ending 27 June 1986 instituted restrictions on enrolments at designated primary schools under the department administrative instructions. For certain schools, the authority to establish zones of right was provided. I seek clarification from the Minister. While I accept the general nature of what the Minister said, that is, that the present policy has been, in effect, open go within the primary school sector, my understanding was that that administrative instruction instituted restrictions through a zone of right at certain primary schools.

The Hon. BARBARA WIESE: The information concerning zones of right is correct. Agreements were reached between school councils and school communities for some areas, the Grange school area being one. That is true.

The Hon. R.I. LUCAS: Section 74 of the Education Act allows the Minister to establish secondary school districts, but the Bill abolishes that provision, giving students the right to attend the nearest school. My understanding, therefore, of the Government changes was that we were getting away from the secondary school system of drawing of districts or lines on a map for respective schools. In the second reading response from the Minister, in relation to the questions I asked about the arrangement between Hallett Cove School and Brighton High School, the Minister stated:

> After 1988 students living in the prescribed district for Hallett Cove R to 10 school will have an entitlement to attend that school.

I presume the speech was drafted by the Minister of Education and his officers. It appeared to indicate that the Minister of Education and the Director-General would be, under this new Act, prescribing districts for secondary schools, that is, drawing lines on a map for secondary schools. I do not know whether that was an unfortunate use of words or whether it is in fact the case. If it is the case, I wonder why we are changing this section of the Act at all.

The Hon. BARBARA WIESE: I think I understand this point now. An area will be defined around each school so that it is possible to identify what is the catchment area for a particular school.

The Hon. R.I. Lucas: Will there be lines on a map? Will there be a map within area offices showing these catchment areas?

The Hon. BARBARA WIESE: Yes, there will be. In those defined areas the children who live therein will have a place reserved for them in that school. They will not have to take up a place in that school and can choose to enrol in another school. However, there will be defined areas rather than prescribed areas in the sense of compulsion.

The Hon. R.I. LUCAS: My understanding was that under the existing system with secondary school districts there were lines on a map attached to, for example, the Heights High School and that a student on the edge of that catchment area may be closer to Gilles Plains or some other high school but in the catchment area for the Heights and therefore have the authority or entitlement to go to the Heights school rather than to Gilles Plains. In discussions that I have had in relation to these amendments it was put to me that the change in this Bill envisaged because of the clause that says one has the right to attend the school that one is nearest to, that a student at the edge of the catchment area of the Heights but closest to Gilles Plains would change entitlement from the Heights to Gilles Plains. That was my understanding of the reason for moving away from secondary school districts. The Minister now, through her adviser, has indicated that we will have lines on maps available with catchment areas, which appears to be exactly the same situation as we have at the moment. Will the Minister indicate why we are changing or in fact whether there is a change in the current situation for secondary schools?

The Hon. BARBARA WIESE: It seems that the difference between this system and the old system is that the emphasis will be on drawing lines which represent geographical zones rather than arbitrary districts so that we will have a line drawn around a school that will make it so that people on the outer edges of a zone will be living within a reasonable distance from the school designated as their nearest school. The current situation is that arbitrary lines are drawn to create districts. In some cases that means, as the honourable member has suggested, some students are living closer to a neighbouring school than to the one designated as the one they should be attending. Is that clear?

The Hon. R.I. LUCAS: As it is not important to the passage of the Bill, I will talk to the adviser of the department at a later stage in order to better understand the clause.

The Hon. BARBARA WIESE: I move:

Page 4—

After line 29—Insert paragraph as follows:

(ab) by inserting in subsection (1) after the passage 'according to the' the passage 'age and';.

Lines 35 to 38—Leave out paragraph *(b)* and insert paragraph as follows:

(b) who is of compulsory school age,.

Lines 41 and 42—Leave out all words in these lines and insert 'at any Government primary school or (according to the age and educational attainments of the child) any Government secondary school'.

This amendment involves an entitlement to enrolment in a primary school for all students who are residents of South Australia, irrespective of their educational attainment. The original clause referred to educational attainments as being the criterion for movement of a child from primary to secondary schools. It is clear from the comments from some members opposite and other people that this phrase has been interpreted in a fairly rigorous and pedantic manner. The majority of children progress from primary to secondary schools on the basis of their age because their educational attainments following seven years of primary schooling are considered appropriate. In a limited number of cases children do not progress in this *quasi* automatic manner. Each of these cases is a subject of assessment and discussion between the principal, the child's teacher and the parents. In some cases the assistance of a guidance officer is also sought. There are no rigorous testing procedures used and the final decision takes into account social as well as educational factors.

These amendments recognise that the two major criteria are age and educational achievements. They make clear the process that is current practice. Amendments to lines 35 to 38 and lines 41 and 42, seek to clarify the intention of the Bill and the phrase 'according to the age and educational attainments of the child' refers specifically to enrolments in secondary schools. One interpretation of the original clause suggested there was an intention to preclude some children from enrolment in primary schools. This was never the intention of the Government, so this proposal now makes the clause unambiguous.

The Hon. R.I. LUCAS: The Opposition supports these amendments as they are the result of matters that the Opposition raised during the second reading debate. The Minister referred at the end of her comments to the situation under the original drafting which might have eventuated where a child who is severely handicapped and perhaps aged 5 to 8 years might only have the educational standards or achievements of perhaps a two-year-old. On one reading of the legislation, it was possible that a particularly severely handicapped child might not have had automatic entitlement to enrolment in primary school.

That was certainly the view put to Opposition members by some people concerned about access to education for severely handicapped children, so I am pleased that, in the spirit of give and take in Committee, the Minister has accepted the views put and has moved the amendments that she has moved here this evening. The Opposition supports the amendments.

Amendments carried; clause as amended passed.

Clause 26—'Insertion of new ss. 75a and 75b.'

The Hon. M.J. ELLIOTT: I move:

Page 5—
Line 10—After 'may,' insert 'subject to the regulations,'.
Line 18—After 'may,' insert 'subject to the regulations,'.

In moving this amendment I point out the concern that I expressed during the second reading stage, that the first guarantee point a parent has in this whole process of appeal is at the level of the local court. In practice, there are other points at which a parent may intervene as they see their child moving towards the point of expulsion from the school system.

It is my concern in moving this amendment that what we should be looking to do is have a clear set of circumstances and a clear procedure which, if followed, may eventually lead to expulsion and that those procedures be followed so that it is quite clear what steps a parent may follow if they find that their child is involved in such moves.

Having taught for nine years, I am quite aware of the *ad hoc* nature at times of the workings of the Education Department and I believe that an appropriate set of regulations could be drafted to be followed in all cases. I believe that we would then see an even smaller number of cases get to the courts. Anything we can do to prevent cases going that far, or to prevent the heartache in between, particularly for parents who do not know how the situation works, would be useful. I gather that the Minister has found this acceptable.

The Hon. R.I. LUCAS: I will be interested in the Minister's response to this matter. I can see the argument for his amendments, and I am not opposed to what the Hon. Mr Elliott seeks to do. The first of his amendments relates to children with disabilities or learning difficulties whereas the second talks about children with behavioural problems. One then gets into the question of children being expelled from school.

I can certainly see the need for the department to have a list of guidelines to be followed before that occurs. Will the Hon. Mr Elliott expand on the first part of his amendment? What sorts of regulations and guidelines is he talking about in relation to new section 75a (1), which refers, in effect, to disabilities or learning difficulties and the question of whether a child should enter a special school or stay within the normal system?

The Hon. M.J. ELLIOTT: In the first instance I was referring to a later amendment. I had them back to front. Nevertheless, the principle is the same. I do not want to design the regulations now as I think that the Government can do that. The sort of thing I had in mind is that parents would have a right to seek an interview with particular people and that that right of interview would be guaranteed. Those are the sorts of things that I see as being included. Many of those interviews do occur, but I want the whole process to be set up in such a way that it is guaranteed in black and white that those rights do exist, exactly what those rights are, and what processes will be followed by the department in determining whether or not a child will be asked to go to one school rather than another.

The Hon. BARBARA WIESE: I indicate that the Government is prepared to accept this amendment.

The Hon. R.I. LUCAS: I have had representations from the South Australian Special Schools Councils Association. This is another association with much interest in these provisions and it was a little put out that out it was not consulted by the Government in relation to these amendments. I provided the association with a copy of the Act. It has had discussions with me and asked me to raise a question in its letter to me as follows:

> This section, section 26. 75a (2), is discriminatory and does not allow the parents to choose which appropriate special school they wish their child to attend, as with other siblings in a family of school age a parent may choose the most appropriate primary school.

Will the Minister say whether that is the case? It certainly is the case that we do have the option to select a primary school for our child and if we can get the child into a particular school within the enrolment ceiling then one has an option. I wonder whether parents of children who have to attend a special school have a choice of whether their children attend Magill Special School or Norwood Special School, or whatever, or whether that is a decision taken by the Director-General.

The Hon. BARBARA WIESE: It would be the intention, as indicated in new section 75a (1), that parents be consulted in all cases about the placement of a a child who has disabilities. It would be the intention that agreement would be reached on all matters, including the school to which the child is sent.

The Hon. R.I. LUCAS: I take it that, under the further provision, if after consultation the Director-General made a decision to send the child to the Norwood Special School, or wherever, and the parents were aggrieved at that decision they could appeal it under clauses that we will look at later and say that they would prefer their child to go to Magill Special School, for example.

The Hon. BARBARA WIESE: Yes, that would be so. They would have the ability to appeal.

Amendments carried.

The Hon. BARBARA WIESE: I move:

Page 5—
Lines 10 and 11—Leave out 'after consulting the parents of a child, if satisfied that the child' and insert 'if satisfied that a child'.
After line 17—Insert subclause as follows:
(3) The Director-General may give a direction under this section, or vary or revoke a direction under this section—
(a) on the application of the parents of the child;
or
(b) at the Director-General's initiative after consulting the parents of the child.

Having had the matter dealt with by these amendments drawn to his attention, the Minister of Education considered that clause 26 did not take into account the situation where a parent may wish to take the initiative and apply to the Director-General for a child to be enrolled in a special school. These amendments rectify this situation, and I hope that this satisfies some of the criticisms that were made in relation to this matter.

The Hon. R.I. LUCAS: In general terms the Opposition supports these provisions, as, once again, we raised this matter during the second reading debate. I seek clarification

from the Minister of one or two matters. First, in relation to the insertion of proposed subclause (3), I seek the Minister's assurance that there will be no possibility at all of the Director-General's making a decision on enrolment of a child in a special school without the involvment of the parents—whether, first, under the initiative of the parents or, secondly, at the initiative of the Director-General. Certainly, my reading indicates that this is the case, and certainly Parliamentary Counsel has indicated that that is the case. However, I seek an assurance from the Minister that under this rewording there is no way the Director-General could make a decision on sending a child to a special school without consultation or discussion with the parents of the child.

The Hon. BARBARA WIESE: I can certainly give that assurance on behalf of the Minister of Education. That would be his intention.

The Hon. R.I. LUCAS: I refer further to the drafting of proposed subclause (3) which refers to varying or revoking a direction:

(a) on the application of the parents of the child; or
(b) at the Director-General's initiative after consulting the parents of the child.

In so doing I refer to the definition of 'parent' under section 5 of the Education Act. The definition of parent is a curious one from my viewpoint. It provides that the parent of a child means:

The person who has actual custody—

I am not exactly clear on what 'actual' custody is—although I understand what legal custody is.

The Hon. K.T. Griffin interjecting:

The Hon. R.I. LUCAS: The shadow Attorney says that actual custody might mean someone who snatches the child and runs away with the child! I hope that that is not the definition. 'Actual custody' is a funny phrase to me. The definition of parent provides:

The person who has the actual custody of a child or the person with whom the child resides.

As the Minister and her adviser would be aware, there are many circumstances in South Australia in which children come from country areas, for example, and live with a landlady or a married couple in the metropolitan area in order to attend their schooling. Under the definition of 'parent' in the Education Act that person—the landlady or the people with whom a child is boarding—means, on my layman's reading of the legislation, 'parents' and therefore such a person would be required to be consulted before any decision was made in relation to sending a child to a special school.

The problem also occurs later, because another clause provides for a parent to have the right to appeal against a decision that might be made by the Director-General or by the Minister. I am concerned about possibly giving the landlady or the people with whom a child boards in the metropolitan area the right to appeal against decisions made by the Director-General or the Minister or to take up the sorts of responsibilities that we envisaged would be held by what we all understood to be the real parents, the true or natural parents, of the child. I seek a response from the Minister, because I envisage problems with the definition of 'parent' in the Education Act. I really think the Minister needs to look at this matter before we can adopt a position in relation to the amendments presently before the Committee.

The Hon. BARBARA WIESE: I have been advised by Parliamentary Counsel that the definition of 'parent' could be interpreted as the honourable member says, in the sense that the person with whom the child resides could be a landlady or a guardian of some kind. However, it is not the intention of either the Minister or the Director-General to consult a person of that kind in determining whether or not a child should be placed in a certain school. It is intended that consultation would be undertaken with a parent or a legal guardian—someone who has responsibility for the child in that way, rather than just a person with whom the child resides, as a matter of convenience, in determining the matters referred to. As I understand it, the definition of 'parent' was inserted in the Education Act to cover situations where compulsory attendance at school needed to be enforced and where it was necessary to negotiate with a landlady or someone of that kind in those circumstances. However, it is not intended that a person of that kind would be involved in determining matters dealt with by the provisions referred to.

The Hon. R.I. LUCAS: While I accept that that might not be the intention, the practical effect of the legislation is that under proposed new subsection (3) the Director-General may give a direction to vary or revoke a direction, made under proposed new section 75a:

(a) on the application of the parents of the child; or
(b) at the Director-General's initiative after consulting the parents of the child.

Certainly, the Minister's assurance covers paragraph *(b)*, where it is on the Director-General's initiative. He or she would only consult with the parents of the child in the form that the Minister has indicated, though I suspect that if a landlady, landlord, guardian or whatever wanted to be pernickety about this whole matter they could claim that they had not been consulted and create problems for the department. But under proposed subsection (3)*(a)* opportunity is provided for a landlord or landlady, for example, to apply to send a child to a special school, for example—and I use the term advisedly—as opposed to a normal school, or whatever, perhaps quite contrary to the views of the parent, who might be living at an outback station somewhere. If the Director-General receives an application from the landlady/parent, then under this provision I would see the Director-General as being obliged to go through whatever guidelines or procedures the Hon. Mr Elliott has laid down under the regulations that we have already accepted. The Hon. Mr Elliott has indicated that there would be an interview process and assorted other things that would have to be followed and that, once application had been made to the Director-General, those regulations and guidelines would need to be enacted and followed.

Whilst I accept the reason for the present definition of 'parent', I wonder whether we ought to consider in some way redefining 'parent' in this instance. It is very hard to think on the run, but if it is not essential that we pass everything tonight we may be able to think of something before tomorrow afternoon. The Opposition does not want to hold up the passage of the Bill, but I wonder whether that might not be an alternative that we should think about overnight or in the morning and have another attack on it tomorrow afternoon.

The Hon. BARBARA WIESE: The honourable member has raised a point that should be considered more carefully. For that reason I will ask that the Committee report progress. Before we do that we will take some questions.

The Hon. R.I. LUCAS: I have not resolved in my mind the question of whether it should be the application of parents or parent for consultation, putting aside for the moment a question of landlords or landladies. Take the question of a couple who have joint custody of a child—I am not sure what 'actual custody' means—and are living separately. The child lives, for example, with the mother, but the father has joint custody legally and perhaps is living

in Sydney or Tarcoola. I have not resolved in my mind whether what we are doing here is right or wrong: there are advantages and disadvantages. We are saying here that the Director-General must consult the mother of the child, who lives in Adelaide, and also the parent having joint legal custody—the father, who might live in Sydney, as well—before various provisions are enacted. Also, it must on the application of the parents of the child, under paragraph *(a)* so, the mother may well, having lived with the child with all the specific problems and disabilities that that child has, want that child to go to a special or other school and seek to make an application for it. But the husband, who in this case does not have much day to day association with the child, lives in Sydney and visits only occasionally, and he is dismayed about the prospect of his son attending a special school rather than what he sees as a normal school. Therefore, if the mother, wanting to make this application to the Director-General, sought the assistance of the husband in Sydney, she may not have got that support and may be stymied in enacting this provision. It is one of these 'on the one hand, but on the other hand' arguments.

On the other hand, equally I can see the argument as to why both parents should be possibly involved. Clearly, if there is joint custody, both live in Adelaide, have joint access and it is a close relationship, the husband and father rightly would feel that he is entitled to be consulted about a decision. If I were to amend this to make it 'parent' and the mother sought application to send the child to a special school, the father in that fairly close relationship (whilst they are living apart) would naturally feel aggrieved. I can see the arguments on both sides: I do not know whether there is a solution. I throw it open for the Hon. Mike Elliott, the Minister and his advisers to think about it while we are looking at this definition of 'parent' that I have raised in the context of landlord or landlady.

The Hon. M.J. ELLIOTT: I raise one other concern so that it may also be considered. I am aware that the number of people who will eventually find themselves before a court will be very small, but I am concerned that it is possible that people might find themselves waiting up to 14 months for the case to be heard. Fourteen months is an awfully long time during the education of a child. I ask the Government whether it might consider whether or not there should be some sort of queue jumping mechanism in a case such as this. I have suggested this in the case of child sex abuse also, where there is a matter needing immediate resolution one way or the other for the good of that person. I do not believe that we should allow a case to pend for up to 14 months or more.

I have also been most concerned about the problem of legal costs and the fact that they may be a disincentive for people to pursue what they believe might otherwise be a rightful case. I hope that the Government is giving that serious consideration.

The Hon. BARBARA WIESE: This provision of having access to the courts has been placed there as a last resort. As the honourable member is probably aware, an aggrieved parent can take several steps before that to have an appeal heard. There are various steps within the education system, and finally the Minister to whom a parent can appeal. The courts are there as a last resort. It would be highly unlikely that any situation would go that far. However, having said that, we will agree to look at it further and see whether it is necessary to modify these provisions in any way.

The points raised by Mr Lucas are very good, and we need to examine what 'actual custody' means as opposed to 'legal custody' and whether or not it is necessary for both parents to agree in a situation like this. One could also envisage another situation where a parent cannot be found and, if there is a requirement to consult with both parents, that could also give us some problem. Overnight, we will look at these questions and see what we can do about modifying the definition of 'parent'.

The Hon. M.J. ELLIOTT: I was a teacher for nine years and I am more aware than anybody else in this place of the reality of what happens in the system. I have no doubt that children who should still have been attending schools were not because of headmasters' decisions. At present they give them a fortnight's suspension. As soon as that suspension is finished they give them another one. That is often an ongoing process, which is being used in the Education Department now, and kiddies are on the streets because of an abrogation of responsibility in the Education Department. We may find children now being expelled from school on the same very flimsy basis: I do not want to see children having that happen. If the parents want to appeal against it—unfortunately, they often do not, which is why the children are like they are, to some extent—they may wait 14 months before the case is heard. Even if that is in only a small number of cases, I do not believe that they are receiving justice. It is a most serious matter, and I implore the Minister to take it on board.

Progress reported; Committee to sit again.

METROPOLITAN TAXI-CAB ACT AMENDMENT BILL

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

COMMERCIAL AND PRIVATE AGENTS BILL

In Committee.

(Continued from 21 October. Page 1264.)

Clause 2—'Commencement.'

The Hon. C.J. SUMNER: I suggest that I respond to a number of the queries raised by the Hon. Mr Griffin during the debate and, if I could do that particularly with clause 2, it may shorten the debate at a later stage and give the honourable member the chance to examine my responses before we proceed with the Bill tomorrow.

The questions raised by the Hon. Mr Griffin first refer to clause 4*(b)* and the definition of 'agent'. He raised a number of queries. First, in relation to the hiring out or supplying of guard dogs, Mr Griffin raised a question about whether this licensing requirement would catch people who breed and sell dogs which may be suitable as guard dogs. The Government agrees with Mr Griffin that it would be quite inappropriate to licence such people, but it does not agree that there is any need to clarify the clause. Substantially, the clause repeats a part of the definition of 'security agent' in the existing Act which was inserted in 1978 largely in response to representations by the Hon. Dr Eastick. The clause has operated satisfactorily ever since then in terms of its apparent purpose and no serious doubt has been raised about it.

The second query related to the definition of 'agent' in searching for missing persons. This part of the definition of 'agent' comes from the definition of 'inquiry agent' in the existing Act. The Hon. Mr Griffin notes that volunteers are automatically excluded from this definition, because the requirement for monetary or other considerations is missing, but he wonders whether the definition would cover, for

example, employees of the State Emergency Service or the Country Fire Services. The answer is that it does not. In the first place, such people come within the exemption in clause 5 for officers or employees of the Crown. Secondly, they are not, when they undertake these activities, acting 'on behalf of another' in the relevant sense contemplated by the clause.

The third query related to the definition of 'agent' and that refers to clause 4*(b)(x)* and clause 4*(e)*. The Hon. Mr Griffin challenges the need to be able to extend the range of licensable activities by regulation. It needs to be remembered that this Bill, like the present Act it is intended to replace, is dealing with the activities of those who undertake para-police and other enforcement activities on a commercial basis. It is important that the community be able to rely on the fact that people engaged in these sensitive areas are trustworthy and of good repute. For example, the hiring of guard dogs was brought under licence in 1978 because, among other problems, there were reports that some people had exploited the demand for guard dogs by supplying dogs which were in fact trained to remain docile when particular persons visited the premises at night. Similarly, the police, along with reputable members of the security industry, had identified a concern in relation to the provision of some kinds of alarm system, and that activity is being brought within this Bill.

These examples show that it is necessary for the Government to be able to respond quickly so that the community is properly protected against people who may seek in an unscrupulous way to develop initiatives and new lines of business in this field. In the same way, in a volatile and sometimes difficult economic situation, the Government believes it is useful to have the ability to respond appropriately and quickly to new lines of activity which may be developed in relation to the collection of debts by persons who do not carry out the full range of activities normally conducted by those who are known as commercial agents and who may not subscribe to accepted practices and modes of conduct.

So far as commercial agents are concerned the Hon. Mr Griffin also raised the question of factoring. The definition does not include people whose sole relationship with collecting debts is through the factoring process, because factors are not seeking payment of a factored debt on behalf of another, but on behalf of themselves.

Clauses 14 and 15 deal with the management of a corporate licensee, default leading to the suspension of a licence and the inability to recover fees. These two clauses substantially re-enact sections 20 and 47 of the existing Act. No difficultly concerning them was brought to the attention of the working party whose review of the Act has been published. Nor has any difficulty been raised by any of the very many organisations who have been consulted in the development of this Bill. The Hon. Mr Griffin believed that he recalled some action being taken in relation to the Builders Licensing Bill earlier this year to provide greater flexibility in this area, giving the tribunal power to modify the operation of similar provisions. In fact, the Hon. Mr Griffin wanted to take that matter out of the hands of the tribunal and the Council on a divided vote rejected his proposal. As it is, the flexibility that he talks about exists in this Bill as it does, in a somewhat different drafting form, in the Builders Licensing Act. Subclause 14 (2) contemplates that the tribunal may allow a corporate licensee to operate without a resident licensed manager for longer than the base period.

Clause 26 deals with the tribunal reducing excessive charges. The Hon. Mr Griffin would like to see criteria of reasonableness of charges to guide the tribunal. This clause closely follows the existing section 36, with some variations which do not affect the point made by the honourable member. At the second reading stage, the Hon. Mr Griffin seemed to suggest that the reasonableness of an agent's charges should have to be judged in relation to the circumstances of the work undertaken. There is no need to spell this out. It goes without saying. The working party proposed, and the Bill specifically enables, the setting by regulation of scales of charges. Where that is done—and it has been proposed that it should be done for commercial agents—that scale will provide an initial indication of reasonableness.

Clause 30 deals with inspection and production of accounts and records. This clause substantially re-enacts sections 24 and 25 of the existing Act which provided penalties in similar terms. The difference is that the penalty that was set in 1972 of $500 or six months imprisonment has been changed in each case to a maximum penalty of $2 000. Matters of inadvertence can be pleaded in mitigation, as has been the case since 1972. The Government does not accept the Hon. Mr Griffin's suggestion that the prosecution should have to prove that the default was not inadvertent. This would water down the controls on trust accounts and records in a way that no one has suggested throughout the long review of this Act. In fact, the intention of these provisions is to strengthen the supervision in this area.

In respect of clause 30 in relation to disclosure of records by a commercial agent to an authorised officer and clause 34 relating to the power of inspectors to examine trust accounts or audit program, the Hon. Mr Griffin, at the second reading stage, raised the question of the qualifications of authorised officers and, by implication apparently, inspectors appointed under clause 34. He suggested that the Act should specify qualifications for such persons.

The Government rejects the suggestion. The authorised officers to which clause 30 refers are authorised officers under the Prices Act. Neither they, nor Corporate Affairs Commission investigators, to whom he referred by way of analogy, have their qualifications specified in legislation. The Government is charged with the execution of the Act: the question of what qualifications are required to provide effective administration is, except for some of the most senior sorts of statutory office, a matter for the Government.

Clause 40 refers to letters of demand and approval by the tribunal. The Hon. Mr Griffin is concerned that the procedure for commercial agents' form letters of demand to be approved by the Commercial Tribunal is excessive. As he concedes, letters of demand have been identified as a significant problem. It is not enough simply to have some guidelines. Experience of complaints, both during and since the working party review, suggests that a stronger approach is needed to deal with undesirable aspects of letters of demand. It should be noted that the clause explicitly contemplates the existence of a code of conduct, to be adopted by regulation.

Approval of form letters which follow the code of conduct will be a straighforward matter. Subparagraph (1) *(b)*, requiring lodgment of unapproved forms, allows commercial agents to use new forms without having to consult the tribunal first. Provided they have regard to the code of conduct, they will have no problem, but the submission of forms to the tribunal is regarded as necessary to give the degree of scrutiny required to combat abuses in this area.

Clause 53 relates to proceedings to be commenced by the Commissioner or authorised officer (apart from the Minister's consent). The Hon. Mr Griffin queries this. It is a routine provision of contemporary licensing Acts adminis-

tered by the Department of Public and Consumer Affairs, for example, the Second-hand Motor vehicles Act 1983 (section 47); the Travel Agents Act 1986 (section 37); and the Builders Licensing Act 1986 (section 51).

Progress reported; Committee to sit again.

COMMONWEALTH POWERS (FAMILY LAW) BILL

Adjourned debate on second reading.

(Continued from 21 October. Page 1268.)

The Hon. C.J. SUMNER (Attorney-General): I thank honourable members for their contribution to this Bill and for their support of it. A number of points were raised by speakers including the Hons. Diana Laidlaw, Mr Elliott and Mr Griffin. In respect to the points raised by the Hon. Miss Laidlaw, her first question was whether the jurisdiction to determine disputed paternity referred to the Family Court. Section 99 of the Family Law Act 1975 provides that where the paternity of a child is a question in issue in proceedings under that Act, the court may make an order requiring either party to the marriage or any other person to give such evidence as is material to the question.

Obviously the Family Court will need such an ancillary power in relation to children born outside marriage and the reference of power encompasses such. But there will be many cases where the issue of paternity is raised in proceedings other than under the Family Law Act where the Supreme Court will continue to be the appropriate forum to decide the question. It should be noted that the commonwealth legislation conferring the new jurisdiction on the Family Court has not yet been drafted. I have received assurances from the Commonwealth Attorney-General that the States will be consulted on that legislation. We will be looking to ensure that the legislation not only equips the Family Court with all the powers that it needs but also that jurisdiction which should be left with the State courts remains there.

The second question raised by the Hon. Miss Laidlaw is whether the merit of the Supreme Court retaining concurrent jurisdiction had been explored. I advise the Council that agreement has now been reached by the Commonwealth and the States to cross-vest jurisdiction in Federal and State courts. The Commonwealth Bill was introduced on 22 October. The South Australian Bill will be introduced as soon as possible. When the cross-vesting scheme is in position the State Court will be in the position to exercise jurisdiction under the family Law Act where appropriate.

The third question raised by the Hon. Miss Laidlaw was whether there had been any indication or commitment from the Commonwealth Government that additional resources will be made available for the Family Law Court to meet its increased expenses. This question has not been an issue in the negotiations on the terms of reference. We have only been dealing with the legal aspect, namely, referral of the powers from the States to the Commonwealth. The exercise of those powers and the administration of the legislation once passed will then be a matter for the Commonwealth. I point out, however, that the number of disputes relating to the custody and maintenance of children in the State courts in South Australia is not large. I expect the Commonwealth will review the question of resources as necessary when the legislation has been dealt with by the Commonwealth Parliament.

The Hon. Mr Elliott raised a question as to what is being done about the Family Court making access orders despite concerns that children are being abused during access. The State and the Commonwealth have established a joint working party consisting of representatives of the department for Community Welfare and the Family Court to examine the question of what steps need to be taken to ensure that access orders are not made when children are at risk of being abused during access. The Department for Community Welfare has recently intervened in a recent case in the Family Court.

There was some controversy about the matter some months ago. I would expect the Family Court to be very wary of problems that might occur in this area with respect to the question of access and the possibility of any abuse occurring during that access. I have no doubt that the Family Court would not order such access if it was established to the satisfaction of the Family Court that abuse was occurring during access. Certainly one would not expect unsupervised access to be granted to a person in those circumstances. In any event I am aware that there is controversy about the matter. Following that controversy the State Department for Community Welfare and Family Court representatives got together to try to resolve any differences that exist in that respect.

The Hon. Mr Griffin raised a number of questions including whether some concurrent jurisdiction will remain with the State courts. I have already answered that by reference to the proposal for cross-vesting of jurisdiction in State and Federal courts. The second question raised by the Hon. Mr Griffin was as to the stage of negotiations with respect to vesting the State Supreme Court with jurisdiction under sections 45d and 45e of the Trade Practices Act. As I have already indicated, agreement has been reached on the cross-vesting proposal. I have not seen the final version of the Commonwealth Bill and do not know what decision was ultimately made on section 45d and 45e of the Trade Practices Act, but I can no doubt ascertain that information prior to the passage of the Bill, if not through this place at least before the Bill is passed by the Parliament. The other question of paternity also raised by the Hon. Mr Griffin has been dealt with by me.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 11.35 p.m. the Council adjourned until Wednesday 29 October at 2.15 p.m.