LEGISLATIVE COUNCIL

Thursday 13 August 1992

The PRESIDENT (Hon. G.L. Bruce) took the Chair at 2.15 p.m. and read prayers.

HENLEY AND GRANGE HOUSING DEVELOPMENT

A petition signed by 108 residents of South Australia concerning the proposed housing development at Henley and Grange and praying that this Council will urge the Corporation of the City of Henley and Grange and the South Australian Planning Commission to have regard to their concerns and reject the proposed housing development was presented by the Hon. Diana Laidlaw.

Petition received.

CARRICK HILL DIRECTOR

The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage): I seek leave to make a ministerial statement on the Carrick Hill Director.

Leave granted.

The Hon. ANNE LEVY: Yesterday, the Hon. Mr Davis asked a question of the Attorney-General and criticised the appointment of the new Director of Carrick Hill, Ms O'Brien. The Hon. Mr Davis implied that the appointment of the Director of Carrick Hill was not based on merit and that there was something underhanded about the appointment. I completely reject this implication and wish to set the record straight.

First, Ms O'Brien was not promoted to fill the position of Director of Carrick Hill, which is at the same level as her substantive current position—ASO6. Consistent with current practice within the department, and as agreed with the Commissioner for Public Employment, the vacancy was advertised to all staff at that level. There were 27 letters sent out to all ASO6 employees inviting them to apply.

The Hon. L.H. Davis: That's a joke, isn't it?

The PRESIDENT: Order!

The Hon. ANNE LEVY: This practice has existed within the department for some time and is aimed at ensuring a reduction of management levels by attrition.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. ANNE LEVY: There are a number of redeployees within the Department for the Arts and Cultural Heritage, and it would be irresponsible unnecessarily to bring in additional staff. This would be a waste of Government resources that this Government is not prepared to tolerate. Ms O'Brien's former position has now been abolished, and that allows for a reduction in overall positions within the department. The interview panel for the position of Director of Carrick Hill included the Chair of the Carrick Hill Board, Ms Naomi Williams. The interview panel unanimously chose Ms O'Brien for the position on the basis of merit over other applicants.

The Hon. L.H. Davis: How many applicants were there?

The PRESIDENT: Order!

The Hon. ANNE LEVY: To suggest otherwise casts aspersions on both the selection panel, including Ms Williams and Ms O'Brien. The Department for the Arts and Cultural Heritage has taken a responsible position in ensuring both a good appointment on merit and more efficient use of taxpayers' money. I should have hoped that this would be the aim of all members in this Chamber.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Hon. Mr Lucas.

MINISTER OF TOURISM

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister of Consumer Affairs a question about misleading the Parliament.

Leave granted.

The Hon. R.I. LUCAS: On 2 April this year I asked the Minister a question about an employee of Tourism SA who was also on the payroll of Mr Jim Stitt. The Minister responded by saying:

> Well you know that is an absolute lie, and so do I. It is absolutely outrageous to suggest such a thing. The person who was working for Tourism SA is a contract consultant who also, at one stage, did a job for Jim Stitt as a public relations consultant.

Yesterday, the parliamentary Economic and Finance Committee released a comprehensive list of all consultants employed by TSA for the past five years. This list was so comprehensive that even a consultant who was paid $400 for a consultancy was listed. A close examination of the list of consultants reveals that the employee of TSA about whom I asked the original question is not listed as a consultant of TSA for any of these five years. Does the Minister now concede that her former department's considered reply on consultancies directly contradicts her statement to the Council, and will she now admit she misled the Council with her statement on 2 April?

The Hon. BARBARA WIESE: I did not mislead the Council with my statement on 2 April. If the consultancy of that individual was left out of the list that was provided to—

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —the Economic and Finance Committee of the Parliament, then I would want to ask questions as to why that occurred. If the honourable member had any respect or decency for the processes that are currently taking place he would have directed his questions to the Minister who represents the—

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —Minister of Tourism in this place at this time in order to determine whether or not the list presented to the Economic and Finance Committee of this Parliament was a complete list and whether that particular individual ought have been on it—

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order! The Hon. Mr Lucas will come to order.

The Hon. BARBARA WIESE: —so that a proper reply could be given. This approach being taken by the Hon. Mr Lucas is very typical of the slime bag tactics that have been employed by him in this place since he first was elected to Parliament.

CORPORATIONS LAW

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question about the corporations law changes.

Members interjecting:

The PRESIDENT: Order! The Council will come to order.

Leave granted.

The Hon. K.T. GRIFFIN: There has been significant continuing criticism of Federal Government proposals to amend the corporations law to impose additional burdens on company directors under what many have described as 'black letter law'. The Business Council of Australia, the Confederation of Australian Industry, legal groups, accounting groups and bodies representing directors (such as the Institute of Directors), as well as media financial journalists, have all been highly critical of the proposals. They are criticised as not being in line with experience in the real world of business, and would have the effect of increasing costs and putting directors even more at risk than they are now. That conclusion has been reached even in relation to the subsequent proposals made by the Attorney-General to amend the initial proposition. The general view among professionals, particularly lawyers and accountants, is that under the new law (if not already) anybody who accepts the onerous responsibilities of a director is most unwise.

They conclude that the additional proposition being made at the Federal level would even further discourage persons from becoming directors of companies. Under the heads of agreement between the Commonwealth and the States, a provision requires the ministerial council on companies, of which the Attorney-General is a member, to be consulted in relation to all legislative proposals involving amendment of the Corporations Law. In some areas, and I understand the duties of directors is one, the Commonwealth will not introduce a proposal without the authority of a majority vote of the ministerial council. My questions to the Attorney-General are:

1. Was the ministerial council consulted on the Corporations Law Reform Bill and did the ministerial council approve it?

2. If the ministerial council approved the proposals, can the Attorney-General indicate whether he supported or opposed the proposal and can he indicate by what majority the proposal was approved?

3. Can he further indicate whether or not the ministerial council has considered the Federal Attorney-General's proposed changes to that Bill?

The Hon. C.J. SUMNER: Unfortunately, I was not able to attend the last meeting of the ministerial council, but I will get the information requested by the honourable member and bring back a reply. Suffice to say at this stage there have been a lot of discussions between the Federal Attorney-General and interested parties on the question of directors' duties and, if the media have reported the situation correctly, it appears that broad agreement has now been reached between the Federal Attorney-General and the business community, or at least it has been reported that Mr Hugh Morgan and the Federal Attorney, Mr Duffy, have reached agreement on what should happen.

I note today's *Australian* contains an article about whether it is now just a debate regarding the wording of the legislation rather than the substance. Nevertheless, the situation regarding this legislation is, I believe, that it has been released for consultation and that is the process that is going on. When that is concluded, presumably, it will be put to the ministerial council for information and approval where that is required. I will get a report on where that is and bring back a reply to the honourable member's specific question.

COMCAR FLEET

The Hon. DIANA LAIDLAW: I seek leave to make a brief explanation before asking the Attorney-General a question about the Comcar fleet.

Leave granted.

The Hon. DIANA LAIDLAW: The New South Wales Government has commenced legal proceedings in the High Court to prevent Comcar, the agency which operates the Commonwealth Government's fleet of white cars in each State and Territory, operating as a hire car business without first gaining appropriate State accreditation and licences. Comcar recorded an operating loss of $12 million last year, so this year the Minister for Administrative Services, Senator Bolkus, authorised Comcar to compete with hire cars for private sector business.

Quite naturally, this move has infuriated hire car operators not only in this State but also Australia-wide. Comcar is subsidised by the taxpayer and therefore enjoys an unfair competitive advantage in the marketplace.

The Hon. K.T. Griffin: It doesn't pay payroll tax, either.

The Hon. DIANA LAIDLAW: It does not pay sales tax on its vehicles and it does not pay any payroll tax, registration or licence fees; nor does it pay 26c a litre fuel excise. To rub salt into the wound, Senator Bolkus now claims that, because Comcar is a Commonwealth authority, it does not have to meet the usual accreditation standards and licence fees required of all other hire car operators or Comcar's competitors.

The New South Wales Government wants the High Court to determine a question of principle on a significant constitution matter, that is, whether a State Act binds the Commonwealth without the Commonwealth's express or implied consent. I therefore ask the Attorney: has the South Australian Government been asked, either by the New South Wales Government or by hire car operators in this State to support, or has he considered supporting the legal proceedings initiated by the New South Wales Government that seek a declaration from the High Court on this constitutional matter? Also, as I understand it, in New South Wales all Ministers have directed their departments not to use Comcar services until Comcar agrees to meet State standards and pay the

licensing fees that apply in that State. Does the Attorney know whether South Australian Ministers have been asked to do likewise, that is, not to use Comcar services until this matter has been resolved and Comcar pays the same fees and meets the same standards as must all other hire car operators in this State?

The Hon. C.J. SUMNER: I cannot speak on behalf of other Ministers. This would be a matter for my colleague. I also cannot recall having seen any advice about this case, but I will check whether it has been considered within the Crown Solicitor's office and bring back a reply.

QUESTION REPLIES

The Hon. M.J. ELLIOTT: I seek leave to make a personal explanation.

Leave granted.

The Hon. M.J. ELLIOTT: When I asked questions in relation to Cooper Creek I had an answer from the Minister of Consumer Affairs, as follows:

> I think that the honourable member might have received answers to these questions if he had read yesterday's *Hansard* for the House of Assembly. However, I am sure that the Minister of Fisheries will be able to repeat his responses to a similar question in another place for the benefit of the honourable member if he is too lazy to read *Hansard*.

I thought it was a little unparliamentary, but I was a little embarrassed that I had missed it, so I went back to read it. No question was asked in the House of Assembly on that day, and I no longer feel embarrassed.

PORT MACDONNELL

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister of Marine a question about the future of Port Macdonnell.

Leave granted.

The Hon. M.J. ELLIOTT: Port Macdonnell is the second largest fishing port in the South-East of the State. It earns the State more than $8 million of export income a year, and is suffering serious problems from sand build-up. In the 1970s, when the Marine and Harbors Department was planning a breakwater to protect boats at Port Macdonnell in the South-East, as a consequence of a promise in a very close election, local fishermen warned them to leave at least a 200 metre gap in the western end, as well as an entrance to the east to allow the natural flow of water to take sand through the haven. As most storms hit Port Macdonnell from the south, a gap would not have compromised boat safety. Despite the warning, the breakwater was built right to the shoreline. Since then, sand has built up, narrowing the haven entrance and covering the slipway. The Marine Minister has announced that the slipway must close, because the department is no longer willing to bear the $60 000 a year cost to clear it, although at this stage he is saying the haven entrance will be maintained, I gather through rather expensive dredging operations.

This announcement has united the local community in anger. Of the 80 boats that work out of the port, half use the slipway for repairs or to take their boats out of the water for winter storage. Without the slipway, boats would have to travel 100 km to use slipping facilities in Beachport. This is a dangerous trip for a damaged boat in rough weather. Local fishermen say the solution is easy. In fact, one study has supported them in their suggestion to remove the culprit section of the breakwater at an estimated one-off cost of $60 000. They have even found a local contractor who is willing to dredge the sand from the haven entrance and slipway if he is allowed to sell it privately afterwards.

The Hon. Diana Laidlaw: Coast protection is saying 'No'?

The Hon. M.J. ELLIOTT: Coast protection is saying 'No'. Interestingly, the Marine and Harbors Board has valued the breakwater at $4 million and keeps on valuing it upwards, whilst the breakwater is destroying the port and the fishermen are being asked on a user-pays basis to pay for the maintenance of the port when they have given clear advice that difficulties would arise from that breakwater design. Has the Minister considered the option of opening a gap in the western section of the breakwater to alleviate the sand problems within the haven, problems which will eventually kill the port? If so, what decision has been reached and why was it reached?

The Hon. C.J. SUMNER: I will refer that question to my colleague the Minister of Marine and bring back a reply.

CONSULTANCIES

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Minister of Consumer Affairs a question on the subject of misleading Parliament.

Leave granted.

The Hon. L.H. DAVIS: On 1 April this year the Hon. Barbara Wiese, in answer to a question, told this Council that she assumed the only spending by Tourism South Australia on the Tandanya project on Kangaroo Island related to the holding of public meetings on the island and with pamphlets and similar material. However, information released only yesterday by the parliamentary Economic and Finance Committee shows that the Department of Tourism in 1990-91 paid $3 800 to Nelson Dawson Architects for consultancy services for the Tandanya Supplementary Development Plan. This company is in fact the architect for Tandanya, a project that Tourism South Australia has supported strongly. My questions are:

1. When the Minister on 1 April responded to the question about Tandanya, why did she not reveal that Nelson Dawson had been in receipt of $3 800 from the Department of Tourism for this project in 1991, and, if she was not aware of that fact at the time, why did she not later advise the Council of this important information, which we only learnt about yesterday?

2. Does the Minister not agree that it is highly unorthodox for the Department of Tourism to retain the architect for the Tandanya project to also provide advice on the Tandanya Supplementary Development Plan, as such an appointment could create a serious conflict of interest situation?

3. The Minister may well need to refer this to the Acting Minister of Tourism, but will the Minister advise

the Council at the earliest opportunity whether tenders were called for consultants with respect to the Tandanya supplementary development plan?

The Hon. BARBARA WIESE: I do not intend to answer any questions that relate to Tourism South Australia issues. I have stood aside from the portfolio during the course of the Worthington inquiry. I think it is improper for questions relating to Tourism South Australia to be directed to me and, indeed, I think it is improper for questions to be directed to me relating to matters which—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —may be part of the Worthington inquiry; but it is very typical of the Hon. Mr Davis and the Hon. Mr Lucas that they should adopt such tactics in Parliament prior to the inquiry being completed and a report presented to the Government and the department.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: It is typical of people like the Hon. Mr Davis that this sort of approach has been taken. I do not intend to answer any questions relating to Tourism South Australia or to the inquiry. As I indicated, it is not appropriate that I should. What I will say, Sir, is that on 1 April, when I responded to the question that the honourable member asked, I gave an answer that was honest.

The Hon. L.H. Davis interjecting:

The Hon. BARBARA WIESE: The honourable member says that Mr Elliott asked the question. Well, okay, Mr Elliott asked the question—

Members interjecting:

The PRESIDENT: Order! The Council will come to order. If the Hon. Mr Davis is not satisfied he can ask another question later.

The Hon. BARBARA WIESE: I answered that question within the scope of my knowledge at the time. I have learnt subsequently, and in fact during the course of the recent inquiry, that there was a Nelson Dawson consultancy with respect to the supplementary development plan. That was the first I knew of it. It was nothing that required my approval, and that is as much as I will say about that matter. But I suggest that, if the Hon. Mr Davis, the Hon. Mr Lucas, or any other member in this place, wants to ask any more questions about Tourism South Australia or the Worthington inquiry, they should be directed somewhere else. I give notice right now, here and now, that I will not be responding to any further questions.

LAW REFORM COMMISSION

The Hon. J.C. BURDETT: I seek leave to make a brief explanation prior to directing to the Attorney-General a question about a law reform commission.

Leave granted.

The Hon. J.C. BURDETT: South Australia has no permanent law reform commission, unlike most of the Australian States. Both the Hon. Trevor Griffin and I have, in the past, spoken at length in favour of a permanent law reform commission. We have in South Australia—and have had for some time—a Law Reform Committee, which has produced some very worthwhile reports, many of which have been acted upon in this Parliament. However, if we believe that an independent law reform body ought to be involved in the law reform process, a permanent law reform commission is an obvious option.

To his credit, the Attorney introduced a number of law reform issues in the last session and has obviously started on a similar program in this session—and that is to be commended. However, the point I raise concerns the place of an independent—and I stress independent—commission. In regard to the reform of the criminal law, Mr Matthew Goode, Senior Lecturer in Law at the Adelaide University, has given valuable assistance to the Attorney, but, however learned, this is not the same as a permanent law reform commission which has a diverse base and which is geared to listen to members of the public who may have something to contribute. A permanent law reform commission would provide a publicly accessible and therefore democratic basis for law reform independent of Government.

Despite its good work, the Law Reform Committee has in recent times run down—perhaps the Government has not given it sufficient references—but it is no substitute, anyway, for a permanent commission. Will the Government consider the establishment of a permanent law reform commission in South Australia similar to that which exists in most other States?

The Hon. C.J. SUMNER: Not at this time. I do not see the need for such a commission. The fact is that around Australia there are a large number of law reform commissions, commissions of inquiry, criminal justice commissions and the like. I think almost every other State has a law reform committee or commission; so, there are five to start, with. The Australian Capital Territory, I believe, has some form of law reform commission; the Commonwealth Government has a law reform commission; there is a criminal justice commission in Queensland; there is the NCA, which recently has done work on law reform in the area of prosecution of corporate fraud; and there is the Electoral and Administrative Commission, I think it is called, in Queensland. In addition, there are a large number of other *ad hoc* bodies that are concerned with the reform of the law. One is the Criminal Law Officers Committee, which is operating under the instructions of the Standing Committee of Attorneys-General and which is involved with other organisations in Australia concerned with the reform of the criminal law, including the Federal Gibbs committee on the Reform of the Criminal Law and the Australian Criminal Law Association. So, ample bodies and people around Australia are involved in proposals for reforming the law, including the criminal law.

The Government in this State has to adopt a pragmatic approach to reform. We check and monitor the proposals that come out of these other bodies around Australia and, where appropriate, we implement them. Often they are implemented as part of a uniform process through the Standing Committee of Attorneys-General, and that is what is happening at the present time with the criminal law reform project. The Attorneys have agreed that, as an aim, we should attempt to get, as far as possible, a uniform criminal code for Australia. That is not being done formally through a law reform commission or

committee, but it is being done through a committee of officers who are experienced and well qualified in the criminal law. So, the law reform efforts of the Government have not—as I am sure the honourable member would concede—been flagging. In fact, some people—my colleagues included—believe that too many Bills reforming the law emanate from the Attorney-General because the Parliament has to sit too long to consider them.

However, that has not deterred me, and there will be a significant legislative program from the Attorney-General in this Parliament, and that will involve reform of the law amongst other things. I understand the honourable member's question, and it is a reasonable one, but at the present time the Government believes that using the resources around Australia both in this State and elsewhere to assess and implement law reform proposals is the best way to go. After all, no matter what proposal comes from the Law Reform Commission, it is ultimately Parliament that must pass legislation to reform the law. Indeed, there has been criticism in the past, not so much of the South Australian Law Reform Committee but certainly of the Australian Law Reform Commission, for instance, that, while it presented some wonderful reports, the record of implementation of those reports by Parliament was very poor. That has not been the case in South Australia, and for the moment the Government prefers its current approach to the matter.

CONFIDENTIAL INFORMATION

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Attorney-General a question about illegal trade in confidential information.

Leave granted.

The Hon. I. GILFILLAN: The shocking revelations recently announced by the New South Wales Independent Commission Against Corruption (ICAC) of widespread illegal trading in confidential information have serious implications for South Australia.

The ICAC report has named 19 major institutions including our major banks, as having either made corrupt payments or encouraged corrupt conduct and another seven State or Federal Departments which illegally sold confidential information.

Of the Federal authorities operating here in South Australia, five have been named by the New South Wales ICAC as being involved in illegal selling of confidential information. They are the Department of Social Security, Telecom, Australia Post, the Tax Office, Medicare and the Department of Immigration. All 19 of the institutions named as buyers of illegal information have operations which cross State boundaries and are therefore linked to South Australia.

Information that came to me this morning indicates that in the report NRMA Insurance Ltd has been accused of making payments to the Road Transport Authority of New South Wales for information. The direct link there, of course, is that the Managing Director of NRMA Insurance Ltd has recently been appointed to take charge of SGIC in South Australia. In addition, the Tax Office in Adelaide has admitted that at least two cases are pending against employees allegedly involved in illegal selling, while the Department of Social Security has revealed that 45 cases involving breaches of confidentiality within the department resulted in disciplinary action last financial year.

It is clear that illegal practices are taking place in South Australia and, according to statements attributed to the current Chairman of the SGIC, Mr Vin Kean, he will soon present allegations of prominent people, politicians and political Parties allegedly involved in wide scale rorts. To whom he is going to present these allegations remains an open question.

It appears that public corruption does exist in the State, either through our own State institutions or those of the Commonwealth. Indeed, the Chairman of the Federal House of Representatives Committee on Legal and Constitutional Affairs, Mr Michael Lavarch, says the ICAC findings support the often expressed view that the Commonwealth's safeguards against this type of illegal practice are inconsistent, inappropriate and not effective. My questions to the Attorney are:

1. Has he or his officers seen the ICAC report; if not, does he intend to do so?

2. What if any action does he intend to take to ensure that such practices cease in South Australia?

3. Will he provide to the Council a full report on the situation regarding corrupt release or sale of confidential information to banks, debt collectors and other interested parties as applies in South Australia?

4. In the light of statements by SGIC Chairman, Mr Vin Kean, of prominent people and politicians allegedly rorting the system, to which independent investigating authority does the Attorney recommend that Mr Kean take his allegations?

The Hon. C.J. SUMNER: That is a bit of a dog's breakfast of a question, if I may say so. The honourable member seems to have referred to the ICAC report and then, for good measure at the end, tossed in Mr Vin Kean, and that seems to me not really to be relevant to the ICAC matter. However, I suppose the honourable member thought that he was only going to get to ask one question today, and that it is another four or five days before Parliament sits again and he wanted to ensure that it was all tossed into the ring.

I have not seen the ICAC report on this topic as yet because it has not been sent to us. However, I am sure that it will be and, if it is not, I will seek a copy, examine it and look at its relevance to South Australia. I would expect the Anti-Corruption Branch of the South Australian Police Department to look at the matter as well to see whether or not the situation that was exposed in New South Wales is applicable or indeed is occurring in South Australia. I think it is over the top for the honourable member to assert that there are clear illegal practices in South Australia in relation to these matters.

The Hon. I. Gilfillan interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: Mr President, that doesn't necessarily follow from the ICAC report but, if there are then obviously they should—

The Hon. K.T. Griffin: From what Mr Kean has said.

The Hon. C.J. SUMNER: Well, the Hon. Mr Griffin says, 'From what Mr Kean has said.' Obviously, if illegal activity is occurring within the public sector it should be pursued. What we do know is that, as a result of $10

million being spent by South Australian taxpayers, largely at the request of the Hon. Mr Gilfillan, no institutionalised corruption was uncovered by the NCA in the South Australian Police Force at least, and to date the Government—

The Hon. I. Gilfillan interjecting:

The PRESIDENT: Order!

The Hon. J.C. Burdett: That's true.

The Hon. C.J. SUMNER: That is right—$10 million of taxpayers' money to investigate allegations made by the Hon. Mr Gilfillan and others which indicated that, whilst there may be isolated instances of improper or corrupt behaviour by South Australian police from time to time, there was no institutionalised corruption, as alleged by the honourable member over a considerable period of time.

I have no evidence that there is institutionalised corruption or fraud within the South Australian public sector generally, although there will probably always be isolated instances of illegal and fraudulent activity. To combat that the Government has put in place a public sector fraud strategy, and the Anti-Corruption Branch has been established. If there is any evidence of such activities in South Australia it will be pursued vigorously. Apart from isolated instances, I do not have evidence to suggest widespread public sector corruption in this or any other area.

However, I certainly will be examining the report and discussing it with the police, and we will look to see whether or not the situation revealed in New South Wales is mirrored in South Australia; I am happy to provide a report on that topic to the Parliament. I think it is important to distinguish the sale by Government departments of information to outside bodies which may be a breach of general notions of privacy, but which, if it is authorised, would probably not be corrupt or illegal. That is one category and, as I say, I have not examined the ICAC report yet to see what it says about it. But, that is one category—

The Hon. I. Gilfillan: Did you read the report in the *Advertiser* of people making more money out of it than their own salary?

The PRESIDENT: Order!

The Hon. C.J. SUMNER: The second category that needs to be distinguished from the first that I have mentioned is individuals in the Public Service selling the information for their own personal profit, and that is something that I believe would be corrupt. It would certainly be contrary to Public Service procedures, and the people may face criminal charges or Public Service procedures. Those two issues need to be distinguished—that is, is it the Government agency itself selling the information? And, if it was properly authorised, it certainly might raise issues of privacy that would not be illegal; or, on the other hand, there may be individuals in the Public Service selling it for their own benefit, and that is obviously a serious matter.

The latter was identified as happening in New South Wales. I do not have anything in front of me (and I have not investigated it) to suggest that that is occurring in South Australia. However, I will certainly be looking at it, and I am sure that the police will be looking at it, as a result of the New South Wales ICAC inquiry, and I will bring back a reply.

I think that these revelations in New South Wales indicate to the community and to the Parliament in particular that there is a need for an upgraded regime of privacy protection in South Australia, even if, in South Australia, it is only a situation of Government departments selling information, not individuals doing it for private profit. But, there is no doubt (and I hope that members will take this on board in considering the privacy legislation that will be introduced) that the Government was quite correct some months ago when it introduced its privacy legislation.

The Hon. I. Gilfillan interjecting:

The Hon. C.J. SUMNER: Well, that's all right. I am not taking anything away from the Hon. Mr Elliott. He has contributed to the privacy debate. I merely indicate that I hope members will now perhaps try to bring a more balanced frame of mind to the privacy debate as a result of these revelations than what has been possible hitherto because of the press treatment of that legislation. It is an important issue; it does need to be examined by the Parliament. I hope that the Parliament now, over this session, and fully acknowledging the Hon. Mr Elliott's role in this matter, will be able to reach some agreement on appropriate privacy legislation.

I should say that in South Australia for the past three years a privacy protection regime has been in place for the public sector. The Hon. Mr Elliott criticises it as inadequate; he is entitled to criticise it. But, the fact is that it has been there: there has been a Privacy Committee; and privacy guidelines have been laid down by the South Australian Government. The activities that have been exposed in New South Wales, from what I understand of them, would have been in breach of those guidelines.

The Hon. I. Gilfillan interjecting:

The Hon. C.J. SUMNER: Well, if Government departments were selling the information with the authority of the head of the department, unless exemptions were obtained from the Privacy Committee, that would have been in breach of the Government's privacy guidelines. So, I would in fact be surprised if there were Government departments selling the information, as apparently has been disclosed in New South Wales. Whether individuals are profiting from the sale of such information is something which I obviously cannot answer but which I have already said I will examine. I repeat that, for three years now, there have been administrative guidelines in place. If members of the public feel aggrieved by breaches of those administrative guidelines relating to privacy, they have access to the Ombudsman and to the Privacy Committee to enable their complaint to be examined. That remains in place. If the Privacy Bill is passed there will be legislative backing for those procedures.

As to the other matter raised by the Hon. Mr Gilfillan about Mr Vin Kean's statements, which had absolutely nothing to do with the first part of his question and which was thrown in for good measure, I have only read about those in the media and heard of them on radio. Mr Kean obviously has a particular course of action in mind. If he believes that there is evidence of criminal activity occurring, then he can report that to the South Australian Police Department. If it is a matter of fraud, there is a fraud section of the Police Department. If it is a matter

involving breaches of company law, there is the Australian Securities Commission or, if he believes it is a matter involving allegations of corruption in the public sector, then he can go to the anti-corruption branch of the Police Department.

DOMESTIC VIOLENCE

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation, before asking the Minister representing the Minister of Family and Community Services a question about domestic violence.

Leave granted.

The Hon. BERNICE PFITZNER: We are all acutely aware of domestic violence, and the statistics reveal that one in three homes witness women being physically assaulted by their partners at least once in their relationship; nearly 50 per cent of the population of Australians know a victim or perpetrator; 19 per cent consider the use of physical force against a wife is justifiable; and 60 per cent of murdered women are killed by their partners. I cite a case history of a recently arrived migrant woman, to provide some background as to what happens during some domestic violence, as follows:

> Soon after the delivery of their second child, Mr D started to bash his wife. He often yelled at her, kicked her and threatened her with a knife—especially when she asked for money. He likes his friends better than his family. A couple of times she went to a shelter with two children, but she was not comfortable there. She could not talk to anyone. Also, her food was very different from others. They watched how she cooked and opened all the windows. After two or three days she took the children and went back to her husband—just as a lost soldier at war surrendered himself. Mrs D was not happy at being pregnant again. She could not consider an abortion. She wishes someone could help her deal with her husband.

An ethnic health worker reports that there are no culturally appropriate domestic violence counselling services in South Australia. I have telephoned to try to obtain a clear picture of what community services are available with regard to domestic violence, but with little success.

I have spoken with the Director of Domestic Violence in the unit attached to FACS and she concurs with my perception. My questions are:

1. Is there a coordinating body that is able to supply the community with clear information regarding the various services for domestic violence?

2. If not, will the Government look at providing such a service?

3. It would appear that there need to be more culturally appropriate services for people of ethnic background, particularly the recently arrived. Will the Government look into the best service model to address this issue and provide funding for it?

The Hon. BARBARA WIESE: I will refer the honourable member's questions to my colleague in another place and bring back a reply.

LOCAL GOVERNMENT BUREAU

The Hon. J.C. IRWIN: I direct a question to the Minister for Local Government Relations regarding the former Local Government Bureau. Following the closure of the Local Government Bureau on 30 June this year, what arrangements have been made for the deployment of staff and what arrangements have been made for the delegation of various ministerial approvals handled by Mr Des Ross, the former chair of the bureau?

The Hon. ANNE LEVY: The ministerial approvals have reverted to me while we undertake further discussion with the Local Government Association as to the future of these ministerial approvals. It seems to me that many of them are matters which should not require ministerial approval, but should be the responsibility of local government itself. However, legislative change will be required to enable that to occur. There may be other instances where it is appropriate that there be some oversight and some approval sought, although not necessarily ministerial approval but, as I say, that topic is still being discussed with the Local Government Association.

With regard to the employees of the Local Government Bureau, I can reassure members that no-one has lost their job. As it wound down its activities, a number of employees had been moved from the bureau prior to 30 June and had been redeployed elsewhere in the Public Service. There is, of course, what was part of the bureau but what is now the Plain Central Services for the public libraries of this State. That is still in the same quarters in Hindmarsh, and the Plain Central Services will now be the responsibility of the Libraries Board, so that all the employees, who were previously bureau employees working in the Public Libraries Branch at Hindmarsh, remain there working on the Plain Central Services and are now employees of the Libraries Board.

I think some people who were employed in the bureau have not yet found redeployment positions, but this number is decreasing very rapidly. I will make inquiries as to the exact numbers concerned and bring back a report.

WRIGHT, Mr LES

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Attorney-General representing the Minister of Labour a question about consultancy.

Leave granted.

The Hon. J.F. STEFANI: I have been informed that until January this year Mr Les Wright was employed in the Public Service as the Executive Assistant to the Minister of Labour, Mr Gregory. Mr Les Wright is currently the presiding officer of the WorkCover Corporation and the Chairman of the South Australian Occupational Health Welfare and Safety Commission. Both these appointments are on a part-time basis and carry an annual remuneration or fee. I have further been informed that Mr Les Wright is acting as a financial consultant and has established a consultancy service. My questions to the Minister are:

1. Was a separation package paid to Mr Wright when he terminated his employment as a public servant? If so, what was the payment and did the payment include any amount for severance?

2. If the severance was paid, what was the amount?

3. Has the Government engaged the services of Mr Wright, either directly or indirectly, through any company to act as a consultant to any Government instrumentality?

4. If so, what are the instrumentalities that have engaged his services as a consultant and what were the amounts paid?

The Hon. C.J. SUMNER: I will refer the question to my colleague and bring back a reply.

FESTIVAL CENTRE CAR PARK

The Hon. DIANA LAIDLAW: The Minister advised me yesterday that she had an answer to a question that I asked on Tuesday about the Festival Centre Car Park. I am sorry there was not an opportunity yesterday for the Minister to read the reply, but I thank her for her prompt response.

The Hon. ANNE LEVY: In view of the interest shown in this question, it is a short answer and I might read it rather than seek leave to have it incorporated in *Hansard*. The Festival Centre Trust has informed me that the leaks in the southern plaza car park are caused by a breakdown in the corking material which was applied to the expansion joints. This work was carried out early this year by a private contractor. Unfortunately, the material used was not suitable to this application.

In the interim the Festival Centre Trust has made the contractor aware of the material breakdown and he has undertaken a series of tests on the material used and discovered that the material itself is at fault. The contractor has accepted full responsibility and remedial work will be undertaken by early October, depending on the weather conditions; it cannot be done in the rain. This will involve removal of the failed material and recorking the entire southern plaza at a cost to the contractor.

CLUB KENO

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Attorney-General a question about Club Keno and answers to questions.

Leave granted.

The Hon. R.I. LUCAS: Many months ago in about February I asked a question in this Chamber about abuses of the Club Keno game conducted by the Lotteries Commission. I am advised that at least four and perhaps five months ago the Lotteries Commission provided answers to those questions to former Premier Bannon for response to me in this Chamber. To this date no response has been provided at all on those questions. I wonder whether, now former Premier Bannon is no longer occupying the office, the Attorney-General would be prepared to undertake to contact the Acting Premier, Dr Hopgood, and see whether he is prepared to release the information that has been provided in relation to possible abuses of Club Keno.

The Hon. C.J. SUMNER: I will refer the question to the Premier and bring back a reply.

ENVIRONMENTAL IMPACT STATEMENTS

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister for Environment and Planning a question about public access to submissions to an environmental impact assessment.

Leave granted.

The Hon. M.J. ELLIOTT: Recently a member of the public went to the Department of Environment and Planning offices to view the submissions which had been made on the Draft Environmental Impact Assessment for the Multifunction Polis at Gillman/Dry Creek. It is, I understand, usual practice for submissions to be available for public viewing. After noticing that no Government ones were amongst those on display this member of the public questioned staff and was told that 22 submissions from Government departments and advisors were unavailable. Information is a powerful tool. To be denied access to it is to be denied an effective role in decisions which are based on that information. The Conservation Council of South Australia has written to me also expressing concern about lack of public access to submissions to the EIS on this project. In a letter, the officers write:

> The Conservation Council is greatly concerned at the enormous amounts of money which will be required to clean up and alter the MFP site. We are dissatisfied also with the lack of scientific data about the site, and believe it is essential for all South Australians to know what reservations the experts in Government departments have.

The experts are, of course, paid for by the public of South Australia, which will also pay for the development, yet their opinions are being kept secret. My questions are:

1. How many of the submissions to the MFP EIS are not available for public perusal?

2. Is the Minister aware why they are unavailable?

3. What number of those have been prepared by Government departments or agencies?

The Hon. ANNE LEVY: I will refer those three questions to my colleague in another place and bring back a reply.

CORPORATIONS LAW

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question about the corporations law.

Leave granted.

The Hon. K.T. GRIFFIN: When the corporations law was being debated in this Chamber in December 1990, some attention was given to the formal agreement between the Commonwealth and the States, and that agreement was an important ingredient of the scheme. The Attorney-General said that it had not been signed. In September 1991 at the Budget Estimates Committee the Attorney-General again said it had not been signed. My questions are:

1. Has the formal agreement between the Commonwealth and States yet been signed?

2. If not it, what is the reason for the delay?

3. What steps are being taken to finalise the formal agreement?

The Hon. C.J. SUMNER: I can assure the honourable member that I am not responsible for the delay. It has not

yet been signed, but I will get an update on it and bring back a reply for the honourable member.

MEMBER'S LEAVE

The Hon. R.R. ROBERTS: I move:

That three days leave of absence from 8 September be granted to the Hon. C.A. Pickles on account of absence overseas.

Motion carried.

SOUTH AUSTRALIAN COUNTRY ARTS TRUST BILL

The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage) obtained leave and introduced a Bill for an Act to establish the South Australia Country Arts Trust and Country Arts Boards and define their functions and powers; to repeal the Cultural Trusts Act 1976; and for other purposes. Read a first time.

The Hon. ANNE LEVY: I move:

That this Bill be now read a second time.

The purposes of this Bill are—

- to repeal the Cultural Trusts Act 1976
- to establish the South Australian Country Arts Trust and five Country Arts Boards and define their functions and powers
- to transfer the property, rights and liabilities of the four existing Cultural Trusts, the Central Region Cultural Authority and the Regional Cultural Council to the South Australian Country Arts Trust

and

- to transfer the necessary staff of the Cultural Trusts, the Central Region Cultural Authority and the Regional Cultural Council to the South Australian Country Arts Trust.

The Government, over many years, has strongly supported regional arts development in South Australia. Figures show that, in 1990, 23 per cent of all arts development resources went to regional areas in which 24 per cent of South Australia's population lived. The Cultural Trusts Act, originally assented to in 1976 and entitled the Regional Cultural Centres Act, provided for the establishment of bodies initially called Regional Cultural Centres, later Regional Cultural Trusts, and presently known simply as Cultural Trusts, to develop and manage cultural facilities in proclaimed regions and support a range of arts activities and programs throughout country South Australia. In 1992 the proclaimed regions relate to—

- the Eyre Peninsula Cultural Trust
- the Northern Cultural Trust
- the Riverland Cultural Trust

and

- the South-East Cultural Trust.

The Central Region Cultural Authority, an incorporated association, was established to develop and manage cultural facilities and support a range of arts activities and programs in that part of the State not within the areas of the Cultural Trusts. The Regional Cultural Council, also an incorporated association, was established to coordinate, develop and promote cultural activities in association with the Cultural Trusts and the Central Region Cultural Authority in order that all country South Australians have the opportunity to experience the arts.

As part of the 1991-92 Budget and legislative review processes, a review of regional arts development in South Australia was undertaken, involving the examination of the range of regional arts activities and programs supported by the South Australian Government, including the structural management arrangements of the organisations responsible for these activities.

The resultant report, Review of Regional Arts Development in South Australia, which has been tabled in the South Australian Parliament, recommends the following:

- that the four Cultural Trusts established under the Cultural Trusts Act 1976 be abolished
- that a single statutory body called the South Australian Country Arts Trust (SACAT) be established in place of the Cultural Trusts
- that SACAT assume responsibility for the assets and liabilities of the Cultural Trusts
- that SACAT oversee the coordination and management of regional arts development and assume responsibility for the financial and artistic aspects of regional arts activities
- that SACAT establish five Country Arts Boards to exercise a devolved responsibility for decision-making and management of regional arts activities.

The Government believes that the proposed new management structure will provide a stimulus to regional arts activities and consolidate the excellent work previously undertaken to establish a network of regional theatres and Statewide performing arts programs.

The Review Committee, as part of the consultative process, met with all four Cultural Trusts, the Central Regional Cultural Authority, the Regional Cultural Council, the staff of those bodies and the unions involved. It also met with the Local Government Association and the local councils where the trusts are established. A total of 94 submissions were received from arts organisations and individuals and five public meetings were held in the designated regions. Following Cabinet's approval of the report on 9 March 1992, all the Cultural Trusts and their staff have discussed the report's implications with officers of the Department for the Arts and Cultural Heritage and there is general acceptance of the recommendations.

The proposed structural, managerial and operational arrangements detailed in the report can be implemented at a cost of $2.5 million in a full year (in 1991 dollars). This represents a saving on 1990-91 expenditure of approximately $500 000. More importantly, the proposed structure enables redirection of available funding to significantly increase arts projects funding which will ensure that a greater number of arts development activities (including regional touring) occur throughout regional South Australia.

There will be an increase in funding from $70 000 to $300 000 for the Regional Arts Development Officers, which is a change from $5 000 to $20 000 per officer. An additional two Regional Arts Development Officers will be appointed, one to Kangaroo Island and the Fleurieu Peninsula and the other to the Eyre Peninsula, bringing the number to 15 officers. The Local Presenters Fund will also be increased from $40 000 to $60 000 and a programming fund of $20 000 will be provided to each

of the four theatres for entrepreneurial activities and touring. There will also be a Cultural Promotions Touring Unit, which will ensure coordinated touring and access by all the regions to arts products.

A total reduction of 11 administrative and support staff was envisaged by the review. At this time four of these staff have secured alternative employment and six others are on 12 month contracts. The further reduction will be accommodated by normal attrition, completion of contracts or, where necessary, by redeployment. The relevant unions have been consulted and no practical difficulties have been identified.

I commend the Bill to honourable members and 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 commencement of the measure on a day to be fixed by proclamation.

Clause 3 defines terms used in the measure.

Clause 4 provides for the establishment of the South Australian Country Arts Trust.

Subclause (1) establishes the trust.

Subclause (2) provides that the trust is a body corporate and has full legal capacity to exercise all the powers that are capable of being exercised by a body corporate.

Subclause (3) provides that the trust is an instrumentality of the Crown and hold its property on behalf of the Crown.

Subclause (4) provides that where an apparently genuine document purports to bear the common seal of the trust, it will be presumed in any legal proceedings, in the absence of proof to the contrary, that the common seal of the trust was duly affixed to that document.

Clause 5 deals with the membership of the trust.

Subclause (1) provides that the trust is to consist of 10 trustees appointed by the Minister:

- one will be appointed by the Minister to be the presiding trustee of the trust
- one will be a person nominated by the Local Government Association of South Australia
- three will be persons who together will provide business, entrepreneurial and arts skills
- the balance of the membership of the trust will be one member from each of the five Country Arts Boards selected from two members nominated by each board.

Subclause (2) requires at least two trustees to be women and two to be men.

Clause 6 sets out the term and conditions of office of trustees.

Subclause (1) provides for a trustee to be appointed for a maximum term, specified by the Minister in the instrument of appointment—

- in the case of the presiding trustee—of three years;
- in any other case—of two years.

Subclause (2) provides for a trustee to be eligible for reappointment but limits the period for which a person can hold office as a trustee to six consecutive years.

Subclause (3) entitles a trustee to such allowances and expenses as the Minister may determine.

Subclause (4) empowers the Minister to remove a trustee from office for misconduct or for mental or physical incapacity, or failure, to carry out satisfactorily the duties of his or her office.

Subclause (5) provides that the office of a trustee becomes vacant if the trustee dies, completes a term of office and is not reappointed, resigns by written notice addressed to the Minister or is removed from office by the Minister under subclause (4).

Subclause (6) provides for the appointment in accordance with the measure of a trustee on the office of a trustee becoming vacant.

Subclause (7) limits the term of office of a trustee appointed to fill a casual vacancy to the balance of the term of his or her predecessor.

Clause 7 prescribes the procedures of the trust.

Subclause (1) provides for meetings of the trust to be chaired by the presiding trustee, or in his or her absence, by a trustee chosen by those present.

Subclause (2) specifies the number of trustees required to constitute a quorum of the trust and prohibits any business being transacted at a meeting of the trust unless a quorum is present.

Subclause (3) allows the trust to act despite vacancies in its membership, subject to a quorum being present.

Subclause (4) entitles each trustee at a meeting to one vote on a matter arising for decision at the meeting and gives the trustee presiding at the meeting a casting vote, as well as a deliberative vote, in the event of an equality of votes.

Subclause (5) provides for a decision carried by a majority of trustees present and voting at a meeting to constitute a decision of the trust.

Subclause (6) requires the trust to keep accurate minutes of its proceedings at meetings.

Subclause (7) provides for the procedure for the calling of meetings and for the conduct of business of meetings to be determined by the trust.

Clause 8 deals with conflicts of interest.

Subclause (1) requires a trustee who has a direct or indirect pecuniary interest in a matter decided or under consideration by the trust to disclose the nature of the interest to the trust, to abstain from taking part in any discussion by the trust relating to that matter, to not vote in relation to the matter and to be absent from the meeting room when any such discussion or deliberation is taking place. The maximum penalty for non-compliance is a division 6 fine ($4 000) or division 6 imprisonment (one year).

Subclause (2) provides that it is a defence to a charge of an offence to subclause (1) to prove that the defendant was not, at the time of the alleged offence, aware of his or her interest in the matter.

Subclause (3) requires a disclosure under the clause to be recorded in the minutes of the trust.

Clause 9 sets out the functions and powers of the trust.

One of the functions of the trust is, in consultation with the Country Arts Boards, to develop and keep under review, guidelines for the performance by the boards of functions and powers delegated by the trust (see subclause (1) *(g)*).

The trust will have the power to develop and manage Statewide touring programs and, in the first instance, the priority will be to establish the Performing Arts Touring Unit. Subclause (2) *(e)* will enable the trust to initially manage the Performing Arts Touring Unit and allows other art form programs to be developed and to tour in the future.

Clause 10 subjects the trust to the general direction and control of the Minister.

Clause 11 empowers the trust to establish committees (which may, but need not, consist of or include trustees and whose functions and procedures will be as determined by the trust) to advise or assist the trust or perform any of its functions or powers.

Clause 12 empowers the trust to delegate any of its functions or powers (except the power of delegation) under the measure to a trustee, a committee established by the trust, a Country Arts Board, a particular person or body or the person for the time being occupying a particular office or position.

A delegation must be by instrument in writing, may be conditional or unconditional, does not take away the power of the trust to act in any matter and may be revoked by the trust at will.

Clause 13 empowers the trust to employ, on terms and conditions fixed by the trust, such persons as it considers necessary or desirable for the proper performance of the functions and powers conferred on the trust and the Country Arts Boards under the measure.

Clause 14 deals with the powers of the trust to borrow money. This provision is identical to section 13 of the Cultural Trusts Act.

Subclause (1) empowers the trust, with the consent of the Treasurer, to borrow money at interest from any person upon such security (if any) by way of mortgage or charge of any assets of the trust as the trust may think fit to grant.

Subclause (2) empowers the Treasurer, on such terms and conditions as the Treasurer thinks fit, to guarantee the repayment of any money (together with interest) borrowed by the trust under this provision.

Subclause (3) provides for any money to be paid in satisfaction of such a guarantee to be paid out of the Consolidated Account.

Clause 15 empowers the trust to invest by way of deposit with the Treasurer or in any other manner approved by the Treasurer any money of the trust not immediately required by the trust. This provision is identical to section 13a of the Cultural Trusts Act.

Clause 16 deals with gifts. This provision is identical to section 14 of the Cultural Trusts Act.

Subclause (1) empowers the trust to accept—

- grants, conveyances, transfers and leases of land whether from the Crown or any instrumentality of the Crown or any other person;
- rights to the use, control, management or occupation of land;

and

- gifts of personal property of any kind to be used or applied by it for the purposes of the measure.

Subclause (2) exempts from stamp duty any instrument by which land or an interest in or a right over land is granted or assured to, or vested in, the trust or any contract or instrument executed by the trust for the purposes of disposing of any property. The reason for this provision is that the trust is predominantly State Government funded and exists to support funded programs in accordance with Government policy.

Clause 17 deals with the trust's budget. This provision is identical to section 14a of the Cultural Trusts Act.

Subclause (1) requires the trust, as soon as practicable after the commencement of the measure, to submit to the Minister a budget showing estimates of its receipts and payments over the balance of the financial year within which the budget is presented and thereafter, before the commencement of each succeeding financial year, to submit to the Minister a budget showing estimates of its receipts and payments for that succeeding financial year.

Subclause (2) empowers the Minister to approve, with or without amendment, a budget submitted under this clause.

Subclause (3) prohibits the trust from making, without the consent of the Minister, any expenditure not authorised by an approved budget.

Subclause (4) defines the term 'approved budget'.

Clause 18 deals with the trust's accounts. This provision is identical to section 14b of the Cultural Trusts Act.

Subclause (1) requires the trust to keep proper accounts of its financial affairs.

Subclause (2) requires the Auditor-General to audit the accounts at least once in each year and empowers him or her to do so at any time.

Clause 19 deals with the trust's annual report. This provision is almost identical to section 14c of the Cultural Trusts Act.

Subclause (1) requires the trust to submit to the Minister, on or before 30 September in each year, a report on its activities during the 12 months that ended on the preceding 30 June.

Subclause (2) requires the report to incorporate the audited statement of accounts for the trust in relation to the relevant period.

Subclause (3) requires the Minister to cause a copy of the report to be laid before each House of Parliament within 12 sitting days of receiving the report.

Clause 20 provides for the establishment of Country Arts Boards.

Subclause (1) establishes five Country Arts Boards.

Subclause (2) provides that each Country Arts Board is established in relation to a part of the State defined by proclamation. In the first instance it is likely that the regions will remain consistent with the existing definition by proclamation of the four Cultural Trusts. The area of the Central Region Country Arts Board will be defined by reference to the area currently serviced by the Central Region Cultural Authority.

Subclause (3) empowers the Governor, by proclamation, to define a part of the State in relation to which a Country Arts Board is established.

Subclause (4) empowers the Governor, by subsequent proclamation, to vary or revoke a proclamation under subclause (3).

Subclause (5) provides that a Country Arts Board is a body corporate and has full legal capacity to exercise all the powers that are capable of being exercised by a body corporate.

Subclause (6) provides that the trust is an instrumentality of the Crown and hold its property on behalf of the Crown.

Subclause (7) provides that where an apparently genuine document purports to bear the common seal of a Country Arts Board, it will be presumed in any legal proceedings, in the absence of proof to the contrary, that the common seal of the board was duly affixed to that document.

Clause 21 deals with the membership of Country Arts Boards.

Subclause (1) provides that a Country Arts Board is to consist of eight members appointed by the Minister:

- one will be appointed by the Minister to be the presiding member of the board
- one will be a person nominated jointly by the municipal or district councils whose areas are in the part of the State in relation to which the board is established

  The regions have many municipal or district councils. Some of the councils have formed regional associations. Should all councils agree to the person to be nominated, then that person will be appointed by the Minister. However, if the councils are unable to agree on one nomination, each council will nominate a person and the Minister will select one person from those nominated.
- six will be persons nominated by local residents and persons of a prescribed class in accordance with procedures approved by the Minister.

Subclause (2) requires the Minister to endeavour to ensure that procedures approved for the purposes of nomination by local residents, etc., of persons for appointment to a Country Arts Board are such as to ensure the nomination of persons who are fairly representative of the various areas of population within the part of the State in relation to which the board to which the procedures relate is established.

Subclause (3) requires a person to be a local resident to be eligible for nomination as a member of a Country Arts Board.

Subclause (4) requires at least two members of each Country Arts Board to be women and two to be men.

Clause 22 sets out the term and conditions of office of members of Country Arts Boards.

Subclause (1) provides for a member to be appointed for a maximum term, specified by the Minister in the instrument of appointment—

- in the case of the presiding member—of three years;
- in any other case—of two years.

Subclause (2) provides for a member to be eligible for reappointment but limits the period for which a person can hold office as a member to six consecutive years.

Subclause (3) entitles a member to such allowances and expenses as the Minister may determine.

Subclause (4) empowers the Minister to remove a member from office for misconduct or for mental or physical incapacity, or failure, to carry out satisfactorily the duties of his or her office.

Subclause (5) provides that the office of a member becomes vacant if the member dies, completes a term of office and is not reappointed, resigns by written notice addressed to the Minister, ceases to be a local resident or is removed from office by the Minister under subclause (4).

Subclause (6) provides for the appointment by the Minister of a member on the office of a member becoming vacant.

Subclause (7) limits the term of office of a member appointed to fill a casual vacancy to the balance of the term of his or her predecessor.

Clause 23 prescribes the procedures of Country Arts Boards.

Subclause (1) provides for meetings of a Country Arts Board to be chaired by the presiding member, or in his or her absence, by a member chosen by those present.

Subclause (2) specifies the number of members of a Country Arts Board required to constitute a quorum of the board and prohibits any business being transacted at a meeting of the board unless a quorum is present.

Subclause (3) provides that subject to a quorum being present, a Country Arts Board can act notwithstanding vacancies in its membership.

Subclause (4) entitles each member at a meeting to one vote on a matter arising for decision at the meeting and gives the member presiding at the meeting a casting vote in the event of an equality of votes.

Subclause (5) provides for a decision carried by a majority of members present and voting at a meeting to constitute a decision of the board.

Subclause (6) requires a Country Arts Board to keep accurate minutes of its proceedings at meetings.

Subclause (7) provides for the procedure for the calling of meetings of a Country Arts Board and for the conduct of business of meetings to be determined by the board.

Clause 24 deals with conflicts of interest.

Subclause (1) requires a member of a Country Arts Board who has a direct or indirect pecuniary interest in a matter decided or under consideration by the board to disclose the nature of the interest to the board, to abstain from taking part in any discussion by the board relating to the matter, to not vote in relation to the matter and to be absent from the meeting room when any such discussion or voting is taking place. The maximum penalty for non-compliance is a division 6 fine ($4 000) or division 6 imprisonment (one year).

Subclause (2) provides that it is a defence to a charge of an offence to subclause (1) to prove that the defendant was not, at the time of the alleged offence, aware of his or her interest in the matter.

Subclause (3) requires a disclosure under the clause to be recorded in the minutes of the board.

Clause 25 deals with the functions and powers of a Country Arts Board.

Subclause (1) provides for a Country Arts Board to have such functions and powers as are delegated to it by the trust under clause 12 or prescribed under the measure.

Subclause (2) requires a Country Arts Board, in performing any such delegated functions or powers, to comply with any guidelines formulated by the trust under clause 9 (1) *(g)*.

Clause 26 empowers a Country Arts Board to establish committees (which may, but need not, consist of or include members of the board and whose functions and procedures will be as determined by the board) to advise or assist the board or perform any of its functions or powers.

Clause 27 empowers the trust to delegate any of its functions or powers (except the power of delegation) under the measure to a committee established by the board.

A delegation must be by instrument in writing, may be conditional or unconditional, does not take away the power of the board to act in any matter and may be revoked by the board at will.

Clause 28 deals with a Country Arts Board's budget.

Subclause (1) requires a Country Arts Board, as soon as practicable after the commencement of the measure, to submit to the trust a budget showing estimates of its receipts and payments over the balance of the financial year within which the budget is presented and thereafter, before the commencement of each succeeding financial year, to submit to the trust a budget showing estimates of its receipts and payments for that succeeding financial year.

Subclause (2) empowers the trust to approve, with or without amendment, a budget submitted under this clause.

Subclause (3) prohibits a Country Arts Board from making, without the consent of the Minister, any expenditure not authorised by an approved budget.

Subclause (4) defines the term 'approved budget'.

Clause 29 protects certain persons from personal liability.

Subclause (1) provides that no personal liability attaches to—

- a member of the trust;
- a member of the trust's staff;
- a member of a Country Arts Board;

or

- any person to whom the trust has delegated functions or powers under section 12,

for an honest act or omission in the exercise or discharge, or purported exercise or discharge, of a power, function or duty under the measure.

Subclause (2) provides that a liability that would, but for subclause (1), lie against a person mentioned in that provision lies instead against the Crown.

Clause 30 empowers the Governor to make regulations for the purposes of the measure.

The schedule contains repealing and transitional provisions.

Clause 1 repeals the Cultural Trusts Act 1976.

Clause 2 transfers to, and vests in, the South Australian Country Arts Trust, all real and personal property and rights and liabilities of the existing Cultural Trusts, the Central Regional Cultural Authority Incorporated and the Regional Cultural Authority Incorporated.

The transfer of the land comprised in Certificate of Title Register Book Volume 3941 Folio 150 (the building at 97 South Terrace, Adelaide) is expressly made subject to the prior written consent of the Arts Council of South Australia Incorporated. This property previously belonged to the Arts Council before it was transferred in 1988 to the Regional Cultural Council Incorporated.

It is intended that the continuing use and enjoyment of existing collections of works of art held by the Cultural Trusts will be protected by an agreement between SACAT and the relevant Country Arts Board, to ensure that access is in no way disturbed by the trust's assumption of ownership.

Clause 3 provides for all employees of those bodies to become employees of the South Australian Country Arts Trust without loss of continuity of service or accrued or accruing benefits in respect of employment.

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

LOCAL GOVERNMENT (CITY OF ADELAIDE WARDS) AMENDMENT BILL

The Hon. ANNE LEVY (Minister for Local Government Relations) obtained leave and introduced a Bill for an Act to amend the Local Government Act 1934. Read a first time.

The Hon. ANNE LEVY: I move:

That this Bill be now read a second time.

This Bill provides for the repeal of the existing section 850 of the Local Government Act 1934, which provides that:

> The wards of the city and their respective names and boundaries as they existed immediately prior to the commencement of this Act continue to be the wards, and the names and boundaries of the wards, respectively.

This section of the principal Act will be replaced by the following transitional provision:

> The wards of the City of Adelaide in existence immediately before the repeal of section 850 of the principal Act will continue in existence after the enactment of this Act subject to the qualification that those wards may be altered or abolished pursuant to a proposal or recommendation under Part II of the principal Act (including a proposal or recommendation based on a review of the wards of the City of Adelaide carried out before the enactment of this Act).

It has become necessary to amend section 850 in light of the Adelaide City Council's periodical review of its representation and ward boundaries.

The council's report is currently before the Local Government Advisory Commission.

Members will recall that the provisions establishing the Local Government Advisory Commission were repealed on 1 July 1992 and replaced by a process whereby the Electoral Commissioner oversees council's periodical reviews. However, the Adelaide City Council has decided to use the transitional provisions contained in the Local Government (Reform) Amendment Act 1992 thus allowing the commission to complete its report on the council's periodical review.

The council's report includes recommendations for changes to council's ward names and boundaries and the

commission has several options in responding to the council's report. It may recommend that the council's proposals be carried into effect, that an alternative be put in place or that no change be made.

The council's report also suggested that section 850 of the Local Government Act would require repeal or amendment before any change could be made to the names or boundaries of the city's wards as it may conflict with other provisions in the Act which generally govern changes to council wards—namely Division II—'Amalgamation of Council'.

This issue has not arisen before as the Adelaide City Council ward boundaries have remained unchanged since 1874.

Advice received by the Government is inconclusive in relation to the potential for the conflict between section 850 of the Local Government Act and other provisions that generally apply and govern changes to council wards and therefore the amendment to section 850 is necessary to remove any ambiguity that the recommendations which the commission may make in relation to ward structure can be lawfully implemented, and to prevent any possibility of a challenge to a subsequent proclamation based solely on the interpretation of section 850 as it is currently worded.

The proposed amendment is purely technical in nature and does not in itself favour any particular ward structure. It merely makes it possible for a change to occur should this be recommended by the Local Government Advisory Commission. I seek leave to have the explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 repeals section 850 of the Act.

Clause 3 is a transitional provision to preserve the existing wards of the City of Adelaide and also to provide expressly that those wards may be altered or abolished pursuant to a proposal or recommendation under Part II of the Act, including a proposal or recommendation based on a review carried out before the enactment of this measure.

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

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 12 August. Page 66.)

The Hon. K.T. GRIFFIN: I am pleased to support the motion for the adoption of the Address in Reply. In so doing I do as I have done on previous occasions when I have spoken, namely, reaffirm my loyalty to Her Majesty the Queen of Australia, and thank Her Excellency the Governor for the speech with which she opened this session of Parliament.

I suppose that, if our present Prime Minister (Mr Keating) had his way, we would probably still have an Address in Reply, but we would more likely be pledging our loyalty to a president or deputy president rather than to a monarch under our constitutional system.

It is interesting to make some observations about the form that Australia might take under the Keating presidential system. It is very difficult to perceive exactly what that is, because although Mr Keating has been talking about a republic and a change of flag there has been no indication of the nature of the republic which he would seek that we would become or the flag that we should adopt in place of the current one.

An interesting point to note, though, is that the Prime Minister's sudden enthusiasm for a republic and for a change in the flag came soon after he announced his so-called One Nation package—a package of change designed to deal with severe economic problems largely foisted upon us by Labor Governments since 1983 at the Federal level, in particular, but also at various State levels. Quite obviously, as he talked about one nation he had to have some high profile controversial matters to focus upon that issue. So, he cleverly contrived the demand for a republic and a change in the flag.

One really has to look at this issue of a republic and change of the flag in the context of the Prime Minister's own political problems as well as Australia's economic difficulties and recognise that, without those two controversial changes in direction, the Prime Minister would not have had as much attention focused on the One Nation economic package that subsequently occurred. In promoting the concept of a republic, the Prime Minister developed the catchcry but put no substance to it. In fact, what the Prime Minister did was talk about a republic without anyone really knowing what he intended. Instead, he rather brushed to one side the issue of form and structure of a republic, who was to be the head of State at the national level and what would be the consequences at the State level.

One really has to look carefully at the substantive changes and proposals to be put in place of the Queen of Australia, the Governor-General and the Governors before one can really say whether or not it is a desirable direction in which to go. For example, at the Federal level, is the president or the substitute for the Queen of Australia to be elected and, if elected, is that office to be filled by an election of the members of the Federal Parliament in both Houses or by an election of the members of Parliament in every Federal, State or Territory Legislature, or is the president to be elected by a vote of the people across Australia? If the president is to be voted for by the people, must there be a majority of support for the president not only across the nation but in each State? If elected, one can soon see that that would largely take over from the current focus of democratic elections for elected members of Legislatures in whom the ultimate power presently resides.

If there is not to be an election, is the president to be appointed and, if appointed, who will make the appointment? Will it then become a political appointment either by the Prime Minister or by the governing Party at the Federal level, with or without consultation with the States and Territories? If appointed, surely that demeans the office, debases the office holder and brings into question the powers of the incumbent of that office. Whether elected or appointed, party politics will undoubtedly be involved in the appointment or the election, and one then must question whether that will

enhance the status of the office or debase it. I suggest that it would be debased.

All these questions are relevant in determining whether or not a move towards a republic is an appropriate direction. One then has to raise the question of the powers of the substitute for the monarch and the monarch's representatives—the Governor-General and the Governors. There has been a lot of debate and controversy in respect of the powers of the Governor-General and, equally so, the power of the Governors, particularly in the exercise of the reserve power to require a Government to face its ultimate bosses, the people, through an election. It is I think quite clear that with the Governor-General and the Governors there are reserve powers. They are there in the event of a significant breakdown in the democratic process on the part of incumbent Governments which will not, as in the case of Mr Whitlam, face an election.

All these things are relevant to this issue of a republic. While some say, 'You can make the change quite easily just by changing "Governor-General" to "President",' that position avoids the questions which I have raised. I suggest that one cannot effectively talk about change from a constitutional monarchical system to a republic without having the answers to those sorts of questions. It is like putting the cart before the horse to argue for a republic without knowing what sort of republic one is going to move towards and what will be both the disadvantages as well as the argued advantages of such a system.

Only last week in the *Australian* of 3 August, Mr Frank Devine made a comment about the current debate on the subject of republicanism. The heading of the article is quite interesting: 'Something counterfeit in the state of republicanism'. I will not read all of it into *Hansard*, but there are extracts which I think are important observations on the debate. Mr Devine was actually referring to the establishment of the Sir Samuel Griffith Society as a counter to the Republican Centralist Organisation pushing for Australia to become a republic. The Sir Samuel Griffiths Society I note was named after the former Queenslander who very largely was responsible for the first draft of the Australian Federal Constitution. What Mr Devine says in part is as follows:

> We should, at any rate, be alert to several conjurer's tricks being practised by advocates of republicanism.
>
> The principal one is the assertion that we must hasten to make up our minds by the end of the decade about the form of government we prefer. Who says? Only the Labor Party, as a consequence of an afterthought motion passed at its conference in Hobart last year.
>
> However, even Sir Ninian Stephen, a former Governor-General, has declared that 'this is very much the time' for examining our political system, 'in this decade leading into the twenty-first century and with the centenary of Federation and of the Constitution approaching'. He is Chairman of the Constitutional Centenary Foundation Inc., which has been organised to encourage discussion of whether or not some of our laws and institutions 'can be improved or made more relevant to the approaching twenty-first century'.
>
> There is a disconcerting touch of crackpot millennialism in this concept. What effect does the arrival of a round figure number in our (probably inaccurate) counting of the years since the birth of Christ have on the relevance of any of our institutions? Such as the monarchy?
>
> The anniversaries mentioned by Sir Ninian provide a good excuse for examining our system critically, but provide no imperative for doing anything about it. The most productive imperative would be for continued critical study.
>
> Another counterfeit element of the republican argument is that non-British immigrants find the notion of a foreign-born, non-resident monarch incomprehensible, if not abhorrent.
>
> What is that supposed to imply? That we should make our more recent immigrants feel at home by imposing a bloodthirsty communist dictatorship?
>
> In any case, it is probably untrue that immigrants and Australians of non-British descent are either puzzled by, or dislike, our monarchy.

He then goes on to refer to the argument that the Prime Minister has used about a flag with the Union Jack in the top left corner and the constitutional monarchy that we have in relation to our Asian neighbours, focusing his vision upon developing relationships with Asia. Of course, that itself has had a lot of examination because one can reach all sorts of conclusions from a proposition that we should change our flag to please our Asian neighbours in an area where there are democratic systems but there are also systems which are not democratic in their nature. Mr Devine makes the following observations:

> Nor can the Prime Minister's comments about the incompatibility of our flag, Constitution and the monarchy with our Asian identity have been anything but a puzzlement to people in, well, Asia.

He then goes on:

> How would going republican help us to get on better with monarchical Japan anyway?

He refers also to Thailand and says:

> Thais, having recently been rescued from near-revolutionary chaos by the decisive action of their king, would find it strange that Australia might seek to ingratiate itself with them by deriding a monarchical system.

Later he makes these remarks:

> Some republicans say the remnant authority of the Crown is so slight we would not miss it. But the power, for example, to deny a request by a Prime Minister or Premier for dissolution of Parliament, while the possibility exists of an alternative Government being formed, is an important guarantee of the voters' will being done.

Quite rightly he concludes by saying:

> In the long run, the monarchy's survival here, as elsewhere, will depend on popular support for it. Intellectually irrelevant factors like the personal attractiveness of royal individuals might prove crucial. But little weight can be accorded the contention that a constitutional monarchy is bad for us, because it manifestly is not. If we are to go to all the trouble of discarding a long-established institution, we must be persuaded that something else, explicitly and honestly defined, is better for us.

That is the point which I would argue most strongly: that it is all very well to talk superficially about Australia becoming a republic, deriding some traditional links with the United Kingdom but not have any properly thought through and debated alternative to be considered as to the way we should move.

In conjunction with that, there is the issue of the flag. Like many Australians, I do not see any need to make a change to it. If changes are to occur they should occur only by referendum where a majority of the people in a majority of States approve such a change. It is a highly emotional subject, particularly with older people but also with younger people who have either fought under the flag or who have marched behind it in Olympic Games or have proudly seen it rise as they are awarded their gold medal. Whilst the boxing kangaroo might be regarded as some as an appropriate alternative, I suspect that most people believe that, while the boxing kangaroo symbolises something which is Australian, it is not nece-

ssarily an appropriate substitute for the current flag with its use on both dignified and other occasions.

I want now to make two observations. The first is to join with my colleague, the Hon. Robert Lucas, in recording my appreciation of Mr Clive Mertin, the former Clerk of this place for so many years, who served the Council and its members well and who deserves the commendation of all present and past members of the Legislative Council for his conscientiousness, dedication to the task and his jealous protection of the independence of the Legislative Council.

Secondly, I again join my colleague the Hon. Robert Lucas in congratulating the new Clerk, Mrs Jan Davis, who well deserves the appointment to a very important office in the Parliament and in this Legislative Council. I wish her well in the long years I would hope that she occupies that office. I wish Mr Mertin best wishes in what we hope will be many years of happy and enjoyable retirement.

There are several matters now which directly relate to the Attorney-General's portfolio to which I want to refer. In fact, they are matters which I have raised publicly on occasions but which I think do need to be addressed in more detail during the course of parliamentary debate. The first relates to the courts restructuring package. I make no criticism of it. In fact, I supported the basic thrust of it, although there were some difficulties in defining jurisdictional limits of the District Court and the Magistrates Court on which I and the Liberal Party did not agree. However, we accept that the legislation has passed the Parliament and that it is now in force. I notice from the material which has been tabled that extensive rules have been developed for the implementation of the restructuring in the Magistrates Court, in particular, but also in the District Court.

One area that has caused me concern, as well as some members of the legal profession and the judiciary—and I hope that at an appropriate time the Attorney-General might be able to address the issue—is the effect of the restructuring on the court lists. During the course of the debate on the Bills I raised the question of resource implications for the courts in the restructuring package and it was clear at that stage that the Government had not been able to make an assessment of the likely impact of the restructuring package on the courts, except that there would be a pushing down of cases from the Supreme Court to the District Court and from the District Court down to the Magistrates Court and that there may need to be a couple of additional judges in the District Court and perhaps a magistrate or two to cope with—

The Hon. C.J. Sumner: No, no, no.

The Hon. K.T. GRIFFIN: You said a couple of extra judges—you did, actually.

The Hon. C.J. Sumner interjecting:

The Hon. K.T. GRIFFIN: My recollection is that there was a reference to the possibility of a couple of extra District Court judges and some extra magistrates. My recollection is also that that really came out of either the discussion at the time the Bills were before us, or from the budget Estimates Committees, but be that as it may, I would like—

The Hon. C.J. Sumner: The general effect would be to push work to the Magistrates Court which, over time, should lead to a need for fewer District Court judges.

The Hon. K.T. GRIFFIN: Be that as it may (and this issue might be explored in more detail during the Estimates Committees), there is certainly a concern about the effect the restructuring will have on the District Court and Magistrates Court lists. The Chief Justice, in the 1991 Supreme Court judges report, referred to delay which was occurring in the Supreme Court and drew attention to the following:

> No remedy has been available during 1991 for the increased delays, but it is hoped that the court restructuring legislation package, which will come into operation in the middle of 1992, will provide the opportunity for some remedial measures.

He specifically refers to the delay in the criminal jurisdiction of the Supreme Court. The judges report states:

> At the end of 1991 the average interval between the first arraignment in the Supreme Court of persons committed for trial and the date of trial was 18 weeks. This is an increase on the interval of 13.4 weeks which existed at the end of 1990. There has therefore been a substantial deterioration during 1991. The situation is becoming serious and the interval is much greater than the optimum interval of eight weeks proposed in the 1989 report.

If one looks at the situation in the District Court, where I think eventually most of the trials will be undertaken, in 1991 the waiting time from committal for trial to the actual trial was 20 weeks and that was a period which, in the Supreme Court, was regarded as unacceptable. I suggest that that will probably push out beyond that time with the increased workload of the District Court, but at some appropriate time I would like the Attorney-General to indicate what impact it is now assessed that the courts restructuring package will have on the lower courts, particularly the District Court and Magistrates Court.

I want now to deal with one other matter which again has been raised publicly on various occasions but which never seems to come to a satisfactory conclusion. The judges 1991 report deals with the issue of the conflict between the penalties which are imposed by the Supreme Court and the actions of the Department of Correctional Services. It seems that there is a continuing tension between the judges and the executive arm of Government on this issue. In the 1991 report the judges say:

> The most serious problem in the criminal justice system at the present time is that of implementation of sentences referred to in the 1990 report. By reason of a combination of home detention, early release and prison leave the Department of Correctional Services does not implement the sentences of the court according to their intention. Judges construct sentences carefully in order to achieve the well recognised objects of sentencing, namely, punishment, deterrence, protection of the public and rehabilitation of the offender. If they are not implemented as designed, the purpose of the sentence is frustrated.

The 1990 report deals with this issue in more detail where the concern is expressed to be the disparity which often exists between the term of imprisonment imposed by the court and the term actually served by the offender. The report states:

> Such a disparity is created, of course, by the application of the statutory provisions as to good conduct remissions and parole. In addition, however, it is now apparent that sentences are remitted in part by administrative action as a means of reducing overcrowding in the prisons. The concern of the judges of this court is shared by District Court judges and particularly by magistrates who are often required to impose short sentences of imprisonment.

That 1990 report refers to section 39 (2) of the Correctional Services Act which authorises the Chief Executive Officer to release a prisoner on any day during the period

of 30 days preceding his or her ordinary release date. Again, the judges state:

> Clearly, this provision was intended not to reduce sentences or to control prison numbers but to facilitate the release of prisoners at a convenient time towards the end of their sentences, thereby avoiding the inconvenience which could result from restricting release to the very day of the expiration of the sentence or non-parole period.

They go on later to state:

> The effect of this misapplication of section 39 (2) on short sentences is dramatic. Magistrates are understandably reluctant to impose short sentences of imprisonment and carefully examine every alternative before doing so.

When they impose such a sentence, it is because it is essential in the public interest for deterrence or other reasons that the offender should serve the sentence. The report continues:

> When an offender who has been sentenced to 28 days imprisonment by a court for good reason is released by administrative action after serving only six days, that action largely negates the purpose of the sentence and has an adverse effect on the morale of the magistracy and the public perception of the authority of the courts.

That tension, which is reflected in the 1990 and 1991 judges' reports, has also been reflected in the Legislative Council Select Committee into the Penal System. Because of the Standing Orders, I am not at liberty to debate the evidence, because that has not been tabled, although it is out in the public arena.

However, it is clear that the Department of Correctional Services legal officer is asserting that the judges do not understand the Correctional Services Act and are not applying its provisions properly, so there is a constant tension in that area. Then, only last week there was the story about Mr Justice Olson and his alleged interference in the sentencing of a prisoner. I do not want to go into the details of the case. The Chief Justice sent to me a copy of the correspondence which he indicated he had forwarded to the Attorney-General, all of which was released with his consent by the Attorney-General on Friday last week to the *Advertiser*. So, I take it from that that I am at liberty to refer to the letter in the Chamber.

I should say in passing that in relation to Mr Justice Olsson it appears from the correspondence that both prosecution and defence counsel were at least informed of what the judge was proposing to do, but that is not the issue that I want to address. It is this issue of judges asserting that the law is not being applied by the Executive arm of Government in respect of sentencing. In his letter to the Attorney-General the Chief Justice refers to what was said in the 1990 judges report and he then goes on to make some additional observations, and I think it would be helpful if I were to read some of those into *Hansard*. He said:

> The problem is compounded by the early release practice referred to in the same report and by the grant of extended prison leave. If a recent press report is correct, a witness in the Magistrates Court gave evidence that he was granted extended leave from prison because he was cooperating with the police in relation to other matters. If that is so, it is a gross abuse of the power to grant leave, for quite extraneous purposes and indicates a highly undesirable degree of police influence over the treatment of prisoners.

The Hon. C.J. Sumner: Do you agree with that?

The Hon. K.T. GRIFFIN: I must say that I have some concern about the Executive actually exercising influence to have someone released if they cooperate with the police.

The Hon. C.J. Sumner: Even though they may give evidence to convict a murderer, or something like that?

The Hon. K.T. GRIFFIN: I think each case must be judged on its merits. I am not saying whether or not I agree with it; I can see that in some instances it may be quite appropriate, but it signals that there is that continuing tension between the judges and the Executive in relation to this sort of issue, and it may be appropriate to look at mechanisms by which the sort of case about which the Attorney-General interjected might be handled without that dispute between the judges and the Executive becoming such a major issue. I do not disagree that in some cases it might be appropriate, but I am not suggesting that I agree completely with the policy of the Government in this respect.

The Hon. C.J. Sumner: It doesn't happen very often.

The Hon. K.T. GRIFFIN: I do not know. The Chief Justice goes on to say:

> By a combination of those measures, the punitive deterrent and community protection purposes of the judicial sentence are frustrated by administrative action. The principle underlying the parole provisions, namely that the prisoner will remain in prison until the expiration of the non-parole period fixed by the sentencing judge, is reduced to futility. Moreover, the judge is deprived of the power to utilise such measures as part of his sentencing package designed for the rehabilitation of a prisoner. In that situation it can come as no surprise that judges sometimes resort to informal measures to endeavour to perform their legitimate function of determining the real punishment which the prisoner will undergo.

I can interpose at this stage and say that in the whole area of sentencing there is a lot to be said for judges, police, profession, correctional services to have more professional dialogue on an educational basis. One can suggest that the Australian Institute of Judicial Administration might be the appropriate forum for that. I have already said publicly that I am very much in favour of education for the judges and magistrates passing through the Australian Institute of Judicial Administration, not just on sentencing but, more particularly, in case flow management and other matters.

In the legal profession, there is a very significant emphasis upon continuing legal education, and I would suggest that legal practitioners on one side of the bar are in no different a position from that of judges and magistrates on the other side of the bar in their need to undergo continuing legal education and to be kept up to date with developments in a wide range of areas upon which judges and magistrates have to make decisions. The Chief Justice goes on to say:

> The present case illustrates in striking form the unsatisfactory state of the present law and some of the consequences of it. I trust that it may lead to remedial legislative action.

I am not sure what the action would be but, I would expect that, having received this letter, the Attorney-General at some time in the future will take the opportunity—

The Hon. C.J. Sumner: On home detention, the Parliament says that it is administrative release. We specifically said we did not want a system of judicially imposed home detention.

The Hon. K.T. GRIFFIN: I think I argued that it should be judicially imposed. There was a debate about that at the time. We support home detention; there is no question about that. It is a question of how it is to be used and who is to implement it. It is my recollection

that we were arguing that it ought to be a sentencing option available to the courts, but the Government had a differing point of view and that point of view was based upon resources as much as anything else, I think, so there was a difference in that respect. From what the judge's report indicates, I understand that there are aspects of the other areas of administrative release that the Attorney-General gave a commitment to review and that, at least in the long to short term release, it was to be removed.

The Hon. C.J. Sumner: I will bring back some information.

The Hon. K.T. GRIFFIN: In the last part of the Chief Justice's letter he makes some observation on the proposal to use the suspension of drivers licences as a sanction for non-payment of fines, and he says:

> I point out that licence suspension will also be ineffectual for the same reason [Rendered ineffectual due to early release]. The effectiveness of licence suspension depends upon the sanction to enforce it. That sanction is a short term of imprisonment for driving while disqualified. That is now treated with contempt by many offenders because it is known that they will be released soon after incarceration. In consequence, licence suspension is commonly ignored, especially by the young. It is hardly necessary to say there is a growing sense of futility in the judiciary at all levels in consequence of the frustration by administrative action of sentences imposed by the courts.

Again, that is just one more example of this continuing concern that is being expressed, and the differing points of view of the judiciary and the Executive arm of Government. They must be addressed in the way in which the law is administered.

I suppose at this stage of an Address in Reply speech one could talk about a large number of other issues, such as the economic indicators for South Australia, the effect of the State Bank disaster, which will become all too apparent when the budget is handed down, the future directions for South Australia with budget cuts, the sale of assets, like SAGASCO, and other issues, but there will be an opportunity for me to address those issues during the budget debate and so I will reserve my observations on those issues which nevertheless are important in the context of the Governor's speech because of the nature of the overview of South Australia which was given in that speech. I indicate my support for the motion.

The Hon. DIANA LAIDLAW: I thank Her Excellency the Governor for her speech on this the opening of the fourth session of the Forty-Seventh Parliament. Like my colleagues who have spoken earlier in this debate, I support the motion. Parliament resumes at a most difficult time for the State. The Premier is distracted by the State Bank Royal Commission hearings. His Ministers are monopolised by a cutting of programs and services because of the horrendous damage and drain that the State Bank has wrought on State finances. I am not too sure how many members in this place are fully aware of the fact that $165 000 a day is required to pay the interest on the State debt at this present time. When I go to speak to community groups, with arts people and with people concerned with public transport services—and they are all being forewarned of cuts to basic services—they are appalled to think that $165 000 is being spent each day on interest alone, to cover our State debt. That figure includes other debts as well as the State Bank debt which have been accumulating over time and which will be an enormous drain on all South Australians for many, many years to come. I suppose that the only consolation is that the debt is not as bad as Victoria's, but who would want to be in the situation of the poor Victorians.

But we are in extremely difficult times, and when I speak with people and they tell me that they are keen to see a change of Government and about how they have voted Labor all their lives but are planning to change to Liberal, I embrace their sentiments. But I sometimes think of what a ghastly role a Liberal Government will inherit in this State, and I resent the fact that so many of the things that Liberals would like to achieve may well be thwarted because we will have inherited such a nightmare in terms of the State's finances.

That resentment and anger, however, does not outweigh my enthusiasm and zeal to work to change this Government and to ensure that a Liberal Government is installed at the next election. Certainly, the polls in this State identify that the majority of people believe that this Government is going in the wrong direction—about 63 per cent of South Australians interviewed most recently—and they are anxious to see an alternative Government. That certainly is a great turnaround from past years and it will be one that I think will continue to gain momentum.

I have five portfolio responsibilities within the Liberal Party—transport, marine and harbors, local government relations, arts and cultural heritage, and status of women.

The Hon. R.I. Lucas: What do you do in your spare time?

The Hon. DIANA LAIDLAW: Spare time? I am opening my mail and doing my own research and answering phone calls, and getting older with greater black rings under my eyes by the minute—but I thank the honourable member for his sympathy.

The Hon. J.C. Irwin interjecting:

The Hon. DIANA LAIDLAW: Yes, and a couple of grey hairs that I have noticed recently. But it is an interesting challenge that I have been presented with. Today I want to talk about the arts, because I am most concerned that the way the Government is conducting its responsibilities in the arts area at present is placing the arts industry at risk and, in particular, it is placing some 25 years investment in the arts at grave risk. The arts have enjoyed bipartisan support and I would like to think we could say that we will continue to see that. However, I am angry and disgusted at the manner in which the Government is conducting its responsibilities in relation to the arts at present. In an interview earlier today with the Minister on Susan Mitchell's program on 5AN I was interested to note that the Minister is still talking about South Australia being the Festival State and the premier arts State. I am sure that those words may give her a warm inner glow but, essentially, they are the words of a woman living in a fool's paradise. That rhetoric was appropriate for five or 10 years ago but it is certainly not appropriate now.

The reality is that the arts industry in South Australia is in deep trouble. The Government's action is placing the industry and the State's investment in the arts, as I have said, an investment that has occurred over some 25 years, at risk. There is an increasing sense of despair amongst artists and art workers in the various companies and institutions in this State. There is also a realisation

amongst art workers, if not on the part of the Minister, that the efforts being made interstate to raise the status of the arts are bearing fruit and are attracting active support from the respective Governments, particularly in the eastern States.

I note the Minister's comments in response to a motion put by the Hon. Legh Davis at the end of the last session, when she said that South Australia last financial year was spending $40.19 per head of population in this State, compared with the then Greiner Government paying $20.20. That is so. It has always been the case, and it should always remain so, if we are going to have a vital arts industry in this State.

It has been the case that South Australia has had to spend a great deal more than any other State, at least since the decision was made back in the Dunstan years that we would develop an arts industry in South Australia. We knew at that time and we know today that the arts does require a higher per capita subsidy because the eastern States have a higher population base in their cities and there are more corporate offices in those States and cities from which to gain private sponsorship. What the Minister did not say in response to the motion is that 10 years ago and five years ago the South Australian Government contribution to the arts was two and a half times that of New South Wales on a per capita basis but that now we are back to two times that contribution. So certainly we are falling behind in respect of New South Wales, and I understand that is also the case with Western Australia and with Queensland, and possibly even with impoverished Victoria.

The funding of the arts is critical to the future of the industry in this State. As I have noted, it will always require substantial Government patronage. Government patronage is important for another reason, too. This matter was referred to at some length a couple of years ago by the former Prime Minister, Mr Whitlam, as then Chairman of the National Art Gallery. He addressed the inaugural Kenneth Myer lecture at the National Library in April 1990. At that time, he referred to the nexus between Government and private or corporate funding for the arts and stated:

> The point must be made that private and corporate benefactors will not take over the financing of activities which Governments cease to finance. They will only be interested in activities in which a Government continues to be interested.

He went on to say that it was his experience that:

> . . . the necessary sponsors will be attracted only if the Federal Government—

and one could well say, in this instance, the State Government—

> is seen to be maintaining support for the gallery standards of maintenance, presentation, research and conservation.

That statement is equally relevant to State Governments and their responsibilities to the arts, whether they be visual, performing, Aboriginal, multicultural arts, literature and the like. The Government started cutting funds in real terms some years before the current State Bank crisis. In the four years to 1990-91 it cut $2.5 million from the arts, representing 12.5 per cent in real terms. At that time, the cuts to the arts were particularly savage because they were more extreme than was the case for other departments. There have been further cuts since the 1990-91 financial year of 5 per cent and 3 per cent in real terms. This past year there has been enormous speculation about the size of the cuts.

The Minister did pay the companies a 'courtesy', I suppose, late last year when she told them there would have to be cuts in the arts. She did not nominate the amount, and speculation has ranged from 7 per cent to 15 per cent over the past year, the most recent suggestion being 7.5 per cent over two years. I understand, however, that it may well be less than 5 per cent when the budget is actually delivered in a couple of weeks time. When it comes out at less than 5 per cent, which is my latest advice, I suspect the Minister may prance around thinking she is a heroine, that she has saved the arts because they have not been savaged by 15 per cent cuts. I do not believe that is an appropriate role for the Minister, because she should recognise that there has been extraordinary damage to the arts, both to their status and morale of workers, by the speculation that has run rife over the past year.

I wish now to refer to the recent reviews of the arts companies. Liberal policy at the last election noted that we would be reviewing the operation of the arts companies and institutions in this State and that we would be doing so in the framework of a longer-term plan for integrating the arts within the broader community and making them more relevant to the growth and prosperity and the generation of wealth in this State. The reviews conducted by the Government, however, have not been part of a coordinated positive plan with a longer-term goal. They have been short-term in their objective, but sadly the ramifications of these reviews will be long term.

It has been a very drawn out process. Most of the reviews started in the middle of last year. In November last year, the Minister indicated to me that she expected to receive the first report at the end of that month and the remainder by the end of the year. That did not prove to be the case: most of them were finished in about April and not released until May. When they were released, what was revealed was essentially a snipping away at the edges of most companies, but the snipping at the same time sapped the energy and the will of those organisations. There are conflicts and contradictions between the recommendations of the various reviews, and there are also some ludicrous findings when one looks at the social justice references in the State Opera report.

Some of these reviews have been released but not all. The Festival Centre Trust review has not been released, nor has the Art Gallery's. Of the two, I am particularly concerned about the Adelaide Festival Centre Trust review. The Festival Centre is a pivot for the arts in this State, and most of the other reviews released in May identified some concerns about their working relationship with the Festival Centre. In particular, the State Theatre Company review and the State Opera review referred to concerns about access to facilities in the centre, the cost of those facilities and the impact on State Theatre and State Opera budgets because of almost cross-subsidising the operation of the Festival Theatre. They also expressed concerns about the operation of the BASS ticketing system.

In the light of the concerns expressed in those reviews, I think it is critical that the review of the Adelaide Festival Centre Trust be released in the public interest. All

the arts organisations, including the Festival Centre, are heavily subsidised by the taxpayer and all the reviews were conducted at public expense. On those grounds alone, as well as the ones that I mentioned earlier about the critical role of the Festival Centre in the arts, I believe it is critical that this report be released. I have learnt, however, that the Minister is not too keen on releasing this report. It is suggested that the basis for the recommendations as outlined in the report were substandard, that there was inadequate assessment of the business operations of the Festival Centre and, therefore, that the recommendations were sloppy, and that it would be embarrassing for the Minister to release the report because it would reflect on the quality and capacity of the people whom she had appointed to review the operations of this important company.

The Hon. R.I. Lucas: Was there a consultant?

The Hon. DIANA LAIDLAW: Yes, there were a couple of consultants. There were also a number of people within the arts department. As I understand it, there are grave concerns about the quality of the report and the knowledge of those who wrote the report about the complex nature of the Festival Centre's operations.

I understand that the Minister has now agreed to set up yet another committee to look at the Festival Centre Trust's operations, and that this will be a more substantial committee and will probably include the Chief Executive Officer of the department, who was a former trustee of the Festival Centre Board. It may well include a high ranking person from the Festival Centre itself, someone from the Government Management Board and an independent chair.

Perhaps this has to go to Cabinet; I am not too sure. I find it particularly interesting that, after some eight months of review by a committee that was nominated by the Minister and the Chief Executive Officer of the department, the Minister now refuses to release that report and wants to establish yet another committee. My own view is that if the Government wants to save funds in the Festival Centre or in any other field it should just tell the manager and the board what it wants saved and that it should let the manager and the board manage those companies without this long, drawn-out excruciating process of reviews. I question their value, and I certainly question the terms of reference that were provided to those reviews.

It is interesting to note that the terms of reference did not refer to excellence or quality as a goal for the future direction or structure of these companies. The terms of reference and, therefore, the various reports heavily emphasise social equity, access and equal opportunity. These are most noble objectives, but they are not directions that will keep the arts alive and well in this State, especially in hard economic times; and they are certainly not objectives that will be met when the Government is, at the same time, cutting funds to these organisations.

I think that the Government, and the Minister in particular, must get their acts together and work out what they actually want. If they want access, social equity and equal opportunity policies to flourish, they must fund the companies accordingly. But, they can hardly cut back the funds to these companies and therefore threaten to compromise excellence in production and tell the companies at the same time that they must pursue all these other objectives. I think they are asking too much of the arts without putting in the resources that are necessary to see that those companies can realise all these objectives.

For the benefit of members and that of the general public, I would like to point out that when the Tonkin Liberal Government was in office from 1979 to 1982, a time of considerable economic difficulty in this State, an expenditure review committee was then operating.

In those three years I was fortunate to work with Murray Hill as his ministerial assistant, and I know how hard we fought within Cabinet and the Expenditure Review Committee to ensure that the arts were not sacrificed during that expenditure review process. When one considers that the former member for Kavel, Roger Goldsworthy, was chairing that committee, one can see that it was not an easy task to argue for the arts and to win the day—but we did argue and we did win.

When one looks back to 1979-82 one finds that there were expenditure cuts in a whole range of fields during those Liberal years, but not in the arts. In fact, the arts gained extra money and they were buoyant vibrant years. We saw the establishment of the Carclew Youth Performing Arts Company. Plans were developed at that time for the Odeon Theatre at Norwood. We established the History Trust of South Australia and approved and commenced extensions to the South Australian Museum which, when the Labor Government won office in 1982, it put on hold for some 10 years.

We initiated the Mortlock Library and commenced the Museum of Migration and Settlement. We approved and commenced work on the Riverland and Port Pirie Cultural Trusts. Also, we were part of the launch of the Art Gallery Foundation for which $500 000 was given at that time. The Liberal Government also established the Department for the Arts.

I note that record of all those achievements within a very short period of three years of Government. I think it is a proud record which most people who have served in the arts in this State for some time recognise and acknowledge. What they also recognise and acknowledge today is that many of those achievements are now being cut, savaged, twisted, turned and put through the wringer. I have seen the Minister and the Premier at various relaunches of new Art Gallery Foundation programs every three years, and not once has the Government offered a cent, let alone $100 or anything like the $500 000 with which the Liberal Government launched the foundation back in 1979-82. The Department for the Arts, when established, was a lean, mean organisation.

An honourable member: A fighting machine.

The Hon. DIANA LAIDLAW: Yes, 'fighting machine' is an appropriate term. It was filled with qualified and experienced officers who knew the arts, loved their work and were respected for their knowledge of and close relations with various arts companies, both in this State and overseas. In the Arts Department those people numbered 12. Today, the Arts Department is, by anybody's standard, a bloated bureaucracy, particularly in its central office. What was previously the arts department of 12 people is now a division of the department, and we have this interesting corporate structure of executive services/technical and

administrative area of 34 people who have been introduced in the past few years. Many of the experienced people from the former department (then later a division of the department) have left, and those who take an interest in the arts in this State would bemoan and regret the fact that these experienced officers have seen fit to leave the department in recent years.

There is no question that as the central office of the department became more bloated and as experienced officers left the Minister and the Chief Executive Officer had to look for new ways to keep in touch with what was happening in the arts organisations. The Minister's first suggestion was to put what was commonly known as 'spies' on the boards of these companies. She suggested that at each board meeting she would have a representative, or a representative of the Chief Executive Officer, at board meetings not to participate but just to sit in, listen and report back.

For good reason the chair and board members of each of the boards were outraged. They were Government appointees. The decision to have these 'spies' on the board undermined their integrity and reflected on their capacity, and the outrage from the chair and board members finally persuaded the Minister not to pursue that idea. However, I note in the report covering the reviews of the Adelaide Festival Centre Trust, the State Theatre Company, the State Opera of South Australia and the South Australian Youth Arts Board (dated 29 February) that, under 'General recommendations' (page 12, No. 35), the following appears:

> [The review committee] should be further empowered to monitor and review progress on changes occurring in the organisation as a result of its recommendations after a period of no longer than 12 years.

I understand that recommendation to read that, whilst the Minister may not have got her spies to sit on the boards initially, she is now aiming to do so by empowering this review committee to continue its role for another 12 months. Some of the arts organisations in this State tell me that that recommendation is not to proceed. I have received no such advice from the department or the Minister and it is one of a number of recommendations released in a paper authorised by the department.

I am most concerned not only about the size of the central bureaucracy within the Department for the Arts and Cultural Heritage but also about its role and function, particularly with regard to the various arts organisations. I think it is highly confusing for a director and manager of an arts company today to know to whom they are to report, whether it is the board, the department, the Minister, or the Government Management Board. I think this matter has to be dealt with quickly, because, if managers are not able to manage, it is unhealthy. I suggest that the current structure of accountability needs to be defined, as does the future role of the review committees.

I am also most concerned about the Festival Centre. There is no question that it is in dire need of financial assistance to upgrade its technical capacity. It was the best in Australia, but it is now slipping back from that high status. People from interstate and this State who use the centre have remarked that it is becoming a second class venue, because the Government has failed to ensure that technical equipment levels are maintained.

In recent years a number of reviews have been undertaken of the Festival Centre. There may well be some money—and I hope there will be—in the forthcoming budget to address some of the matters outlined in the reviews. I doubt whether the money will be sufficient to address all the problems identified in those reviews, because the Government has allowed the situation to get out of hand.

I have a number of questions that I am keen to ask the Minister in terms of what is happening with the Arts Department. I would be interested to know what role the department has at present in assisting the arts companies and institutions in this State not only to streamline their operations but also to increase their revenue capacity. I am also keen to know what is happening with the Arts Division, because I understand that some plans are being devised, possibly by the Chief Executive Officer, to look at a new relationship between the Arts Division and the arts industry in this State.

I would be particularly interested to know from the Minister—and I hope I will receive such advice when she replies to this debate—about the promotions unit within the Department for the Arts and Cultural Heritage. It was launched with some fanfare six to 12 months ago. Few of the officers remain in that unit. I certainly do not know what it has achieved. Mr Jim Schoff from Carrick Hill has been transferred and is either a key part or on the periphery of this unit to look at the department's arrangements for the year for the indigenous people. That is quite an extraordinary appointment when one thinks of Tandanya and a whole range of other arts bodies that are very actively involved in the promotion, exhibition and performance of Aboriginal work in this State.

I am also keen to learn further from the Minister about her assessment of the effect in real terms of funding cuts in recent years on the financial viability as well as the morale of staff within the arts organisations, companies and institutions in this State. I asked the same question of the Minister this morning and I received a waffling answer about the wonderful vitality of those companies. I am interested in those matters also, but particularly in the economic viability of those companies because, if they are not economically viable, there will not be much vitality in terms of performance in the near future.

I am also very keen to see a much greater emphasis in this State and from this Government in terms of insisting on excellence in the standards of all that we produce in terms of the performing visual arts and crafts, in all the various forms, in this State. What we see at a time of diminishing funds for the arts is a department that is trying to please everybody over an increasingly large field of activity but without necessarily being able to ensure that standards of production or the range of performances are maintained.

It may well be time to return to the days when Don Dunstan masterminded the arts industry in this State; he sought to concentrate on a few things and do them extremely well. I think this is a matter that requires a great deal of debate in our community at the present time, because I do not think we can afford to put at risk the arts industry in this State. If we continue the current policies of this Government, I very much fear that the arts industry and our investment in that industry over some 25 years will be at risk.

In speaking to this debate, I hope to encourage wider community debate about how we should manage the arts not only in the short-term crisis management that we see from this present Government but with the longer term objective of restoring vitality and viability to the arts and ensuring that the arts are more closely integrated and linked with business and trade activity, tourism and the like and are no longer seen as a peripheral activity on the edge of our society.

The Hon. I. GILFILLAN: I thank Her Excellency the Governor for the address with which she opened this session of Parliament and, in speaking to the Address in Reply, I want to cover several matters but, by way of introduction, regardless of what might be the immediate forecast of problems for the State economically and with regard to employment, I feel an obligation, as I think will other members, to look further down the track at what actually is evolving not only in South Australian society but also in developed economies and societies generally. I believe we should digest, if we can, what are likely trends and then anticipate their effect on the quality of life for ourselves, our children and our grandchildren, the effects on the environment and to translate that, at least in part, back to decisions and plans made now in anticipating those developments.

We do tend to lose sight of the essentials that generally enrich a community. I think it is naive if we believe that the invention and widespread introduction of new technologies, new forms of entertainment and new equipment automatically enriches the quality of life of the people in this State and people generally.

One of the prophets I would refer to who has already earned a reputation for looking into future developments is Alvin Toffler, and his two books, *Future Shock* and *The Third Wave* rightly became best sellers and prompted dramatic rethinking.

The Hon. R.I. Lucas interjecting:

The Hon. I. GILFILLAN: Referring to the interjection about whether it applies to the Democrats, I can say a lot of it very accurately articulated Democrat policy. The latest book is *Power Shift: Knowledge, Wealth and Violence at the Edge of the 21st Century.* In this third book Alvin Toffler identifies and anticipates that the real power and influence in the world as we move into the twenty-first century is the accumulation and use of knowledge, not the cost of labour, not natural resources and not forms of government, but knowledge. I would like to share with members a couple of matters from the portion of the book that I have read to date. Just to indicate what he believes is the war for economic supremacy, he says on page 161:

> The war for economic supremacy in the 21st century has already begun. The main tactical weapons in this global power struggle are traditional. We read about them in the daily headlines—currency manipulation, protectionist trade policies, financial regulations, and the like. But, as in the case of military competition, the truly strategic weapons today are knowledge-based.
>
> What counts for each nation in the long run are products of mind-work: scientific and technological research . . . the education of the work force . . . sophisticated software . . . smarter management . . . advanced communications . . . electronic finance. These are key sources of tomorrow's power, and among these strategic weapons none is more important than superior organisation—especially the organisation of knowledge itself.

He has referred to one quite dramatic example, and that is the change in the marketing of products in the supermarket in particular. Earlier trends of possibly a decade ago were that such companies as Gillette, with a well known, well marketed, widely marketed, high demand product would virtually dictate to the supermarkets where to place their product, how many and what sort of presentation to give it, because they held the whip hand as far as the marketing was concerned. They knew they provided a product which the public demanded and no retail outlet could afford to be offside with them. But, in the words of former Corporate Director of Information Systems for Gillette (quoted on page 95):

> We want to control our own destiny . . . but the trade is getting more powerful . . . They're looking for smarter deals and cooperative relationships. They're looking for better prices, which squeezes our margins . . . The buyer used to be the flunky. Now he's backed up by all kinds of sophisticated tools.

This is the indication that the game is changing. Alvin Toffler continues:

> Retail data becomes a more potent weapon when computer-analysed and run through models that permit one to manipulate different variables. Thus, buyers use 'direct product profitability' models to determine just how much they actually make on each product. These models examine such factors as how much shelf space is occupied by a square package as against a round one, what colors in the packaging work best for which products.
>
> A version of this software is provided to retailers, in fact, by Procter & Gamble, one of the biggest manufacturers, in the hope of ingratiating itself with them. Armed with this software, P&G's sales force offers to help the store analyse its profitability if it, in turn, will share consumer information with P&G.
>
> Retailers also use 'shelf management' software and 'space models' to help them decide which manufacturer's lines or goods to carry and which to reject, which to display in prime eye-catching space and which to put elsewhere. 'Plan-a-Grams' printed out by computer give shelf-by-shelf guidance.

This indicates that, simple and naive as it may have appeared originally, the information on what the consumer is doing and how they are buying the product has become the ultimate power weapon and that the boot is on the other foot and the supermarkets now dictate to the manufacturers the sort of product, the quantities and in what shape they are produced. So, we have seen a change in the power play purely because of this sophisticated increase and use of knowledge, but there is a warning, which reflects back to what I tried to identify previously, quoting this book, and this is where I think Alvin Toffler has added value for us as a prophet. On page 123 he states:

> Extra-intelligence can squeeze untold billions of fat and waste out of the economy. It potentially represents an enormous leap forward—the substitution of brainpower and imagination not merely for capital, energy, and resources, but for brutalising labor as well.
>
> But whether extra-intelligence produces a 'better' way of life will depend partly on the social and political intelligence that guides its overall development.

I emphasise those final words. That is what I consider to be so critical in what I am attempting to do, and what I consider that it is all our obligation to do, namely, to translate what are the opportunities we have as politicians in dealing with these trends for the enrichment of the quality of life in South Australia. Talking about brutalising labour, I stress that no-one can regret the passing of repetitive, boring and, in many cases, physically uncomfortable and stressful work. It is obviously an enrichment of the general quality of life for

all, but when that extends to massive reduction of requirements for work as we know it and jobs as we know them, a different factor comes into play and I quote from page 103, which refers to IBM, and how it has incorporated a new initiative into its enormous worldwide system, as follows:

> IBM alone connects 355 000 terminals around the world through a system called VNET, which in 1987 handled an estimated 5 trillion characters of data. By itself, a single part of that system—called PROFS—saved IBM the purchase of 7.5 million envelopes, and IBM estimates that without PROFS it would need nearly 40 000 additional employees to perform the same work.

So, that is just one example of so many ways in which the introduction of the new knowledge—the new technology—will result in the shedding of thousands or hundreds of thousands of jobs which previously we had in our network of provision and requirement of work—the distribution of labour—and it highlights for me a trend that I think is inevitable, namely, that we will provide the same quality of goods and services to our community with fewer and fewer person hours required.

There is no way that Luddism, the smashing of machinery, technologies or knowledge because it reduces the employment level, will reverse the trend. So we are confronted with a major dilemma. How do we deal with this capacity to produce and provide with less people involved and yet still keep a large proportion, and an increasingly demanding proportion, of our population in respectable, worthwhile jobs? I do not pretend to be able to answer that question in one Address in Reply contribution, but I do want to emphasise it as being what I regard as one of our major challenges. We are in the midst of a debate on unemployment, and therefore it highlights it as an issue for us to confront. But the fact that this is highlighted at present because we have 11 plus per cent or 12 per cent unemployment does not mean that the problem does not exist at levels of 5 or 6 per cent or that, with some form of climb back out of recession/depression, this problem will disappear. I am convinced it will not disappear unless there is positive political intervention, to be aware of the problem and to mitigate it in several ways.

I shall mention just one of them, because at this stage I only intend to translate what I see as this major challenge for our community into the immediate opportunity for jobs and activities in our community with environmental, social, health and education aspects, and we need the will to do it.

I now turn to one in particular, and that is to address the environmental impact of irresponsible fossil fuel power generation and our reluctance as a society, worldwide, and as a State in Australia to address this problem creatively and constructively. I shall quote from a document entitled 'Application of solar thermal technologies in reducing greenhouse gas emissions'. This was prepared by Professors David L. Hagen and Stephen Kaneff for Anutech Pty Ltd in June 1991 and for the Department of the Arts, Sport, the Environment, Tourism and Territories of the Federal Government.

My aim will be to make the argument that we should be moving towards universal use of solar-heated hot water, on both the domestic and industrial scenes, right across Australia, but in particular throughout South Australia. I shall quote from this book to establish grounds for that argument. Before I do that and because it is critical to an accurate assessment of this case, I want to deal with what is called externalities in power generation cost. The externalities in relation to fossil fuel power generation embrace, amongst several things, sulphur emissions, acid rain, carcinogens, radioactivity, smog and energy-related diseases.

So, what I am attempting to do in this contribution is first of all to argue that the externalities, the costs which do not immediately appear as having to be paid today for the provision of fossil fuel power, must be paid eventually, either through health costs, or through resource depletion accounting or through environmental depredation, or indirect economic costs, such as acid rain effect on crops. Somewhere, someone pays these externality costs, in real dollar terms. They are not just fairy figures which decorate the pages of publications of solar energy proponents. They are real costs, and it is very irresponsible for us, when looking at the cost for the production of fossil fuel power, not to take them into consideration, because they are real. So they must be estimated.

I shall be putting some information to the Council which attempts to estimate what are the external costs and add them to the internal costs, the costs which do have to be paid today and which have been paid previously, in order to get the fuel, coal and oil, as well as plant and the labour involved. I shall add the two together to get the real cost, and then compare that cost with the cost of providing a service through solar energy. I point out here that another externality that is not costed concerns where a Government or a power utility has overestimated what its demand will be, where there is enormous investment in plant that will sit underutilised:

> Reduced Risks with Solar and Demand Management.
>
> Conventional long range planning of fossil fuel facilities has high risks of over or underestimating growth over a long time horizon (for example 8-10 years). Excess capacity in Australia has ranged from 10 per cent to 40 per cent primarily due to over estimating electricity growth.
>
> The Industry Commission estimated that current excess capacity (> 20 per cent reserve margin) cost $1.9 billion over the last 3 years.
>
> The demonstrated $2 billion subsidies to fossil fuelled systems and excess generating capacity in '89-91 could install 1 400 MW of solar thermal power using existing Australian designs.
>
> Solar systems can be installed to meet demand as needed with only 1-2 years lead time rather than 7-10 years.

This is the time that fossil fuel power stations require. It continues:

> Solar availability also matches summer peak loads which most Australian utilities are developing. Reserve margins could comfortably be reduced from the current 31 per cent to 20 per cent or less.
>
> The very short lead times of hybrid solar power systems strongly reduce risks of excess capacity or blackouts. This alone would save 8 per cent of current utility capacity and $1.4 billion (that is 1 per cent of public debt).

I shall concentrate in some quotations on the externalities before putting the case for solar hot water specifically. Turning to total energy costs, it states:

> Major factors include health and environmental degradation and depletion of capital stock of non-renewable resources. These are often referred to as 'Externalities' as they are usually ignored in conventional accounting. Brown notes that these must be attributed to all sources of energy in proportion to their contribution. Such externalities must also be applied on a national or international scale to prevent local financial inequalities.

At paragraph 4.8.2, relating to carbon tax, it states:

The evidence for the greenhouse effect and the consequences have galvanised many European countries into establishing carbon taxes—Finland in January 1990, the Netherlands in February 1990 and Sweden in January 1991. These countries are using such taxes to improve energy efficiency and implement renewable energy systems. Germany is also considering a carbon tax. The US Office of the Budget is contemplating carbon taxes that grow from US$11 per ton carbon to US$110 per ton carbon.

At paragraph 4.8.3 we come to greenhouse mitigation costs, as follows:

Goldemberg (1990) notes that a levy of only US$1 per barrel or $6 per ton of coal equivalent would generate an income of $50 billion per year which should be more than enough to pay for the ecologically necessary measures to stabilise the greenhouse problem. These are based on a study by the consulting firm of McKinsey and Co. for the November 1989 Ministerial Conference on Atmospheric Pollution and Climatic Change held in Noordwijk, the Netherlands. Goldemberg points out that this 'represents only 0.4 per cent of the total gross domestic product of the industrialised world. Spending such a sum to stabilise the atmosphere and avoid environmental catastrophe seems a prudent—and, in the most basic sense, conservative—proposition'. By contrast, even conservative estimates of the economic impact of global warming estimate that these could cost $250 billion annually, about 2 per cent of the world economic output (William Nordhaus, 1990).

On page 4-27 it states:

Thus typical estimated costs of controlling carbon dioxide of $US200 to $US300 per ton cost about five to seven times the bulk export price of coal.

That is as it applies to Australia. It continues:

This is similarly six to 10 times the reported cost of coal to the New South Wales Electricity Commission of $A41.6 in 1989.

Conventional costs of controlling carbon dioxide are thus far greater than the direct costs of coal. This emphasises the importance of forestalling carbon dioxide generation rather than looking at the cost of coal. Installing solar thermal and efficient equipment that is cost competitive with conventional power generation avoids much larger containment and correction costs.

It is clear from this that the point being made is that, rather than look at the extraordinary costs of trying to contain the carbon dioxide emission and modify the effects of greenhouse, we must look at the non-contaminating alternatives and put them in place to prevent this happening.

The estimates of externalities have been done in many places, except South Australia. Western Australia has a study carried out by Stocker, Harman and Topham in 1991. That recommended that costs of 2c per kilowatt hour for gas and 4c per kilowatt hour for coal be used in Western Australia to compare proposals until more quantitative data are available. It goes on to state:

The State Electricity Commission of Victoria has begun to include externalities in its rate structure by providing for a 15 per cent bonus for renewable energy resources compared to a 10 per cent bonus for cogeneration and none for conventional fossil fuelled systems.

This is a good beginning and has set the precedent in Australia for including environmental costs. However, this bonus is less than 1c per kilowatt hour based on average tariffs compared to the 2c to 4c per kilowatt hour for external costs recommended by Stocker, Harman and Topham. The Government should now focus attention on establishing this principle to include externalities in all tariffs.

That recommendation obviously could apply to South Australia. We should include these externals and their costs in our tariffs.

With regard to the actual external cost for fossil fuel estimated in the Western Australian study, it will be noted that there is a quite an extraordinary range from A3.8c to A28c per kilowatt hour as the externalities, and that reflects the range of externalities which can or should be costed in and the degree of the costing. If one is to move to totally eliminate any carbon emission, the cost becomes astronomical, and that is why the extreme cost of 28c per kilowatt hour is mentioned. Even taking the more modest level of 4c per kilowatt hour as an external cost, it is not difficult to see that, if that were accepted into our costing structure, virtually all the alternative energy sources would become economically advantageous for us to use, because they would be cheaper.

The point I wish to emphasise is that not only would we have an enormous benefit to the environment and reduce the cost to the world further down the track but we would have an enormous stimulus for a high labour intensive economic activity. Not only do we have no externalities included in our costing but also we carry some rather extraordinary accounting systems which distort the fair comparison between solar and fossil generations of power. On page 4-29 at paragraph 4.8.5 under the heading 'Accounting Systems', it is stated:

Conventional accounting systems distort the true costs and value to society. Equipment is depreciated, but destruction of natural capital of fossil fuels or energy resource is considered a benefit and not depreciated. Costs associated with repairing environmental damage similarly contribute to the GNP rather than being assigned as an expense against the cause.

This is one of the anomalies which the Democrats, both federally and in this State, have emphasised: we have this extraordinary phenomenon that, given an increase in damage to the environment which requires activity to repair it or treatment for, say, damaged crops or lost cost through reduced harvest, where none of those costs are taken in as detrimental but are included, in many cases, as increased GDP.

One other point I would make while reflecting on this matter of the competitive factor between solar and fossil fuels is that, where we are investing in fossil fuel power generation these days, it is inadequate costing to ignore the inevitable rise in the price of fuel such as coal and oil. Planning to provide a large portion of the State's energy based on today's fossil fuel prices is wrong, because it is predicted that, by the time that equipment moves into the second half of its life, there will be a 20 or 30 per cent rise in the cost of the fuel, even without the externalities being included. On page 4-31 it is stated:

However, examination of life cycle fuel costs may indicate rather higher real fuel escalation rates. A 40 year power system life will result in over half the system operating life occurring after the peak in global petroleum production rates caused by resource depletion.

Consequently costs will rapidly rise to where shale oil, energy plantations and other alternatives become economically viable. The limitations of bringing new plant on line will likely result in prices overshooting the long term equilibrium values. Thus real prices well over US$50/bbl will possibly be seen in the next one to two decades.

- Long term real oil prices may rise at least at 4 per cent-5 per cent/year. Profit maximisation from short term inelasticities will probably result in far higher oil shocks.

With greenhouse stabilisation, there will be a major effort to reduce coal use and shift to natural gas. This will cause large increases in gas demand and thus faster-rising prices. Increasing efforts are being made to include the real costs of fossil fuels. For coal this means doubling the generating cost of electricity which in turn suggests that coal costs will quadruple. Thus there

will be effective real increases in coal prices far higher than is currently assumed.

- The consequence of these trends is that real fossil fuel costs are likely to increase at rates of 5 per cent/year or higher.

So, the recommendation is that ecologically sustainable development requires that:

1. Renewable resources are managed sustainably, and
2. Exhaustible resources are depleted in such a way that a significant proportion of the rents—that is resource tax or carbon charges or whatever way in which we collect them—is re-invested in resources that will compensate for the exhaustible resource when it is depleted.

At present no significant consideration is being given to applying any 'rents' (or charges) for use of our most valuable and scarcest energy resources of oil and natural gas in order to develop alternative sustainable resources. Unless this is done, society will find itself having squandered its capital and left without alternative economically attractive sources of fuel. Current investments are into oil shale and other more expensive fossil fuels that will only further aggravate the greenhouse effect.

The authors of this report recommend that the Government:

. . . implement an ecologically sustainable energy policy by applying a charge to exhaustible energy resources, particularly oil and natural gas, and use this to develop and implement alternative sustainable energy resources.

That is on page 4-33. That is exactly the recommendation we have been making federally in a document Senator Coulter has released—that there must be a charge on fossil fuels, and that that income be directly applied to the encouragement and research of alternatives.

Completing my observations about the externalities—which, if we do not take into our costing, will mean that we are irresponsible—I accept that it must be right across the board. It is interesting to note that Sweden has accepted externalities but exempts exporting industries from the full charge of externalities, because it believes that that would put it in an unfair competitive position.

I acknowledge and accept that, but I am making my comments on what I believe is a major push for realistic development of alternative energy. The external costs are estimated at 4c per kilowatt hour for coal and 2c per kilowatt hour for gas. The present value of these external costs is equivalent to $2 133 per kilowatt of installed capacity. Solar thermal technologies could rapidly displace 25 per cent of these costs and eventually over 80 per cent, thus saving $16 billion to $51 billion. Solar thermal power does not contribute significantly to carbon dioxide in the atmosphere nor in other pollutants of acid rain and, when biomass is used as a back-up, this even eliminates the contribution of emissions from natural gas.

Regarding a proper costing of how we balance what is economic in comparisons between alternative non-fossil fuel generation of power and fossil, fuel generation of power, it is an irresponsible and inaccurate comparison unless these externalities are taken into account. There are exciting potentials for dramatic reductions in the cost of alternatives, particularly solar generated power, by mass production.

Just in passing, I point out that one of the most promising forms of direct solar electrical power generation is the paraboloidal dish. Members may have noted in the media in the past couple of days an article concerning Tennant Creek in the Northern Territory, which has a 43 per cent installation of solar hot water. For reasons which I find admirable, Tennant Creek has now put in a two megawatt paraboloidal dish. With bigger capacity—100 megawatt—the cost of installation drops from $2 350 per kilowatt (in one megawatt capacities) to just $1 355 per kilowatt (in 100 megawatt capacities). That is lineball competitive with the state of the art fossil fuel or gas generated power utilities, which are generally in 250 to 500 megawatt capacities.

I turn now to solar hot water units, and again quote from this document about the costings and returns on solar hot water units (page 4-1, in which the bibliography gives details of the Gavin paper):

Gavin (1990a) gives a detailed analysis of the costs of solar hot water systems in Victoria. He shows that with a 25 per cent reduction in system cost they are competitive in all applications even against off peak electricity or natural gas. This reduction is easily attainable through volume or by builders installing them in new buildings.

I remind members of the following: it is estimated that if builders install solar hot water systems in new buildings there would be a 25 per cent reduction in the system cost through those measures. The document continues:

'A study for the Solar Council conducted by INVETECH indicated the potential for full system cost reductions of approximately 25 per cent ($450). Such a cost reduction would ensure complete economic advantage of the solar systems in all situations.' (Gavin 1990a) These improvements suggest a further 10 per cent return on investment giving 18 per cent-47 per cent ROI in Southern Victoria.

And Southern Victoria is not even one of the preferred areas for solar hot water in Australia. Page 4-2 of the document states:

One manufacturer noted that sales of solar water heaters through builders for new homes gives an immediate 33 per cent reduction in costs based on existing wholesale pricing by eliminating the major effort of retail marketing. Furthermore if most or all of new homes and replacement hot water heaters were supplied by solar, then an additional 7 to 10 percentage point reduction in prices could readily be achieved by increasing production and reducing installation costs. With these initial estimates of 40-43 per cent reduction in costs, we estimate that a—

- High volume production with systematic minimisation of production, marketing and installation costs could reasonably achieve a 50 per cent reduction from present installed costs. This alone would increase the return on investment by 20 percentage points. The ROI on solar-gas or solar-electric in Southern Victoria would then range from 28 to 57 per cent. Such returns compare favourably with existing interest rates available to consumers. If utilities purchased such systems—

in our case, ETSA would purchase such systems—

7 per cent or 8 per cent real discount rates available to them, then such systems should look very attractive to the utilities in terms of an effective method of investing scarce resources compared to installing large supply systems.

The Government and utilities in the USA are implementing programs where the benefits accruing from investment in efficient equipment and renewable systems that are in the public benefit are distributed with 15 per cent of the benefits going to the utilities, and 85 per cent to the public.

This suggests that if the utilities invested in solar hot water heaters at the full market installation and replacement rate, they could obtain a 4 per cent-9 per cent return on investment which could be obtained through higher utility rates. The public would still benefit from a 20 per cent-50 per cent return on the investment by the utilities.

In addition there are advantages to society of displacing the external costs of fossil fuels and the greenhouse effect . . .

The Government can rapidly provide these strong benefits to society by simply mandating that no more fossil fuelled hot

water heaters be sold, and that all units must have at least a 70 per cent solar fraction, increasing to 80 per cent and then 90 per cent as new products can be brought on line.

This document substantially supports the argument that, rather than invest in increased fossil fuel power generation, a proportion of such investment could be applied by ETSA to purchase direct large numbers of hot water systems and that the Government could legislate to make it obligatory that all new houses in South Australia have solar hot water units installed. That would provide not only environmental benefits by reducing greenhouse gas emissions but also cheaper hot water for the consumers of South Australia and, at the same time, would provide an enormous boost to industry and employment in this State.

It may come as some surprise to members in this place to know that S.A. Brewing is one of, if not the biggest, hot water retailer/provider in the world. It has franchises in the United States; it has branches in Australia, which manufacture and sell hot water services of all types, including solar. It would be a very exciting development for this State to leap in—only marginally ahead of other States, for example, the Northern Territory, Victoria and Western Australia, which have contemplated it—and require this mandatory installation of solar hot water units. It is not beyond the bounds of imagination to have a requirement that, on the failure of existing systems in existing housing stock, as well as in industrial and business premises, the existing unit must be replaced with a suitable solar unit. I am conscious of the time and the patience of members, and I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

At 5.33 p.m. the Council adjourned until Tuesday 18 August at 2.15 p.m.