HOUSE OF ASSEMBLY

Wednesday 11 November 1981

The SPEAKER (Hon. B. C. Eastick) took the Chair at 2 p.m. and read prayers.

PLANNING BILL

The SPEAKER: I have a message from His Excellency the Governor.

Members interjecting:

The SPEAKER: Would honourable members please give due respect to the reading of a message from His Excellency? The Governor recommends to the House of Assembly the appropriation of such amounts of money as may be required for the purposes mentioned in the Planning Bill.

PETITIONS: PRE-SCHOOL COSTS

Petitions signed by 114 concerned residents of South Australia praying that the House urge the Government to provide sufficient funds to cover all pre-school operating costs were presented by Messrs Crafter and Hamilton.

Petitions received.

MINISTERIAL STATEMENT: ADELAIDE AIRPORT

The Hon. D. O. TONKIN (Premier and Treasurer): I seek leave to make a statement.

The SPEAKER: Is leave granted?

Mr Millhouse: No.

The SPEAKER: Leave is not granted.

The Hon. D. O. TONKIN: I move:

That Standing Orders be so far suspended as to enable Ministerial statements to be made before Questions without Notice.

In so doing I would point out, as I was going to do yesterday, that I have covered all Ministerial statements up until Question Time. I would also make the point that the honourable member who is now refusing leave was himself always given leave when a Minister to make Ministerial statements, which he did quite frequently. I suggest that he look at the *Hansard* record of that time when he made lengthy and what he now calls political statements, by his standards. Really, he is being totally inconsistent in what he is doing now and wasting the House's time.

Mr MILLHOUSE: I did not get a chance to speak on a similar motion yesterday, because the Leader of the Opposition jumped up ahead of me. He did do me the courtesy of reading out the letter I had sent to the Premier. I may say that I have not had a reply to that letter. As honourable members may have seen, Mr Speaker, just before you came in, the Deputy Premier came over to me and wanted to talk about the matter. Of course, there was no time to talk about it. I told him I am quite happy to talk about it at any time.

The SPEAKER: Order! I ask the honourable member for Mitcham to talk about the motion before the Chair.

Mr MILLHOUSE: Let me remind members of part of the letter which I wrote to the Premier and which he must have received yesterday morning, if his staff is efficient. It would have been taken up from this place first thing in the morning. This is what I said, in part:

I want you to know that unless you give an undertaking, in the House tomorrow afternoon before any attempt is made by you or your Ministers to give statements, to the effect that the original arrangement as to providing copies will be honoured and in addition Ministerial statements will be made simply to give information which could not otherwise be conveniently given to the House, not being of a Party-political nature and that such statements will take no longer than say three minutes to give, I propose to resist the giving of leave.

Now, nothing has changed. I have not had any reply from the Premier, from the Deputy Premier, or anybody else. At least the Leader of the Opposition took the trouble to give me an answer in writing in the House immediately. I do not agree with it, and I will say why in a moment, but I have heard nothing from the Government about this. Therefore, my objection to the thing stands.

I have, in the portion of the letter that I had read out, made suggestions as to what should be done. Not a word heard! Not even a suggestion of an apology was made for what went on, to which I objected, when the Minister of Industrial Affairs gave that Ministerial statement a couple of weeks ago. Until I get some undertaking from the Government, I hope in the terms that I have suggested in my letter, I shall continue to call against the giving of leave for Ministerial statements. I do not want to hold up the business of the House, but I do want a fair go for every member of the House, and not to see the flagrant abuse which has crept into the giving of Ministerial statements continue. Let me say one thing about the Labor Party. The Leader of the Opposition—

The SPEAKER: Order! The honourable member for Mitcham is contained to speaking only to the motion before the Chair.

Mr MILLHOUSE: Quite!

The SPEAKER: That relates to the suspension of Standing Orders this day for the purpose of giving a Ministerial statement or statements this day.

Mr MILLHOUSE: Thank you, Sir. Let me slightly adapt what I was going to say and put it this way, so as to conform precisely to your ruling. I hope that the members of the Labor Party on this occasion will support me. But, I doubt that they will.

Mr Bannon: There is no reason.

Mr MILLHOUSE: There is every reason why the Labor Party should support me, except that no doubt, because they started the rot when they were in Government and they hope to be in Government again—

The SPEAKER: Order!

Mr Langley: You don't know what you are talking about.

Mr MILLHOUSE: Be quiet. No doubt they hope to again when they get back into Government and do not want to be fettered by any rules, are unlikely to support me on this occasion. But I do not believe (certainly in my position and I am not beholden to them or to anybody else for what I do in this place, nor am I ever going to be, I hope) that what I regarded as their spineless attitude yesterday should be seen again today. I hope that they will support me on this, although I believe that it is vain hope. Those are the reasons why I have called—

The Hon. W. E. Chapman interjecting:

Mr MILLHOUSE: The Minister of Agriculture was one of the culprits in this. I mentioned him in my letter. He knows very well that he was one of the culprits. He tried to get around even the arrangement we had made before for copies of the statements to be made available by trying to *ad lib*. On that occasion I suspect that he was doing it simply to give the Premier time—

The SPEAKER: Order! We are talking of this motion this day.

Mr MILLHOUSE: My suspicion remains, even though I cannot voice it. I believe it was to give the Premier time to get a Ministerial statement ready to give later.

The SPEAKER: Order! If the honourable member for Mitcham continues to transgress, it is my intention now to put the motion.

Mr MILLHOUSE: Very well. I will round off very quickly by saying that unless I get some undertaking along the lines I suggested in my letter—and so far I have had none—I propose to continue to oppose the giving of leave for Ministerial statements.

The SPEAKER: The question before the Chair is that the motion be agreed to. Those of that opinion say 'Aye', against 'No'.

Mr Millhouse: No.

The SPEAKER: There being a dissentient voice, there must be a division. Ring the bells.

While the division was being held:

The SPEAKER: Order! There being only one member on the side of the Noes, I declare that the Ayes have it.

Motion carried.

The Hon. D. O. TONKIN: Members will recall that the Minister of Transport, in answer to a question from the honourable member for Glenelg on 23 September, explained that the Commonwealth Government had allocated $3 000 000 in the Federal Budget for the construction of international facilities at Adelaide Airport. This was in addition to the $8 000 000 already announced for construction works to enable the airport to receive domestic wide-bodied jets. He also announced that it was expected that limited international services would come into Adelaide towards the end of 1982.

Since that time, intensive negotiations have taken place between the State and the Commonwealth on the nature of the international facilities to be provided. During these negotiations it became obvious that it would be extremely difficult to alter the present domestic terminal to cope with both domestic wide-bodied jets and international services. Following discussions between the Minister of Transport and the Federal Minister for Transport, Mr Hunt, last week, and my own discussions with the Prime Minister, I am pleased to announce the following. The Prime Minister is also releasing this information in Canberra at this time:

> The Federal Government has agreed to provide a separate international passenger terminal at Adelaide Airport. This decision recognises the importance both Governments place on establishing Adelaide as an international gateway. The facilities, which will be similar to those recently completed at Townsville Airport, will include a separate terminal building and associated apron, taxiway, roads, car park and services. Full health, immigration and customs facilities will also be available. Planning will proceed immediately so that construction can commence as soon as possible. Provision of these facilities will allow international services to commence by the end of next year.

That is the statement that the Prime Minister is making (or probably, with the delays we have had today, has already made) in Canberra. A number of airlines have expressed an interest in operating international services into Adelaide. During the negotiations mentioned above, the Minister of Transport had detailed discussions with Qantas. As a result, the Chairman of Qantas, Mr James Leslie, informed the Minister of Transport this morning that Qantas is delighted with the announcement and is looking forward to servicing Adelaide with international flights. Furthermore, Qantas will institute services as soon as the facilities are operational. I consider that this announcement is indicative of the State Government's determination to develop the State. The benefits that will flow from international flights into Adelaide will be substantial for South Australia. Improved access to our State for overseas visitors will make South Australia all the more attractive as a place in which to invest. The boost to our tourist industry will be significant, for it will be all the easier to publicise our many attractions overseas and encourage people to visit here. As well, the business community will find a benefit in South Australia's having closer links with international air freight services.

I am sure that the benefits to tourism and other industries will result in new jobs for South Australians. As well, South Australians wishing to fly overseas will find that all the more convenient and less costly. The Government is intent on seeing that the interests of the residents surrounding the airport are protected and, as has been stated before, the Government is opposed to the lifting of the curfew.

The new facilities will serve our needs until about the turn of the century. It is Government policy that a new site for a future full-scale international airport should be designated. This will be done through the State Airfields Committee, which is a joint Commonwealth-State body, and a decision is expected within the next 12 months. I am quite certain that all members of the House, including the Leader of the Opposition, who has been very vocal in his support for international services at the Adelaide Airport, would like to pay a tribute to the efforts of the Minister of Transport in achieving these facilities for South Australia and for his determination to do so while still protecting the interests of residents surrounding the airport.

QUESTION TIME

LAND COMMISSION

Mr BANNON: In view of yesterday's announcement by the Premier that the State is to pay the Commonwealth Government $36 000 000 in respect of the South Australian Land Commission, a figure described by the Premier in August as the first figure offered by the Federal Government, will the Premier say why he did not stand up to the Prime Minister in South Australia's interests? When the $36 000 000 figure appeared in the Federal Budget in August as the expected payment from South Australia, I asked the Premier on 27 August why South Australia was expected to pay this sum in the near future, when the Land Commission agreement made it clear that repayments did not have to begin until 1983-84 and then could extend over 20 years, to beyond the turn of the century. The Premier told the House:

> The figure of $36 000 000 which appeared in the Federal Budget documents is not a figure which has been negotiated by the Federal Government with the State Government. Obviously, it is a figure which has been placed there by the Federal Government in anticipation of negotiations . . . However, I am quite certain that no-one would expect me to accept the first figure offered by the Federal Government.

That is the figure offered and reinforced on 13 October by the Minister of Environment and Planning in the Estimates Committee when he said that the Commonwealth had suggested the figure and negotiations between the Premier and Prime Minister were 'still proceeding on the exact figure'.

The Hon. D. O. TONKIN: I am most grateful to the Leader of the Opposition for raising this subject. I would have thought that he would not want to publicise any further the disastrous decisions and the disastrous failure of the Dunstan Government in this regard. I am not sure whether the Whitlam Government takes any great part of the blame for this misconceived piece of socialistic doctrine. Certainly, the outcome of it shows quite conclusively how misguided that doctrine and policy are. I am amazed that the Leader of the Opposition should think that a debt of $89 000 000, which has been settled for $36 000 000, is a bad deal for South Australia. I do not know what he believes is going to happen. The original offer was, in fact, $89 000 000 to pay off $89 000 000 from the Commonwealth. Certainly, we have done the best we can. We have

some terms in repayment and we have done some sums, and I would like to know exactly why it is that the Leader of the Opposition thinks he could do better.

I have not had any support from him in the negotiations which I have been undertaking very solidly with the Prime Minister. I have not heard him come out publicly and say that we need to settle this debt for a smaller figure. All he has done is stand up for the Land Commission and say what a wonderful thing it would have been; it should never have been touched; it is a piece of his Government's policy (I suspect), and we should never have dismantled it. Members know perfectly well that he was prepared to go on paying and, indeed, capitalising some $2 000 000 worth of interest every year and building up a debt that would have strangled this State's future. Really, it is almost not worth answering such an asinine question.

ADELAIDE AIRPORT

Mr OSWALD: In view of the Premier's statement on the provision of a separate international passenger terminal for Adelaide, will the Minister of Transport give the House and my constituents in the area surrounding the Adelaide Airport a clear assurance that the Government still intends to support the establishment of an airport of international size and status north of Adelaide? Will the Government, through the joint Commonwealth-State body, move immediately to determine the site and, after its designation, rezone the land as a matter of urgency?

Members interjecting:

The SPEAKER: Order! I hesitated to accept the question in so far as a great deal of it was covered by the Ministerial statement just made. I call the honourable Minister of Transport to answer the question in respect of aspects other than the matter previously referred to.

The Hon. M. M. WILSON: Certainly, I give the honourable member an unequivocal assurance that the State Government will be moving, together with the Commonwealth, to designate a new site in the next 12 months and, indeed, one of the most important actions coming from that designation will be the zoning requirements that will need to be implemented. I have representatives of the Minister of Environment and Planning on the State Airport Committee, because it is extremely important that the zoning regulations be drafted. I do give the honourable member that assurance.

I should explain, for the benefit of members, that the upgrading of the domestic terminal, which is to provide two extremely large lounges on the end of the present concourse as well as contra-flow corridors, so that embarking and arriving passengers can be separated, was originally designed so that an international flight could be accommodated if there was not a wide-bodied aircraft also at the terminal.

It was obvious in discussions that it was not possible to guarantee that we could have international flights and wide-bodied flights separated. For instance, if the domestic terminal in a year or two had at the same time an A-300 Airbus, with a capacity of some 280-odd passengers, and a Boeing 767, from Ansett, with a capacity of some 220 passengers, obviously it would be impossible to bring in at the same time a 747 Jumbo S.P., with a capacity of somewhat over 300 passengers.

It was obvious that the only way in which the situation could be well handled would be to have a separate international facility. As the Premier has stated, it would be of the type that is provided at Townsville. That is not to say that that would make Adelaide a fully international airport: the separate international facility would enable the airport to handle three or four flights a week at the most. In the past the Leader of the Opposition has said that he would very much like to see Sir Freddie Laker bring flights into Adelaide. Indeed, he has had discussions with Sir Freddie and I understand that, if Sir Freddie visits South Australia, the Leader will bring him to see me and the Premier on that matter. If Sir Freddie Laker was to bring into Adelaide Skytrain, which is a DC10, then obviously, with two or three flights coming a week from, say, Qantas, that would be about all the terminal could take. By no means are we talking about massive international operations out of Adelaide, although that is not to say that South Australia does not need that.

An honourable member: We need a new airport.

The Hon. M. M. WILSON: That is why, as has been said, we need a new airport. As the Premier said in his statement, the Government is pressing ahead very strenuously to see that a site for that airport is designated. It may not necessarily be in the Virginia and Two Wells area. Other sites have been suggested. However, the important thing is that the site be designated quickly so that the zoning requirements can be brought in.

UNEMPLOYMENT

The Hon. J. D. WRIGHT: Can the Premier say why the average length of time a person was out of work in this State as at August 1981 was 47.7 weeks, or 11 months, while as at August 1979, at the time when the Premier's backers claimed that there was a job rot in South Australia, the average duration of unemployment was 32 weeks? I have raised this matter because it appears that the unemployed in this State are facing increased hardship under the present Government, and are in a more desperate position than are the unemployed in other States. Whilst in August 1981 the average duration of unemployment in South Australia was 47.7 weeks, throughout Australia it was 35.1 weeks. I have relied for my information on the latest A.B.S. figures which have been made available today.

The Hon. D. O. TONKIN: The simple answer to the honourable member's question is that research shows quite clearly that jobs are now going to young people leaving school and that those people who have been unemployed for any length of time are tending not to get the jobs. The new people leaving school, the school-leavers, are tending to get jobs in preference to those who have been unemployed for any length of time. It is not a good situation and I think the Deputy Leader would acknowledge that we must try to do everything we can.

The Hon. J. D. Wright: Does that mean that those people who are starving will starve longer?

The Hon. D. O. TONKIN: No, I do not think it does mean that those people who are starving will starve longer, as the Deputy Leader suggests, for two reasons. One fact which I am sure he knows and which he is very reluctant to acknowledge is that the number of jobs created in the private sector since 1979 has been considerable. The latest figures available show an increase of 19 000 jobs, which contrasts markedly with the 20 000-plus jobs lost in the two years up to September 1979. I would also make the point to the honourable member that the figures for unemployment are 2 300 lower now than they were 12 months ago, and that also shows a trend in the right direction. There is no question but that we have turned that trend around, and it is certainly no comfort to me to know that the unemployment figures are still high. I think we all share that concern, but at least we are doing something to change the trend and create the jobs that are needed.

RESOURCE DEVELOPMENT

Mr GLAZBROOK: Does the Premier agree with the publicly expressed view that Government attempts to encourage resource development are 'chasing mirages in the desert' and 'pies in the sky'? A recent newspaper article which dealt with the South Australian economic future and which appeared under the name of the Leader of the Opposition said, in part:

> I think our first priority is to look after those industries and enterprises which have performed well over the years. We do have some very positive things going for us.

Further on, the report states:

> We have to beware of chasing mirages in the desert.

That is presumably a reference to resource development projects similar to Roxby Downs. In yesterday's *Advertiser* the Leader of the Opposition was quoted as saying that the Government should be chasing 'here and now' ventures such as Stony Point rather than 'pies in the sky' such as Roxby Downs.

The Hon. D. O. TONKIN: I have seen the comments attributed to the Opposition Leader to which the honourable member refers. I was appalled to hear them. I am further appalled when I realise, following an interview with Sir Arvi Parbo, the Chairman of Western Mining, which was shown on *Nationwide* last evening, that the Leader of the Opposition has been briefed only recently by Western Mining and must therefore have been in full possession of the facts which Sir Arvi Parbo put forward on television last evening as to the magnitude and size of Roxby Downs and its significance to South Australia.

An honourable member: And how far off it was.

The Hon. D. O. TONKIN: I think it would be as well to quote one or two words from Sir Arvi Parbo which I think may disabuse the member for Stuart, who seems to believe that he can still resort to the old chestnut that it is long, long distant in the future. During the interview Sir Arvi was asked:

> . . . Well, is it a mirage in the desert? What sort of impact is it going to be?

He replied:

> Well, it is like any other large mining project; it's certainly not a mirage; if it starts up it has a very high capital cost . . . and most of this capital flows into the local economy.

He said further that—

Members interjecting:

The Hon. D. O. TONKIN: I can understand, with some difficulty, the attitude that members of the Opposition would probably like it not to get off the ground. Sir Arvi also made it quite clear that the only prospect of its not getting off the ground would be because an indenture Bill introduced into this Parliament would be blocked. I would suggest to honourable members that they should have a look at the interview. I have been using—

Members interjecting:

The Hon. D. O. TONKIN: I do not think the Government is in trouble over this issue. I think the Opposition is in so much trouble it does not know which way it is twisting, and it ought to get its story at least consistent and right. It should talk to its colleague, Mr Jacobi, in the Federal House and see why he is so avidly advocating uranium enrichment.

It should try to put its own house in order before it suggests that the Government is in trouble. The Government has its sights set on development and resource development for this State, and it will go along that line for the benefit of all South Australians in terms of employment and prosperity. The sooner the Opposition in this State faces up to the realities of that resource development and all that it can mean to South Australia, then the sooner we can get a further reversal in the very problem of which the Deputy Leader of the Opposition has just been complaining. Opposition members complain about lack of employment opportunities, and at the same time publicly seek to deny those employment opportunities to the people of South Australia. Where is the consistency in this matter?

An honourable member: Shame!

The Hon. D. O. TONKIN: It is a matter for shame. It is a matter for great shame.

Members interjecting:

The SPEAKER: Order!

The Hon. D. O. TONKIN: The Leader of the Opposition is also on record as saying that the Government should not be chasing after long-term projects. I dealt with that, to some extent, yesterday. I am not able to understand what he thinks faces South Australia if, in fact, the Government does not chase after long-term projects. I have an idea of what his policy might be. I suggest that he wants to do nothing, regardless of the difficulties that South Australians face in terms of unemployment, until, he hopes, the situation can get him into office. He will not fool the people of South Australia that way. They are far too sensible.

I suspect that he has in mind in hoping to get into office that he will then develop these projects as totally State-owned projects. In other words, he is still bound by the outdated Whitlam and Connor doctrine that, in fact, all resource development should be left in the hands of the State. We have already had a dose of that, and it was not very pleasant. I am pleased that Australia and South Australia are back on the right track again and are going to stay there. The Leader also is quoted as saying that Roxby is 10 to 20 years away. This was stated in Mount Gambier, in the *Border Watch,* only last Saturday: 10 to 20 years away. Yet, he knows, because he has been briefed by Western Mining, that the end of the feasibility stage is planned for 1984.

The Hon. R. G. Payne: Put a time on it.

The Hon. D. O. TONKIN: I am now putting the time that Western Mining is putting on, and has told the Leader.

The Hon. R. G. Payne: You have not got the guts to tell the truth.

The SPEAKER: Order!

The Hon. D. O. TONKIN: Is the member for Mitchell calling Sir Arvi Parvo and Mr Hugh Morgan, very reputable people in Western Mining, liars?

Members interjecting:

The SPEAKER: Order! I ask the honourable Premier to withdraw the remark 'liar', because, even though it is not directed specifically at a member of this House, it is still unparliamentary in this House.

The Hon. D. O. TONKIN: I am delighted to withdraw it, because I do not in any way support the implication made by the member for Mitchell in this House.

Members interjecting:

The SPEAKER: Order!

The Hon. D. O. TONKIN: It is no good the Leader trying to divert attention—

The Hon. R. G. PAYNE: I rise on a point of order, Sir. I want those words withdrawn. Standing Orders prohibit members attributing to other members improper motives. I had no improper motive in what I said in the House.

The SPEAKER: Order! I do not accept the point of order. The honourable member has redress by way of personal explanation in due course.

The Hon. D. O. TONKIN: It is no good the Leader of the Opposition and his henchmen opposite trying to muddy the issue by behaving in this ridiculous fashion, as they are doing. The Leader of the Opposition was briefed by Western Mining, in detail, as to the timing of that project. He

has been to Roxby Downs; he has seen the head frame, the shaft and all the other activities. He knows that.

An honourable member: This is the sign of a very nervous man.

The Hon. D. O. TONKIN: Yes, he certainly is nervous. He knows perfectly well that the time table that Western Mining has put on the matter has been for the completion of the feasibility project by the end of 1984 and commitment in 1985 to the next phase. That is something the Leader of the Opposition knows full well. How can he honestly go out into the community and say that this project is 10 to 20 years in the future and retain any credibility at all? It is just very fast foot work, which is so fast that it is catching up with him.

The Hon. E. R. Goldsworthy: He would win a dancing competition.

The Hon. D. O. TONKIN: He would win a dancing competition; he certainly would. It may well be, from the response of honourable members opposite other than the Leader, that he has not told them everything he has heard from Western Mining. That may be so. I do not know. I do not know how they run their Party, but I do know that the Leader is in full possession of the time table and that he was very fully briefed on it. As for saying that Roxby Downs and Olympic Dam and what is there is a mirage, all I can say is that if he has seen, as I have seen, that head frame, the shaft, and that classic engine being used for the cage—it is a beautiful piece of workmanship, and I suggest that members opposite should look at it, too—he would know that it is no mirage. It is working very effectively. They are making very good progress. For the Leader to suggest or say otherwise demonstrates his total dishonesty in this whole affair.

NORTHERN TOWNS WATER SUPPLY

Mr KENEALLY: Will the Minister of Water Resources give to the House firm commitments as to the year of commencement of the construction work on the filtration plant on the Northern towns water supply and the programmed completion date? I have on many occasions sought to ascertain this information from the Government. I have written letters, asked Questions on Notice, and asked questions during the Estimates Committee. The people in our Northern towns have been encouraged by this Government to believe that construction works are imminent. However, in a letter to the Spencer Gulf Cities Association, dated 5 August, the Minister said, in part:

> The Government is currently reviewing its financial position and will programme the construction of the water filtration plants to serve the northern towns, and also the remaining plants for metropolitan Adelaide, as early as funds permit.

The Port Augusta and Port Pirie city councils have today expressed to me their concern at this open-ended commitment. The *News* of 10 November quotes Mr Jones, Mayor of Port Pirie, as follows:

> Mr Jones said he had been concerned since reading Mr Arnold's comment that the 'plants would be built as funds permit'. He said this concern had been confirmed when he received a letter from the Premier, Mr Tonkin, which stressed that, although the proposal for funds for the project had been submitted to the Federal Government, he had not yet been advised of the allocation of funds which will be provided to South Australia. Mr Jones said it was clear that the project could be delayed.

Is the Minister now able to give a categorical statement to the House as to when the plants will commence and when they are programmed to be completed?

The Hon. P. B. ARNOLD: This Government has given a clear commitment to the Northern towns water filtration programme, and I think the honourable member is well aware of that. A clear statement was made, with a commitment for the construction of two water filtration plants, and $3 000 000 has been allocated for the development of the conceptual plans and the detailed design of the two plants. The member is also aware that an approach has been made for funding from the Federal Government to go towards this project. At this stage we have not received the Federal Government's response. Until we do we will not be in a position to give a precise date at which the contracts will be let. We anticipate receiving a favourable reply from the Federal Government, but until we receive that reply we are not in a position to make a precise statement as to the date on which it will commence.

The honourable member is also aware that the contract that has been let to the consultants requires them to report in October of next year with the detailed designs. That means that the Government will be in a position the following month to call tenders for the construction of that project. I envisage that long before that time we will be aware of the finance that will be available from the Commonwealth. That will give an indication as to what the State's commitment will be. The State can then determine the funding that will be available for that project in following years. As soon as a reply is at hand from the Federal Government, the State Government will be in a position to make an announcement. I assure you, Mr Speaker, that, as soon as the Government receives a reply from the Minister for National Development, it will make a statement to the people of South Australia.

ECONOMIC DISRUPTION

Mr BLACKER: Can the Minister of Agriculture explain to the House the extent of disruption, in economic terms, and the losses that occurred in the meat industry and what effects, if any, occurred in the fish processing industry as a result of the recent strike? Can the Minister also advise the House whether alternative programmes are still being actively considered to enable meat and fish processing to continue in circumstances similar to those which existed during the recent D.P.I. inspectors' strike?

I am given to understand that considerable stock losses occurred because of this strike and that the closure of abattoirs caused economic set-backs to the operations of those premises. Although press reports about the strike repeatedly referred to personnel involved as 'meat inspectors', I understand that those persons were employed as D.P.I. inspectors working with other commodities in addition to meat. I understand that, as a consequence, the fish processing industry was severely affected, first, because that commodity is so sensitive to quick handling and processing and deteriorates quickly, and, secondly, because shipping containers were planned to meet given shipping dates. Failure to do so means that Christmas export markets have been lost that at least $2 per kilo for many fish commodities has also been lost.

The Hon. W. E. CHAPMAN: I am unable to give the honourable member precise details in terms of dollars lost by either the rural industry or the fishing industry during the last dispute. However, I am aware of the considerable losses incurred and of the difficulty of measuring those losses in terms of dollars which is, or course, related to the deterioration of stock rather than to actual stock losses. As the member for Flinders, and some members on this side of the House at least, would readily recognise, even though while awaiting slaughter the stock on hand does not die in the holding yards, each day that goes by sees significant deterioration in the condition of those animals.

I am aware that, while I was directing my attention to the impact of this strike on the meat industry employees and primary producers, my colleague, the Minister of Fisheries, was dealing specifically with the situation as it applied to the fishing industry. I am also aware that the Minister of Fisheries met with representatives of the Fishing Industry Council and, indeed, acceded to a request from that quarter to be represented in negotiations to try to relieve the situation. Also, he appreciated (as, indeed, I did on behalf of the meat industry) the impact on processing.

The other part of the honourable member's question related to whether or not we are proceeding with alternative plans. Indeed, we are bound to do so and, in fact, my departmental officers are at this time preparing a plan to put to the Government for consideration in order to avoid such an impact occurring again.

It is, in my view, a retrograde step to consider going back to a double or Commonwealth and State inspectorial system for South Australia. In our present situation, being the only State other than the Northern Territory with a single inspection system, we are the victims of circumstances beyond our control, as applied in this last strike. We were not a party to the argument but, indeed, our industry suffered as a result of the argument at the Federal level. Even though our meat industry workers in this State were prepared to accept the situation, the inspectors would not work. The consumers in South Australia did not suffer, and I do not anticipate that they will suffer, as a result of that strike because, in fact, virtually overnight meat was coming in from over the border where State sytems of inspection apply and our industry was closed up while the consuming public at this end was receiving the produce. At the same time, as I have indicated, a disastrous effect on our primary producers occurred, because in order to sell their livestock some of them had to truck that livestock to Victoria to be slaughtered there and brought back here for our retailers to market the product. I do not know whether that occurred in the fishing industry or whether it got to that stage, but it is true that the fishing industry, as indicated by the honourable member, was affected as indeed our meat industry was affected during that recent strike.

NURSING HOMES

Mr TRAINER: Could the Minister of Health explain the Government's policy on the provision of nursing home beds in relation to two conflicting statements from her in the press last week, the first headed 'Control of beds for aged urged', and the second headed 'Plan to increase S.A. nursing home beds'? The first item appeared on page 15 of the *News* of Thursday 5 November and stated:

> Patients in South Australian nursing homes who do not require full nursing home care could be moved into areas of care more suited to their needs.

It also stated that the Minister of Health—

> wanted the Federal Government to introduce assessment of nursing home patients before admission and continuous reassessment of patients in nursing home care. Mrs Adamson said an indeterminate number of patients occupying nursing home beds should never have been admitted.

The article continued:

> Mrs Adamson said it was likely that nursing home patients assessed as not needing nursing home care would be moved into more suitable areas of care if the Commonwealth adopted the proposal.

It was not clear where nursing home inmates would be moved to. The next day's *Advertiser*, by contrast, contained the following statement:

> Mrs Adamson said there was no suggestion that anyone in a nursing home in South Australia would be moved out because of the new guidelines.

It has been pointed out to me that a reassessment of nursing home patients, if Federal guidelines are strictly followed, could well necessitate the removal of frail patients suffering from senility, such as that associated with brain failure. The 90 beds at Windana were refused Federal funding on the basis of their being intended for brain failure cases. The State Government has now apparently accepted the Federal Government's argument that the 130 people on Windana's waiting list are mental health cases and hence are a State responsibility. Yet recent surveys, including one by the South Australian Health Commission, have shown that almost 50 per cent of private nursing beds receiving the Commonwealth subsidy are occupied by patients with some degree of brain failure.

It has been suggested to me that a strict application of the Federal Government policy of not funding nursing home beds for elderly people with failing mental faculties would push many patients out of nursing homes. Similarly, uncertainty exists as to the total number of nursing home beds in South Australia to be permitted by the Federal Government. The second of the two newspaper items I referred to earlier in the question said that the South Australian Health Minister—

> had told the Federal Minister of Health, Mr MacKellar, that she would support revised guidelines produced by the working party established by the National Standing Committee on Hospital Agreements. These were to allow 80 nursing-home beds per thousand people aged 70 and over—

and that would be instead of the present 50 beds per thousand people aged 65 and over. The Minister is quoted as saying about this change:

> It will provide for a slight increase in the number of beds.

However, it has been put to me that this will actually represent a decrease in the number of beds allowed, because there are fewer people in the community aged over 70 than there are over 65, and that this change might relate to the Minister's earlier press statement concerning people needing to be moved out of nursing homes.

The Hon. JENNIFER ADAMSON: The statement that appeared in the *Advertiser* is a correct report of the position. The report that appeared in the *News* was incorrect in several major instances. As soon as that report appeared in the *News* in the first edition, I contacted the assistant editor and made clear to him that there were erroneous statements and that they should be corrected. The journalist had written the story on the basis of a telephone conversation; I imagine it was written under pressure. A sub-editor then edited it, and the *News* acknowledged that the sub-editor had distorted what was written by the journalist, which, in fact, in itself was not a correct interpretation of what I said. The statement which was subsequently issued, and which appeared in the *Advertiser,* was correct.

Several times the honourable member has referred to the fact that I said that some patients not requiring nursing home care could be moved into alternative facilities. I was speaking of future arrangements if the Commonwealth determines that assessment for eligibility for nursing home admission is to be a criterion for payment of Commonwealth benefits. There is no suggestion and there has never been any suggestion that anyone currently in a nursing home should be moved out of a nursing home into a different form of care. However, if in future the Commonwealth adopts assessment procedures prior to admission to nursing homes, and if eligibility for nursing home benefits is based on assessment, some people who are currently in nursing homes would not, on that criterion, have been admitted. There are people currently taking up nursing home beds

who could have, if the proper alternative community support systems had been available to them, been maintained in other than a nursing home situation.

For example, if day care and visiting facilities in this State were improved, which the Health Commission is currently in the process of doing, more and more people would be able to be maintained in their own homes. The expansion of domiciliary care services in South Australia is enabling more elderly people to be maintained in their own homes for longer instead of being admitted into nursing homes. There is no inconsistency there, and, in fact, that attitude is generally supported by Health Ministers, and certainly by public health authorities, around Australia.

The indication that I had advised Mr MacKellar that South Australia approved, in principle, the proposal of the National Standing Committee on Hospital Agreements to alter Commonwealth guidelines for the establishment of nursing home beds from the current figure of 50 per thousand persons aged 65 and over to a different basis of 80 per thousand persons aged 70 years and over is recognition of the fact that more and more people are now living longer. It does not deprive anyone aged 65 or over of a nursing home bed, if a person qualifies for one. However, it does slightly expand the stock of nursing home beds that will be available in this State, if those guidelines are adopted by the Commonwealth. I do not know the source of the honourable member's advice that there will be a slight decrease. The source of my advice of there being a slight increase is the Commonwealth Department of Health and the South Australian Health Commission.

RURAL ADJUSTMENT FINANCE

Mr RUSSACK: Does the Minister of Agriculture consider that there is any disadvantage to intending applicants for rural adjustment finance in the Minister's decision to disband the Rural Assistance Committee as from July this year?

The Hon. W. E. CHAPMAN: The answer is that I do not believe that there is any disadvantage at all to the rural community or to pending applicants for finance under the Rural Assistance Act. I am pleased the member has raised this subject, because it does allow me to correct a wild allegation made by a spokesman for the Labor Party in another place. He made—

Mr Millhouse: Who would that be?

The Hon. W. E. CHAPMAN: The Labor Party's spokesman for agricultural matters made an accusation last Friday on A.B.C. radio—

Mr Millhouse: What's his name?

The Hon. W. E. CHAPMAN: In that interview the Hon. Mr Chatterton implied that in fact people who have had their applications for rural adjustment finance rejected were disadvantaged because I, as Minister, endorsed departmental recommendations without reference to the Rural Assistance Committee.

During that radio talk-back programme he went on and accused me of acting in breach of the Rural Industries Assistance Act. The committee that has been referred to was set up initially under the 1971 Rural Industry Assistance (Special Provisions) Act. Quite clearly, the honourable member is out of date and ought to have known better, because it was during his term of office as Minister of Agriculture that the 1977 Act, which was set up for the purpose of advancing rural industry financial assistance to applicants, was passed. That Act makes no provision for an advisory committee such as that which applied under the 1971 Act and, for some reason best known to my predecessor, he continued to pay that committee for a period after the introduction of the 1977 Act, even though in 1979 a minute was directed from the Minister's department to the Rural Industries Assistance Division requiring it not to use the committee any more in an advisory capacity. However, this committee was retained to the tune of some $8 000 a year, and it was intact when we came to office in September 1979.

I made no effective use of that committee. In fact, I called on the committee in May 1981 to demonstrate its need to be in that capacity. The committee comprised three members: one came from the Mid North; one was a consultant in farming from Murray Bridge; and the third member was the Chairman, Mr Lex Walker, also Chairman of the South Australian Barley Board. It was interesting to receive back from that committee a document seeking to demonstrate why it should be retained, but it was not satisfactory. At the end of the committee's term in July 1981 I refused to replace it.

I repeat that there is no need for such a committee under the Act under which we lend funds and have lent all the funds since coming into office. There being no requirement, and in my view no need, for that committee, it has been dispensed with. It is not a breach of the Act. It is an act of good sense and to streamline the processing of a large number of applications that were received. In the meantime, I have had the benefit of skilled personnel in that division under the direct management of the acting principal, Mr Alan Forest, for whom I have a high regard. His recommendations, his assessments and the material provided to me have, I believe, allowed me to make a decision on those who qualify for rural industry finance and reject those who do not.

I repeat that there has been no disadvantage to any primary producer in South Australia as a result of not reappointing that committee for the purpose required under the 1971 Act but not required under the current Act. Following the steps taken as I have outlined them, I received a letter dated 29 May 1981 from the Chairman of the committee, Mr Lex Walker, in which he said:

> The committee's purpose has been served and any proposal to change policy or modification of interpretation can be left in the hands of the departmental officers. Experience suggests that there is no need for an appeals tribunal.

The appeals tribunal referred to the final function of the committee to which my predecessor and I had access but, indeed, I did not use it in that capacity after coming into office. With the benefit of the advice from the department, a recommendation from the Chairman of the committee, and there being no requirement whatsoever under the Act to have such a committee, I claim that the spokesman for the Labor Party is really sounding off on a subject on which he should do some homework.

I am disappointed to have to refer to the honourable member in this way, but there have been occasions in recent months when he has referred to the functioning of my Government and of the Department of Agriculture and, where those remarks have been in the interests of the industry or in the interests of the department's functions, I welcome them. However, where they are wild allegations which are clearly untrue and ill-founded, they are only an erosion of the services that we are required to extend to agriculture and indeed a reflection on the officers of the Department of Agriculture, many of whom I believe served him well when he was in office.

SAMCOR PADDOCKS

Mr O'NEILL: Will the Minister of Agriculture state the date upon which he had consultations with the Save the

Samcor Paddocks Committee about the future of the 163 hectares of land referred to in the *Advertiser* on 9 November, in line with the promise that the Minister gave at a public meeting in February or March this year that before any announcement was made by the Government the committee would be consulted by the Minister and, if the Minister held no such consultations, will he state why he did not honour his promise?

The Hon. W. E. CHAPMAN: Without reference to my diary, I am unable to give the honourable member the date, but I am amazed that he should ask that question specifically, because he was at the meeting.

Mr O'Neill: And I heard you make the promise.

The Hon. W. E. CHAPMAN: I will get to the promise part of it in a moment. I will get the date for the honourable member if he needs to be reminded about that. Certainly, some months ago, and by invitation of the honourable member and his colleague the member for Playford, and some other people from that community, the Minister of Lands and I did attend a public meeting.

On that occasion we listened carefully to the requests of the community with respect to the land which was at that stage under the clear and direct control of the Minister of Lands. We took on board their views, which were conveyed back to the Government. Since then a number of optional uses for the land have been discussed. It is true also that on that occasion both my colleague and I undertook to ensure that that community represented by the honourable member and the member for Playford would have a chance to communicate with the Government over any future proposed uses for that land.

I saw in the press at the weekend, as undoubtedly did the honourable member, that those options have been condensed and that they will be available to the public. The announcement was made by the Premier that the plans are subject to discussions at local government level and at local community level. Through that message from the Premier, the Government is inviting the public to do precisely what we undertook to do.

Mr O'Neill: You promised to discuss it before any announcement was made.

The Hon. W. E. CHAPMAN: No announcement has been made of what will happen.

Mr O'Neill: What does that mean?

The Hon. W. E. CHAPMAN: The report in the newspaper on the weekend indicated what was likely to happen and what could happen as alternative future uses of that land, but a decision has not been made on precisely what will happen. Not only are local government and the community subject to being consulted but also, as I read in the newspaper, and as I understand the position to be, I understand that private developers are yet to be further consulted about the involvement that they may have in the project. So, the position is not definite and precise.

We are very proud that interest has been shown to the extent that it has until now. We believe that it is of extreme public importance that the community knows generally the direction of Government thinking on this subject. That was clearly outlined in the press on the weekend. As I indicated earlier in my reply, not only were those elements of pride about which we wanted to tell the public of South Australia incorporated in the article, but also there was a further endorsement of the undertaking that my colleague, the Minister of Lands, and I gave on that occasion, namely, that communication, discussion and consultation with the community would be upheld, as it will be. The situation now is no different from what it was at the time of that meeting. At that stage, the land had been entirely taken out of Samcor's hands by the Government and placed under the responsibility of the Minister of Lands.

Mr O'Neill: I believe that you double crossed them.

The Hon. W. E. CHAPMAN: The member can believe what he likes but I know what was said on that occasion. I know, too, the extent of that community's appreciation shown then to my colleague and I. Also, I know the extent of that community's appreciation shown to us since. I defy the member representing part of that district or his colleague, the member for Playford, to give evidence where the Government, generally, my colleague, the Minister of Lands, or I, have broken down. I repeat that to date no firm decision has been made in relation to the use of that land.

Members interjecting:

The SPEAKER: Order!

The Hon. W. E. CHAPMAN: It is subject to considerable negotiation yet, and I am pleased at negotiations in which my colleagues, and the Premier, particularly, have been involved.

BRIAN GROVE CONSTRUCTIONS

Mr MATHWIN: Can the Minister of Public Works inform the House of results of the Ombudsman's investigation of a complaint that the Public Buildings Department did not adequately investigate the financial standing of Brian Grove Constructions before awarding the company Government contracts?

Members interjecting:

The SPEAKER: Order!

Mr MATHWIN: In his Ministerial statement on Brian Grove Constructions, the Minister said that a copy of an independent assessment of the financial standing of the company had been forwarded to the Ombudsman, together with full details of the Government's procedures in awarding tenders for construction of two Government buildings. The Deputy Leader of the Opposition quoted from a letter received by him stating that the company was 'shaky financially' at the time it was awarded the contracts, and the Ombudsman had received a similar complaint from a Mount Gambier subcontractor involved in one of the contracts. Will the Minister inform the House of the outcome of the Ombudsman's deliberations on this matter?

Mr Millhouse: He's got a minute and a half.

The SPEAKER: Order!

The Hon. D. C. BROWN: It did concern me when the Deputy Leader of the Opposition made that allegation across the House. It also concerned me that a person apparently wrote to the Ombudsman with a similar sort of accusation. It is appropriate, therefore, that I read to the House the reply that the Ombudsman has now sent to the Director-General, Public Buildings Department, as follows:

> Dear Sir,
>
> Re: Brian Grove Constructions and Armener Engineering
>
> Thank you for the report of 26 October 1981 in connection with the complaint of Ms Armener. The information contained in the report and the departmental file indicates that the department carried out adequate evaluation of the company before awarding it the contracts concerned.
>
> Thank you for the assistance provided in this matter.
>
> Yours sincerely,
>
> R. D. BAKEWELL *(Ombudsman)*

There is an independent assessment which clearly indicates that the Deputy Leader of the Opposition stood in this House and made a series of wild allegations.

The Hon. J. D. Wright: I never said that at all.

The Hon. D. C. BROWN: He certainly did, and he gets nailed with it. The member made a series of wild allegations that have now been found to have absolutely no substance whatsoever.

PERSONAL EXPLANATION: SAMCOR PADDOCKS

Mr O'NEILL (Florey): I seek leave to make a personal explanation.

Leave granted.

Mr O'NEILL: The Minister of Agriculture, in answer to a question a few minutes ago, said that, amongst other things, I had invited him to a meeting concerning the Samcor paddocks. That is not true. I was invited by the committee that was set up to chair the meeting, because it was being held in my electorate. As to the invitations issued, I had no knowledge until an hour or two before the meeting that the two Government Ministers would be in attendence.

PERSONAL EXPLANATION: ADELAIDE AIRPORT

The Hon. R. G. PAYNE (Mitchell): I seek leave to make a personal explanation.

Leave granted.

The Hon. R. G. PAYNE: In answering a question put to him by the member for Brighton, the Premier inferred and implied, and, by suggestion, told the House, in effect, that I was calling Sir Arvi Parbo and Mr Hugh Morgan liars. I categorically deny that I said any such thing.

At 3.16 p.m., the bells having been rung:

The SPEAKER: Call on the business of the day.

CRIMINAL COURT COSTS

Mr MILLHOUSE (Mitcham): I move:

That, in the opinion of this House, costs should be payable to a successful defendant in a criminal court in the same way as they are payable to a successful defendant in a court of summary jurisdiction and calls on the Government to introduce legislation to give effect to this opinion.

Although I have realised this injustice for very many years, and regret now that I have never done anything before this to put it right, the motion that I have moved today was prompted by the experience of a Mr and Mrs Scrachta, who were the subject of a question which I asked in this House on 11 June 1980 and which appears at page 2501 of *Hansard*. On that occasion I set out the facts. They were, briefly, that Mr and Mrs Scrachta, who were visitors to this State, were detained at one of the big shops in town, Coles I think, and subsequently charged with having stolen goods worth $16.38. They resisted the charges, were tried in the District Criminal Court, and found not guilty of all charges. They had to pay their costs, which amounted to $4 341.50, as well as having to stay here in South Australia to fight for their honour.

At the time that I asked that question and gave those facts, the Premier was obviously impressed, said that it looked to be a matter of principle, and that it would be followed up. Well, nothing has happened. He has done nothing. Therefore, in the last session of Parliament I put the Question on Notice about the principle involved. The answer to my question appears at page 812 of *Hansard*. All he said was:

The Government will examine the question of legislating to provide some means of meeting the legal costs of acquitted persons as a part of its general review of the criminal law.

That answer was given in September 1980. Not a jolly thing has happened about the general review of the criminal law, or about this matter, in particular.

As on other subjects, my patience is exhausted and I have moved this motion, because there has been absolutely no action at all, so far as I know. What is the general position in litigation? In civil cases, when one citizen sues another, the successful party gets his costs—what we call party-and-party costs. Usually now, after they have been taxed (that is, fixed by the court), they are about two-thirds of the total costs which have to be paid to the successful party by the unsuccessful party. So, the winner gets most of his costs. In theory, he gets the lot, but, in fact, he does not get quite the lot. So, he gets his judgment and his costs paid as well. In criminal matters, that is, in jury trials, the rule is (and this rule was applied in the Scrachta case) that the successful defendant does not get his costs.

There is an exception to that, and it is a very big exception because, if the case has been tried in the Magistrates Court by a magistrate, then, under the Justices Act, it has now been decided in this State that costs normally follow the event, as we say, and a successful defendant gets his costs. It was other than that before 1971. A decision of the Full Court here, consisting of the then Chief Justice (Dr Bray), Mr Justice Hogarth and Mr Acting Justice Sangster, agreed unanimously that in the Magistrates Courts now people should get their costs as they would in the civil jurisdiction. Before then the only costs which were ever awarded against the prosecution when it failed were if the court felt the prosecution should not have been brought at all. However, in the Full Court judgment in the case of *Hamdorf v. Riddle*, 71 S.A.S.R., and the passage I quote is at 402, this is what the court said:

In the civil courts, normally speaking, the discretion of the court is exercised by ordering the unsuccessful party to pay the costs, or, in modern times some of the costs, of the successful party. In the criminal court . . . neither party pays costs to the other no matter what the result of the proceedings. In other parts of the world provision has been made for acquitted defendants to recover, in appropriate cases, their costs or some portion of them out of public funds, see, for example, the English *Costs in Criminal Cases Act* 1952.

I will come to that in a minute. Further down on that page, Their Honours say:

We think then, without attempting to fetter the discretion of courts of summary jurisdiction, that they [the Magistrates Courts] should, in a general way, exercise their discretion as to costs in the way in which it is exercised in the trial of a civil action, but without discriminating between the costs of successful complainants and successful defendants at least to any greater extent than the civil courts distinguish between the costs of successful plaintiffs and successful defendants.

So, in every court now in this State, except in the Criminal Court, the successful defendant or the successful party is entitled to costs, almost as a matter—

Mr McRae: And so he should be.

Mr MILLHOUSE: And so he should be, as the member for Playford says. However, here, of course, the Scrachtas did not get their costs and, despite my persistence with the Government, no *ex gratia* payment has been made. There has been an absolute refusal to do anything, despite the situation in that case. That is not only an anomaly; it is an absolute injustice. I mentioned the Costs in Criminal Cases Act in England, and now the principle there, which was reaffirmed when that Act was enacted in 1973, is summed up in Halsbury's *Statutes,* as follows:

Although the award of costs must always remain a matter for the court's discretion, in the light of the circumstances of the particular case, it should be accepted as normal practice that when the court has power to award costs out of central funds it should do so in favour of a successful defendant, unless there are positive reasons for making a different order.

That is what I believe should be the rule in this State as well. One of the curious things here is that the people who suffer most are not very poor people, whose costs are normally paid anyway by the Government through the

Legal Services Commission now, nor the very wealthy people, who can afford to pay the costs without its hurting very much. The people who really suffer now are people like the Scrachtas, who had too much money to get legal assistance and had to pay their own costs, but, nevertheless, found it a very heavy burden to pay out more than $4 000.

I am not suggesting for a moment that the costs charged by solicitor and counsel in that matter were disproportionate. It was a case which went for two days in the Magistrates Court and two or three days, I think, in the District Criminal Courts, so the costs were not out of the way; I believe they were less than could have been justified on a taxation, but it was a very heavy burden to be imposed. In very many criminal cases now, the Government pays through the Legal Services Commission, anyway. Why should one portion of the community have to bear this injustice and find it a real hardship when in most litigation it is not so?

Those are the reasons why I have moved this motion. I hope, having heard the member for Playford, with some eager expectation that I will get some support, anyway, for this. Even if the Government is not prepared to correct this injustice and anomaly, I hope that sooner or later it will be corrected in this State.

Mr EVANS secured the adjournment of the debate.

BIRD SMUGGLING

Mr MILLHOUSE (Mitcham): I move:

That, in the opinion of this House, the Government should investigate the allegations made by the member for Mitcham when speaking in the Address in Reply debate relating to bird smuggling and concerning the actions in which officers of the Department of Environment and Conservation and officers of the Federal Department of Customs and others were involved from 1972 to 1978.

This matter has been the subject of a good deal of debate in this place since I spoke in the Address in Reply debate. I have been the subject of persistent personal attacks by the Minister for Conservation, I think because he has really nothing better to say in refusing the requests which I have made, of which this is the latest, for an independent inquiry into what went on in those years in the department. I do point out, as I have before, by way of personal explanation, that I did not raise this matter while the civil proceedings with Mr Field against the State of South Australia were continuing, nor could I, of course, under Standing Orders have done so. It is only since then (that is why I had to wait for the Address in Reply debate for the opportunity) that I have raised it.

There are a number of unanswered questions, despite what has been said by the Minister, particularly in a Ministerial statement a few weeks ago. I want it clearly understood that I am not the only one who is pressing for this. I may be so far the only one who has spoken in this House on it, but there are others who are deeply disturbed by what went on. In the few minutes that I have to move this motion, I want to quote from letters which have been sent to the Minister by Dr Andrew Black, President of the Nature Conservation Society of South Australia. The first one from which I quote is dated 24 August this year, but it was not the first one that Dr Black wrote. He wrote originally in May 1980, asking a number of questions about this, and did not get any answer at all from the Minister. If that does not indicate that the Minister was hoping the matter would go away and be covered up, I do not know what does. In his letter of 24 August, Dr Black said this, in part:

In your answer to him [that is, to me] that there was no evidence of criminal activity you have expressed the view that no further investigation is necessary. I can understand that there is no enthusiasm in the service for these further questions. Nevertheless there are a number of unanswered questions, e.g. those which I put to you in my letter of 6 May 1980 and which, in your letter to me of 6 November 1980, you indicated you would answer eventually. These and other questions will certainly be put to you.

Then he goes on to mention me and people in television. He goes on:

Even if these opinions are incorrect, it must be conceded that they have currency—

that is, that there was something very much wrong in the department—

and I therefore firmly believe that the standing of our National Parks and Wildlife Service will be enhanced in the long term rather than diminished by a full statement of the events which have taken place. I have heard it suggested that Mr Millhouse is merely trying to make political mileage. Having spoken to him I cannot accept this view. I am certain that he shares the view of many others that there are serious dangers of further demoralising events in the service unless you present the evidence that has already been compiled and declare firmly, as a matter of policy, that the service has no intention ever of engaging in any bird trapping and trading activities.

The Hon. J. D. Corcoran: It should never have been in it in the first place.

Mr MILLHOUSE: As the member for Hartley says, the department should never have been in it in the first place. Dr Black continued:

Furthermore, the public will continue to question the activities of the service so long as it employs those who have been engaged in the trapping of protected native birds in the past.

Dr Black then talks about another trapping programme, the parrot trapping programme, and he states:

This allowed the progressive development of interest in more and more species of birds and more and more properties.

That is, he said it had got out of hand; it was a parrot trapping programme in the Adelaide Hills. He continues:

It allowed the development of interest in a burgeoning trade in wildlife by the service responsible for its protection, and all without anything like a reasonable degree of control, or even a reasonable assessment of the populations from which the birds were being taken.

He then sets out again the series of questions which he had asked in May 1980 and which in August 1981 were still unanswered. There were, in fact, nine of them, but I quote only three, the first of which is as follows:

7. What exactly was 'Operation Uncle'? How official was it? How and at what level did the Commonwealth Customs Department agree to co-operate with the National Parks and Wildlife Service in this project? What did the operation achieve in terms of detecting central figures in wildlife and drug trafficking? How many prosecutions resulted?

Those questions are still mainly unanswered. The second of the three questions is as follows:

8. In his part in 'Operation Uncle' how many birds and of what species did Mr Bert Field trap? How many did he sell; to whom and for what price? Considering the duration and staffing of the operation why is it that more information has not been obtained out of this venture?

Of course, they are still relevant questions. The third question is as follows:

9. How many separate investigations were undertaken in order to sort out the various aspects of legal, unofficial and illegal trapping and trafficking operations? In view of the very considerable public expense would it not be the height of folly for the department ever to become involved in trapping and trading again—

and yet it has, Mr Speaker—

Is it true that the police are highly indignant that charges which were laid by them were withdrawn after the case had opened? Is it not evidence of a huge waste of public resources that such time consuming and expensive investigations should lead to so little? Or if it has led to more than we know, is the public not entitled to be informed or at least reassured?

He concludes his letter as follows:

This subject has concerned me now for a number of years. Hence the length of this letter. I hope that by putting my views fully to

you I can persuade you that there is a need for the public to be informed more closely. I can understand your reason for not desiring a further inquiry and I can understand the views which will have been put to you by your departmental advisers.

They are pretty obvious. We have here a weak Minister who is simply controlled by his departmental advisers. The letter continues:

But if you are unable to place on public record, as the basis of previous investigations, the information which I have referred to in this letter, then you must give serious consideration to the initiation of a further inquiry as requested by Mr Millhouse.

That was his letter in August. On 8 October, well over a month later, the Minister replied, largely in generalities, but he did say this at the end of his letter:

The remainder of your questions relate to matters that have been raised in Parliament. I refer here to matters relating to 'Operation Uncle' and to other matters connected to, or arising out of, the last police investigation into certain actions of some National Parks and Wildlife Service and Customs officers. Since I will be making a comment in relation to these matters in Parliament at the appropriate time, I consider at this stage that I should not pre-empt anything that might be in that statement in my reply to you.

The Minister, having said in answer to me that he was going to have a full inquiry (and that was soon after I raised the matter in the Address in Reply debate), has since persistently refused to do so. However, the day after I had moved to censure him (and I had the support of the Labor Party on that), he made a long Ministerial statement. It might be thought that Dr Black and others would have been satisfied with that statement. In fact, Dr Black is not satisfied any more than I am with that statement. I have a copy of a letter Dr Black wrote on 9 November to the Minister, he having read the Ministerial statement. It states, in part:

There are however a number of curious aspects to the subject, which leave nagging doubts in the minds of the public, and in the media and in myself: and I feel that members of the public will continue to be suspicious of activities upon which a sinister construction can be placed. A question that concerns me is why (if nothing criminal did occur) was it necessary for police inquiries to be so huge when a few simple questions of Mr Broomhill should have cleared at least one question up. Why too could charges actually be brought against five people when the cases depended entirely on the witness of one person?

Later, he states:

Members of the public will continue to be suspicious while experienced bird trappers remain within the department, and while at the same time the department continues to express interest in the use of trapping as a method of control over problem species.

The final paragraph I quote is this:

Another matter which is raised by your statement [the Ministerial statement], but which is unanswered is why only one prosecution has followed. Mr Eves' belief that the central figure had to be located is mentioned on p. 3. . . . However, after five years activity it is incomprehensible that so little was achieved. Furthermore, surely further prosecutions should follow now on the basis of the evidence which must have been obtained, and, if not, why not?

Mr Speaker, everybody can see that I am not the only one who is pressing for this investigation.

The Hon. J. D. Corcoran interjecting:

Mr MILLHOUSE: Mr Field will co-operate with anyone.

The Hon. J. D. Corcoran: With an inquiry?

Mr MILLHOUSE: With an inquiry; of course he will. He will co-operate with anybody. The Nature Conservation Society of South Australia is a very reputable body and Dr Andrew Black is beyond reproach, and that is their reaction to this matter.

Let me frame a few more questions which remain unanswered after all of this, and which must be answered, for the reasons he has given, if we are to get anywhere with this matter and if it is to be cleared up. Who were those responsible? It is impossible to believe that in what they did they were acting properly, because clearly they were not. Why should these matters be covered up now? Who did get the profit from these transactions? How far along the chain were the birds traced and why was no action taken? If it were a failure, why was Field allowed to go on with it for five years right up to the time when Lyons was sacked? That was the only thing that brought the matter to an end: Lyons was moved into the Woods and Forests Department.

The Hon. J. D. Corcoran: He was not moved for that reason.

Mr MILLHOUSE: He may not have been moved for that reason, but that is what brought it to an end.

The Hon. J. D. Corcoran: He knew nothing about it at that stage.

Mr MILLHOUSE: The then Minister says that he knew nothing about it at that stage, but it immediately brought it out. What happened to the birds trapped? Where did they end up? My suspicion is that most of them are overseas. Why were there not more arrests? What did the police investigation disclose? Some of those questions are the questions that Mr Black asks in his letter. They are the things which immediately occur to me and which have not been answered. There has been a persistent refusal to answer these questions, and we should get the answers in the interests of everyone: those people in the department, in Parliament, and the general public.

Mr EVANS secured the adjournment of the debate.

PUBLIC EXAMINATIONS BOARD

Mr MILLHOUSE (Mitcham): I move:

That, in the opinion of this House, the Government should immediately institute an independent inquiry into the policies and activities of the Public Examinations Board with special reference to the methods used by it in the assessment of the results of the Matriculation examination.

Perhaps it is timely, now that those of us with children of that age are facing the Matriculation examination, that I should raise this. I raised this matter first by way of a question on 23 July, at page 179 of *Hansard*, where I set out at some length some of the complaints which have been made about the Public Examinations Board. Since then I have been quite overwhelmed by the support for my suggestion that some action should be taken with regard to the PEB. Indeed, I have been given so much material from so many people who have been concerned with this matter—examiners and others—that I cannot possibly use it all in the time that I have available.

I first became interested in this matter, although I had had the odd complaint about the board over the years, because I was approached early this year by the parents of a lad who was given a very bad mark in Matriculation English, although he was expected to do well. He thought he had done well in the exam, and his school thought he would do well, too. Because he got a bad mark he did not get a sufficient aggregate mark to get into the course he desired at the University of Adelaide. The result is that he has had to go back to school this year to repeat and try to get a better mark so that he can get into the course he wants to do. I was not satisfied with the inquiries that I made of the PEB. However, all the other complaints I have had about the board have been the other way. They have been to the effect that the board is not showing results of students which can be relied on at all. I have here a memorandum which was given to me by my now Senator colleague (indeed, she was at the time she wrote this), Senator Haines, who by training is a schoolteacher, and she herself has been an examiner in English. She did this after there had been a good deal of public discussion and com-

plaints by Peter Moss and others. This is what she told me in July:

> The Chief Examiner in English has passed this stuff to me to forward to you. It is basically the documentation involved in his running battle with the PEB over the new scaling and grading system they are using. Peter Moss is not the only Chief Examiner concerned about the way the scheme misleads not only the students but parents, teachers and the community at large. Indeed, there has been some publicity in the *News* recently from Dr Bob Baxter, who was the Chief Examiner in maths.

One of the things about this is that it is not only the examiners in one subject who have complained, it is examiners in a number of subjects—English, maths and chemistry are the ones I know of, quite disparate disciplines. She goes on:

> What is happening at the moment is that the papers are marked, generally by two markers in a 'subjective' subject such as English with a third marking being done by the supervisor if the first two marks vary by more than two marks, and the students are all ranked in order within that subject. The PEB statisticians then have a lovely time manipulating the marks so that each subject is allegedly 'in line' with every other. What it means in effect is that the marks are altered although the order of students generally is not. Thus it may happen that in a subject such as Maths IS, where the students are essentially non-numerate, a mark of 17 could be 'converted' to 52 (as happened in 1980) with the result that the student and everyone else concerned has a wrong idea of the quality of the student in that subject.
>
> Probably even worse, the teachers in the subjects affected are being misled into believing that techniques they have used are satisfactory and hence with the best will in the world go on using them to everyone's detriment because the students concerned simply are not of the standard that the mark they appear to have received would indicate.

She goes on to say that all this has been put to the board and the board has absolutely refused to do anything about it. She ends by saying:

> Something really does have to be done and as it is a State issue, and, as Allison has said that he is interested in improving the standard of literacy and numeracy in schools, the move ought to come from State Parliament.

I have not the time even to use all the material that I wanted to use in explaining this, but Senator Haines' memorandum sets out the crux of what the complaints are. I have letters, one dated 27 March 1980 (so it is not a new thing), to the Secretary of the Matriculation Committee of the University of Adelaide signed by Professors Beckwith and Bruce, making complaints of very much the same kind as Senator Haines has mentioned. They also go on to point out that, because the Matriculation exam is now doubling as an entrance exam for tertiary institutions and also as a sort of a guide to employers of those students who do not go on to tertiary education, it is failing in both ways and it is no longer a reliable guide to employers at all. Nor is it satisfactory as the setting of an entry standard for tertiary institutions.

I have another letter here from Dr M. L. Martin addressed to the Secretary of the PEB, and he is of the Department of Physical and Inorganic Chemistry. What he says almost burns through the paper. He expresses his complete dissatisfaction. I have another one here written to me by him and enclosing a five-page letter which he sent to the Deputy Premier about this matter, setting out in detail the problem. I have here a minute of Mr J. G. Patterson, the Acting Research and Education Officer of the PEB, drawing attention to the statement issued by the Mathematics Subject Committee complaining, but no action was taken by the board on that, nor was it taken on a minute from the Chemistry Subject Committee; the board refused to do it. Finally, I have a letter here written by Peter Moss, from the Department of Education, to the Minister on 5 November this year, in which he says in part:

> On the eve of another Matriculation mockery, I want to urge you, again, to take action against the methods of the Public Examinations Board, its inept administration and its poor leadership. The clear evidence of the harm which the board inflicts upon education in South Australia and its recent actions in making it even harder for criticisms to reach schools, teachers and the general public make it imperative that you take a stand and refuse any longer to protect an institution which, in its present form, has lost its usefulness.

I have another one from a Professor in the School of Medicine at the Flinders University. So that is what a very wide cross section of people concerned with this matter believe. One cannot believe, in that case, that all is well with the PEB. What is to be done? The PEB is set up under an Act of this Parliament. I must confess that I am at a loss to know what to do. I have suggested an inquiry, and I think that is the best we can do, unless the Act is to be repealed and some new arrangements are made. We must remember that the real problem is not the organisation of the exam structure: it is the people who run it. My suspicion is that there are some people in the PEB who are not running it as it should be run and who are not prepared to listen to advice from those who know, chief examiners, examiners, and so on. That is a very brief run-down on the reasons that I have moved this motion, but I hope that it will be accepted by the House.

Mr EVANS secured the adjournment of the debate.

WORKERS COMPENSATION ACT AMENDMENT BILL

The Hon. J. D. WRIGHT (Adelaide): obtained leave and introduced a Bill for an Act to amend the Workers Compensations Act, 1971-1979. Read a first time.

The Hon. J. D. WRIGHT: I move:

That this Bill be now read a second time.

I want to give some background and the reasons why I consider that this legislation is vital and important. I moved a similar proposition last year which the Government chose to ignore and to vote out of existance at the conclusion of the sittings of the House. I sincerely hope that on this occasion the Government at least takes more cognisance of the real problems existing in the Workers Compensation Act at this time.

The provisions in the South Australian Workers Compensation Act for lump sum payment relating to death or permanent incapacity have not changed since January 1974, when the amount was increased from $18 000 to $25 000. Since that time the rise in prices, due to inflation, has meant that the real value of that sum in terms of purchasing power has declined considerably; as prices have risen, the lump sum payment has not. That in itself is a tragedy.

I am not putting the blame solely on the inactivity of this Government, although it has had two years to do something about the matter; in fact, it is now more than two years since the Government was elected. I know that there have been several approaches by the trade union movement, as there were to me when I was the Minister. It was my intention to do something about the matter just prior to the last election. As a consequence, some seven years has passed, during which time there has been no movement in the lump sum payment in South Australia, while other States have increased the amount to the extent of at least indexation in most cases, to the detriment of what is occurring in South Australia.

The South Australian trade union movement, through the United Trades and Labor Council, has made a number of approaches to the South Australian Government to have the payment reviewed. This matter was the subject of correspondence involving me, as Minister of Labour and Industry, during 1977. I also have a letter which I suggest

should go on record. It is addressed to the Leader, Mr J. C. Bannon, and states:

Dear John,

The United Trades and Labor Council Executive Committee at its last meeting considered a report from myself, regarding a recent meeting between representatives of the council and yourself in the Parliamentary Caucus Room, regarding the Workers Compensation Act and requests that the Party introduce a private member's Bill which would increase the lump sum payment provisions of the current Workers Compensation Act, by 108.7 per cent, which are the accumulative increases which have occurred since the last time the lump sum payment was determined, for the Workers Compensation Act, this would increase the amount to $52 175.

The council has written to the Minister of Industrial Affairs, requesting that his Government undertake measures which will increase the lump sum payments of the Workers Compensation Act, as a matter of urgency. We have also sought a conference with the Minister. However, we would appreciate it if a private member's Bill could be introduced. Thanking you for your co-operation and assistance.

The letter is signed by Bob Gregory, the Secretary of the Trades and Labor Council. It is incumbent upon me to say at this stage that I believe that the responsibility for the increasing of the payment under the Workers Compensation Act lies clearly and directly with the Government of the day; I do not believe that the Opposition of the day ought to be initiating such an amendment, which to me is only right, proper and just.

I believe that, if the Government of the day is doing its job properly and carrying out its responsibilities quite clearly such action should lie with the Government. In the light of receiving that letter, which is now only a month old, from the Secretary of the Trades and Labor Council, it is clear that the Minister of Industrial Affairs at this stage proposes not to do anything about effecting some increases, if not all of the increases to which I refer in my legislation. I think that is quite wrong.

The Minister has had two years in which to consider his position and that of the Government. I am prepared to admit that, because of the Byrne Report, the report that I initiated to look at workmen's compensation and rehabilitation, some delays were caused, but I do not think that the report caused all the delay; therefore something should have occurred. I said on the last occasion, and I think it is well to put it again in *Hansard*, that the Trades and Labor Council approached me in 1979, because the Byrne Report was taking so long to complete, about increasing the lump sum settlement payments. I took it upon myself to write to Mr Byrne, who was Chairman of the committee at the time, so that I would not insult either the Chairman or the members of the committee by doing something that would jeopardise the inquiry that they were undertaking. I pointed out to Mr Byrne that the report was taking a long time to appear. The committee had undertaken overseas trips, having visited Canada and New Zealand (and perhaps somewhere else which I cannot recall at the moment), looking at workmen's compensation provisions in those countries. Those trips were evidently quite beneficial, because the final recommendation in the Byrne Report came very close to both the New Zealand and Canadian schemes.

I asked the Chairman whether I would be insulting the committee in any way if I moved in this area, because there were serious complaints and very serious anomalies, particularly as it affected widows. People who had lost thumbs, fingers, legs, toes, or who had been affected by any sort of industrial accident were not being compensated as they ought to have been compensated.

The fact is on the record of this House, and I shall repeat it again, that Mr Byrne, the Chairman of the committee, while not completely acquiescing to my request, certainly made it very clear to me that my action would not jeopardise the investigations of the committee in any way if I chose to move accordingly. I had already prepared a Bill, in August or September 1979, which would have taken into consideration the amounts of money that had been lost under the workmen's compensation scheme, but, or course, the early election occurred.

I am not suggesting that I should have or could have done it earlier, because I believed that the Byrne Committee should have had time to analyse what it was doing and bring down proper recommendations. However, in light of the fact that the report was taking so long, I believed that it was necessary to move. I continued with that belief and that is why I moved the proposition last year, which I think was a proper one.

However, the Government, although it has had several requests from the Trades and Labor Council to grant extra remuneration for certain facets of workmen's compensation, to which I have referred, has chosen not to do so. I think that the Government should be condemned for that. During the committee of assessment inquiries as early as last month or the month before that, I asked the Minister what he intended to do about it, and his stock reply to me and to the Trades and Labor Council was simply that he intended to do nothing until the whole aspect of workmen's compensation was decided and a policy was decided on by the Government on the basis of the Byrne Report.

I have no idea at this stage whether the Government will pick up the Byrne Report in its entirety, whether it is going to discard it, whether it is going to pick it up in part, or what it is going to do. I do not believe that the Government knows at this stage, either: that is the complaint that I have. The situation continues to exist while the Government is making up its mind and while the lawyers are making up their minds; I am told on fairly good authority that the lawyers are totally opposed to the recommendations in the Byrne Report. I understand that the trade unions are opposed to it, also, but that some employer organisations at least are in favour of them.

I believe that in most aspects the report is a reasonable one, but it has some flaws in it which need correcting. However, I am here not to discuss the Byrne Report, but to place on record my absolute disgust that the Government has chosen to wait 2½ years before considering any action concerning this dreadful anomaly in the Workers Compensation Act. I believe that the Government really should stand condemned. I have no idea why it has not acceded to the Trades and Labor Council requests, nor have I any idea why the Government did not pick up the threads of my Bill last year. If it was not satisfied with the content of the Bill, if the Bill went too far for the Government, if the wage indexation principles applied to the amounts were too high for the Government, at least it could have gone some of the way, midway, or 75 per cent of the way, as I was agitating for the Government to do at that stage.

However, the Government chose not to do that. I am throwing down the gauntlet again on this occasion and putting to the Government a similar piece of legislation. I make this point as strongly as I can: when one does not have the numbers in the House it is difficult for one to do anything about an injustice, and it is an injustice about which I am speaking.

I am sure that, if Government members sat down and thought about it, looked at the Workers Compensation Act, examined this Bill and then applied their minds fairly to this question, they would support what I am doing. Government members ought to be agitating within their Party meetings to get their Minister of Industrial Affairs to eradicate this injustice (because that is what it is) immediately.

The purpose of this Bill is to bring up to date the maximum and minimum amounts of compensation provided by Part IV of the principal Act and to provide annual increases in those amounts by making each of them a

multiple of average weekly earnings. The present amounts were last altered in 1973 and substantial increases are required to bring them up to date. The Bill amends each section of the principal Act that prescribes a maximum or minimum amount of compensation by providing that the amount concerned be the prescribed sum multiplied by the figure specified in the amendment. The 'prescribed sum' is defined at the end of the Bill as the average weekly earnings for the March quarter in the previous financial year. The average weekly earnings for the March quarter of 1981 are $265.20 and, when multiplied by the figures specified by this Bill, will increase the maximum and minimum amounts of compensation prescribed by the principal Act by between 135 per cent and 139 per cent, depending on the provision concerned. Hereafter, if the Bill becomes law, the maximum and minimum amounts will vary automatically with variations in average weekly earnings for the preceding March quarter in each year.

Clause 1 is formal. Clause 2 amends section 49 of the principal Act which deals with compensation payable in the case of death of the worker. Subclause *(a)* replaces the reference to the sum of $500 for each dependent child with a sum 4½ times the average weekly earnings. Based on the March 1981 figure this sum would be $1 193. Subclauses *(b)* and *(c)* remove the proviso to subsection (1) and replace it with new subsection (1a), which increases the minimum and maximum amounts of compensation on death. Multiplying the March 1981 figure for average weekly earnings by 71 and 223 respectively the amounts are $18 829 and $59 140 respectively. Subclause *(d)* replaces the sum of $500 for funeral expenses by a sum that is 4½ times average weekly earnings.

Clause 3 amends section 50 of the principal Act in relation to funeral expenses by substituting for the sum of $500 a sum that is 4½ times average weekly earnings. Clause 4 amends section 51 of the principal Act which deals with compensation in case of injury that does not result in the death of the worker. The maximum sum of $18 000 which is now payable in respect of incapacity that is not permanent and total is increased to a sum of $42 432 by multiplying average weekly earnings by 160. The maximum sum of $25 000 for total permanent incapacity is increased to a sum of $59 140 using a factor of 223.

Clause 5 amends section 69 of the principal Act which provides lump sum compensation in respect of specified injuries. The maximum amount under this section is increased from $20 000 to $47 205 by multiplying average weekly earnings by 178. Clause 6 increases the maximum compensation payable in respect of injuries of a sexual or cosmetic nature from $14 000 to $33 150 by multiplying average weekly earnings by 125. Clause 7 makes a consequential amendment to section 72 of the principal Act.

Clause 8 adds new section 74b to the principal Act. The section introduces the concept of average weekly earnings by means of the definition of 'prescribed sum'. The average weekly earnings are determined by the Commonwealth Statistician. Subsection (1) fixes average weekly earnings as those for the March quarter in the preceding financial year. The Commonwealth Statistician sometimes alters his initial determination, usually by a small amount, later in the year. The purpose of subsection (2) is to ensure that the determination, as it stands at the commencement of the financial year, is the figure used in determining maximum and minimum amounts notwithstanding that it may be altered slightly later on. Subsection (3) is transitional. Subsection (4) defines the term 'relevant date' which is used in this section and which relates maximum and minimum amounts of compensation to the commencement of the incapacity rather than to the date of the injury.

Anyone reading my speech this afternoon might jump to a conclusion that the amounts I have mentioned seem out of context. They are large, but they are large for one specific purpose: because nothing has been done to this Act for seven years. Workers are patient people. I wonder how many employers in this State (quarries, manufacturers, those who sell haberdashery and those sorts of item, and people on the land) would wait for seven years to get increases in the prices of their goods and services. That is simply what this amounts to.

I know that no amount of compensation under any circumstances can make up for the loss of a life, the loss of a husband, a child, or anyone. No amount of compensation can compensate for that, but at least we ought to be giving to the people of this State similar conditions to those provided in other States.

I want to place on record my appreciation of the way in which the Parliamentary draftsman prepared this Bill for me, because it was difficult to establish *bona fide* formulae that could result in the amounts for which I was looking. I think that the Bill is in excellent shape, and I believe that the Government, whether it believes what I am saying or not, has a responsibility to examine the Bill, to take up the cudgels and to do something about it quickly.

If the final decision by this Government on the Byrne Report is not going to be made until March or April next year, it means that no legislation will be introduced before July or August 1982. In the event of the Government's deciding to call an early election (which could be around the corner; no-one knows at this stage, and I am not making allegations that they are), this matter will not be fixed up in 1982 and could hang on until 1983. I do not believe that that is good enough. I believe that the workers of this State deserve a better go than that, and I call on the Government to do something about it now.

Mr EVANS secured the adjournment of the debate.

FRESH-WATER STUDIES

Adjourned debate on motion of Mr Keneally:

That this House strongly supports the establishment of an Australian Institute of Fresh-water Studies and calls upon all South Australian Federal Parliamentary members to support the private member's Bill introduced into Federal Parliament by the member for Hawker, Mr Jacobi.

(Continued from 21 October. Page 1469.)

Mr KENEALLY (Stuart): On 21 October I moved this motion, but did not finish my remarks. I intend to do so today. However, before continuing with my prepared draft, I should point out to the House that since 21 October the Spencer Gulf Cities Association has met and strongly supported the move by the member for Hawker. That association represents people who are particularly concerned about water quality in South Australia. I also said at that time that I was concerned that not one Liberal member of Parliament in Australia had indicated support for this measure. I am encouraged to believe that that is about to change, for which I am very grateful. When I finished my remarks on 21 October, I was speaking about the fragmentation of organisations involved with water quality in Australia, and I commented on the Department of National Development and Energy.

Secondly, there are the bureaucratic State water authorities, which are the main centres of water management responsibility in Australia. These bodies attempt to allocate fairly the waters within their areas of responsibility, and to keep them free from pollution. But their areas of respon-

sibility, especially State boundaries, do not coincide with catchment boundaries, and squabbles inevitably arise over interstate rivers. In general, senior officers of water authorities are competent and dedicated engineers, but the problems of water management are becoming increasingly associated with chemistry and biology. It is not surprising then that such officers are finding it ever-harder to keep abreast of the nature of the problems, let alone the solutions. The water authorities do not generally undertake fundamental research, that is, work of a basic type and of national application. Whilst they do carry out many investigations, these invariably only cover areas within their State boundaries and therefore cannot address the allocation or pollution of waters of interstate rivers.

The third organisation is the Commonwealth Scientific and Industrial Research Organisation. The CSIRO undertakes some water research, but it is scattered among 14 different sections of the organisation. The Senate Standing Committee on National Resources recommended in 1978 that there be a separate water resources division within the CSIRO. I concede that this could be an alternative to an independent institute. However, the CSIRO has generally not taken up research or investigations where social, legal or cultural values have to be evaluated. But, these questions are of vital concern to water management, as also is the development of new technologies from previous research. Unless the CSIRO were to be significantly changed, given enlarged responsibilities and a greatly increased budget, the responsibility and activities of the proposed institute could not be incorporated.

Fourthly, the universities perform considerable and valuable research, and several have on-going interests in water subjects. However, none is adequately funded or manned to carry out the level and type of research and investigation envisaged. The last of the water organisations are the commissions specifically set up to manage interstate rivers. The best known of these is the River Murray Commission. Its deficiencies are numerous. Its powers relate only to the quantity of water in the main stream of the Murray River, plus certain off-river storages. Consequently, it has no control over the quality of water in the river, nor over adjacent land practices, nor over activities on the tributaries of the Murray which might lead to a deterioration in quality.

The commission has a staff of only 10 to manage thousands of miles of river and, like the State water authorities that it serves, has little real expertise in the biological questions which are increasingly important in determining water quality. Consequently, engineering works along the Murray have often been constructed by and on behalf of the commission, without proper study of their impacts on the river ecology. The commission does not undertake research, and it does not include Queensland, under whose jurisdiction much of the headwaters of the Darling lie. Like all federalist co-operative bodies, the commission produces lowest common denominator decisions and takes an enormous amount of time to reach them. There is much labouring to bring forth a gnat. In relation to the River Murray Commission, Professor Sandford Clark, a recognised expert on international water legislation and rivers, pointed out that 'a commission must have considerable independence and autonomy if it is to be effective' and that 'there is an inconsistency in creating an organisation and then denying it the powers to undertake its tasks'.

My criticisms of the River Murray Commission should not be taken in any way as a reflection on its staff, nor do they suggest that there is no need for such a body. The point is that the River Murray Commission and similar commissions are not institutionally structured effectively to solve many of the pressing problems of interstate rivers, let alone other problems of a national nature in water resource management. Whilst changes have been proposed to widen the scope of the commission's operation, there are fundamental limitations which these changes will not and cannot overcome. The expanded River Murray Commission is to have responsibility for mainstream water quality but, at best, will be able to make recommendations only with respect to water quality in tributary streams.

The Hon. P. B. Arnold: Is this what you are saying, or what someone else has said?

Mr KENEALLY: I am basically using Ralph Jacobi's speech in the Federal Parliament as the basis of my contribution.

The Hon. P. B. Arnold: This is his speech?

Mr KENEALLY: Yes. It is not possible to control river pollution without control over what enters the river. It is nonsense to think otherwise. In any case, the commission has effectively had the power, if it can be called that, over water quality under an informal agreement made by the States and the Commonwealth five years ago. One Government expert who is reported in a recent article in the *Australian* summed up the real barrier to resolving the mounting issues facing this river system in these terms:

> If we can get rid of the need for unanimity we would have travelled a long way to solving the problems. The ability to make majority decisions will give the commission real power to censure, not just to recommend, any Government which bucked a three-to-one vote against it would have to stand up and be counted.

However, only South Australia is prepared to do so. Further, most legal experts agree that it will be impossible to convince, or even force, New South Wales and Victoria to surrender their rights over the Murray, its tributaries and the lands adjoining them, which would be necessary if the commission were given the power envisaged by South Australia and other organisations such as the River Murray League.

Finally, if the river's problems are to be solved, it will be necessary to conduct research and adopt a new approach towards them. Biologists and other scientists need to be considerably more involved in management of the river.

Much has been said about salinity, silting, pollution and other river problems, but it is quite extraordinary and scandalous that so little research into the cause, nature and effects of these problems is undertaken. After 100 years of thoughtless exploitation, the viability of the river system as a resource is in jeopardy. Honourable members will recall that recently it even ceased flowing to the sea. If present trends continue, it is only a matter of years—or less if there is prolonged drought—before this river and its tributaries, which supply most of South Australia and many thousands of people in New South Wales and Victoria with domestic water, become not merely unpleasant, but quite undrinkable, and practically useless for irrigation. Without the expenditure of enormous sums of money on moves to rectify past and present poor practice, the river is now at crisis point. Six features of this unique system have led to this crisis.

They are, first, the aridity of the region; secondly, the enormous extent to which existing water resources are exploited; thirdly, the frightening rate of salinity increase from source to sea, greatly exacerbated by irrigation and clearing; fourthly, the pathetic infighting between States bordering the resource, all behind the smoke screen of sovereign rights; fifthly, the almost total lack of knowledge of the way in which the system functions ecologically; and, sixthly, the lack of effective management based on sound knowledge.

The institute to be established by this Bill can overcome the problem of lack of knowledge, can investigate different and improved management options and can provide impartial arbitration between States, It is the only reasonable

hope we have for better management of the river system. By investigation of options before, rather than after, a decision is taken, much of the cause for conflict will be reduced. By adopting a national viewpoint in its investigations the mutual concern and possible distrust between the upstream and downstream interests can be largely dispelled at the early stages. The institute would look at the river system from a much broader perspective than can be achieved by the separate State bureaucracies responsible for management of the river. As consumers of water, we ask our river to dilute and carry away our sewage, cool and supply our industries, remove our industrial effluents—heavy metals, chemicals, oils, and so on—act as a means of transport and recreation, irrigate our crops, water our stock, carry away fertilisers and pesticides, cook our foods, clean us, and provide drinking water. Yet we know next to nothing of the way in which the river operates to carry out this multiplicity of functions, particularly those involving waste material processing.

There is no current, co-ordinated research on river systems as a whole. There is only one river laboratory in the entire Murray River basin, which is a small one associated with the development of Albury-Wodonga. Salinity is increasing at an alarming rate in many river systems throughout Australia. Numerous examples of rivers which have become unusable can be cited in Western and South-Eastern Australia due to unthinking land use practices. We do not know how long it will be before citrus and viticulture fails along the Murray, but we can be sure that it will happen in our lifetimes.

We do not know how many more upstream irrigation licences will be granted before the lower Murray irrigation industries totally collapse. We have only sketchy ideas of the current cost of salinification to industry, home consumption, the motor trade and to agriculture. We can only guess at how much it might cost to desalinate Murray water if it reaches unacceptable salt levels, or to find alternative sources of water. The total cost to the public and industry would be astronomical, and is probably already unacceptable.

Because the Murray River catchment does not conform to State boundaries, the information and research on which effective management is based must be national in character. What is done to one part of the river clearly affects conditions elsewhere, yet this elementary fact has been ignored by State and local authorities for more than 100 years. The rapid decline of the river in its lower reaches after 80 years of Federation is testimony to the failure to understand the interactions of the river on a basin-wide basis. However, the Murray River is only one of Australia's interstate rivers.

Because of the mismatch between natural catchment boundaries and State boundaries, surface run-off in rivers covering 40 per cent of the area of Australia where rivers and streams exist—that is, excluding the central and western deserts—are involved in interstate transfers. These rivers are generally the interior flowing rivers with low flows. Thus, competing demands of the different States and demands within the States are less likely to be readily satisfied, and interstate conflicts will arise more readily with these rivers. No agreement exists for any of the interstate river systems, except for the border rivers of New South Wales, and Queensland, and for the Murray River. I suggest that all honourable members should look at the River Murray Agreement. It is larger than the whole of the Canada Water Act.

One can imagine the stalemate which would exist if Queensland wished to build a large dam on the headwaters of the Cooper or Diamantina, thus diminishing the flows essential to the livelihood of some South Australian pastoralists. Such a conflict did, in fact, take place in the 1960s concerning a proposal to divert part of the Cooper into Lake Yamma Yamma. The proposal was dropped after objections by South Australia. The institute could carry out studies into possible ways of allocating interstate waters well before conflict arose over specific issues. Parties from the various States could be brought together in an informed manner, free from political pressure, to discuss the implications of various allocations and regulations and to make sure that all their interests and concerns were fully identified and accounted for.

A national institute is also needed to co-ordinate other water research which must necessarily be of a national character. One such example is the Australian Representative Basins Programme, a boldly conceived project which was to have been a showpiece of Australian national hydrology. Unfortunately, the project has failed, and failed miserably, because at the fundamental level the States and the Commonwealth were unable to co-ordinate their efforts.

The problems of management faced by this programme are typical of the problems any national approach to water management in Australia faces. Had an institute existed, adequate centralised management and representation could have been arranged. Better co-ordination of the involved organisations could have been provided and technical studies undertaken to ensure that the national importance and benefit of the study was fully appreciated by all concerned. The A.W.R.C. still suffers from the lack of ability to have technical studies of a national venture undertaken. The A.W.R.C. secretariat is not staffed to the appropriate level, not adequately qualified in a sufficiently wide range of areas to undertake a whole range of investigations required to enable the A.W.R.C. to reach its policy decisions on an informed basis. I suggest that the proposed institute could fill this gap.

There is also a natural conservatism in the State authorities to use new technologies. Australian scientists have been amongst world leaders in the development of isotope usage in hydrological studies and pilot studies have shown the effective and cheap use of these techniques. The role of adapting new technical developments for use by water authorities is a task which is well catered for in the water industries of many developed countries. Again, Australia has no such national facility. The institute could fulfil such a role.

With the nature of existing and potential water resource problems, there should be no doubt that the Commonwealth has a clear obligation in the national interest to investigate the proper use and management of our inland water resources and to move towards a more rational position. The so-called 'national implied powers' of the Commonwealth provide it with the power to establish a body which would investigate and make recommendations on the problems which bedevil our Murray River system. This power has been described by a number of justices, in particular in the recent Australian Assistance Plan case.

Although the scope of this inherent power has yet to be exhaustively defined, a number of justices indicate that the power would be sufficient to extend the involvement of the Commonwealth in research activity, into management investigations, particularly when it is appropriate that there must be planning and research at a national level. However, I stress forcibly that the creation of such a national body would by no means pre-empt the responsibility for management which the States undoubtedly have. The institute could, in fact, create an opportunity to make use of the expertise available in the States and allow this to be extended in an appropriate manner. The operation of the Australian Institute of Freshwater Studies, properly constituted, could complement the work of the States.

The reasoning behind the need for an increased commonwealth role was best summed up by Mr Justice Mason in the A.A.P. case, to which I have referred. He said:

> The functions appropriate and adapted to a national Government will vary from time to time. As time unfolds, as circumstances and conditions alter, it will transpire that particular enterprises and activities will be undertaken, if they are to be undertaken at all, by the national Government.

With respect to the Murray River, this comment could be paraphrased as follows. Solutions to the problems of the Murray River will be found, if they are to be found at all, by the Federal Government.

In considering the role of the Federal Government, it is opportune to review the important work of Senate committees which have examined water matters. The Senate Select Committee on Water Pollution found, amongst other things:

> There are large gaps in the documentation of our water resources and there is no pragmatic programme of research into the causes and consequences of water pollution, or into its economics.

The committee also recommended that the Commonwealth should take urgent steps to establish a national water commission. Predictably, this body was objected to by States because of the threat to their sovereign rights. In 1978, the Senate Standing Committee of National Resources released a report which recommended a national approach to water resources and supported the establishment of an independent bureau of water resources to undertake all the Commonwealth's non-policy, co-ordination, technical and information activities. In response the Government stated:

> This recommendation would signify a considerable broadening of the Commonwealth's role in water resource matters, but the Government does not believe that such a step is justified at this time. This recommendation will be reviewed if warranted by changed circumstances at some later stage.

In June 1979, the Senate Standing Committee on Science and the Environment released a progress report which found that:

> . . . many people along the river are obviously frustrated by the apparent inability of any one department, Commonwealth or State, to take responsibility for providing responses to views and grievances.

An Institute of Freshwater Studies that was available to the Commonwealth and States for research into specific matters affecting water management decisions, or that was able to initiate its own research into such questions, would clearly not conflict with the recommendation of these three committees and it would bring many advantages. First, research by the institute would view the river system as a whole. The evaluation of benefits and costs for proposed river works could be assessed by the institute from a national viewpoint, rather than from a local or regional perspective.

Secondly, the institute would be free of governmental interference so that it could bring impartiality and objectivity to the consideration of such matters. Whilst final decisions on water resource matters will lie with the States, at least the information on which those decisions are made would be the best available. As I have previously shown, much key information is presently not available at all.

Thirdly, the institute would examine the environmental and biological aspects of water quality. It has become increasingly well understood that salinity and other problems cannot be tackled effectively if they are divorced from changes to the river's ecology. The Murray River Commission has in recent years formed sub-committees to look at some of these problems, but there is no evidence of any meaningful progress in these areas over the past five years. In any case, the expertise available to the States in this area is minimal. By contrast I would expect that the Institute of Freshwater Studies would be staffed by prominent biologists, hydrologists, chemists, microbiologists and medical researchers, with support from economists and engineers.

Fourthly, the institute could play a role in the more rapid introduction of improved technologies and practices which are so vital if many of the poor, present practices are to be avoided. Issues associated with the Murray River are the most vexed and most important questions facing us today in the water field. However, there are many other areas where the institute could undertake useful research for Federal, State and local bodies. The recent and tragic death of a child in Whyalla from amoebic meningitis, a waterborne disease, is a case in point. The South Australian Government decided after the death of this child that some research was needed and accordingly voted funds amounting to $150 000 for that purpose. However, this is a national problem and research should have commenced beforehand. The need for such research was recognised several years ago.

Any proposal to establish a new statutory body at this time of unprecedented demands for Commonwealth funds is not a step to be taken lightly. However, there are several points in relation to the cost of the proposed institute which should be considered. Firstly, the value of the industries and communities at risk from water problems must run into billions of dollars. The cost of protecting these industries and communities is already growing rapidly. In this context, the work of the proposed institute could save taxpayers many millions of dollars by examining ways to improve the management of our threatened waterways.

Secondly, if the institute were available for contract research it could earn substantial income both from government and industry. There is evidence that sections of industry would welcome the services of a top-rate water research body. The problems posed to water supply by certain mining operations are a case in point. A statutory body would be welcomed in such situations, both for its impartiality and reputation, and also for the absence of comparable bodies in the private sector.

Thirdly, there is the question of priorities. We already have an Australian Institute of Marine Science, which is housed in a multi-million dollar modern complex near Townsville, and which was given $5 500 000 in 1980-81 to expand its research into marine biology. We will spend $24 500 000 on the Antarctic this year, including $1 200 000 specifically to build up marine research. In addition, a grant of $2 300 000 is made through the Australian Marine Science and Technologies Advisory Committee for research into marine science. That is a total of $9 000 000. By contrast, research into inland waters, and particularly into such a vital economic asset as the Murray-Darling system, has been almost completely neglected. Are our inland waters that much less important to us than those around our coast and in the Antarctic?

Finally, I will briefly outline the mechanics of the Bill and the procedure to be followed in the establishment of the Australian Institute of Freshwater Studies. The procedure is similar to that used to set up the Australian Institute of Marine Science in 1970. First, an interim council for the institute would be appointed by the Minister for Science and Technology. The interim council will consist of five members, including two persons with appropriate qualifications. This body will make recommendations to the Minister concerning the functions and powers of the institute, its constitution, the site of the seat of the institute, how it should co-operate with Commonwealth and State authorities and other research institutions and, finally, the interim council will estimate the capital and recurrent costs of the institute. The scope of the interim council's investigations is set out in section 7 (2) of the Bill. After the recommendations of the interim council have been received by the

Minister, the institute will be given such functions and powers as the Federal Parliament then determines.

The measures proposed in the Bill will not by themselves solve all the major water resource problems facing Australia. However, the Bill provides a challenge to the national Parliament to assume its responsibilities and take the first steps to correct past failures. It is politicians who have failed to manage properly our water resources, and squabbles over power and empires have put at risk our most precious resource. It is time that parochial and vested interests were swept aside and that effective, impartial and national approaches were taken to our water resources.

As the first step in that direction, I believe that the South Australian Parliament ought to strongly support the Bill that was introduced in the Federal House by Mr Jacobi, from whose second reading speech I have quoted at length. Mr Jacobi says that this Bill is not a panacea for all the water problems we face. That is true, and we know that the creation of the Institute of Fresh-water Studies will not overcome many of the difficulties we face. Nevertheless, it is a step in the right direction.

We have had experience in recent weeks of the difficulties here in being able to obtain what this State considers adequate quality controls for the Murray River water. In the light of those continuing difficulties, I think that it is in this State's best interests to support Mr Jacobi in what I believe is an initiative that has undoubted value for this State. Incidentally, as I see it, it would not cost this State one penny. It is a responsibility the Federal Government has, a responsibility it should take up, and a responsibility that we in this Parliament should encourage the Federal Government to meet. I ask all members to support my motion.

The Hon. P. B. ARNOLD (Minister of Water Resources): The member for Stuart, over quite a period of time, has persisted in trying to paint a picture of the State Government's being opposed to this measure put forward by Mr Jacobi. That is patently untrue. I think that the honourable member has only to refer to a question asked by the Hon. Mr Foster in another place and the answer given in June of this year, which was long before the member for Stuart placed his Notice of Motion before this House, to see that that is untrue. In reply to a question without notice asked in another place last June by the Hon. Mr Foster, my colleague, the Minister of Local Government, my representative in that Chamber, stated:

> With regard to the private member's Bill moved by Mr Jacobi, M.H.R., in Federal Parliament, this Government would support the establishment of an interim council to determine the function and location of a proposed Australian Institute of Fresh-water Studies. Such an institute can only benefit South Australia, but its establishment would require acceptance by other Governments, particularly that of New South Wales, where existing Government agencies cater for some of the seen functions of the institute and would need to enjoy the active co-operation of key agencies, including CSIRO and water and environmental authorities of the States.

That clearly spelt out, back in June of this year, exactly where the South Australian Government stands on this proposal. The Government is not opposed to it. It sees it as an adjunct to the work that we have been actively involved in in the last two years since coming to office; that is, to see the status and authority of the River Murray Commission upgraded to enable it to effectively carry out the practical side of the management and operations of the Murray River.

There are two sides to this matter. The proposal that Mr Jacobi is putting forward is for a research institute which will delve into the scientific aspects of fresh-water studies throughout South Australia. That institute can make recommendations to the Federal Government. Such an institute is not a management institute; it is a research institute, and is for the purpose of making recommendations. It has a valuable role to play, but it is not an active, practical management tool as is the River Murray Commission. The problem with the River Murray Commission has been its lack of executive power to carry out effectively the work that needs to be done. No matter what recommendations the institute may make, it will still come back, ultimately, to the States and the Commonwealth as to whether those recommendations are implemented. As I said, there is no argument whatsoever that the work needs to be done.

The work that is currently being done in Australia is very fragmented and being done by various instrumentalities. Possibly the key instrumentality that has been working for a long time in this field is the C.S.I.R.O. I believe that it has made a considerable contribution and I dare say that it will continue to make a significant contribution to the research side of fresh-water studies in the future. The fresh-water studies of Australia would encompass not only the Murray-Darling system but certainly all rivers and underground water supplies of this nation, so there is a vast field in which this institute could work. It has been, for this Government, a matter of priorities, and our key priority was to get across to the people of Australia and to the Federal Government the urgent need for more effective practical management at this stage of the Murray River.

I believe that the action that we have taken in creating public debate in the last 18 months has been quite effective in getting that message across to the people generally. In my recent travels around Australia, and looking at water resources in other States, it was interesting to hear the comments made in various far-flung places throughout Australia in relation to resolving the pollution problems of the Murray-Darling system. The comments came from areas in which, I suggest, two years ago people who are thousands of miles away from the Murray-Darling system would never have commented. It was a topic of real conversation and of real concern to those people as to what was happening to this major national asset.

That public debate, the public awareness, and the drought period climaxing in this past summer once again brought the physical factors of this matter clearly before the people with the closing off of the Murray mouth. I think it is significant that it needed such an event to bring home to the people that, although we have a river that appears to be full of water, it is, in fact, a series of lakes between locks and there is no flow of water whatever. The fact that the Murray mouth was actually sealed off and that a sandbar developed during last summer did not really indicate that that had been the case and that there had been virtually no flow in the Murray system in the past 18 months, but it needed such an event to bring home to the public just how serious the situation was.

I think that also enabled us to get through to the Federal Government the seriousness of the situation. Federal Liberal members of Parliament have solidly supported the South Australian Government in its endeavours to get the three States and the Commonwealth to the negotiating table. As we all know, that climaxed in a meeting on 16 October in Melbourne, chaired by the Prime Minister. It has been suggested in some quarters that not a great deal was achieved at that meeting. That is absolutely absurd and one has only to speak to persons close to this situation (such as the Chairman of the River Murray Commission) to get an insight as to how valuable that meeting was and what was achieved. Last week the first meeting of the River Murray Commission was held, following the meeting in Melbourne of the heads of government on 16 October. Following the meeting last week, the President of the River Murray Commission sent me the following telex:

River Murray Commission acts on salinity mitigation. The River Murray Commission has commenced an urgent review of salinity mitigation along the Murray. At its first meeting following the conference between the Federal, Victorian, New South Wales and South Australian Governments in Melbourne on 16 October, the commission set up a high-level committee to report on:

Progress in the implementation of measures to mitigate Murray River salinity;

Progress of the States in investigations to identify sources of salt with significant effects on Murray River water quality not already being dealt with under current programmes,

and 'to recommend a programme of further investigations and studies to provide the information necessary to enable the identified salinity sources and options for their mitigation to be incorporated in the water quality management computer study which is about to begin'.

The President of the River Murray Commission, Mr Alan O'Brien, said:

The commission has acted promptly because of the issues involved. Water quality management has long been seen by the commission to be of fundamental importance. In fact, even before the agreement was amended action had been taken in a number of areas. Also, advisory committees of experts have been set up and specialist staff have been recruited. Some of the major salinity mitigation projects funded under the national water programme have been completed or construction is well advanced. It is now time to clearly identify the next step. 'With the new powers to protect the Murray River, and with the usual excellent co-operation of the States concerned, the commission will be able to act even more effectively in the future,' Mr O'Brien added.

The new committee will be chaired by the Commonwealth Deputy Commissioner, Mr Alec Manderson, and will comprise Mr David Constable, State Rivers and Water Supply Commission, Victoria, Mr Neville Rees, New South Wales Water Resources Commission, Mr John Shepherd, South Australian Engineering and Water Supply Department, and Mr Ken Johnson, Executive Engineer from the River Murray Commission.

Significant action was taken immediately following the meeting of the heads of State in Melbourne on 16 October. I think it is extremely important, particularly for South Australia, that none of the Governments concerned relax in their efforts to see that the aims of the River Murray Commission, with its additional powers as indicated by Mr O'Brien, are pursued to the utmost. There is an enormous amount of work to be done, and I believe that the atmosphere now exists in which that work can be carried out. In fact, I had a discussion by telephone with the New South Wales Water Resources Minister, Mr Lander, last week and he confirmed his Government's desire to see the new agreement work to its utmost. So, I believe that we have made a great deal of progress as far as the River Murray Commission and the River Murray Waters (Agreement) Act is concerned, and that it augers well for the future of all users of the Murray-Darling river system.

So it is quite clear from what I have said that the South Australian Government at no time has opposed the proposal put forward by Mr Jacobi; in fact, the South Australian Government is more than happy to see that proposal supported. As I said, the stance adopted by the Government members of the Federal Parliament has been on the basis of priorities, and it is essential that the River Murray Commission's powers and the terms of the agreement be sorted out as a No. 1 priority. That is the key reason why the Federal members have solidly supported the South Australian stance. The proposal of an Institute of Fresh Water Studies as an adjunct to the operations and management of the River Murray Commission can only benefit all concerned.

Mr LEWIS (Mallee): Briefly, I wish to outline the reasons why I support this proposition and to categorically lay at rest once and for all those assertions that were made about the attitude of members on this side of the House by the member for Stuart on a previous occasion, when he alleged that we were not interested in any way in seeing a solution to the overall problems of the River Murray, in particular the way in which fresh water bodies are managed in Australia generally. I want to refer to the three categories of importance, or the use to which the water is put for our benefit.

Naturally, in the first instance, it would be foolish to consider any other matter as being more important than the matter of human consumption. The River Murray is of vital importance to the whole of this nation, even more so to the future of South Australia. Well over 80 per cent (in fact, in some quarters it is said to be 90 per cent) of the people in South Australia depend upon that river in whole or in part for their fresh water supply. One needs to remember that it is not only the Adelaide metropolitan area that depends on this supply, but also all the towns along the Morgan-Whyalla pipeline and the spur line that runs southward along the centre of Yorke Peninsula to service the farms and towns in that locality, as well as the spur line from the Whyalla end of the main which extends out to Woomera and which at this stage is the only certain source of fresh water available for the development of Roxby Downs. So it is of vital importance to South Australia's economic development and future.

In addition to those areas and the towns directly served by the river, we must not overlook the significance and importance of the river water supply to the towns in the Bremer/Angas Plains area on Lake Alexandrina, but particularly from Tailem Bend to Keith and those towns along the Dukes Highway and across MacIntosh Way to Meningie, in my electorate. So, their source of supply for human consumption is involved.

The economic activities are the other two categories that I want to refer to, that is, irrigation purposes and aquaculture purposes. Traditionally we have grown up with not much regard as a nation for the value of commercial fish production other than that which we catch, either on hooks or in nets, and take from the wild.

Hunting is to agriculture what fishing is to aquaculture. So our handling of the natural resources at our disposal, when we look at the kind of protein we produce from, if you like, the cattle station below the waves, is pretty primitive. We have a very valuable source of protein there, and the production of the vegetation and other material upon which the commercial species of fish depend is constant. Unlike agriculture, it is not dependent on rainfall weekly, monthly or seasonally: it is merely dependent upon solar energy assimilation rates in the ponds in which the various species of underwater animals are farmed. I use that term deliberately, because it is not just fish that I am referring to: there are other significant fresh-water species, such as yabbies, in the south (that is, *cherax destructor*), or the fresh-water prawn in the north (that is, *macrobrachium rosenbergii*). They could be substantial overseas income earners as export products.

I return to irrigation. My interest in this as a science as having some value to Australia, and the technology related to it, is well known. In fact, I have reported and published a paper noted in the *Stock Journal* in the first instance, I think, on the effects and benefits of trickle irrigation as a means of reducing the adverse effects of water table and salinity build-ups in irrigation areas. That was back in about 1968.

I worked closely with people from not only I.C.I. and other plastics raw materials manufacturers, but also with hydrological engineers in this country and in Israel, at several kibbutzim. Having made that point, and knowing the importance of avoiding damage to the crop immediately by inadequate use and inappropriate use of water on that crop, and damage to the crop in the long term by continuing to use excessive amounts of water with no plan or ability to dispose of the excess, I am well aware of the importance

of the necessity of studying the effects on the environment that arise when fresh water is used for irrigation purposes without knowledge of the consequence.

That is the reason for my supporting the establishment of this institute and the move made by the member for Hawker, Mr Jacobi. He stated in his speech to the House of Representatives earlier in June this year that a specific type of organisation was needed, and he outlined the four types of organisations that already exist, and the fifth one he referred to was that of the commissions specifically set up to manage interstate rivers. The best known of these, he said, is the River Murray Commission. He went on to say:

> Its deficiencies are numerous. Its powers relate only to the quantity of water in the main stream of the Murray River, plus certain off-river storages. Consequently, it has no control over the quality of water in the river, nor over adjacent land practices, nor over activities on the tributaries of the Murray which might lead to a deterioration in quality.

So, it is a major breakthrough now that the other States have acknowledged that someone must be responsible not only for the quantity of the river water we receive in South Australia but also for the quality. That is a development of recent times. Having acknowledged the virtue and validity of the remark that Mr Jacobi made in that regard, I want to not merely repeat, and in doing so indicate simple support for the remarks that were made and also given by the previous speakers, but to go on and develop the value of having such an institute established in the way that the honourable member for Hawker proposed, largely, with regard to provision of economic benefits for the whole of Australia.

I note that in the Bill that he introduced in the House he proposed the setting up of an interim council. Paragraph 6 (4) states:

> At least two members of the Interim Council shall be persons possessing scientific qualifications relevant to freshwater science.

I would hope that at least one of those would be a biologist, if not someone already well known for professional expertise in the area of aquaculture. In the proposal of the member for Hawker, under the heading 'Functions of the Interim Council', in paragraph 7 (2) *(a)*, referring to the recommendations that the Interim Council should make with respect to the functions of the institute, he said:

> . . . the Interim Council shall give consideration to the need for—
>
> *(a)* Information and research necessary to provide for the efficient management by the Commonwealth and the relevant States of the interstate river systems—

that means the condition of interstate river systems—

> with particular reference to be given to the Murray River and its tributaries;

That has vital importance to the population of this State in particular. It continued:

> *(b)* information and research in relation to the biological, environmental, economic and physical aspects of freshwater science; and
>
> (c) development of appropriate technology for the efficient use of water resources.

Both of those points indeed support, and if anything, highlight my belief in the necessity for us to take a long close look at the value of using those water resources, not for irrigation purposes, but rather for the purpose of producing food protein in the form of fish flesh of a variety of kinds; (the animals that live below the waves that are suitable for human consumption are those animals I am referring to). We should carry out macro-economic analysis as well as micro-economic analysis of the virtues of that. I illustrate the value of doing so by referring to a table of figures which I have extracted from the *South Australian Year Book*, and I seek leave to insert the figures in *Hansard* without my reading them. I assure you that they are purely statistical.

The SPEAKER: With the honourable member's assurance, is leave granted?

Leave granted.

FRESHWATER FISH: PRODUCTION BY SPECIES, SOUTH AUSTRALIA
Estimated Live Weight

Species	1965-66	1966-67	1967-68	1968-69	1969-70
			'000 kg		
Golden perch (callop)	250	300	120	78	82
Murray cod	70	90	50	15	48
Bony bream	*n.a.*	*n.a.*	*n.a.*	256	156
Tench	*n.a.*	*n.a.*	*n.a.*	52	49
Catfish	*n.a.*	*n.a.*	*n.a.*	21	18
Other freshwater species	*n.a.*	*n.a.*	*n.a.*	39	39
Total	320*(b)*	390*(b)*	170*(b)*	461	391

(b) Freshwater species include golden perch and Murray cod only.
n.a. not available.

FRESHWATER FISH: PRODUCTION BY SPECIES, SOUTH AUSTRALIA
Estimated Live Weight

Species	1970-71	1971-72	1972-73	1973-74	1974-75
			'000 kg		
Golden perch (callop)	90	22	24	80	190
Murray cod	20	19	12	9	4
Bony bream	301	362	339	315	58
Tench	129	156	248	224	42
Carp	*n.a.*	*n.a.*	*n.a.*	44	166
Catfish	24	23	15	14	7
Other freshwater species	59	47	47	59	35
Total	621	631	686	745	502

n.a. not available.

FRESHWATER FISH: PRODUCTION BY SPECIES, SOUTH AUSTRALIA
Estimated Live Weight

Species	1975-76	1976-77	1977-78	1978-79	1979-80
			'000 kg		
Golden perch (callop)	188	119	74	111	61
Murray cod	5	3	6	9	8
Bony bream	51	65	82	136	273
European carp	325	266	207	437	443
Catfish	7	8	3	3	1
Other freshwater species	45	16	7	9	12
Total	621	476	379	705	798

Mr LEWIS: The tables relate to the production of freshwater fish in South Australia, taken from all sources in the period 1968-69 through to 1979-80. There are some notable variations in the tables, not only in terms of the volume produced in total but also variations between the species. There is no reason given anywhere why that variation should occur. In my opinion that fact should cause concern to all honourable members.

Finally, I want to point out that the United States of America derives considerable value from its freshwater fish farming activities. One species called channel catfish, produced in 1976, for instance, 13 786 tonnes; in 1977, 15 770 tonnes; 1978, 14 798 tonnes; and in 1979, for some reason, 11 445 tonnes was produced. Bearing that in mind, and looking at our own abysmal performance by comparison, where the highest figure we have ever obtained in this State was a mere 700-odd tonnes, that situation leaves something to be desired. If we call ourselves a sophisticated, civilised community capable of using the resources at our disposal

to the best benefit and advantage of all people then we ought to be doing something more about producing fish protein from this very valuable resource that we have at our disposal. The way to do it, I suggest, is through the establishment and research analysis that would be possible in an institution such as an Institute of Freshwater Studies, which I would hope would be established in South Australia, as South Australia is at the cross-roads of the Continent.

Motion carried.

BEVERAGE CONTAINER ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 30 September. Page 1296.)

Mr GUNN (Eyre): I support the Bill. Like the member for Flinders, I have been approached by local government, on Eyre Peninsula particularly, which has had to deal with problems caused by irresponsible people littering parking spots, beaches, and other public areas, as well as private property, with beer bottles. Really, the nub of the Bill relates to beer bottles. I refer to the explanation of clause 3, which states:

Clause 3 amends section 4 of the principal Act which contains definitions of expressions used in the Act. The clause inserts a definition of 'beer container' as being any container made or produced for holding beer. The clause amends the definition of 'exempt container' so that beer containers may not be declared by regulation to be exempt containers and thereby be excluded from the operation of the Act. The clause also amends the definition of 'glass container' so that beer containers may not be declared by proclamation not to be glass containers and thereby be excluded from the operation of the Act in so far as it relates to glass containers.

That is the whole nub of the proposal before the House. I believe that those responsible for producing beer and marketing it around the country have some obligation to make sure that there is a reasonable incentive for people to return beer containers.

It is easy to see how the legislation relating to cans is operating by visiting a sporting function. One has only to put a can of soft drink in one's hand to have someone with a plastic bag asking if he can have the empty can. I do not object to that. I believe that, if a reasonable deposit was placed on beer containers, we would not have empty beer bottles lying around the countryside. I believe that the breweries have taken too long to do too little. The present situation would not have arisen if a reasonable deposit had been placed on beer bottles.

Collectors of bottles in country areas advertise in local newspapers on a regular basis. They have provided a good service, and have done everything possible to tell the public that they are available to collect these bottles. However, there must be an incentive, and the only incentive that will encourage community groups and others in country areas to return empty beer bottles is a reasonable monetary return. If a reasonable deposit is put on beer bottles I believe most of the problems facing local government in cleaning up the countryside will be eliminated. I think we have all seen vehicle parking areas littered with broken beer bottles. It is impossible not to see the empty bottles left lying around sporting grounds. Local government has to provide the employees to clean up the mess. On nearly all beaches broken bottles are a danger to adults and children.

I have held strong views on this matter for a long time. I hope that, before this debate goes any further, those people in responsible positions, particularly in the breweries, will give this matter urgent consideration and take some positive action to alleviate the problems which the member for Flinders is trying to overcome by his Bill.

In my view, if the industry can solve the problem without legislation, that is the way it should be done. However, I believe it has taken the industry too long to take action to alleviate this real problem. I believe all members should walk along a main road in a country area to survey the litter that has been tossed out of motor vehicles. Since the introduction of the beverage container legislation, not so many cans are left lying around. The industry made dire predictions of what would happen as a result of that legislation, but it has not had much effect on the industry. It is working well and the cans are being returned to the collection depots around the State. I intend to support the third reading of the Bill if the breweries have not taken positive action to improve the existing situation. I think that the Bill is putting into effect what the overwhelming number of local government authorities require. I support the Bill.

The Hon. D. C. WOTTON (Minister of Environment and Planning): It is interesting that the Opposition has decided not to comment on this Bill. I presume it is sitting in the wings waiting to find out what the Government will do before it comes out of the woodwork to make its position known. The Government does not support this legislation. The object of bottle Bills throughout the world is to deter the use of non-returnable bottles by having a fixed deposit determined by legislation on those containers which are not designed for re-use; that is, those industries that choose to be less responsive to conservation of resources are penalised, and we believe that is what should happen.

It is not the intention of bottle Bills to interfere with those industries which use refillable bottles and which have an acceptable return rate. Since 1977 the two breweries in South Australia have used standard refillable bottles. They have complied with the spirit and the letter of the Act. The return rate for beer bottles is about 80 per cent and this could be only slightly increased by a higher deposit. In Oregon, in the United States, a 2½c deposit on a bottle has proved quite adequate for the return of empties and acts as an incentive for the breweries to use standard refillable bottles. The non-refillables carry a deposit of 5c, and consequently the refillable bottles have the cheapest shelf price. Therefore, the high trippage rate (in the order of 20) achieved in Oregon is apparently due to the packaging and distribution of beer in crates and the return of bottles through licensed retailers. It is highly probable that the level of the deposit may not necessarily be the answer to increasing return rates in South Australia.

It may be that the only requirement is an improvement in the return system and that is what we are anxious to see happen. This conclusion could also be substantiated by a review of the soft drink return system. Thus, it would appear that, with an appropriate return system, no matter how large the deposit is, there will always be some people who will not act responsibly, especially when under the influence of alcohol, and I think that is proved time and time again. It is not so much the bottle but what is in the bottle and the attitude of the people that cause the problem on many occasions.

The member for Flinders may not realise that the level of deposit used by the breweries and soft-drink fillers has been determined over a period of nearly 100 years of trading, and is based on return rates, capital expenditure of float of bottles, replacement costs, and so. Therefore, I believe that a Government should not interfere with these systems unless a substantial case exists to demonstrate that the community at large is suffering from deleterious marketing practices. The cost of the scheme suggested by the

member for Flinders would be astronomical to the brewers, and therefore to beer drinkers.

The brewery argues that $9 600 000 would be needed to provide a practical working volume of deposit marked bottles. If this figure is accepted, a substantial case needs to be presented by the deposit lobbyists to demonstrate the benefits of interference of the prevailing marine-stores system with a deposit system. Interference is warranted only in the case of throw-away containers for which it can be demonstrated that consumers are paying higher costs, both at the retail store, and through environmental and clean-up costs.

The two brewers in South Australia are the principal users of 'Pickaxe' branded bottles which remain the property of the Adelaide Bottle Company Pty Ltd, a company jointly owned and directed by the brewers. The bottle company operates a bottle reclamation system throughout a network of over 500 agents (marine-stores dealers and collectors) in South Australia, and, by arrangement, operates a reciprocal system of exchange of interstate beer bottles with bottle suppliers to interstate brewers. These bottles are then taken to the bottle company from within the Adelaide area or freighted to the bottle company from the country areas at the company's cost, and the marine stores dealers are paid approximately 60c per dozen.

For the information of the House, the distribution of marine store collectors licensed at 31 March can be seen in the South Australian *Government Gazette* of 21 May 1981. Although plotting these on a location basis shows some gaps, it should be appreciated that some collectors have a collection circuit which means they do collect from towns not necessarily showing the presence of a collector.

However, that is recognised as a problem with the present system. It is being looked at very closely by the department to ascertain whether, in fact, we have in this State enough collection depots. If we have not (and a study is currently being carried out in that regard), we will certainly take steps to encourage private enterprise to become involved in a collection depot. As I said earlier, the current return rates are in excess of 80 per cent for the 740 millilitre pickaxe bottle, and approximately 70 per cent for the smaller bottles. This is by far the highest return for beer bottles for any State in Australia. The marine store system is far better than anything that any other State has.

If beer bottles are considered a litter problem (and, as I said, it is recognised that in some areas, reservations and along beaches particularly, broken glass is a problem), obviously the return rate is not high enough and must be increased to an acceptable level. The Government has already had negotiations with the brewery, and those negotiations will continue. I want to put on record that we will be looking to the brewery to increase the deposit rate. That will be on an on-going basis; we will be meeting with breweries to make sure that that happens.

I referred before in this House to a survey carried out by the Department of Environment and Planning on injuries from broken glass, in conjunction with surf lifesaving clubs, St John Ambulance and three major city hospitals. That survey indicated that 13 people received injuries last summer. This low number surprises me, but, as the study will continue on an expanded basis, we are looking at five major hospitals this time during the coming season. Its accuracy can be checked. The main points of difference between the soft drink return system and the beer bottle return system can be summarised in two ways: the marine system is indirect through marine stores, whilst the soft drink bottles are returned directly through the retail return system.

Secondly, the money paid to a consumer is 10c or 20c per bottle for soft drinks and 2½c per bottle for beer bottles, although the bottle company pays approximately 5c per bottle to the marine dealer. If an increased deposit was placed on beer bottles, they could be returned through the marine stores or collection depots, which would have to pay the deposit back to the consumer. In turn, that would mean that they would have to receive some 2½c per bottle from the bottle company for handling the empties.

If the return system was through hotels, marine store collectors and bottle-os could be put out of business, as people would probably return bottles themselves for deposits to the hotels when they purchased additional supplies. This could mean, therefore, that the current pick-up of wine bottles could be greatly reduced, as would re-use of these bottles. Even if return was through marine stores, the collectors, bottle-os, and so on, would be put out of business.

It should also be noted that if a 10c deposit was added to beer bottles then each bottle would retail at a cost that would make beer from cans, with a 5c deposit, more competitive. As a consequence, our own South Australian bottle industries could suffer, while the interstate can industries gather strength. I believe, therefore, that the deposit system would be very detrimental to employment in South Australia and to the South Australian industries. Consequently, I believe that any responsible person would look initially for alternative ways of making the return rate acceptable before consideration was given to imposing deposits. That is, therefore, exactly what the current Government is doing. As I said, I have negotiated and will continue to negotiate with the brewing companies, and the bottle company, and the department has also negotiated with the Australian Hotels Association to improve the beer bottle return scheme. Unfortunately, discussions with the Australian Hotels Association have at this stage indicated that they are not prepared to co-operate to the extent that we would wish, nor to accept responsibility for paying deposits back to consumers and storing associated empty bottles. Therefore, it is not possible at this time to have a retail return system in this way for beer bottles.

Even so, the brewing companies and bottle companies have been very co-operative, so we have already seen an increase in the surrogate deposit to the current 30c per dozen. Because it was believed that the community at large was not fully aware that it could receive repayment for empty beer bottles, the bottle companies have undertaken to increase the community awareness of the cash returns that they can obtain for their beer bottles. Thus, advertisements have been placed in most city daily newspapers and many country newspapers informing people that they can obtain 30c per dozen for empty beer bottles. This campaign has been successful, positive and will continue. The Government will ensure that it does.

In addition, the bottling company has printed signs to be displayed in all hotels and bottle shops, indicating the cash level that will be paid for bottles and where the nearest marine dealer is located. That has come about again as a request through negotiations with my department and the breweries. This should have considerable impact, as it has been found that most people are unaware that they can receive such cash for their bottles, and unaware at what location the money can be obtained.

To summarise, the proposal of the member for Flinders has not really identified the problem. There is no real evidence to suggest that beer bottles are a major litter item. There is no real evidence to suggest that empty beer bottles are a serious danger to the public. Of course, from the viewpoint of resource usage it is important to obtain the maximum cost-effective return of bottles. In terms of cost-efficiency, the member's proposal is seriously deficient. The mandatory deposit will be costly to the two breweries in South Australia which have fully complied with the spirit, intent and letter of the Act, and it will be especially costly

to consumers. The benefits of the member's proposal will be minimal. Furthermore, the member for Flinders has not attempted to quantify the benefits, and this is because he has not identified the problem that he hopes to address.

The member for Flinders has not addressed himself adequately to possible alternative actions. The return rate for beer bottles can be improved if hotels agree to take back empty bottles. The current level of 2½c per bottle should be sufficient. Convenience, and not value, is the key factor. It is important that we should recognise that. We need to look at who collects the deposit and who refunds the deposit. The member for Flinders needs to spell this out, but he has not done so. If hotels take back empties, the viable marine store dealer system would collapse. We need to look at the employment situation. Approximately 320 people are employed, but there are thousands of individuals who collect bottles on behalf of charities and scouts, and also collectors who deal with marine store dealers.

We need to look also at an annual turnover of approximately $4 000 000. Furthermore, the wider range of duties performed by marine store dealers will cease to be performed because beer bottle recycling is the key to the viability of marine dealers. Those other duties include the recycling, albeit limited, of wine bottles and flagons, and assorted bottles and jars which are returned to A.C.I. in cullett (broken glass) form for re-use in new glass bottle manufacture.

If cans have lower deposit (namely, 5c), the breweries will de-emphasize bottle use and encourage the sale of cans. I need to emphasise that cans are not refillable. Therefore such a result is exactly the opposite of the intentions of bottle Bills. Furthermore, it will open up the South Australian beer market to interstate breweries, because cans are he preferred containers for shipment. Cans are imported from Victoria, and this will have a considerable impact on the employment and profitability of A.C.I. in Adelaide. The Bill introduced by the member for Flinders seriously jeopardises the current negotiations with the two breweries voluntarily to improve the marine store dealer return mechanism.

As I said earlier, the breweries have undergone a campaign through advertising. They are also to display large signs in their bottle shops, informing customers of refund amounts and marine dealer locations. The Government's long-term intentions are to improve the return rate by improving the return system. That is working well, and we believe that it will continue. I believe that that is all I need to say as far as the Government's attitude in this legislation is concerned. The Government cannot support this legislation.

The Hon. D. J. HOPGOOD secured the adjournment of the debate.

SMALL BUSINESS

Adjourned debate on the motion of Mr Olsen:

That this House affirms that small business in this State would be irrevocably harmed and thus render irrelevant the provision of loan funds to small business operations if the policies of the Australian Labor Party, South Australian Branch, were effected, with particular reference to the introduction of:

(a) a 35-hour week;
(b) pro rata long service leave after five years of service;
(c) full quarterly cost of living adjustments based on the c.p.i which is inconsistent with Australia's centralised wage fixation system and an attack on eminent members of successive national and State wage tribunals who have rejected the proposal;
(d) annual productivity cases; and
(e) mandatory severance pay for redundancies.

(Continued from 21 October. Page 1482.)

The Hon. J. D. WRIGHT (Adelaide): I have already spoken for about 40 minutes on this Bill, so I do not intend to belabour the House, as I know that there are other matters that need to be discussed tonight. However, I want to continue on from where I finished off my speech on the last occasion on which it was before the House. I was then about to move an amendment to the motion of the member for Rocky River. The amendment would read:

Delete all words after 'that' and add the following:

This House is of the opinion that the failure of the Government to adjust an exemption level for the payment of pay-roll tax will mean that many South Australian small businesses will now be liable for pay-roll tax for the first time, and that South Australian small business as a whole will be disadvantaged in relation to its competitors in other States, and calls on the Government to immediately raise the exemption levels so that they correspond with those applying in Victoria.

I know that the Opposition has on at least three occasions requested that the Government do something about aligning itself to the pay-roll tax exemptions in Victoria, as they are our major competitors, but it seems a disgrace to me that the Government has not acted. I know the Premier says that he will act at some time later (in January or some other time, I do not know when), but he ought to be acting now, not in January. He ought to be giving small businesses the benefit of pay-roll tax exemptions, as Victoria, New South Wales and other States have done.

I now refer to something that the member for Rocky River said in his speech when he introduced this proposition to the Parliament, as follows:

To place any financial restriction, burden or cost pressure on the small business community will not achieve the principal objective that every member of this Parliament ought to be attaining—an increase in employment and a decrease in unemployment in this State.

I could not agree more with those words. I absolutely, completely and utterly agree. As I have already exposed the reasons for the member for Rocky River's moving his motion in the first instance, I do not intend to canvass those matters again. I think that the member for Rocky River was entirely embarrassed following my speech, as he was completely exposed for his methods and the principle on which he was operating in the first place. It was not an honest approach to the subject. That is the strict fact of the matter. There was no honesty about his approach in the first place.

An honourable member interjecting:

The Hon. J. D. WRIGHT: If Government members want me to go on with this debate, I will do so. I have been asked to keep it very quiet. If they do not keep interjecting, I will cut my remarks very short. If Government members do not want that, they should just keep interjecting. It is just a pity that the member for Rocky River did not consult the Premier before he made the speech he made and introduced these propositions before the Premier introduced the Budget. That is the fallacy on which the member for Rocky River introduced the proposition. He did not consult—

An honourable member interjecting:

The Hon. J. D. WRIGHT: We will see what happens on 1 January.

An honourable member: The pay-roll tax alterations will start on 1 January.

The Hon. J. D. WRIGHT: We will see what happens on 1 January. We were told last year, 'Wait until 1 January and see whether small business gets the benefits.' I do not think any benefits will be given this year at all. The member for Rocky River brought the proposition into this House to try in his way to embarrass the Australian Labor Party with its policies, and left himself very open in the small business area, because he did not confer with the Premier

about what was going to happen to pay-roll tax exemptions. The member for Rocky River has done nothing about it since either. It is clear that the only reason that the member for Rocky River moved this motion was to attempt to elaborate on policies that have not even been enunciated yet by the Australian Labor Party. It involved absolute fabrications in the mind of the member for Rocky River. I seek leave to continue my remarks later.

The SPEAKER: Before accepting the request for leave, is the honourable Deputy Leader seeking to move the amendment to which he spoke?

The Hon. J. D. WRIGHT: Yes, I thought I did move the amendment.

The SPEAKER: The honourable Deputy Leader now seeks leave to continue his remarks. Is leave granted?

Leave granted; debate adjourned.

MOTOR FUEL (REGULATION OF MARKETING) BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 1667.)

The Hon. JENNIFER ADAMSON (Minister of Health): In rising to oppose the second reading of this Bill on behalf of the Government, I am, of course, speaking on behalf of my colleague in another place, the Minister of Consumer Affairs (Hon. John Burdett).

Before addressing the specific provisions of the Bill, I would like to place the matter in context. The policy of our Government essentially is that free market forces should be allowed to operate unless there are indications that market power of buyers and sellers, or other competitive aberrations, are such as to require some constraint upon the free exercise of market forces.

The petroleum industry is one industry in which this Government has intervened in various ways, having observed some undesirable consequences of market forces that have arisen through the sheer complexity of that industry. Through its continued support for the total Fife package, our State Government has indicated its desire to see a uniform national statutory framework for the oil industry within which market forces can operate without continual Government intervention. Because of recent upheavals in the industry, our Government has reluctantly been obliged to employ price control, but obviously it would much prefer to see effective, long-term solutions to the problems of the industry provided on a national basis.

It is important that honourable members understand that the Government has clearly revealed its position towards intervention in the oil industry. The Government accepts that certain aspects and characteristics of the industry render it necessary to constrain free market forces to some extent. Thus, the Government believes in appropriate constraints, given the circumstances,and has devoted considerable time and resources to determine what those appropriate constraints are. The Government has taken account of long-term structural problems and characteristics, such as the number of service stations, the market power of oil companies, and the relatively high degree of economic dependence of dealers, especially lessee dealers, upon their supplying companies. The Government has also taken account of shorter-term phenomena such as market share battles by the oil companies with their discount wars and severe pressures on dealer margins.

The problems in the industry are both complex and dynamic, and it is simply not desirable to adopt an inflexible stance towards the industry. For example, the problem of falling demand leading to pressure to increase market share in order to maintain throughput may have some long-term trend factors such as the swing to smaller cars and the increased use of public transport. But, as recent statistics suggest, superimposed on such a trend are other factors, such as the level of economic activity, which can affect the level of demand. Indeed, figures for the six months to June 1981 indicate a significant moderation of the pattern of the previous period.

The figures appear to indicate that the extreme pressure of 1980 may well be moderating, and this simple illustration indicates the dangers of a static or rigid approach to the problems in the industry. It also suggests the advantages of an appropriate national statutory framework within which market forces can adjust to changing conditions.

Honourable members may be interested to hear the list of major existing legislative and administrative controls over the oil industry, other than controls affecting wages, industrial safety and trading hours. First, the Trade Practices Act applies to all corporations operating in Australia. Provisions of particular relevance to the oil industry relate to resale price maintenance, exclusive dealing, anti-competitive behaviour, and price discrimination. Secondly, the Commonwealth Government controls the price of indigenous crude oil which the refiners purchase and, through the Petroleum Products Pricing Authority, controls the maximum prices chargeable for all major products.

Thirdly, the Commonwealth Government has legislated in the areas of franchise agreements, dealers' rights and price discrimination, as well as providing for partial divorcement from company operation of retail sites in two Acts to which I shall shortly be referring, namely, the Petroleum Retail Marketing Act, 1980, and the Petroleum Retail Marketing Sites Act, 1980. Fourthly, in South Australia, wholesale petrol prices are currently subject to maximum price control, which has been imposed to maintain approximate parity between the States in retail petrol prices.

It follows from this that there exists considerable influence over oil company activities in State and Commonwealth law. It is axiomatic that, while the Government accepts the need for an appropriate statutory framework within which competitive market forces can operate, it does not follow that the Government should support whatever legislation may be introduced which creates further statutory constraint. Conversely, it does not follow that, if the Government opposes a particular Bill to that effect, the Government is opposing the principle of an appropriate statutory environment, nor that the Government lacks sympathy for those affected by problems in the industry. Actions have been amply demonstrated by the State Government—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. JENNIFER ADAMSON: It has been made quite clear on a great many occasions that the Government supported, and still supports, the implementation of the Fife package, which contained a number of provisions including—

An honourable member interjecting:

The Hon. JENNIFER ADAMSON: It was a distorted part, if I may say so.

Mr Millhouse: It is not a distorted part at all.

The DEPUTY SPEAKER: Order! This is an important debate. The member for Mitcham was given—

Members interjecting:

The DEPUTY SPEAKER: Order! There will be no further comments while the Deputy Speaker is on his feet, or I will start naming members. The member for Mitcham was given an opportunity to be heard when he spoke on this motion. I intend to see that the Minister is given the same right to reply without interruption.

The Hon. JENNIFER ADAMSON: The Government supports the implementation of the Fife package, which contained a number of provisions including the prohibition of company operation, by employees or agents, of retail petrol sites.

To place the current debate in a proper context, I would like to remind honourable members exactly what the Fife package contained. The following extract from one of Mr Fife's speeches gives not only the contents of the package but also some very significant comments about the comprehensive nature of the package. He said:

I should now like to outline one package of measures which the Government has under consideration. If this package is proceeded with, it will be by way of legislation basically to achieve four objectives. First, oil companies (that is companies or affiliated groups of companies which both refine, or have product refined for them, and also wholesale petroleum products) would be prohibited from unfairly discriminating in price between their lessee or licensed dealers.

It is envisaged that oil companies would not be permitted to discriminate in price between their lessee or licensed dealers except on the grounds that such discrimination is cost justified or is engaged in only to meet competition of a competitor of the oil company. Secondly, this prohibition on unfair price discrimination between lessee or licensed dealers would not impinge upon the freedom of oil companies to price their sales to other, independent, buyers as they wish, subject to the existing law. Thirdly, oil companies would be prohibited from themselves retailing petroleum through direct sales sites. While it would not be envisaged that oil companies would have to divest themselves of the property of presently owned sites, if they wished to continue operating them they would have to do so through an independent lessee or licensed dealer.

Fourthly, lessee or licensed dealers would be given the right to obtain compensation from oil companies for an unjust termination of their lease or licence or a refusal by the oil company to renew a lease or licence. Lessee or licensed dealers would be permitted to assign their leases or licences, and oil companies would be required to disclose details of site viability to incoming lessees or licensees.

In examining the elements of this possible package, the Government has been mindful of the fact that they would complement each other. It is considered that only by adopting a comprehensive package of measures in relation to the problems being experienced in the petroleum retail industry can the problems be properly overcome. To approach the matter in a piecemeal fashion would only open up other possible areas of difficulty which would then have to be examined in the future.

It is evident that Mr Fife was well aware of the dangers of piecemeal measures. What Mr Fife proposed, and what this Government still strongly supports, was a national package to deal with the major problems found by petrol retailers which the provisions of the Trade Practices Act did not cover, and still do not cover.

Only on Friday of last week, at a meeting in Adelaide of the Standing Committee of Consumer Affairs Ministers from Commonwealth, State and Territorial Governments, the Ministers agreed to establish a special working party to examine urgently petrol marketing throughout Australia. Obviously, they all realise the national nature of the problem, and it is interesting to observe that Governments of both major political persuasions were represented. I stress that all State Governments, whatever their political persuasion, recognised the national nature of the problem, which, in itself, indicates that piecemeal approaches of the kind proposed in this Bill are not the answer. Ministers agreed that a report be prepared 'as a matter of urgency' and that a special Ministerial meeting may be necessary to discuss further action after receiving and considering the report.

The working party's terms of reference were to: identify common problems Governments face in relation to the marketing of petrol; analyse the argument that partial divorcement is a sufficient degree of divorcement ('divorcement' is the term used to describe the removal of oil companies from the operation of retail sites); examine the case for greater separation of wholesale and retail activities; and investigate the feasibility of taking steps which may produce a relatively uniform price of petrol throughout Australia. I now refer to the press release issued by my colleague, the Hon. John Burdett, after that conference, as follows:

It is a national issue and the fact the working party will be convened by the Commonwealth Government indicates that it can only be tackled effectively at a national, not a State level. The State Government has consistently urged the Commonwealth to act at a national level. Petrol does not recognise State boundaries.

The Commonwealth Government has done this with its petroleum marketing legislation. But it has become increasingly obvious that measures such as legislating at a State level for the divorcement of oil companies from the retail market will not solve the complex problems in this industry. If anything, it is likely that keeping oil companies out of the retail market could increase the price of petrol to motorists.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. JENNIFER ADAMSON: I feel quite certain that no-one in this Chamber would want to increase the price of petrol to motorists. In South Australia, it has generally been the oil companies—

Mr Langley interjecting:

The Hon. JENNIFER ADAMSON: I am prompted to ask the honourable member for Unley whether he would like his constituents to pay a higher price for petrol.

Mr Langley: No, I don't.

The Hon. JENNIFER ADAMSON: I would like an answer from him on that, because it is very relevant to this debate. The Hon. Mr Burdett continued in his press release as follows:

In South Australia, it has generally been the oil company operated sites that have led the way both in discounting petrol and in increasing the price at the pump. But there is no evidence to support the view that their attempts to increase prices across the board have been effective in the long term. But there is no doubt that their actions in discounting petrol prices have produced short-term benefits to motorists. I welcome the decision today to have the Commonwealth and States look at this whole question as a matter or urgency. It cleary reflects the State Government's view that the issue must be considered by all Australian Governments as a national issue.

That concludes the statement by the Minister of Consumer Affairs. Legislation enacted by the Commonwealth Government in 1980, namely, the Petroleum Retail Marketing Franchise Act and the Petroleum.

Retail Marketing Sites Act, went some of the way towards implementation of the Fife package but compromised on the question of divorcement of oil companies from operation of retail sites, by requiring only partial divorcement.

Mr Lynn Arnold: Wasn't that a piecemeal approach?

The Hon. JENNIFER ADAMSON: This Government remains in favour of total divorcement, but at a national level, not via a piecemeal approach. There exist three very sound reasons why a national solution must be found to the question of oil company domination of, or potential to dominate, the petrol retailing market. The first and obvious reason is that the industry is a national industry. Many marketing similarities exist between the States, although there are also some marked differences. Approximately one half of South Australia's petrol is imported from other States. Travellers frequently cross State borders, and create a situation in which South Australian retailers are in competition with retailers in other States, and comparisons will be made of prices charged across wide areas of Australia. The oil companies are national corporations, resting well within the corporation powers of the Commonwealth Government. Virtually all major investment decisions and large-scale marketing decisions are made in the head offices of the oil companies in other States, if not overseas. By all of these criteria, the oil industry is a national one, requiring national action.

Mr Langley interjecting:

The DEPUTY SPEAKER: Order! The member for Unley is interjecting far too much. The honourable Minister.

The Hon. JENNIFER ADAMSON: The second reason why the Government believes action should be taken at the national level, and would be inappropriate at the State level, is that the existence of the Petroleum Retail Marketing Sites Act, which provides for partial divorcement and thus permits oil companies to operate a limited number of retail sites through employees or agents, raises the problem of the potential invalidity of State legislation requiring total divorcement, on the ground of inconsistency. I would have thought that an eminent silk of the calibre of the member for Mitcham would have recognised that fact. In addition, an oil company may oppose State legislation providing for total divorcement on the basis of the freedom of commerce provided for under section 92 of the Commonealth Constitution.

The third, and quite frightening reason as far as our South Australian motorists are concerned, is that if divorcement were introduced unilaterally by one State Government as the present Bill proposes the price relativities between the States would be lost and the effect in South Australia would be for prices here to rise by at least 1.5 cents per litre. The reason for this is that oil company operated sites in South Australia have in the past frequently led the way in discount wars which have kept prices down. Equally, they have also attempted to push prices up across the board but, while they have succeeded in keeping prices down during discount wars, they have not succeeded in keeping prices at a higher level in the long term. Consequently, this Government has, quite consciously and deliberately, refrained from introducing divorcement legislation, despite its firm conviction that national divorcement is a desirable move.

In this regard, I would remind members of the extract of a letter from the South Australian Automobile Chamber of Commerce to the member for Mitcham, which he incorporated in his second reading speech, in which oil companies are accused of forcing down prices through agent-operated sites: the admitted logical implication is that divorcement would lead to higher prices. The Government also believes that disparate action by the States would interfere with investment decisions between the States, in ways which a uniform national requirement would not.

I turn now to the question of constitutional validity. It would be a completely irresponsible act for this Government to support a Bill whose provisions are unconstitutional. In other words, even if there existed no other reasons to oppose the Bill (and there are many) and even if the Government were in complete harmony over the spirit of the Bill, the probable unconstitutionality of the Bill in offending against sections 109 and 92 would be a sufficient reason for the Government to oppose it. As it is, this problem simply serves to add a particularly cogent reason for opposing the Bill to the other reasons which I have given and will give. I must repeat that it would not be a responsible act for the Government to support a Bill when there is very good reason to believe that such a Bill is unconstitutional.

As I said, I am surprised that the member for Mitcham has not alluded to (in fact, he virtually denied) the fact that there exists any constitutional problem with this Bill. I would now like to repeat a sentence from Mr Fife's speech:

> While it would not be envisaged that oil companies would have to divest themselves of the property of presently owned sites, if they wished to continue operating them they would have to do so through an independent lessee or licensed dealer.

Such is the wording of the Fife package, which this Government supports: oil companies would be prevented from employee or agent operation of retail sites, but would be allowed to continue to own sites, and operate them through lessees. The member for Mitcham has gone much further than this. In addition to clause 3, which requires total divorcement by July 1982, clause 5 of the Bill provides for total divestiture by January 1990. Compulsory sales of oil company property to the value of at least $50 000 000 would be involved in the metropolitan area alone, and it is not at all clear that such a move would be consistent with consumers' interests in reliable supplies of petrol into the 1990s. Nor is it clear that the average present lessee dealer would be able to purchase his site within eight years from now. It is easy to envisage total chaos resulting from such a provision.

Members interjecting:

Mr Bannon: Spin it out until 6 o'clock, so we can't speak.

The Hon. JENNIFER ADAMSON: This is an important Bill on which the responsible Minister has a right to express his view in some detail, and those who are interested in hearing it will no doubt listen. If that does not include the Leader of the Opposition that is unfortunate.

Members interjecting:

The SPEAKER: Order!

The Hon. JENNIFER ADAMSON: An individual lessee dealer faced with the prospect of buying his present site would be confronted with an annual repayment, based on current values and interest rates, of between $15 000 and $30 000 if he had enough security to offer to even obtain a loan, for a typical Adelaide service station. By 1990, with inflation, the annual repayment could well be over $50 000 in many cases. Consequently, it is not at all clear that the provision of clause 5 of the Bill is in the best interests of small businessmen. It is quite likely that the small business man would, in fact, remain a lessee, but to a corporation rather than an oil company, under lease terms which may be no more advantageous to the dealer.

The Government appreciates the desire of the petrol reseller for genuine independence, but cannot accept that clause 5 is either desirable or necessary. Honourable members will realise that, because of clause 5 of the Bill, the divorcement provision of clause 3, and the prohibition of profit-sharing agreements under clause 4, are no more than interim provisions pending the total exclusion of oil companies from the retailing area.

With regard to clause 4, I make the point that the existing provisions of the Commonwealth Petroleum Retail Marketing Franchise Act already regulate the terms and conditions of service station franchise agreements. The Government feels considerable sympathy with what many petrol retailers believe to be their vulnerability to various charges, rents and other payments levied, but it is not convinced that action at the State level, given the existence of the Commonwealth Act, is appropriate at this time. In this context, I would remind honourable members of the forthcoming review of wholesale prices by the Petroleum Products Pricing Authority, which is a Commonwealth authority, which will be considering the entire matter of buried rental, that is, returns to retail capital facilities incorporated in wholesale prices, which will almost certainly affect oil company revenue-raising policies. Indeed, there are already moves to introduce on a wider basis the idea of rents determined on the true market value of the premises.

Consequently, profit-sharing and volume-related changes will almost certainly be reviewed without the involvement of the State Government. Certainly, the Government would wish to know the likely effect of the Petroleum Retail Marketing Franchise Act, in conjunction with the oil companies' response to the findings of the Petroleum Products Pricing Authority, before making any decision on profit-sharing agreements. To do otherwise is to approve of a

piecemeal move in the face of complex, dynamic commercial factors.

The natural place for a prohibition on profit-sharing terms in franchise agreements is in the Petroleum Retail Marketing Franchise Act: there has been no suggestion that the particular agreements of concern to the member for Mitcham are unique to South Australia, and thus no clear case has been made for State-based legislation. In addition, I am not aware of this particular case being put in other States, despite vociferous campaigns, especially in Victoria, for Government intervention. It is interesting that in no other State Parliament has a member proposed a measure of this nature, and I believe that that in itself indicates that there is a general realisation that the matter should be tackled at a national level, rather than on the basis of individual States.

Mr Millhouse: That's the whole point. They will not do it.

The SPEAKER: Order! The honourable member for Mitcham has previously been warned; there will be no further warnings.

The Hon. JENNIFER ADAMSON: For these reasons, the Government must oppose the Bill. In addition to opposing the principal provisions included in clauses 3 to 5 of the Bill, the Government is concerned that the Bill appears to cover all country agents, including those selling to primary producers, and to cover l.p.g. sales as well as petrol and distillate. This view is based on the provisions of clause 2 (1) and a common definition of a retail sale as a sale for consumption or use. Indeed, the Commonwealth has recently seen a need to amend the schedule to the Petroleum Retail Marketing Sites Act to take account of country agents.

I would now further refer to the second reading explanation of the member for Mitcham. He made a number of quite misleading statements; he claimed that the Commonwealth Government had taken no action relating to divorcement, whereas the Petroleum Retail Marketing Sites Act, 1980, is specifically addressed to the matter of divorcement, although partial. It is clearly wrong to say there has been no action at the Federal level.

The member for Mitcham claimed that, since 11 June 1980, 'the Commonwealth has done nothing, the State has done nothing'. Apart from the Petroleum Retail Marketing Sites Act, the Commonwealth Government has successfully introduced the Petroleum Retail Marketing Franchise Act, which gives substantial effect to the first, second and fourth components of the Fife package. Meanwhile, our State Government has employed price control twice in order to regulate aberrations in the market, has introduced a code of conduct as a condition of relaxing control early in 1981, and has made a public submission to the Prices Justification Tribunal (now replaced by the Petroleum Products Pricing Authority). In the face of all this administrative and legislative action, the member for Mitcham has the gall to say that nothing has been done.

In his speech, the member for Mitcham hung his hat on the Fife package, and yet two of the three principal provisions of his Bill fall outside the terms of that package. Indeed, in the context of divestiture under clause 5 of the present Bill, Mr Fife specified that such action was not envisaged. The letter from the South Australian Automobile Chamber of Commerce reflects a real concern by the chamber for the well-being of its members.

I, and I am sure many other honourable members, received a letter a day or so ago making many of the points and urging support for this Bill. I share much of their concern, and the Government shares concern for the chamber's members. However, the Government does not accept that the oil companies are not, at present, competing with each other. The vital point which I must make is that, before legislative action can be rationally taken, the proposed legislation must be seen to be appropriate to the problem. If the oil companies are alleged not to be competing, or to be competing unfairly, there exists Commonwealth laws relevant to such offences. Similarly, there exists Commonwealth legislation prohibiting price discrimination.

From his Bill and his second reading explanation, I can only assume that the member for Mitcham is not aware of the complexity of the petrol marketing industry. For the State to have a healthy economy, oil company investment in, and supply to, the State is necessary. The Government must provide an environment in which that investment and that supply is maintained. However, this does not mean that the interests of retailers and consumers can be, or have been, overlooked. What is required is an appropriate balance. The Government believes that such an appropriate balance is achieved by an environment created at the national level for a national industry within which competitive forces can operate.

This Bill does not represent a flexible statutory framework within which normal competitive forces can operate, but, rather, presupposes a static environment in which prediction of conditions eight and more years into the future can safely be made. The member for Mitcham clearly overlooks the dynamic nature of the industry, and seeks to require the industry to undertake very substantial disinvestment in this State to the point where total withdrawal from the South Australian market must be, at the least, a very real risk. I doubt that many existing lessees could afford $100 000 each in 1981 values, perhaps $200 000 by 1990, to purchase their sites, and the Bill appears to the Government likely to create the demise of many small business men, or else a simple shift from one landlord to another, if, in fact, other landlords would be forthcoming to the necessary extent.

The Government is very much aware that problems exist in the industry. The Government is and has been demonstrably sympathetic to the problems of dealers, and has gone so far as the reintroduction of price control to protect dealer interests. The Government believes in the creation and maintenance of an appropriate national statutory framework within which healthy competitive market forces can operate.

The present Bill simply fails to achieve a satisfactory balance, for the reasons I have given. It fails to draw on the major issues being expressed elsewhere in Australia; it overlooks the national nature of the industry and most of its problems, and it represents an ill-conceived, piecemeal approach to a complex set of problems in a complex industry. The Government opposes the Bill.

[Sitting suspended from 6 to 7.30 p.m.]

PLANNING BILL

The Hon. D. C. WOTTON (Minister of Environment and Planning) obtained leave and introduced a Bill for an Act to provide for planning, and to regulate development, within the State; to repeal the Planning and Development Act, 1966-1980, and the Control of Advertisements Act, 1916-1935; and for other purposes. Read a first time.

The Hon. D. C. WOTTON: I move:

That this Bill be now read a second time.

This Bill is designed to give effect to the Government's policy of ensuring that planning and environment management requirements and procedures reflect the wishes of the community. In particular, the Bill, and the complementary Bill to amend the Real Property Act, aim to simplify

existing planning laws, integrate planning and environmental decision making, streamline the decision-making process and provide more flexible methods of regulating development in both urban and rural areas. This Bill and the complementary Bill to amend the Real Property Act were introduced and read a first time on 10 June 1981 to allow an adequate period for consultation. A detailed explanation of the Bill was provided at that time and, accordingly, I propose in this explanation to deal only with the more significant of the changes which have been made to the Bill prior to its reintroduction.

Following their introduction, copies of the Bills, together with explanatory material, were mailed to all local councils and to other interested organisations and individuals. During July and August a total of 13 public meetings were conducted to explain the Bills. The meetings, which were organised jointly by the Department of Environment and Planning and the Local Government Association, were held both in the metropolitan area and in a number of country centres. In addition to the above meetings, officers of the department have spoken on the Bills at a range of other meetings organised by councils, regional organisations, the development industry, conservation groups and other interested parties.

The Government is grateful to all those who have taken the time to contribute to the successful introduction of the new development management system. More than 120 submissions have been made on the Bills and every item raised in these submissions has been carefully considered. The Bills are now reintroduced with amendments. The main thrust of submissions from local government concerned the extent to which the Crown was bound, the extent to which the State Government retained power and the lack of specific references in the Bills to consultation with local government. Developers were concerned at more powers being given to local government, and resident groups and others were concerned at the possible limitation of third party objector appeal rights. The major policy changes to the Bill are as follows.

City of Adelaide: Development in the city is controlled under the City of Adelaide Development Control Act. However, only one part of the Planning Bill, as originally introduced, did not apply within the city. The City Council has asked either that the whole Bill not apply within the city or that a series of separate amendments be made which achieve the same objective. The council is satisfied that it can consider all environmental matters relating to private development under its own Act. Accordingly, the Planning Bill has been amended to provide that it have no application within the City of Adelaide (clause 6 Planning Bill).

Planning Commission: Strong representations were received from local government proposing that one of the two part-time members of the proposed Planning Commission be selected from a panel of names submitted by the Local Government Association. The Planning Bill has now been amended to provide that one of the part-time members of the commission be selected from a panel of three names submitted by the association (clause 10 Planning Bill).

Pre-appeal Conferences: The Bill, as introduced, provided for a conference of parties to take place prior to the hearing of an appeal. However, it was also proposed that the conference could be dispensed with should one of the parties be unwilling to participate. Many of the submissions on the Bill expressed the view that a conference should be compulsory and the Bill has now been amended to achieve this. However, a provision enabling the Appeal Tribunal to dispense with the requirement to hold a conference if it feels no useful purpose would be served by such a conference will remain (clause 27 Planning Bill).

Development Plan: The Bill as introduced provides for the editing and consolidation of existing development plans and relevant parts of existing regulations into a single consolidated development plan. During the period of public comment on the Bill I have given an undertaking that the consolidated development plan will be publicly exhibited prior to its authentication by the Governor.

Supplementary Development Plans: As introduced, the Planning Bill allowed the Minister to prepare plans expressing planning policy for the whole or part of a single council area, without first giving the council opportunity to do so. The Bill has now been amended to provide that a council be given that opportunity but that the Minister be able to prepare a plan should council not wish to do so. The right of the Minister to initiate plans covering more than one council area where broad changes of policy are proposed would remain. A requirement for the Minister to consult councils has also been incorporated (clause 41 Planning Bill).

Interim Development Control: Clause 44 of the Planning Bill, as introduced, enabled draft supplementary development plans to be given a temporary status as a basis for controlling development. This clause has been the subject of widespread criticism during the consultation period and has now been deleted.

Prohibition of Development Normally Permitted: Clause 47 (4) of the Planning Bill enabled a planning authority to prohibit a development which was normally permitted, where the authority was of the opinion that the development constituted a hazard to life or property or would have a serious detrimental effect on the amenity of the surrounding area. This clause also was the subject of strong criticism and has now been deleted.

Mandatory Conditions: As introduced, the Planning Bill provided for the Planning Commission to insist that a council, when approving a development proposal, attach a condition required by an agency of the State Government. This provision was strongly opposed by local government. The Bill has been amended to require councils to have regard to conditions proposed by the commission, but the mandatory requirement to impose such conditions has been removed (clause 46 (10) Planning Bill).

Development of Major Importance: Clauses 49 and 50 of the Planning Bill allowed the Governor to act as the approving authority for development of major importance, without defining what constituted development of major importance. During the consultation period, widespread concern was expressed at the sweeping nature of this proposed power. At the same time, the Government recognises the difficulty of defining in advance what constitutes such development. Accordingly, the Bill has been amended to restrict the potential for use of the Governor's powers to those development proposals for which an environmental impact statement has been prepared (clauses 49 and 50 Planning Bill).

In this regard it should be noted that the definition of an environmental impact statement in clause 4 of the Bill encompasses not only the expected effects of the development or project upon the environment, but also the economic, social or other consequences of carrying the development into effect. This will ensure that full consideration is given to the potential impact of proposed developments on the family unit and other important social institutions in determining the conditions under which these developments may proceed.

Environmental Protection Agreements: Clause 52 of the Planning Bill provided for the Minister to be able to enter into agreements with a developer rather than have an environmental impact statement prepared. This clause has

been subject to widespread criticism and it is now proposed to delete it.

The remainder of the clauses are formal, and I seek leave to have the explanation of them inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 enables the whole, or parts, of the new Act to be brought into operation on dates to be fixed. Clause 3 gives the arrangements of the new Act. Clause 4 contains definitions necessary for the purposes of the new Act. Clause 5 repeals the Planning and Development Act, provides the necessary transitional powers and vests the land holdings of the State Planning Authority in the Minister. Clause 6 enables parts of the State to be excluded from the operation of the Act or parts of the Act. Clause 7 provides that the commission will report on development by the Crown and the Governor will resolve matters of conflict. Clause 8 provides that council development proposals shall be dealt with by the commission.

Clause 9 establishes the South Australian Planning Commission. Clause 10 provides for the commission to be of three persons, a full-time Chairman and two part-time members. Clause 11 deals with procedures of the commission. Clause 12 gives the general functions of the commission. Clause 13 enables the commission, with the approval of the Minister, to delegate any of its powers. Clause 14 establishes the Advisory Committee on Planning consisting of eight persons and chaired by the full-time Chairman of the commission. Clause 15 gives the functions of the committee. Clause 16 deals with staff to serve the commission and the advisory committee.

Clause 17 continues the Planning Appeal Board in existence, which will be known as the Planning Appeal Tribunal. Clause 18 establishes a Chairman of the tribunal. Clause 19 provides for judges of the Local and District Criminal Courts to be judges of the tribunal. Clause 20 provides for full-time or part-time commissioners of the tribunal. Clause 21 deals with the validity of the tribunal's proceedings. Clause 22 disqualifies a judge or commissioner from hearing a matter in which he has an interest. Clause 23 provides for a secretary to the tribunal. Clause 24 makes the Chairman responsible for the administrative arrangements of the tribunal. Clause 25 provides that the tribunal shall comprise a judge and not less than one commissioner, except that a judge or commissioner or the secretary may deal with minor matters. Clause 26 requires that a question of law shall be determined by a judge. Clause 27 requires that a conference of the parties shall precede the formal hearing of an appeal and the tribunal can issue orders giving effect to any compromise or settlement reached.

Clause 28 deals with the principles governing hearings. Clause 29 lists the powers of the tribunal in relation to witnesses and production of documents. Clause 30 enables the Minister to intervene in the proceedings if a question of public importance is involved. Clause 31 enables the tribunal to make orders for costs in accordance with a scale to be prescribed. Clause 32 provides that hearings before the tribunal shall be in public. Clause 33 enables rules to be made governing the proceedings of the tribunal. Clause 34 provides for appeals from the tribunal to the Land and Valuation Court. Clause 35 enables the tribunal and the Land and Valuation Court to deal with irregularities and modifications to proposals subject to appeal. Clause 36 deals with the District Court orders and interim orders requiring that works done in contravention of the Act be rectified. Clause 37 provides that proceedings may be commenced within 12 months after the date of alleged contravention of the Act or, with the authorisation of the Attorney-General, within five years.

Clause 38 provides for appeals against District Court orders to the Land and Valuation Court. Clause 39 provides that offences against the Act shall be dealt with summarily. Clause 40 establishes the development plan comprising all development plans authorised under the present Act and those parts of present planning regulations which express policy. Clause 41 enables the development plan to be amended by supplementary development plans. Clause 42 enables coastal management plans to be incorporated in the development plan. Clause 43 provides for copies of the development plan and amendments to be available to councils and the public. Clause 44 provides that the development plan is a public document of which a court or tribunal shall take judicial notice. Clause 45 provides that development shall not be undertaken contrary to the Act. Clause 46 provides that no development shall be undertaken without the consent of the relevant planning authority other than where it is permitted by the principles of development control contained in the development plan. Clause 47 requires the Minister responsible for State heritage items to report on development applications relating to those items.

Clause 48 deals with the preparation of environmental impact statements, which the Minister may require or have prepared in relation to development of major social, economic or environmental importance. The Minister may require that amendments be made to statements prepared under this section after receipt of public comment. Clauses 49 and 50 provide that the Governor may declare that specified development of major social, economic or environmental importance requires the consent of the Governor. A decision on such a development shall not be given until an environmental impact statement has been prepared. Clause 51 provides a right of appeal against a decision of a planning authority. Clause 52 extends to third parties the right to make representations concerning an application for approval and requires the planning authority to give notice of its decision to the third party, who may then appeal to the tribunal. An appeal of this type can be pursued beyond the conference stage only by the leave of the tribunal.

Clause 53 specifies the powers of the tribunal to confirm, reverse, vary or give effect to the decision subject to appeal. Clause 54 deals with the removal of advertisements, enabling the repeal of the Control of Advertisements Act. The new provisions are similar to those of the repealed Act. Clause 55 provides for the continuation of uses existing at the date on which the Bill is to take effect. Provision is also made for the planning authority to declare that a land use which has been discontinued for six months or more ceases to be a valid use. Such declarations are made the subject of appeal. Clause 56 establishes that the law to be applied to an application shall be the law in force at the time the application was made. Clause 57 provides for the interaction between this Bill and certain other Acts in relation to the demolition of buildings and the felling of trees.

Clause 58 deals with mining operations. It provides that the Minister of Mines and Energy will give public notice of applications for the grant of a mining tenement. He may, and when prescribed shall, refer applications to the Minister of Environment and Planning for his advice, and the Minister may then require the preparation of an environmental impact statement. The Minister of Environment and Planning will advise the Minister of Mines and Energy whether or not the application should be granted. Where the Minister of Mines and Energy does not agree with this advice the matter shall be referred to the Governor for his determination. Clause 59 provides that the Planning Act will not

affect operations carried on in pursuance of Mining Acts except as provided in clause 58. Clause 60 enables the Minister to enter into agreements relating to the preservation or development of land and enables councils to enter into similar agreements in relation to land within their area. Clause 61 enables the Governor to proclaim land as open space on application of the owner and prevent use of the land for any purpose other than that of open space.

Clause 62 provides that the Minister may prepare development schemes under which approved authorities may acquire, develop, manage or dispose of land. Clause 63 enables the Minister to purchase land by agreement for public purposes. Clause 64 deals with the reservation of land for future acquisition, by means of proclamation by the Governor. Compensation for land so reserved is to be paid, and if the amount is not agreed, subject to determination of the amount by the Land and Valuation Court. The owner of the land so reserved may require the relevant authority to acquire the land, with compensation to be assessed on the basis of the value of the land had it not been reserved. Clause 65 establishes that the moneys required for the purposes of the Bill shall be paid out of moneys provided by Parliament for those purposes. Clause 66 provides for the continuance of the Planning and Development Fund and establishes the type of payments that may be made to the fund. Clause 67 enables the Minister to borrow money for the purposes of the Act on terms approved by the Treasurer. Clause 68 details the purposes for which money standing to the credit of the Planning and Development Fund may be used.

Clause 69 requires the Minister to keep proper, audited accounts. Clause 70 requires the preparation of annual reports by the commission and the tribunal. Clause 71 provides for members of the commission and tribunal, together with persons authorised by the Minister or by the commission or tribunal, to inspect land and premises. Clause 72 provides for professional advice to be obtained by councils in relation to the preparation of a supplementary development plan and other matters arising under this Act which are prescribed in regulations. Clause 73 contains the power of the Governor to make regulations.

The Hon. D. J. HOPGOOD secured the adjournment of the debate.

REAL PROPERTY ACT AMENDMENT BILL

The Hon. D. C. WOTTON (Minister of Environment and Planning) obtained leave and introduced a Bill for an Act to amend the Real Property Act, 1886-1980. Read a first time.

The Hon. D. C. WOTTON: I move:

That this Bill be now read a second time.

This Bill complements the Planning Bill, 1981. Both Bills are designed to give effect to the Government's policy of simplifying the existing planning laws, streamlining the decision-making processes and providing more flexible methods of regulating development. The broad outline of the changes proposed by the Government is given in the explanation of the Planning Bill. This Bill, to amend the Real Property Act, is primarily concerned with changes to the system of controlling the subdivision of freehold land. The report by Mr S. B. Hart on the Control of Private Development in South Australia, July 1978, describes how the control of land subdivision has evolved; it details the extent and complex nature the procedures presently operating and recommends that changes be made.

Briefly, the Hart report points out that the history of land subdivision control is one of constant change of powers and procedures. The dual control exercised by the State Government and local government has existed in various forms since 1887 and the control has evolved independently of land use and building controls.

The effect of approving a subdivision plan is simply the granting of authority to the applicant to dispose of his land in a number of separate titles. However, the considerations the approving body keeps in mind when deciding the application are concerned with the likely future use of the land: for example, whether the land is to be used for houses, flats, shops or factories. If the use of the land is acceptable then the form of tenure is of lesser importance. Thus approval of the use of the land should come first and the issue of separate titles should be related to that approved use.

Under the present Planning and Development Act the controls and the administrative procedures governing the use of the land and the division of the land differ considerably and are quite separate. It is proposed that the type of buildings to be erected and the use of the land be determined at the same time as boundaries for ownership purposes are considered. This will be done by regarding land division as a form of development and requiring that before separate titles are issued based on new boundaries, the appropriate authority is satisfied with the use proposed for the land. Thus an owner wishing to divide his land will apply in the first instance to the local council for consent to divide the land and to use it for a specified purpose. This application will be made under the planning legislation in the same way as application is made for consent to any other form of development.

Consultation by the council with State Government agencies and other standard procedures will then follow and the applicant will receive a decision on his development application under the Planning Act, with rights of appeal to the Planning Appeal Tribunal in the case of a refusal. This decision will be equivalent to what is now commonly known as the 'Form A' approval.

The present method of controlling land division, involving decisions both by the Director of Planning and Councils, means that the Director has to make decisions on a large volume of minor applications which could and should be dealt with by councils only. In future councils will receive advice from State Government agencies, but as with other classes of development application dealt with under the planning legislation, only the controversial or complex cases will be decided at State level. Advice will of course be sought from the council in such cases.

An applicant in receipt of consent under the planning legislation will then proceed to obtain separate titles by completing all the necessary road and drainage works and making any open space payments required. The applicant will obtain two certificates, one from the relevant local council and the other from the new planning commission stating that the manner of dividing the land and the proposed use of the land are approved; the works are completed and all payments have been made. There will be a right of appeal against a refusal to issue a certificate. The applicant will then present his plan and certificates to the Registrar-General who will issue titles for the new allotments created. The procedure will be similar to that presently used for the issue of strata titles.

Many of the present provisions of the Planning and Development Act relating to land subdivision govern the procedures of the Lands Titles Registration Office. The opportunity is being taken to incorporate them in the Real Property Act.

Details of road construction and other works requirements will be contained in regulations made under this Part of the Real Property Act. Councils will be able to accept

money in lieu of land for open space and the amount of payment will be indexed based on data supplied by the Valuer-General. The basic payment of $300 per allotment is to be increased to $500 and the same payments and system of indexation will apply to the issue of strata titles.

The Bill provides a simple method of amalgamating allotments into a single allotment. At present this has to be done by a complex and expensive procedure. Persons wishing to amalgamate allotments will be free to do so with the minimum of requirements.

The remaining provisions of the Bill are formal and I seek leave to incorporate the explanation of them in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 enables the Amendment Act to come into operation on a date to be fixed. Clause 3 is formal. Clause 4 repeals section 101 of the Real Property Act. Clause 5 amends section 220 of the Real Property Act to enable the Registrar-General to exercise his discretion on the correction of errors in certificates on the register.

Clause 6 inserts new Part XIXAB into the Real Property Act. New Part XIXAB contains sections to be numbered 223 1a through to and including 223 1p in the Real Property Act. Section 223 1a contains definitions necessary for the purposes of new Part XIXAB. Section 223 1b deals with the unlawful division of land. Section 223 1c restricts the application of Part XIXAB by excluding Crown transactions from its ambit.

Section 223 1d will enable the registered proprietors of land to apply to the Registrar-General for division of the land and specifies the manner in which the proprietor must do so. It requires him to obtain certificates of approval from the relevant council and the commission. No certificates are required if the land is in the city of Adelaide. Section 223 1e provides for the deposit and registration of plans of land division in the Lands Titles Registration Office and makes provision for the vesting in councils or the Crown of land shown on such plans as roads or reserves.

Section 223 1f will enable persons who wish to divide land to apply to a council for a certificate of approval as required by 223 1d. Before issuing a certificate the council must be satisfied that a number of requirements relating to the provision of easements, open space, roads and other matters have been met. Section 223 1g provides that a person who proposes to divide land may apply to the commission for a certificate of approval as required by 223 1d. Before issuing a certificate, the commission must be satisfied that certain requirements relating to water and sewerage easements and provision of water supply and of open space have been met.

Section 223 1h requires a council or the commission to furnish applicants for certificates of approval with a list of requirements that must be met if a certificate is to be issued. Section 223 1i specifies the amount of open space which must be vested in the relevant council and provides for monetary payment to councils in lieu of provision of open space. Moneys paid to a council in this manner are to be applied by the council for the purpose of acquiring and/or developing land as open space.

Section 223 1j requires a council or the commission to give notice to an applicant of refusal of a certificate. Section 223 1k establishes a right of appeal to the Tribunal in respect of the refusal of a certificate. Section 223 1l deals with the amalgamation of contiguous allotments. Section 223 1m establishes transitional provisions relating to plans of land division lodged prior to the enactment of new Part XIXAB. Section 223 1n deals with easements and provides for works to be carried out on land the subject of an easement for the purpose of the easement, viz. sewerage, water supply, electricity supply and drainage purposes. Section 223 1o contains a prohibition on the increase of the total number of allotments in the hills face zone. Section 223 1p is a regulation making provision. Clause 7 amends section 223 md of the Real Property Act in relation to the open space provision payable in respect of strata developments.

The Hon. D. J. HOPGOOD secured the adjournment of the debate.

SOUTH AUSTRALIAN HOUSING TRUST ACT AMENDMENT BILL

The Hon. D. C. WOTTON (Minister of Environment and Planning) obtained leave and introduced a Bill for an Act to amend the South Australian Housing Trust Act, 1936-1973. Read a first time.

The Hon. D. C. WOTTON: I move:

That this Bill be now read a second time.

The Government has recently announced a series of measures to provide additional funding to the Housing Trust in order that it can increase its stock of housing available for rental to persons in need. One of the initiatives announced was to permit the Housing Trust to issue promissory notes. The trust has received approval to raise some $5 000 000 through this method. In order that the promissory notes might be attractive on the market, it is necessary that they are guaranteed by the Government. At present the Housing Trust Act provides a Government guarantee to debentures and this Bill is intended to expand that guarantee to promissory notes. I am sure all members will agree that the Housing Trust should be able to raise funds on the market using the best instruments available and that this initiative underlines the Government's desire to make as much housing as possible available to those in need. I am sure all members of the House will support this Bill. The remainder of the Bill is formal. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 empowers the trust to raise funds on the security of promissory notes. Clause 3 is consequential upon the amendments proposed by clause 4. Clause 4 provides that the liabilities of the trust under any debenture, inscribed debenture stock, or promissory note are guaranteed by the Treasurer. A new subsection is inserted providing that the investment of moneys in any form of loan or investment with the trust (being a loan or investment guaranteed under section 20c) is an authorised trustee investment.

The Hon. D. J. HOPGOOD secured the adjournment of the debate.

CORONERS ACT AMENDMENT BILL

Second reading.

The Hon. H. ALLISON (Minister of Education): I move:

That this Bill be now read a second time.

This Bill gathers together various amendments to the principal Act, the Coroners Act, 1975, which are conveniently dealt with in one Bill. The Bill proposes an amendment designed to provide flexibility in fixing the salary of the

State Coroner. Under the present provision, the salary of the State Coroner is a fixed percentage of the salary of a Local Court judge. The Bill proposes an amendment expanding the jurisdiction of the Coroner to hold inquests so that it includes cases where a person dies outside the State but there is reason to believe that the cause of death arose within the State. The Standing Committee of Attorneys-General has agreed that such an extension of jurisdiction should be adopted by the States on a uniform basis.

The principal Act presently provides that a Coroner may hold an inquest where a person dies while detained or accommodated in a Government institution. 'Government institution' is defined in terms of the expressions used to describe the various bodies by the Acts under which they were established. This definition is now significantly out of date. The approach of listing appropriate institutions in this way has the defect that the list will inevitably require frequent revision. Accordingly, the Bill proposes amendments which would replace this provision with a provision under which an inquest may be held into the death of any person where the death occurred, or the cause of death arose while the person was detained in custody pursuant to any Act or law or where accommodated in an institution, or a part of an institution, established for the care or treatment of persons who are suffering from mental illnesses or intellectual retardation or impairment or who are dependent upon drugs.

The Bill proposes an amendment designed to make it clear that a member of the Police Force has the power, when in possession of a warrant of a Coroner, to force entry to premises to enable the removal of the body of a dead person.

Concern has been expressed about the power of a Coroner to commit a person for trial at the conclusion of a coronial inquest. That power was included in 1975, but is now recognised to be inappropriate having regard to the procedures and methods of inquiry in a coronial inquest and those which apply in a normal preliminary examination. The Bill therefore proposes amendments which remove the power of a Coroner to commit for trial. The principal Act provides that the Coroner may reopen an inquest if the Attorney-General directs him to do so. The Bill proposes an amendment to this provision under which the Coroner may reopen an inquest at any time according to his own discretion.

Finally, the Bill proposes an amendment authorising the making of rules relating to the payment of the costs of holding of an inquest. It is envisaged that rules may be made authorising the Coroner to order payment of the costs of an inquest by a party who has requested the inquest or who is likely to obtain some benefit from the holding of the inquest. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 deletes from section 6, the interpretation section, the definition of 'Government institution'. This is consequential on an amendment proposed by clause 4. Clause 3 amends section 7 of the principal Act which provides for the appointment of the State Coroner. Paragraph *(b)* of subsection (2) of this section fixes the salary of the State Coroner at 80 per centum of the salary payable to Local and District Criminal Court judges. The clause replaces this provision with a provision empowering the Governor to determine the salary of the State Coroner.

Clause 4 amends section 12 which provides that an inquest may be held in order to ascertain the cause or circumstances of certain events involving the death or disappearance of a person or fires or accidents causing injury to person or property. The clause amends this section by extending the jurisdiction to hold an inquest to cases where a person dies outside the State and there is reason to believe that the cause of death arose within the State. The clause also deletes the provision under which an inquest may be held into the death of any person while detained or accommodated in a Government institution. Instead, the clause substitutes provisions under which an inquest may be held into the death of any person where there is reason to believe that the death occurred, or the cause of death arose, while the person was detained in custody within the State pursuant to any Act or law, or while accommodated in an institution, or a part of an institution, established for the care or treatment of persons who are suffering from mental illness or intellectual retardation or impairment, or who are dependent upon drugs.

Clause 5 amends section 13 of the principal Act which provides a power of entry for the purposes of an inquest or determining whether an inquest is necessary or desirable. The clause amends this section to make it clear that the power of entry may be exercised at any time and by force, if necessary. Clause 6 amends section 14 of the principal Act. This amendment makes it clear that an inquest must be held if another Act makes provision for the holding of an inquest.

Clause 7 amends section 26, which, by subsection (2), authorises a coroner in the course of an inquest to commit a person for trial for an indictable offence. The clause deletes that subsection. Clause 8 amends section 28 which provides that a coroner may reopen an inquest if the Attorney-General directs him to do so. The clause removes the requirement for there to be a direction from the Attorney-General. Clause 9 amends section 35 of the principal Act which provides that the State Coroner may makes rules for the purposes of the Act. The clause inserts a provision authorising the State Coroner to make rules empowering coroners to order the payment of costs in respect of inquests and providing for the recovery of such costs.

The Hon. R. G. PAYNE secured the adjournment of the debate.

PETROLEUM (SUBMERGED LANDS) BILL

Adjourned debate on second reading.

(Continued from 21 October. Page 1485.)

The Hon. R. G. PAYNE (Mitchell): When he introduced this Bill the Minister stated:

> It will replace the Petroleum (Submerged Lands) Act, 1967-1974. The proposed legislation will control petroleum operations in the territorial sea off the coast of South Australia on the basis that the width of the territorial sea is three nautical miles.

I am sure that members realise that we are talking in territorial terms of the sea which is to be under the control of the territorial State of South Australia. The Bill complements similar Commonwealth legislation covering the exploitation of petroleum resources on the continental shelf beyond the territorial sea.

As I have at least hinted, I believe that it is a fairly unfortunate choice of words because, whilst we may be debating the matter in a State House, it is not necessarily clear to anyone reading *Hansard* what we are talking about when we are talking about the territorial sea in those terms. It could be argued to be a Commonwealth term rather than a State term. Amongst other things, the Bill proposes to repeal the Off-shore Waters (Application of Laws) Act, 1976-1980, and, in effect, replaces what has been the governing requirement in respect of off-shore petroleum activity in South Australia since 1967.

If members refer to the original Act (No. 78 of 1967) they will find that it relates to the exploration for, and exploitation of, petroleum resources and certain other resources of certain submerged lands adjacent to the coast of the State. That is the matter that we are now considering. In trying to understand the implications of the present Bill, I have had some recourse to what occurred in the Commonwealth Parliament in 1980. In the House of Representatives in April last year, the Hon. Mr Anthony, Minister for Trade and Resources, introduced the complementary Commonwealth Bill as one of a number of Bills which were part of the package with which we are concerned this evening. In introducing that measure, Mr Anthony stated:

> The basic agreement on off-shore petroleum was reached at the Premiers' Conference in October 1977 and June 1978 and included the following:
>
> all off-shore mining would be conducted in accordance with a common mining code or codes;

Here is a statement perhaps a little more applicable in terms of application:

> Commonwealth legislation would apply beyond the three-mile territorial sea and State legislation within the three-mile territorial sea.

He went on to state:

> the present arrangements for the sharing of royalties for petroleum to be preserved;
>
> there would be joint authorities in respect of all mining operations beyond the three-mile territorial sea consisting of the relevant Commonwealth and State Ministers.

He was referring to mining operations and petroleum matters, and not to any other mineral in that sense, because there are other legislative packages which presumably will still be required to pass through the South Australian Parliament to tie up the overall mineralisation off-shore. I suppose that, speaking from a State point of view, one is tempted to say that the heavy note then crept into his speech when he went on to say:

> The view of the Commonwealth Minister would prevail in the case of disagreement.

Mr Anthony has heavy support for such a statement, because it is supported by a High Court ruling and also by the primacy of Federal legislation which, when in conflict, or when considered *vis-a-vis* State legislation (this position has been made clear over a long period) shall be paramount. The Minister went on to say:

> The joint authorities—

that is, outside the State's territorial sea—

> would be responsible for major matters relating to titles—

and everything contained within that simple phrase—

> determining conditions of titles, including work and expenditure: directions of a permanent or standing nature;

That is an important aspect of legislation; often directions are contained in licensing and permits associated with location and production, etc., in relation to petroleum. Mr Anthony said:

> State Ministers would continue their active role. All contracts would continue to be through the State Ministers, and State departments would continue to handle day-to-day administration and supervision of operations.

What the Bill proposes, which is supported by the Opposition, is that within the limits of the territorial sea, from the point of view of South Australia, the State will be, I think it would be fair to say, in full charge of operations with respect to petroleum, and with reference to international agreements, which would be considered to involve Australian territorial waters, the Commonwealth and the State will operate in conjunction.

The administrative proposal is, as I understand it, that the Commonwealth and State Ministers will operate in that second area to which I have just referred in relation to the coast of this State for all matters concerned with petroleum. Of course, the question that will come to the mind of many members is, 'O.K., we have an arbitrary decision which is now going to be applied when this Bill comes into force; what is going to happen where there are areas of overlap?' There may be leases or licenced areas which at present bridge the section of the sea bed associated with this particular boundary to which I have referred. That area has been taken care of within the Bill. There are provisions which will take care of any already allotted areas which happen to fall both within the area to be defined as South Australian territorial waters and those waters which will be under the control of the Commonwealth Government, but which fall outside those areas described as territorial waters for South Australia.

This is a sensible provision and one which those companies which might well be involved and which already hold licenced areas would welcome. There is to be contretemps, no problems (court decisions notwithstanding) but they would at least be able to continue with the rightful tenure of any area in which they are presently operating. The way in which I found it best to understand the meaning of the Bill, I regret to say, was not contained in the Minister's second reading explanation. That is not a criticism of the Minister. I have found over a long period that the Commonwealth Parliament is far superior in these matters in respect of advice to all members of the House by way of second reading explanations and provides other information which is of great assistance to members in discharging their duties in these areas.

Mr Keneally: They have greater resources.

The Hon. R. G. PAYNE: As the member for Stuart advises, they have greater resources, and they have greater demands. The Parliament is larger, and the issues are larger (they are national and not State), and they seem to be reasonably well served by the services provided for them which allows them, for example, to produce documents which are under the auspices of the law and Government group—Legislative Research Service. I have found on past occasions that these documents are practical and sensible and of great service to members. They are originally designed for Federal members but I have continued to make use of them and have found them to be of help in present circumstances.

I suspect that the Minister had similar thoughts to mine on this matter, not being legally qualified. We are dealing with constitutional matters which are very weighty and which have been the subject of conflict over many years. I have found that the assistance obtained from the documents such as I have been referring to is very great. This is the kind of document provided at a Federal level: the heading is, 'Petroleum (Submerged Lands) Amendment Bill 1980'. It commences with the date introduced and tells us which House and who it was presented by—the Rt. Hon. J. D. Anthony, M.P., the Minister representing the Minister for National Development and Energy. The next heading is 'Short Digest of Bill'. The following heading is 'Purpose', and it states:

> To amend the Petroleum (Submerged Lands) Act 1967 so that it no longer operates in the three-mile territorial sea; to create joint authorities for each adjacent area beyond the territorial sea and to define their powers; and to revise certain aspects of the mining code.

I congratulate that research group in the Federal Parliament for that succinct explanation of the Federal legislation. We now have the complementary legislation for which that explanation stands without addition. I believe I am fully correct in saying that. It goes on to state (and this is of great use to members generally), under the heading 'Background':

The Petroleum (Submerged Lands) Act 1967 of the Commonwealth applies uniformly to the territorial sea and continental shelf areas. It was passed as part of a co-operative venture whereby the Commonwealth and States both passed mirror legislation so that, in the event of either Act being found invalid, the other would continue.

The cynic at this point would stop and say, 'It looks as though the Commonwealth and the States had two bob each way.' I am sure that that is the literal meaning of what I have just read to the House. Nevertheless, it was an artifice adopted at that time to try to ensure that the day-to-day operations could continue without undue interference to all those concerned. The background statement goes on to say:

This left unresolved the constitutional question of the respective powers of the Commonwealth and States in the offshore area. Administration under the Commonwealth and State Acts was by a 'Designated Authority', in practice the State Minister for Mines.

The next thing which occurred historically and chronologically, if we take as a starting point 1967 (which has been referred to in that background information provided) was that in 1973 the Hon. Rex Connor put forward certain Commonwealth legislation which subsequently was challenged in the High Court, and a ruling was given in 1975 which said that the implied primacy contained in the 1973 legislation did exist, was valid and that the Commonwealth was paramount in this area. Notwithstanding who was in Government at the time, the people of Australia changed the Government and a Liberal Government has now been in Canberra for a number of years.

Under the heading of the new federalism (that much vaunted period—certainly much more vaunted in 1975 than it is now), the Federal Government, in fairness to it (Liberal though it may be), took certain steps to try to obtain a reasonable settlement of the rancour and possible ill-feeling that was imminent in all States of the Commonwealth as a result of that High Court ruling which could have led to unproductive non-co-operation between the States and the Commonwealth. I am leaving out entirely the ideological argument as to whether the Commonwealth or the States ought to be in control from low water mark. That is a matter which can be debated at another time.

The steps taken were such that, as has been mentioned earlier and as has been mentioned in the Commonwealth law group's document to which I referred, a series of Premiers Conferences held in 1977, 1978 and 1979 arrived at a complete readjustment of constitutional arrangements for the offshore area in line with the Liberal Government's policy of co-operative federalism. That involves the use of section 51 (XXXVIII) of the Federal Constitution for Commonwealth legislation to confer legislative powers on the States. That really is what we are considering here tonight.

We have a Bill before the House under which, by virtue of the present Commonwealth Government being prepared to carry out the conference of those powers, the State of South Australia, if agreeable to passing complementary legislation, can operate and control the powers within the territorial sea already defined earlier in my remarks. The matter that ought to exercise our minds is whether the operations that have been going on up until now can continue if the legislation we are considering passes both Houses.

From the information provided in the second reading explanation and after perusing the Bill, I believe that this can occur, although I cannot say that it can occur without conflict or contest, because that is the present situation, as it was the situation last year and 20 years ago. Any legislation is open to challenge through the court system. However, we must address ourselves to the question whether, if we pass this Bill, there will be any detrimental effect or some other problem that would mean that we could not agree to the Bill. I cannot say that I am in that position. As I indicated earlier, on behalf of the Opposition I am prepared to support the second reading.

The question of royalties could quite properly exercise the minds of members of the House. The second reading explanation states that there will be no real change in this matter. Where sharing arrangements prevail, they will continue; where amounts are specified as to the percentage or value of the royalty or as to the operative position, those arrangements also will continue. On those grounds also, we are in a position to approve the measure.

However, at this stage I will introduce the first small carping note about the Bill. This is not a criticism of the Minister, but over the years I have been a member of a Government that, I guess, has also been guilty of the same action to which I am about to refer. The Bill contains innumerable clauses and five schedules and it is a measure of a far-reaching nature. The time allowed for the Opposition to peruse the Bill and consider its important contents has been such that one must, to a great degree, take on trust the word of the Federal Government which, after all, passed the initial legislation to which this Bill is a companion.

The second reading explanation quite clearly explains what will be the 'coastline' of South Australia for the purposes of this Bill. Any member in considering this Bill could say, 'All right, it sounds good, but what will happen about our gulfs?' That matter has been argued over many years and has been resolved to the extent that a line is to be drawn. It is the preamble to that statement that concerns me somewhat. The second reading explanation states:

... but it has been tentatively agreed—

they are the words that the Minister used—

that the territorial sea adjacent to the gulfs will lie seaward on a baseline drawn from Cape Carnot at the bottom of Eyre Peninsula to Vennachar Point on the western end of Kangaroo Island.

I understand that that is the westernmost point of Kangaroo Island, or so it appears on the map at which I looked. It further states:

It will travel along the southern coast of the island and then from Cape Willoughby it will travel to Newland Head—

I am quite surprised that the member for Newland was not somewhat thrilled at this remark, as it is probably the first time I have ever mentioned him in a friendly way or with some commendation—

on the mainland via the Pages Islands.

According to the map, those islands do exist. It further states:

Waters lying on the landward side of the baseline—

and this is important—

will be internal waters of the State. Both gulfs, Investigator Strait and Backstairs Passage, therefore, will fall into this category—

they are internal waters of the State—

and this Bill will not apply to them. The Petroleum Act, 1940-1981, will provide for the exploration for and recovery of petroleum in these waters.

The Minister, in his reply, will perhaps elaborate on the tentative agreement that apparently exists in respect of the territorial sea adjacent to the gulfs. I will certainly be looking to him to make some comment in that regard. Regarding the areas that fall outside the territorial sea, the administration of what is described as the adjacent area, which I understand is that area outside the specified three-mile limit (if I can use a colloquial term) will continue to be under the control of the designated authority appointed for the adjacent area of each State. If members are wondering about the situation in regard to the border sector between Western Australia and South Australia and between South Australia and Victoria, they can see both

from the second reading explanation and from the Bill that this section has been very carefully defined. The map to which I had access was rather difficult to interpolate into minutes, but certainly the degrees of latitude and longitude specified in respect of those two areas and the minutes specified in the Bill appear to be approximately correct and not open to question. The second reading explanation states:

> The Bill before the House will regulate petroleum operations inside the outer limit of the three-mile territorial sea. It will be administered by State authorities alone and will complement the Commonwealth Act in that the Common Mining Code will be retained and existing permitees and licensees will not be disadvantaged.

In reading the debates that took place in the House of Representatives last year on this matter, I noticed a reference to what was described as the Burgoyne Report. The last time I came across the name Burgoyne, it was the name of a general concerned, I think, with the Heights of Abraham in Quebec. Although that is probably of no interest whatsoever to the House, it at least proves that I have heard of the name Burgoyne.

I had assumed that it would be profitable to study that report entitled 'Off shore Safety', which is a report of the committee chaired by Dr J. H. Burgoyne. That report was presented to the Parliament of the United Kingdom by the Secretary of State for Energy. I have read that report, which was extremely interesting. In the main, it dealt with legalities and safety in offshore operations. I believe that I now understand the reference in the House of Representatives debates on that report.

Obviously, there are matters associated with legalities and safety that may not be covered by what one might term 'land legislation', when additional territories off shore come under the control of a State or, for that matter, the Commonwealth. Therefore, there can be a need to ensure that laws which are made with respect to that area are conducive to the well-being and the safety of the public who may be involved in those areas.

I also noted that one Federal member, who shall remain nameless, pointed out during that debate that we could reach the asinine position where a person who was entitled to bathe nude down to the low water mark on a certain beach in a certain State might well be scolded and apprehended by the Commonwealth Police and told to put his bathers on as soon as he or she went past the low water mark. I trust that this Bill, which is certainly not concerned with nude bathing, does not run into that sort of problem. After reading the Bill, I do not believe that it will, because of its nature. If nothing else, it shows that the flights of fancy that occur in Parliaments are not confined to the South Australian Parliament and occasionally occur in Federal Parliament.

The Bill that we are considering is entitled the Petroleum (Submerged Lands) Bill. In that respect it gives me an opportunity to bring to the Minister's attention a book entitled *Oil Search in Australia* written in 1980 by Dr C. E. B. Conybeare. Dr Conybeare, Reader in Petroleum Geology at the Australian National University, has previously worked in the Petroleum Exploration Branch of the Bureau of Mineral Resources in Canberra for the Shell Oil Company in Canada and the United States of America, and for the foreign branch of the United States Geological Survey in Ghana. Dr Conybeare is a fellow of the Geological Society of America and a member of the American Association of Petroleum Geologists. From that resume of his career, I am prepared to assume (and I believe all members should accept my assumption) that Dr Conybeare is reasonably well conversant with likely petroleum bearing areas in Australia.

Dr Conybeare discussed the petroleum potential of offshore regions adjacent to the Great Australian Bight. This is the first opportunity I have had to raise this matter with the Minister, who recently announced with some glee and joy that offshore exploration plans and proposals for those very areas in the Great Australian Bight, that is, the offshore region. Referring to those regions, Dr Conybeare said:

> The petroleum potential of offshore regions adjacent to the Great Australian Bight, south of Western Australia and South Australia, cannot be regarded with any great enthusiasm. Offshore, the Eucla Basin underlying the Nullarbor Plain extends as a thin veneer of tertiary carbonates overlying precambrian rocks. Locally, lower cretaceous shales and sandstones underlie the carbonates. The total section to the precambrian basement is commonly less than 600 m thick—

that is the important part—

> and has not been buried sufficiently deeply to generate hydrocarbons. Also, there do not appear to be suitable structures or caprocks to entrap any hydrocarbons that may have migrated from deeper zones beneath the Continental Shelf overlying the Great Australian Bight Basin. Lying adjacent to the seaward edge of the Eucla Basin, and trending south-east toward the Duntroon Embayment off Spencer Gulf, the Great Australian Bight Basin comprises several thousand square kilometres of cretaceous fluvial, lacustrine, and deltaic deposits of sandstone and mudstone overlain by tertiary carbonates (Boeuf and Doust, 1975). In 1975, Shell Potoroo 1 was drilled into the northern margin of the Great Australian Bight Basin at a water depth of about 250 m. The well penetrated a tertiary section of carbonates, and a cretaceous section of sandstones and mudstones, terminating in precambrian basement rocks at a depth of 2 663 m below the sea floor.

Guess what? The report continues:

> No shows of oil or gas were found. Hydrocarbons may have formed a number of accumulations in this basin, probably in structural-stratigraphic traps, but the sequence resembles that of the Otway Basin in being severely disrupted by faults.

Oil men will know that fault areas are not good areas for the location of hydrocarbons. Dr Conybeare continues:

> Locating accumulations may consequently be especially difficult, and, as with the Otway Basin, the prospects do not appear to be particularly attractive.

Before the Minister gets up and says that the Opposition is on a doom and gloom chant again, let me hasten to assure him that I am passing to him this information which emanates from Dr Conybeare and not from the member for Mitchell. Dr Conybeare, as I have demonstrated, appears to have qualifications to which the Minister ought to give some credence and of which he should take note. That is all that I am asking him to do.

The Minister has issued licences for the areas referred to by Dr Conybeare in his book *Oil Search in Australia.* I suggest that it is likely that, if I were the Minister, I would have issued similar licences. However, I doubt whether I would have jumped into print in the media quite so optimistically and so joyfully, proclaiming that there may be a gusher just around the corner.

I understand that the real key to oil search lies in the hands of geologists. An examination of Dr Conybeare's qualifications and the statements that he has made in his book, to which I have referred, indicates that he has some reservations and doubts about the Great Australian Bight proving to be as promising as the Minister suggested when he made the announcement about licences for that area.

As I have already said (and let us get it quite clear), I am not saying that the Minister should not have done this; that is his prerogative. Nor am I saying that there is no hope. I am saying that informed opinion (and it is a very recent opinion expressed in 1980) on the prospects for that area is such that we ought not to have great hopes. I think the Minister was less than cautious when he made his joyful announcement about those licenced areas.

The question of offshore waters, whether we are talking about 1ft past the low water mark, or two miles out, has been one of the most vexed questions sinced 1901. I do not

suppose that that problem has been solved or that all the arguments are over yet. The Bill before the House seems to be a reasonable, agreed settlement of part of the argument.

As a State Parliament and as State members, we ought to examine the product of that agreement in the form of the legislation to find out whether it is of advantage to South Australia or whether it is a disadvantage. The examination of the legislation that I have been able to carry out, together with assistance from my colleagues, including the member for Playford, who has assisted me to look at any constitutional arguments or problems that may be contained therein, does allow me to say that the Opposition supports the measure, with the comments that I have made, particularly in relation to the tentative agreement with respect to the line which is to be drawn between Eyre Peninsula, Kangaroo Island, and the Fleurieu Peninsula and which is to constitute the southern boundary, as it were, of our coast for the purposes of this Act and in defining the territorial sea that will be under the control of South Australia. The fact that that is tentative is really the main bother I have about the legislation and, as I have indicated, the Minister may be able to set at rest any fears that I have in that direction. I look forward to hearing from him on that topic. I support the Bill.

Mr ASHENDEN (Todd): Before I go to the main body of my speech, I must refer to one point that the member for Mitchell raised when he was speaking of the Great Australian Bight. He stated that an employee of the Shell Company said that that area offered little prospect of oil or gas. I wonder whether the member is aware that it was that same company, the Shell Company, that also said exactly the same thing about Bass Strait. The Shell Company had the first licence there, was working with B.H.P., and it said, 'There is nothing here: there never will be anything here.' It pulled out and, as we know, B.H.P. joined forces with Esso and found the biggest reserve of oil and gas ever discovered in Australia, so perhaps the prophecy of doom and gloom by the member is coming from a person whom, I think, I would have been the last to quote, in view of the Shell Company's record in relation to offshore exploration in Australia. Until we explore, we will have no idea whatsoever as to what lies off the South Australian coast in relation to reserves of oil and gas, and it is timely that this Bill should be introduced when there is a record commitment to offshore petroleum exploration in South Australia.

Since July last year, the Minister of Mines and Energy has announced approval of exploration programmes on which expenditure commitments amount to more than $130 000 000 over the next several years. The types of company involved in this search and the expenditure commitments they have made give South Australia real hope, for the first time, of the discovery of offshore reserves of oil and gas. In this context, the Minister of Mines and Energy, in a speech last week, drew a comparison between the present situation in South Australia and that in Western Australia in relation to the North-West Shelf project there. The Minister said:

> The current resurgence in mineral and petroleum exploration now underway in South Australia is something Western Australia experienced more than a decade ago. It led, for example, to the discovery of the North-West Shelf.

He then explained the potential for South Australia in the following terms:

> Because of the major petroleum development and exploration effort now under way in South Australia, the possibility cannot be ruled out that this State will achieve production from our petroleum resources on a scale to match the North-West Shelf.

As we all know, the North-West Shelf project is indeed a massive one.

Mr Hemmings: Can you prove that?

Mr ASHENDEN: For goodness sake, that is exactly why companies want to drill off the coast, namely, to find out what is there so we can prove it. With the doom and gloom your lot are always bringing forward, we would not scratch a hole in the sand with a sand bucket. The North-West Shelf project is indeed a massive one. It will involve the investment of something like $8 000 000 000 during this decade. It will require a construction work force of 3 000. Already, it has caused the town of Karratha to double in population during the past 18 months. It has already provided significant spin-off activity, which members Opposite conveniently overlook all the time, for local industries in the north-west, such as building contractors, earthmovers, electricians, plumbers, aviation services, shipping agents, and so on.

The North-West Shelf project is something to which South Australia can now aspire because of the exploration programmes at present under way in our own waters. It is interesting to reflect on the detail of those programmes. B.P. Petroleum Development Australia Proprietary Limited and Hematite Petroleum Limited, the exploration arm of B.H.P., have a permit that could involve the expenditure of $35 000 000 and the drilling of three wells during the next five years in the Great Australian Bight, the area that the member for Mitchell says is a waste of time. The permit areas cover about 30 000 square kilometres and lie 250 kilomtres south-west of Ceduna in water at depths ranging from about 200 to 2 000 metres.

All I can say is thank goodness those companies have much greater confidence in this State and what could lie off its shores than have members opposite. Under a farm-in agreement, Australian Occidental Petroleum Incorporated will spend up to $15 000 000 on exploration, also in the Great Australian Bight. Let us remember this is in the area that the member for Mitchell says is a waste of time. The farm-in agreement followed exploration undertaken by the Adelaide-based Outback Oil Company, which had drilled one well in the permit area in 1975 and also carried out detailed aeromagnetic surveys and the reprocessing of seismic data, as a result of which the prospectivity of this area has been upgraded. The companies involved in this programme plan to spud in a well any day now. I realise that these points upset members opposite, because they realise that in the 10 years they were in office they could have done this but did absolutely nothing.

Mr Hemmings interjecting:

The DEPUTY SPEAKER: Order! the Chair has heard quite sufficient from the honourable member for Napier.

Mr ASHENDEN: There are two other major exploration programmes approved for the Great Australian Bight. The Perth-based Stirling Petroleum plans to spend up to $21 000 000 during the next five years, drilling three wells, and Outback Oil is to spend about $30 000 000 on a programme which will involve the drilling of at least three wells.

Important exploration programmes are also committed for the Otway Basin, off the South-East coast. Shoreline Exploration, of the United States, will drill three wells during the next six years, and Beaver Petroleum (S.A.) Proprietary Limited and the Sydney-based Pan Pacific Petroleum N.L. will spend at least $35 000 000 during the next six years, drilling at least five wells. In total, these programmes involve the drilling of a minimum of 18 wells. This is particularly significant when it is considered that there has been no major offshore exploration of this type in South Australian waters since 1975. What an absolute condemnation that is of the previous Government! The

areas involved also offer significant potential. The Great Australian Bight is largely unexplored. If the member for Mitchell had his way, it would remain that way, with only five wells having been drilled in that area in the past in an area of almost 200 000 square kilometres.

The Otway basin must also be regarded as an area of extremely high potential. It extends into South Australia from Victoria, where very significant gas flows of up to 9 600 000 cubic feet per day were discovered as a result of onshore drilling. It is indeed pleasing that South Australia is participating in the overall resurgence of offshore exploration occurring around Australia. In the current world situation, the need to find more indigenous petroleum is one of the most important issues facing the nation. In this context, it should be recognised that the Federal Government's parity pricing policy is fundamental to the supply of adequate liquid fuels over the long term.

Members interjecting:

The DEPUTY SPEAKER: Order! There is too much conversation coming from my left.

Mr Slater interjecting:

The DEPUTY SPEAKER: Order! I suggest to the honourable member for Gilles that he take notice of the rulings of the Chair, or he will not be here to participate in the debate if he so desires.

Mr ASHENDEN: The overall success of the incentives provided for petroleum exploration and development has been demonstrated by the addition of about one billion barrels of petroleum liquids to Australia's economically-recoverable reserves, which will ensure that the current level of production is maintained into the late 1980s. For these reasons and those put forward by the Minister of Mines and Energy, I wholeheartedly support the Bill. Its passage will be yet another step in the recovery of the South Australian economy, which is well under way due to the leadership of the present Tonkin Government.

Mr EVANS (Fisher): I support the Bill. Within our country we have a large amount of land which is submerged and over which we have rights. If one looked at the total area available to Australia, one would find that equivalent to about two-thirds of the land area of Australia which is unsubmerged land is available as submerged land. The amount of research and exploration carried out into submerged lands in this country is very minute.

The member for Todd made the point that we have a responsibility to the rest of the world. South Australia must play its part in that responsibility, not just for our own economy, in finding fuels for petroleum products, whether it be gas or oil, but also for those countries that do not have the reserves of fossil fuel of any type. We have people within our community who argue that we should not be worrying about uranium or nuclear power. One of the alternatives is for us, with all the enthusiasm in the world, to seek to find other forms of fuel, including coal. In this case, we are talking about petroleum products. From the type of comment that the Labor Party has been making over the past few years in relation to nuclear power and energy, I would have hoped that they would welcome this type of Bill with open arms and all the enthusiasm in the world, and not set out to show any doubts whatever.

There is no doubt that the member for Mitchell tried to show reservations in relation to what the potential may be. People in the field of geology make their own assessments. As with politicians, some make errors of judgment and others are more accurate. Only after research and exploration has been carried out can we assess who is nearest the mark. The member for Mitchell referred to a book written by a person from the national university. I suppose that one could find other more recent records that may put a different point of view altogether. If we look at the ability of the Americans, particularly through the space shuttle that they will put into space soon, we see that they have the ability to film the earth and make an assessment of what is in the earth. One wonders to what degree we have fallen behind in searching for submerged lands, that part of our country which is under the sea.

Recently I was privileged to visit other lands. When one visits lands that have absolutely no fuel reserves, no wood, coal, gas, oil, or nuclear power, one can then understand our responsibility as a State, and more particularly as a country, to seek and find all the fuel that we can. I believe that this will play a part in world peace because, if energy and fuel can be found and kept in reasonable quantities, the price can also be controlled. We are then not likely to be dictated to by cartels that may hang around the Middle East or other parts of the world. If we look at countries like China, we find that they have had reasonable success—if I can put it in those terms, there are some that may disagree with me—in their offshore land. We need to develop this field. We should recognise the responsibility that we have as a lucky country, where we live a life of affluence, and try to find all the reserves that we can in this area.

While on the subject of research and submerged lands, we also have in that the waters that are submerging. While carrying out exploration for oil and gas, we now have the opportunity to issue licences for people to do that. I hope that we are conscious that as a country we have done very little in the way of oceanography or the marine sciences. We are fortunate that in this State we have the Flinders University, which has been active in research in oceanography and marine sciences when money has been available. Only one other State in Australia is as active as we are in our State university.

I would hope that companies which end up with licences recognise the need to carry out research within the universities, not necessarily just for the peroleum and gas reserves that may be there, but for other reserves, whether they be food in the sea (as the member for Mallee referred to today), or whether it be minerals in submerged lands. If necessary research is to be carried out within a teritary institution, that tertiary institution will require substantial sums of money. The argument may be put that it is the responsibility of State and Federal Governments to make money available for the necessary research, but it is fair to say that we should ask successful companies, as has been the case in other parts of the world, particularly the U.S.A., and France and England to some degree in the past, to make money available to the universities, even if it was tied to specific areas of research. I know that the Flinders University would welcome the opportunity to spend more money in this area and advance its programmes.

If we compare the number of graduates that are likely to be produced in this country for the vast areas in which we must carry out research, in oceans and the areas below, to the position in Canada, we can be nothing less than ashamed at the amount of work that has been put into that area. Canada is a world leader in that area because it also has a substantial amount of land available to it submerged under its sea; likewise, Canada has a lot of research to do in relation to its seas. As Parliamentarians, we should be conscious of that, and any company representatives who end up with licences and read what is said in this debate are conscious that there is a need for money to be made available in these areas of research. The Liberal Government will promote private enterprise and initiative.

If ever a country like Australia is to start to move ahead again it must go back to the system of encouraging people to use their initiative and resources. If there is an argument

that companies who ask for licences related to our submerged lands happen to be associated with multi-nationals and people ask why we give licences to those multi-nationals, I would refer them to an article I wrote in a weekly newspaper in this State some months ago. That article was along the lines that, if one asks the vast majority of Australians how much they have saved to invest in any Australian project or resource, they would say 'Nothing'. They are still the working agents of money-lenders or the slaves of interest rates, because they have not set out to save money to see if it will work for them. If one looks at the USA, where some of the multi-nationals originate, one finds that they were originally started with foreign capital, French, Portuguese, Spanish, English, or whatever, but the Americans set out to buy their own resources. They saved to buy their own resources.

I do not know who will get the licences, but if it is a group or company that is multi-national one of the reasons for that happening is the apathy of the Australian people in not saving to buy their own resources. When the day comes that people wake up to that fact and want to set out on that course, we will then own more of our country and more of the companies that work our resources than we do at the moment. There is no good in talking about that, unless we are prepared to work and save towards it. We need people and companies in this country to take the initiative and to go out and explore. Exploration will cost millions and millions of dollars, and many of those companies will fail. When they fail, they will be forgotten.

However, if they succeed there will be some people within our society who will say that we should rip their enterprise off them and pass it over to a Government or semi-government authority to operate. In other words, people are prepared to let somebody else take the gamble to attempt to find our resources so that our State can prosper, and to say 'Bad luck' if they fail, but if they succeed have a chip on their shoulder about that and be jealous of that success.

We, as a country, began with a pioneering spirit. If we look at some of the areas to which our people went to find mineral resources to develop the country many of us would shudder at the thought of attempting to do that today. However, the situation now is similar. This State government will give people the opportunity to go out and look at the land submerged below our waters. Somebody has to take that gamble. Crews that work in those waters will have to suffer hard times in certain weather, despite a lot of modern equipment. I congratulate the Government, the Minister and the people who have prepared this complex and detailed Bill. I hope that we all give the encouragement that is needed to whoever goes out and looks for these resources so that they may work earnestly in the full confidence that, if they are successful, they will have the opportunity to benefit, because if they fail they know that the consequence will be that they will be one of the losers in that field. I hope that we think of our moral responsibility in the world when we are supporting this Bill, and that companies will see their responsibility and that as many as possible of them will take up the challenge. Also, I hope that the Government, through its actions, will see rewards come to benefit the people of this State and other parts of the world. I support the bill.

The Hon. E. R. GOLDSWORTHY (Minister of Mines and Energy): This Bill is important. It has come forward as a result of a long history of negotiation with the Commonwealth Government. It has been finalised since I have been Minister of Mines and Energy in this State. It was the subject of some comment at a Ministers' meeting that I attended less than a fortnight ago in Western Australia. The Federal Government is keen to see complementary legislation passed by the other States. I was able to be quite precise about the time when this Bill would be brought into the House and debated. That was the cause of some satisfaction to the two Federal Ministers present at that meeting.

I am pleased that the Opposition is supporting this Bill. If I am to say anything to compliment the member for Mitchell, the kindest remark I can make is to say that he at least has a go; he does make a speech and does do some homework. Having said that, I must say that he touches on some subjects (one of which I was warned not to take up) about which I cannot refrain from commenting. The fact is that this legislation would not have been enacted if the Federal Labor Party had had its way. The honourable member referred to a previous Federal Minister in the energy portfolio, the late Xavier Connor. I do not reflect on those who have passed on when I say that the Federal Minister was certainly a strong man but he was also imbued with highly centralist tendencies, which were a feature of the Whitlam Administration.

The Hon. R. G. Payne: There was a High Court judgment.

The Hon. E. R. GOLDSWORTHY: As I said, the honourable member does his homework and there was a High Court judgement in favour of the Commonwealth. However, when the other side of this complementary legislation was before the Federal House the Federal A.L.P. made perfectly clear that in Government it would rescind the legislation, that it did not support it, that it believed the offshore waters beyond the three-mile limit were the property of the Commonwealth, and that there was no way in the world in which it would share those waters with the States.

It is a source of some pleasure to me that the Opposition in this State can overcome the attitude its Federal colleagues have adopted and is prepared to support this sharing arrangement which applies beyond the three-mile limit. This is the position that has been operating in relation to Bass Strait. The arguments there are not about the arrangements that have been made; they are in relation to royalty calculations.

The Hon. R. G. Payne: They are about what should have been charged or not charged.

The Hon. E. R. GOLDSWORTHY: One cannot be too definite about that, either. They have had to get a firm of accountants in to sort the matter out. Nobody knows whether people have been under-charged, over-charged, or how they have been charged. This highlights the complexity of computing royalties when you have to net them back to a well-head and take account of all the factors that exist at the platform, whether it is to the top of the platform, the bottom of the platform, or what. It is an extremely complex task.

One of the matters canvassed at the Minister's conference about 10 days ago in Perth was the question of calculating royalties and the basis on which royalties should most properly be calculated. This well-head valuation of the commodity does pose some problems. The problems exist on shore, too, but not to the extent that they exist off shore. As honourable members know, the method of computing royalties for hydrocarbons on shore in South Australia is at the well-head. However, the procedure of netting back the gross value to the well-head and taking account of the factors that intervene is not nearly as difficult as it is in the case of offshore oil. All of these matters were canvassed in Perth with a view to trying to simplify procedures.

While I am talking about what happened in Perth, I might say that I took the opportunity of viewing the activities on the North-West Shelf.

Mr Keneally: We've heard about what happened in Perth.

The Hon. E. R. GOLDSWORTHY: No, you have not. You did not hear this bit—I have not talked about this bit.

Mr Keneally: We'll keep it a secret.

The Hon. E. R. GOLDSWORTHY: There is nothing to keep secret. I am quite happy to shout it from the roof tops and give a minute-by-minute description of where I was and what I did in Perth. A lot of my time was spent looking at the mining and petroleum developments which have occurred and are occurring in Western Australia. We went up to have a look at what is happening in relation to the North-West Shelf developments, where these enormous off-shore resources are about to be tapped. Having viewed that, having seen the on-shore port facilities, and having had a look at the mining town to be built at Newman and the Newman mining company's operations, involving some of the largest mines and rolling stock in the world, I can say that, if members opposite have any doubts at all of the value of resource development to a State, they should get on a plane, go to Perth and ask the companies concerned if they would be good enough to show them around as they showed me around. That will dispel any of their lingering doubts.

Mr Keneally interjecting:

The Hon. E. R. GOLDSWORTHY: In terms of employment, there is no doubt that, if one compares the hydrocarbon developments to the mining developments, in the short haul certainly there is a considerable amount of activity generated in bringing on-stream hydrocarbons. If you are looking at longer-term benefits of these developments and a whole new infrastructure, the long-term employment opportunities and the new towns spring up and are established as a result of large mining developments such as are located in Western Australia. For the members opposite to suggest that there are no benefits to be derived from these developments is plainly nonsense. I suggest that they learn from their own experience and use part of their interstate plane fare allowance to have a holiday in Perth and, while they are there, to have a look at some of these developments. Quite frankly, the development of the West has been very strongly bound up in its resource development.

The Hon. R. G. Payne: I had a good look at Balik Papan in 1945 so I've seen those sort of developments before.

The Hon. E. R. GOLDSWORTHY: I hope the honourable member does not lend his weight to the gloom and doom which is being dispensed in large doses by his Leader and Deputy Leader, because if he has seen any of these developments he knows full well the benefits that flow to a State and to a nation as a result of these world-scale development. They are what I saw in Western Australia.

We have heard in relation to the development of the hydrocarbons in South Australia that the Leader of the Opposition believes we should not be pursuing a pie in the sky or mirages in the desert; we should be pursuing petro-chemicals. The A.L.P. has been pursuing petro-chemicals unsuccessfully since 1973 or 1974. We are accused of premature announcements and beating the drum, but the fact is that it was a central plank of the 1974 election campaign to announce the Redcliff project, when there was no project. There was not even a letter of intent. There had to be some scurrying around to get even a letter of intent. The fact is that members of the Opposition have been up to Roxby Downs, and all I can say is that if they describe what they saw as a mirage in the desert they must have been suffering from sand blindness, or the affliction that used to or affect the sight of some of the early explorers, who I understand from time to time went blind. If they went up there and said that they were looking at a mirage in the desert, either they had been imbibing too much alcoholic beverage or they had sand blindness or something. I think the Leader and the member for Mitchell went up and had a look and they are saying there was a mirage in the desert. All I am saying is that if they describe what they saw there as a mirage in the desert either they had some affliction of the eyes or of the brain.

The Hon. R. G. Payne: There were 160 blokes, 11 huts, two tents and a caravan. What are you going to tell us now?

The Hon. E. R. GOLDSWORTHY: Maybe there has been a whirlwind through since I have been there, because there was a core-farm, a laboratory, an enormous workshop, a large exploration shaft, a winder, a head frame, a mess to feed the men and 200 people. If that is a mirage in the desert, when 200 people are usefully employed up there with a lot of other back-up people, and if they compare that with their effort with a petro-chemical plant for which they did not even have a letter of intent, I would like to know what is their definition of a mirage. Of course, what they say is patent nonsense; the Labor Party has no option but to talk this down because it is in their philosophical bind.

I may be straying slightly from the matter before the Chair but the fact is that we did have this gloom and doom touch from the honourable member when he was reading from a publication by Dr Conybeare. I understand the book was published in 1980; I guess it was written a couple of years earlier. The fact is that a lot of data has been reworked and reanalysed by companies, and a lot of this is to do with advances in computing analysis. As a result of those analyses, there is far more interest in some of these areas than has been thought of previously. The fact is that Dr Conybeare has not been privy to this detailed information and the analysis of it, and the companies concerned are quite optimistic, as their intention to go out into the rough seas of the Bight and spend a $100 000 000 indicates. Since we came to Government, that sum has gone from zero to the $100 000 000 now committed to offshore exploration, yet the honourable member wants to talk it down because he has got hold of a book which preaches a bit of gloom. I am saying the companies concerned are highly optimistic.

The fact is that if this attitude of gloom had been adopted in relation to Roxby Downs, that mine would never have been found. Roxby Downs was discovered as a result of a reworking of earlier data, and the company which discovered that source, Western Mining, has been given very considerable credit through the mining industry for the way in which they analysed that data and went about having a second look at it.

The Hon. R. G. Payne: You all get credit when you come up with a winner, but no-one talks about the ones that don't come up.

The Hon. E. R. GOLDSWORTHY: We know members opposite are talking the State down. The honourable member apologised for mentioning it, and hoped that he would not be misunderstood, but he got up with a book and said they are wasting their dough out in the Bight because they will not find oil.

The Hon. R. G. Payne interjecting:

The Hon. E. R. GOLDSWORTHY: Well, the honourable member did not put it in quite those colloquial words but that was the message. In effect, what was said is that they have not got much chance of finding oil, because Dr Conybeare says so. What I am saying is that Dr Conybeare was not privy to the data which is available to the companies that are putting up the money. As I have said, companies do not put up $100 000 000 unless they can see that it is a worth while exercise.

The Hon. R. G. Payne: Usually they ask for an indenture.

The Hon. E. R. GOLDSWORTHY: That is the total sum being put up; I am not saying one company is putting that up. When companies are putting up $200 000 000 in one

bite and know that one political Party in South Australia has a philosophical hang-up, they do want some security before they spend that sort of money. It is interesting to note that it was the A.L.P. that gave it the go ahead to spend the first $50 000 000.

The Hon. R. G. Payne interjecting:

The Hon. E. R. GOLDSWORTHY: We reaffirmed the letters of intent in the same terms. The Labor Party has destroyed its argument. It is now saying it was not prepared to let it go further.

Members interjecting:

The SPEAKER: Order!

The Hon. E. R. GOLDSWORTHY: It was prepared to let it spend the first $50 000 000, and not prepared to let it spend the next $200 000 000. That is what they are saying. The fact is that Dr Conybeare is not privy to the latest information, and the companies concerned are quite hopeful that they will find hydrocarbons in the Great Australian Bight. We are not going to poke Dr Conybeare's book under their nose and say, 'Go away; haven't you read this?' Members opposite would.

Mr Keneally: Don't be silly, Roger.

The Hon. E. R. GOLDSWORTHY: Why bring it up if it is not to throw more cold water on the efforts of these explorers, and downgrade what is going on in South Australia? I was asked to comment, and I am commenting. The fact is that Dr Conybeare is not privy to the information. If Western Mining Corporation had adopted that attitude and had not re-worked the data that was available at Olympic Dam, Roxby Downs would never have been found. Judging by the way in which the Labor Party has been behaving, it wishes it had never been found, if its will prevails.

The fact is that a lot more is happening in South Australia. There has been an enormous escalation of effort in South Australia since we came to Government but, if too much of Dr Conybeare is quoted by members opposite we will get a return to the policy of the Hon. Xavier Connor and the Whitlam years and we will find that it will dry up.

The Hon. R. G. Payne: What a shocking way to deal with a professional person of unassailable standing. You really are—

The Hon. E. R. GOLDSWORTHY: I am saying that he does not know the full story.

Mr Keneally: Also of a great Australian who happens to be dead—Xavier Connor.

The Hon. E. R. GOLDSWORTHY: I am simply saying that, if we have a return to those years, exploration will dry up again; development will dry up again, precisely as it did in those years. If members opposite do not wish to concede that point, that is their business. In making the assertion I have made, I will have the overwhelming agreement of the petroleum and mining industry, and any business people in this State who simply were frightened off during those years. That is why, when we came into Government, there was precious little mineral exploration and no off-shore exploration at all. Although the legislation has not been enacted—

Mr Keneally: The things that people tell us must be different from what they tell you.

The Hon. E. R. GOLDSWORTHY: When the Leader of the Opposition was thrashing around not knowing which way to jump two or three days ago and he was quoted in the *Advertiser*, I got some gratuitous advice from him that we should be pursuing these hydrocarbons. He said that was where our future was. He said we should forget about pie-in-the-sky because we should be pursuing petro-chemicals and hydro-carbons.

The Leader of the Opposition said I was not interested in developing our hydro-carbons, yet he knows that that is a complete denial of the facts.

The plain facts were that, within one month of this Government's being elected, at the prompting of members opposite, I gave a policy statement to the House saying that it was this Government's intention to get on with the liquids pipeline as soon as possible. We have co-operated with the producers to develop that scheme, which was not in place when we came to Government.

I was asked by members opposite why I was not jumping up and down and shouting from the rooftops when an announcement was made that Stony Point was under investigation. It was precisely because we said that we would not do that; we said that we would announce projects when they were firm. We were not going to announce and re-annouce a project, as the previous Government did in relation to the Redcliff project. I remember that coming up to the last State election, the *News* published a classic editorial and talked about the Honourable Hugh Hudson's re-announcing for about the fifteenth time the Redcliff project. It talked about this hardy old stager hoofing it out on the stage. I remember this editorial because it was apt. We will certainly not be accused of that.

We were accused of not making enough of the hydrocarbons development, and that is patent nonsense. I made a speech a month after we were elected stating that it was our intention to get on to developing those liquids. That has been done at an accelerated rate as a result of the election of this Government.

I also point out to the Leader of the Opposition that he is talking to the wrong people behind the scenes who tell him that I am not showing enough enthusiasm or who are critical of me—un-named people, probably on his payroll. I point him in the direction of the head of Santos, Mr Carmichael, with whom I am in constant negotiation. Indeed, I was here last night after the House got up conferring with him till about 11 p.m. as I am every week. He made a speech publicly about a fortnight ago and commended the Government for its attitude to the negotiation in relation to the liquids—

The Hon. R. G. Payne: Did he give you the 'Jolly Roger'?

The Hon. E. R. GOLDSWORTHY: Members opposite get farcical when the point rubs. When the truth hurts a bit they start to jolly it up a bit and start to talk nonsense. The fact is that Mr Carmichael is in constant contact with me. The producers will spend the money; it is the producers to whom the Leader of the Opposition should be talking—not his un-named informants who claim that the Minister is not getting on with the job. He makes it up in his sleep and does not know to whom he talks; he talks to himself under the shower. The fact is that the head of Santos, the man with whom the Government is negotiating, is perfectly happy about the way in which the Government has been negotiating the indenture conditions and he said so publicly.

Mr Keneally: What do you expect him to say to an irrational person like you? I'd say exactly the same thing.

The Hon. E. R. GOLDSWORTHY: He did not say it to me but to the luncheon meeting that he was addressing. If members opposite know Mr Carmichael, Chairman of the Santos board, they would know that he is not given to flattery; I do not get that impression, anyway. So much for the nonsense; so much for the absurdity which is noised abroad by the Leader of the Opposition as he thrashes around with his divided Party behind him, not knowing where to jump on Roxby Downs. They approved the spending of $50 000 000. They say it is a mirage in the desert, yet it is there for them to see if they open their eyes.

The Opposition says that we should pursue real things like the Redcliff project, petro chemicals, which it has been

chasing since 1974 without a project. How can anyone take seriously the absurd way in which the Leader is trying to get out of his dilemma? In no way will we stand by and let him make those inane comments without putting the record straight.

The member for Mitchell referred to the baseline not being finally agreed. In fact, the baseline is agreed. What has not been agreed are some minor tie lines which are across historic bays. Basically, the baseline has been agreed, and it means that the gulfs are inland waters and are under South Australian control. It is some minor tie lines between headlands, between historic bays, which have not been finalised. They are a matter of current negotiation between the Department of Lands and the Commonwealth. It is expected that agreement will be reached substantially within the next few months.

The only other point that I want to make is in relation to some remarks of the member of Fisher, who rightly said that we should attempt, if we can, to interest more Australian's in resource develoment. I agree with that entirely. He referred to multi-nationals. The fact is that much of the high-risk money in exploration—it is high risk because you cannot go out and do anything—

Mr Keneally: When the member for Fisher mentions multi-nationals it is all right, but when we mention multi-nationals it is paranoia.

The Hon. E. R. GOLDSWORTHY: Members opposite mention them in a paranoid fashion. You only mention multi-nationals, and members opposite die with a leg in the air, because they are frightened of them. They believe they are here to rape the country. The fact is that, to do any sort of exploration off-shore, you need a pretty big pocket. Federal Government guidelines are quite clear in relation to development.

The Foreign Investment Review Board is quite strict. The Federal Government guidelines are firm in relation to uranium developments: there must be 75 per cent Australian equity, and in relation to other developments there must be 51 per cent Australian equity. From the dealings that I have had with the Foreign Investment Review Board, I believe it is quite strict and stringent in the way in which it exercises its advice in relation to those guidelines.

Although I acknowledge that what the member for Fisher says is correct, the fact is that, while the bulk of the money may be put up by multi-nationals in exploration—(indeed, the bulk of it may be put up in development), the fact is that they must have Australian partners. In the case of uranium development, it is 75 per cent Australian equity. A company cannot simply be Australianised. If the major owner of a company is Australian and the rest is overseas, that is toted up in the equation: it must be a total of 75 per cent Australian ownership.

In the case of other developments, there must have 51 per cent Australian ownership. In my experience, this is rigidly enforced. I agree with the member for Fisher that we want to encourage Australian equity and Australian participation. I do not argue with that for a moment, but I do say that we will not be able to raise all of the funds needed off-shore for the enourmous amount of exploration that needs to be carried out in this country. By North American standards, we have only scratched the surface in relation to hydrocarbon exploration. We are spending $300 000 000 from virtually precious little when we came to Government. An amount of $300 000 000 will be spent this year in hydrocarbon exploration and by Australian standards that is quite creditable, but by North American standards it is peanuts. I believe we need to crank up to the highest degree possible further exploration in this nation because we want to be entirely independent in relation to energy, particularly liquid fuels if we possibly can. I mention that point which the member for Fisher raised.

We, as a Government, welcome the intervention of multi-nationals when they have high-risk money to spend in exploration. If they want to spend it off our shores they have to do it in co-operation with Australian companies. If they are prepared to put up the money we are prepared to welcome them here. That is what is happening in relation to these major licences that we have given in the past two years for off-shore exploration. The legislation is working well. Although we have not enacted this Bill, the legislation has been operative since it passed the Federal House. As Minister of Mines and Energy, I am described as the designated authority. We do the nuts and bolts—

Mr Keneally: That is not all you are described as, as Minister of Mines and Energy.

The Hon. E. R. GOLDSWORTHY: I know that members opposite describe me in fond terms on numerous occasions. I know that when Opposition members are not misrepresenting me they are speaking of me in fond terms. I know that behind the scenes they are really fond of me but they have to publicly misrepresent me, as otherwise they would never make a point. The legislation is working well and, as the member for Mitchell said, we have the responsibility of administering it and that we do. I sign these off-shore licences as designated authority. We send them off to Canberra and we have had no problems with the way this legislation is working. We are pleased that the Federal Government did enact this legislation and gave us part of the action—in sharp contradistinction to its predecessor. Having said that and having touched on the matters raised by the member for Mitchell and other speakers, I also point out that the member for Todd made a fine speech which he had researched at some length.

The Hon. R. G. Payne: He read every word of it.

The Hon. E. R. GOLDSWORTHY: He spoke from copious notes and a great deal of research had gone into the speech. I have noted with interest that members opposite frequently speak from copious notes. The only member who objects is the member for Elizabeth, whom we only sight periodically and spasmodically in the House since his disagreement with his Leader. They seem to have fallen out again in recent days. I am pleased that the Opposition has seen fit to support this legislation because—

Mr Keneally: The bucket must be almost full—you have not tipped it over anyone for at least a week.

The Hon. E. R. GOLDSWORTHY: We have still got Question Time tomorrow—stick around. Members opposite have indicated their fondness. When they cannot denigrate and misrepresent me publicly, behind the scenes they are quite jolly. This is important legislation. It gives effect to an agreement between all State Ministers and the Federal Government, and it will be important to the future development of this State.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Interpretation.'

The Hon. R. G. PAYNE: As the Minister has one of his well qualified officers with him, I ask for an explanation of clause 4. A definition is provided of 'Good oilfield practice'. I am at a loss, having read the Bill, to know why we need a definition of 'Good oilfield practice'. I suspect that it is in relation to safety but I would appreciate any explanation that the Minister may give.

The Hon. E. R. GOLDSWORTHY: I believe that the honourable member has struck the right emphasis. Good oilfield practice is generally accepted as good and safe in the carrying on of exploration for petroleum or in operations for recovery of petroleum, as the case may be. A set of

standards apply, as the honourable member knows from past experience. There is legislation that sets safety standards for most industrial operations. Likewise there are accepted standards of safety in operation of exploration activities and in development and production activities. Good oilfield practice relates to those measures which are accepted as being the standards in relation to safety and related matters.

Clause passed.

Clauses 5 and 6 passed.

Clause 7—'Petroleum pool extending into two licensed areas.'

The Hon. R. G. PAYNE: This clause refers to a petroleum pool extending into two licensed areas. That situation might well occur in the Great Australian Bight, presuming that the people who have been licensed by the Minister are as successful as I hope (speaking for the Opposition). What I put to the House earlier in respect of this matter was that a person who has qualifications and is obviously accepted in the field of petroleum geology, as he is a Reader at the Australian National University, might well have something worthwhile to say on the subject we are considering. I put forward the views of Dr Conybeare in that spirit alone. At no stage did I say that the operators drilling in the Great Australian Bight are wasting their time and so on because Dr Conybeare said so; on the contrary, I stress that that was not my view at all. I pointed out that at least a person who had the qualifications I referred to of fairly recent origin (the book was printed in 1980) had reservations about that area. I suggest that the way in which the Minister and one other member (the member for Todd) decried a person who is a Reader in geology at A.N.U. did them little credit. People who are not well qualified do not get these sort of jobs, particularly at A.N.U., which has quite a standing in this country.

The member for Todd may not be aware of the fact that the A.N.U. is considered to be a university of standing internationally as well as within Australia. It was a poor tactic by the honourable member to refer to him as 'some person employed by the Shell company'. It may well be that he was employed by the Shell Company of Canada and not the Shell Company of Australia.

The CHAIRMAN: Order! The Chair has been very lenient. I suggest that the honourable member link up his remarks.

The Hon. R. G. PAYNE: I thought that you, Sir, were extending leniency in your position as Acting Speaker. It did you credit. I accept your ruling. I will return to the topic. You, Sir, would appreciate that a member has to use, within the forms of the House, the only means available to him to put right a matter which ought to be put right, and I believe that I have now done so.

The Hon. E. R. GOLDSWORTHY: I do not know whether the honourable member was seeking information in relation to the clause. I do not think so. I think it was a ruse to get something off his chest. I can only say in reply that geologists not so long ago stated quite confidently that we would not find onshore oil in Australia. I have heard the same sentiment expressed since I have been Minister in regard to the prediction that we would not find oil onshore. I am quite sure that we will find significantly more hydrocarbons on shore, and perhaps more gas than oil. I wanted to put into perspective the comments made by Dr Conybeare.

Clause passed.

Clauses 8 to 151 passed.

Clause 152—'Regulations.'

The Hon. R. G. PAYNE: I take it that there have been no departures in the regulation powers contained in the Bill from those in the existing Act.

The Hon. E. R. GOLDSWORTHY: That is the effect of placitum 1. I believe that the honourable member's interpretation is correct.

Clause passed.

Schedules 1 to 5 passed.

Preamble.

The Hon. R. G. PAYNE: While this is a piece of legislation by virtue of the legalities involved, it is almost mandatory to have some kind of preamble to explain the conditions that applied before. I suggest that there are occasions on which a preamble is a very useful introduction to a Bill.

Preamble passed.

Title passed.

Bill read a third time and passed.

SAVINGS BANK OF SOUTH AUSTRALIA ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 October. Page 1736.)

Mr BANNON (Leader of the Opposition): This is an important Bill dealing with a very vital institution in South Australia, and it will receive the support of the Opposition, certainly to the second reading stage. We will propose one or two amendments in Committee and we will ask one or two questions. However, by and large the Opposition strongly supports the overall objects of the substantial part of the Bill, which is aimed at updating many of the provisions of the Act and, most importantly, expanding the bank's power in the lending and investment field to allow the bank to compete in the market place for funds. Of course, there are a number of other elements in the Bill, but those elements can be dealt with in more detail in the Committee stage.

The main purpose of this Bill is to tackle the question of the powers of the Savings Bank. In freeing up the bank from a number of restrictions, as in its capacity as a financial institution, the Bill certainly deserves the support of the House. The Savings Bank of South Australia is a vital institution in this State. It is a billion-dollar enterprise. Its assets at 30 June this year totalled $1 300 000 000. It is worth noting that the Savings Bank of South Australia is a very important public sector presence in the banking industry, which is, of course, a mixed economy enterprise. A large and important State banking system is based in each State, both savings and trading, and there is also a large and important private banking sector, both savings and trading.

The Savings Bank of South Australia, our public sector savings bank, is a major lender for housing. The bank has concentrated most of its financial lending as well as most of its energy in that area. That is the area in which it has made its greatest contribution to the development of this State. At 30 June, current housing loans with the bank totalled $446 700 000. The bank has another important function as far as the community is concerned, which dates back to its very origin in the middle of the last century, very soon after the founding of the colony of South Australia, and that is as a repository for the savings of the ordinary people of this State. Indeed, the Savings Bank of South Australia has been seen traditionally as the appropriate repository for a vast bulk of the population's savings, from the very first years when, as children, they start saving through the school bank, through the rest of their lives.

Total deposits at June were $1 200 000. The bank has maintained that high profile as the savings repository for the ordinary South Australian in the face of a number of

alternatives and quite fierce competition over the years. It is partly because that competition is becoming different and, one might say, much more intense in the modern day financial world that some of these amendments are both necessary and desirable. Another aspect of the bank that we should note in considering any Bill aimed at strengthening its power and increasing its flexibility is that the bank is an important employer in this State. It has an expanding staff level, because it is an expanding operation in a period when many other businesses are either in a state of stagnation or are operating in a situation of rising unemployment in the State. As a stable and important employer, the bank and anything surrounding it obviously deserves the closest attention and support of the Parliament.

This year we are looking at the Savings Bank with another major difference: it is now one of only two banks with its head office in South Australia. Notably, both of those banks are Government banks, the other being the State Bank. Because the headquarters is situated here, we have the capacity for some local influence over investment decisions in the State. That is something that is now lacking among private sector financial institutions, the most notable absence being the Bank of Adelaide, the headquarters trading bank that was based in South Australia. Admittedly, it was not one of the big banks in Australia, but certainly its presence in South Australia and the presence of its headquarters here was very important to us on a national level. On many occasions this House has debated the implications of the loss and take-over of the Bank of Adelaide, and I believe that no implication other than one that impinges on this Bill need be mentioned, namely, that with the demise of the Bank of Adelaide as a headquarters bank in South Australia, we now have recourse to only the State banking system in that respect.

That makes it all the more important that it be competitive and flexible in the general banking industry. The Savings Bank of South Australia is recognised as a progressive bank. It has been very innovative in developing new services, including the payment of interest on personal cheque account balances and a number of other flexible approaches to banking which have been well received by the public and which have made that bank a trail blazer in many respects. It is not a fact, as some suggest, that public sector enterprises tend to stagnate or become complacent. On the contrary, very often they can be in the vanguard of developments and activities, and in the Savings Bank of South Australia we certainly have such a situation. Again, to the extent that this Bill enables the bank to take an even more active role, its provisions are to be welcomed and supported.

Another element worthy of mention, and one that cannot be ignored in the current state of the South Australian Budget, is that the Savings Bank as a State-owned bank provides an important source of revenue or taxation to the Government through the levy on the bank's surpluses. This year the Government plans to collect $4 300 000 in tax from this bank. That is a big increase over the $2 700 000 earnt last year and it indicates again that the Savings Bank is active and progressive in its field. It also shows the direct benefits to State revenue that accrue from the activities of the Savings Bank of South Australia.

This Bill is being debated at a very important time for the banking industry generally, but particularly for savings banks. There are reports that throughout Australia savings banks have been failing to maintain their share of total deposits. That has enormous and particular implications for the housing industry. Total savings bank home loans in South Australia in the eight months to August were $158 000 000, compared with $150 000 000 to August last year. That is only a 5.3 per cent increase. That increase has come about in the face of rapidly increasing housing costs and an inflation rate, if one bears in mind the cost of construction or renovation in excess of the general inflation rate, probably by some 3 or 4 per cent.

An additional factor is the Campbell Report on the financial system, which will be released next week. That document could have major implications for savings banks. Reports indicate that the Campbell Committee will seek to foster increased competition in financial markets and that permanent building societies will be encouraged in this role rather than through foreign banks. The completion of that inquiry has taken a long time and it has assembled a mass of data, so it must be advocating some fairly profound changes in the banking system. Of course, that will provide a great new challenge for savings banks, which are already being challenged by credit unions, building societies and other alternative sources of deposit savings. Savings banks are used to such challenges, particularly Government savings banks.

The South Australian Savings Bank has been in operation since 1848 so it has seen a lot of Governments come and go, a lot of changes in social and financial practices, a lot a major booms, and a lot of big depressions. The Savings Bank has survived all those things and I think it will definitely survive the challenges it faces in the future. Of course, it faced a keen competitive challenge in the 1960's when the Federal Liberal Government allowed the private trading banks to establish savings bank subsidiaries. I think it is very questionable whether that move was to the benefit of both investment and savings in this country. Nonetheless, it was done and it vastly increased the competitive pressure on State savings banks.

Today, apart from its role as a provider of housing finance, the Savings Bank has two important functions. It is a large non-official holder of Government securities, and it is also a large holder of local government and semi-government authorities' debts. In performing these two functions, the Savings Bank further underpins Government activity by financing capital works projects, which are vital to the ongoing public works programmes in this State. In 1980-81 the Savings Bank of South Australia lent $8 000 000 to the Electricity Trust and $11 800 000 to the South Australian Housing Trust. That is an indication of the type of lending support that can be provided by this institution. That is what a locally controlled public bank can achieve for the benefit of the State.

I turn now to the detailed provisions of the Bill, and I will comment on those matters which I believe should be the subject of further questioning and examination during the Committee stage. Clause 4 deals with definitions. The only definition that I wish to refer to relates to the efficiency of officers. The question has been raised, if promotion, appointment or proposed appointment to an office on the basis of efficiency is to be related not only to the qualifications and aptitude to carry out the duties of that office but also to the ability to carry out the duties of some higher office, whether that might not in some sense discriminate against promotional or employment opportunities for women in the banking system. This matter relates not only to Government, but business generally. We know about positive discrimination, equal opportunity and other attempts to encourage the active participation of women in industry. Here is a case where perhaps, because particular qualities or qualifications for a position are not accompanied by higher qualifications or qualities, someone may be disadvantaged. I am putting this comment forward as a suggestion and I put it no higher than that. I think we should address ourselves to this matter and perhaps receive some response from the Minister at the appropriate time.

Clause 5 provides for the appointment of a Deputy Chairman, and the Opposition will not be objecting to it. Clause 7 will also require some consideration in Committee, and in particular subclause (f), which provides that the trustees may prescribe officers; then, appeals through the classification committee cannot be made against them. This clause will give the trustees an increased power, and the Opposition understands that the Australian Bank Employees Union, which represents Savings Bank staff, is fairly unhappy about it. They believe that it will give the trustees, and they are right in their belief (certainly in theory, in legality), an unfettered ability to declare officers and take them out of the appeals procedure. The bank has only used that procedure since 1974. I have considerable information and correspondence about this matter, but I think it is more appropriately dealt with during the Committee stage. It is a question that should be pursued. The Opposition would like to explore the way in which the trustees envisage that this power will be used, what sort of officers are to be prescribed and what effect this clause will have on the general industrial relations and efficiency of the bank itself. I think it is fair to say that we must explore this clause closely, particularly in view of the dissatisfaction of bank employees and their representative union over this matter.

Clause 25 deals with the bank's lending powers and it repeals existing sections 31 and 31a of the Act and provides alternative clauses in their place. Very important consideration relates to the current wording of section 31. Among other things, that section provides that the bank may lend on mortgage, on land or estate, or interest in land, providing such land or estate or interest in land is situated within the State.

Those words 'within the State', the reference to a geographical prescription of where such lending may take place, are removed by the current Bill. This, I believe, is a very important provision. While on the one hand we must try to free up the bank in terms of what it can participate in and where it can invest, we also must not lose sight of the fact that the primary purpose of the bank is to hold the savings, the deposits of South Australians, and use them for the benefit of the South Australian community in this State. The deletion of that requirement should be looked at closely. In that respect, in Committee we will be moving an amendment which, while we believe it does not affect the fundamental purpose of the section, particularly new section 31 (1), nonetheless puts some prescription on section 31 (2) that means that in the Act it is clearly stated precisely where the emphasis (and by the amendment we will move, in certain respects the requirement) of the bank's lending policy should be. It would be unfortunate if investments were made in other States when residents of this State were not having their needs met, particularly in home loans.

This is an important means of stimulating activity. Let us recall that the number of institutions that are controlled in this State and run from this State with significant investment funds are few. We have seen this tendency for South Australia to become a branch office State in so many areas of business and finance in recent years that it has become very important indeed to hang onto what we have and to ensure that those institutions that are based in the State see their primary responsibility as relating to the State and investment in that State. While not being restrictive in this matter, we believe that some regard should be had to that in the provisions of the Bill.

Section 32 is amended by clause 27. Incidentally, in this area I point out that there is no clause 26 in the Bill. I understand that that is an error, that in fact there was a clause 26 but subsequent alteration of an earlier clause did not result in renumbering, so there is nothing missing, but I think it is worth drawing the attention of the House to the matter. Clause 27 also extends this power in relation to the ability of the bank, in this case, to take shares, debentures or other securities of a body corporate undertaking functions incidental or related to banking. It is worth noting that there are two provisos on that clause, namely, the concurrence of the Treasurer and the functions incidental or related to banking.

Clause 27 is an important amendment and, again, one that, by opening up new areas of activity for the bank, will obviously increase its competitiveness and flexibility, and we certainly welcome that clause. It would appear, for instance, to enable the bank to take equity in a merchant bank and enter this expanding area of finance. Merchant banking involves, among other things, specialised, longer-term loans to industry for capital development.

Such a financial institution in which the public sector had equity and which channelled its funds into local industry could have a significant effect in boosting investment in our key industries. In this way, the provision of more specialised finance could be an important means of boosting the development of the State. Clause 31 amends section 42 and again gives new flexibility, this time in developing new types of deposits appropriate to compete with building societies and other non-banking financial intermediaries, and we welcome this.

The second paragraph, paragraph *(ba)*, would enable the bank to invest or borrow on the short-term money market, and in other ways. Again, we support this, although I have one or two questions about it that we will raise in Committee. This certainly could enable the bank to obtain a better return from its liquid assets by investing any surplus liquidity for short periods of time on the short-term money market. I understand that this is already done by the bank. The amendment may simply regularise a current practice. In any case, it puts the matter beyond doubt and, if you like, invites the bank to take part in it.

This leads to a more fundamental consideration. At present, short-term money market operations are concentrated in Sydney and Melbourne, yet significant funds from this State are being placed through dealers in those cities. Indeed, some of the borrowers of funds first lent in South Australia will themselves be located in this State. South Australian Government funds will be signficant among the total from the State placed through Melbourne and Sydney. The State Transport Authority, for instance, is believed to have placed millions of dollars on the market in recent years. It is probably time (I think it is high time) for steps to be taken to develop money market dealers in Adelaide.

State Government financial institutions, including the Savings Bank of South Australia, the State Bank, and the State Government Insurance Commission, probably have the resources to conduct the business of a dealer and, if that is so, that matter should be seriously looked at. The State Government should take the initiative and sponsor moves to develop this potential industry in Adelaide. Money market dealing is a labour-intensive activity and jobs could be created and incomes earned here that are at present occurring elsewhere. Again, it means an increase in our financial participation from South Australia in all aspects of the financial world.

Clause 39 refers to the annual report. At present, Parliament is to receive the annual report within 14 days of its preparation, which in turn must be within three months of the end of June. This clause talks about its being made available as soon as practicable after the accounts have been audited. We do not think that that is good enough. We think that some time limit should be placed on that, and we will be so moving.

Let me conclude on the note that brings me back to my opening theme. Banking faces great challenges. The State Savings Bank is a vital banking institution in this State and this country, but most importantly, by having its headquarters here and its base of borrowing and investment here, obviously it has to be looked at very closely by the Parliament and, if the bank feels that it is constrained in any way in what it can do, it ought to be allowed to develop in those directions, obviously consistent with the security of depositors' savings and the financial standing of the bank, and the Act should be freed up accordingly. That is why we support it.

I make the point that there are certainly challenges for the banking system as such, but the State banking system must not be looked at first on a State basis. Taken together, the various State banks comprise a very significant portion of banking in Australia. Obviously, each of them concentrates on its own State boundaries, but there are far more things that the banks could do as a network in co-operation with each other. We should look to some of the developments taking place in New South Wales, such as the new naming and role of the State Bank of New South Wales and its ventures into the overseas market, indicating that vigorous banking operations can take place from a State bank.

If we can not only do that from this State, but link up with those other banks and jointly provide services, I believe that we will see our South Australian Savings Bank and banking system being not only a major engine for economic development in this State, but an important part of the financial system in Australia. I support the Bill.

The Hon. D. O. TONKIN (Premier and Treasurer): The Leader of the Opposition very properly has described this as a Committee Bill. Indeed, it is. The many provisions allowed for are matters of detail best dealt with in Committee. There are a number of matters that the Leader brought forward. I would be pleased to reply to those briefly at a later date. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

The Hon. D. O. TONKIN (Premier and Treasurer): I move:

That the House do now adjourn.

Mr ABBOTT (Spence): I was going to refer to certain remarks made last evening by the member for Mallee concerning the Manager of Ralkon Agriculture Company at Point McLeay, but as the member for Mallee indicated that he would require more than one opportunity to debate that matter to the fullest degree, I will wait to hear his further remarks before offering any comment.

This evening I wish to discuss children's services and, in particular, the bad news for child-care centres. The Federal Budget brought no hope to those parents and children trying to find scarce space in those services that cater for the needs of working parents. Apparently, there will be no money for new programmes and services, nor will there be any funding for certain child-care centres in this financial year, yet 18 per cent of women with children under six years of age work full-time for all or part of the year and 28 per cent work part-time, while places are available for less then 5 per cent of children in such centres.

It appears that child care is being left to outsiders. According to a Canberra report, more than 80 000 Australian children under the age of three years spend 10 hours a week or more in the care of people outside their immediate family. This was shown in the results of a survey conducted by the Australian Bureau of Statistics in June, but published only last week. The statistician's figures show that these chilren are more likely to be cared for under informal arrangements than in formal day-care centres. The figures show that 13 300 children under three years of age spent 10 hours or more each week in a day-care centre, another 40 700 were cared for by relatives outside their immediate family, such as grandmothers and aunts, while a further 26 200 were cared for in informal situations by people not related to them.

The survey showed that a further 27 200 children in this age group spent 10 hours or more each week in the care of the spouse of the person responsible for them, or by brothers and sisters aged between 12 and 17 years. In this survey, the statistician usually, but not always, classified the mother as the person responsible for the child. The figures are not exclusive. For example, a child could spend 11 hours a week in a day care centre and another four hours a week being cared for by people not related to him, without the doubling-up effect being revealed.

The survey showed that 36 100 children under the age of three years spent some time each week in a day-care centre, and that another 146 900 were usually cared for each week by relatives outside their immediate family, while 73 500 were usually cared for by people who were not relatives. The survey also showed that another 224 700 were usually cared for each week by the spouse of the person responsible, or an older brother or sister.

Yesterday, when the Minister tabled the Annual Report of the Department for Community Welfare for 1980-81, that report showed that there were 400 reported cases of child abuse in that year, compared to 258 in the previous year.

In fact, there was an increase of 142 child abuse reports in the year 1980-81. This makes one wonder whether the dropping off of funds for child-care centres will see an increase in child abuse figures. It is most disturbing to learn that child-care centres have come under threat of survival in South Australia. I was disgusted to read in the press recently that Port Adelaide's only subsidised child-care centre was forced to close because it had no money. The LeFevre Peninsula Neighbourhood Centre apparently had lost the battle to stay open, despite protests and appeals to the Social Security Minister, Senator Chaney. According to that report, the State Government had refused to continue interim funding for the centre following Commonwealth rejection of applications for financial grants.

The Acting Director of that State centre said that, with 130 enrolments, they were trying to help parents find alternative care centres. Before that the staff had made every effort to keep the centre operating. I have in my possession a letter from one of the staff, which I will quote. The letter states:

I am writing to ask you for a donation for the Le Fevre Peninsula Neighbourhood Centre. This is a community and child-care centre at Taperoo, serving all of the Port Adelaide area—the nearest alternative is at the Parks.

As you are probably aware from recent media publicity, the centre has once again been refused Federal funding, and its survival is now very much in doubt. The reason given by Senator Chaney, the Minister for Social Security, for this rejection was that we did not have a high enough priority rating, 'taking into account the needs of each area and the services to be provided.' Given the socio-economic nature of the Port Adelaide area, we find this unacceptable.

The parents and staff are battling to retain the centre. We are operating with reduced staff and services in the hope that we can keep going long enough to exhaust every avenue to obtain secure funding. We have written to community and women's organisations, to politicians, and to trade unions, asking that they send telegrams

and letters to Senator Chaney. We have also been able to obtain media coverage of the issue.

However, reduction of services, plus the uncertainty surrounding the centre, has resulted in a decline in numbers. As you would realise, centres like ours are not able to build up reserves, and the arrival of electricity and phone bills has forced us to question whether we can stay open much longer.

I hope you will agree that the issue is an important one—for women and children, for the Port Adelaide area, and for health and welfare services generally—and that it is therefore vital that we continue to fight. This is why I am taking the unusual step of asking directly for donations, to allow us to keep going at least a little longer.

Please help us. Ours is a good centre, offering quality child care and community resources, in an area of great need. We have the full support of the relevant State bodies, and we hope that we may yet win out. If you know of any other person or organisation who may be able to help us in any way at all, please pass this on.

The closing of such a much needed facility seems to me to be a disgrace, particularly in such an underprivileged area. Again, we see women and children being made to suffer because of the Government's parsimony. Here was a centre that catered for children of single parent families and migrant factory workers on low incomes. The struggle to stay open had taken two months, with quite a number of parents joining in the fight. Staff members had worked reduced hours on lower pay and when the struggle was lost they had to organise a barbecue to raise money so that they could pay their bills.

I understand that the State Government had on two separate occasions provided interim funding, but unfortunately the Childhood Services Councils was unable to continue to provide support, as all funds available in the council's 1980-81 Budget had expired by the end of June 1981.

The SPEAKER: Order! The honourable member's time has expired. The honourable member for Eyre.

Mr GUNN (Eyre): I appreciate the opportunity of speaking in this grievance debate to highlight a number of problems which I have in my electorate dealing with what most people would regard as a basic necessity of life, namely, the provision of adequate supplies of water and the ability to be connected to a reticulated electricity supply. The first matter I want to mention is the plight of my constituents at Coober Pedy, who are appreciative of the great amount of money which Governments have spent on providing water by way of installing desalination equipment, reverse osmosis, which in recent times has resulted in adequate supplies but at great cost, some $30 per thousand gallons (which I have not converted to metric).

People at Andamooka have to have water carted from Woomera. The progress association has its own trucks and has tanks to cart the water a considerable distance, which is very expensive. The people who live west of Ceduna are in a similar position. The cost to the Government to provide water would be hundreds of thousands of dollars per connection. These people are faced with difficulties in their agricultural pursuits owing to the relatively short period of rainfall during the year, and in some of the areas the soil is not suitable for the construction of dams.

Everyone is aware of the cost; however, the thing that concerns me is the criticism that has emanated from the Leader of the Oppostion in recent days in relation to the deal the Premier entered into with the Commonwealth Government to take care of the massive debts which were created by the previous Government which, with hair-brained schemes such as that involving the Land Commission, ran up bills of up to $89 000 000 which we are going to get out of about $38 000 000 or $39 000 000, together with schemes such as Monarto, which we managed to get out of for $5 500 000, and massive expenditure on pie-in-the-sky schemes such as the frozen food factory. We have the mounting deficits such as that involving the State Theatre Company, which last year had a deficit of $1 400 000, and in 1978-79 a deficit of about $1 200 000. I use that comparison because, if it is good enough to subsidise the State Theatre Company to provide entertainment, in my view it is good enough to assist these people who live in remote areas, when everyone else takes for granted the provision of adequate supplies of water and electricity at a reasonable cost.

The people in the Flinders Ranges, in the Wilpena and Blinman areas, would do anything to have their properties connected. Some of them are prepared to pay in excess of $25 000 for a connection. However, there have been delays, and I urge the Minister to proceed with all haste in this matter. These people are entitled to have power, and in my view it will assist the Government. They currently have to maintain large generating capacities at Wilpena. We all know that the best way to supply electricity is to have it hooked into a central group, so that you have a reliable and regular supply.

There has been a report written from time to time about the best forms of electricity in that area. All I can say to those people who advocate other forms of supply is that they should live with them; just give the people in the Northern Flinders Ranges the opportunity to be connected to a s.w.e.r. system, and they will be quite happy, even if they are called upon to pay up to $25 000. The people who live in the Penong area west of Ceduna are very keen also to be connected to a system. They are concerned with the tremendous costs they are going to incur. I think the scheme at Ceduna involves a total cost in excess of $600 000, and if the Government can see its way clear to give some subsidies for those people, they will greatly appreciate it.

Unfortunately, they are not in a position to go to the State Theatre Company. Few of those constituents have the opportunity to go to the Festival Theatre. Both those organisations receive massive subsidies from the Government, and all these people in my district want is a bit of a go from the State Government in relation to the basic necessities of life.

What irks them, and what irks me, greatly is that we had a Government in this State which seemed to have plenty of money. It could throw out this money on hair-brained schemes to build cities which were never required and enter into an agreement to foist upon hospitals a frozen food factory that none of the hospitals wanted. There had to be great pressure applied to the boards of management and administrators of hospitals to get them to enter into arrangements to use those facilities. In fact, that money could have been put to the great benefit of people living in the isolated parts of South Australia. They are the people who continue to live in that area and who are providing valuable export income for the benefit of this State and nation. I believe it is a small request, and the Government should give assistance in these matters.

If one goes through the Auditor-General's Report and sees the sort of subsidies and payments that are made to other statutory bodies to provide facilities and non-essential services, then the requests of my constituents are not great at all. I am aware that budgetary considerations are tight, and I support entirely the economic strategy of this Government, which is attempting to put the finances of this State in order. I believe that has the support of all responsible citizens in this State. However, I urge the Government to examine the position closely whenever the statutory authorities request funds to meet their deficits. If such organisations cannot put their own houses in order they should be put under the microscope to ensure that when money is granted to them they have plans to provide that these deficits will not continue in an open-ended manner when other urgent projects should be funded.

Anyone who has visited Coober Pedy will be aware that the people there have a real problem. Coober Pedy is in one of the driest parts of Australia, and water is absolutely essential. It is impossible for people to have gardens of any kind. Salt water is piped through the centre of the town by the progress association to provide water for sanitary systems. Clearly, the people have tried to help themselves, and I appeal to the Minister to do something to help them with costs if he is in a position to do so. The same position applies in respect of the people at Andamooka.

The situation that galls me and the people of these areas is that these projects should be put into effect, yet the Minister of Water Resources does not have the funds to carry out capital projects, when in the past money has been wasted, while other departments seem to have unlimited money. It is high time that we examined the criteria which Sir Thomas Playford used to develop this State: he put bread and butter issues first, built houses and put hundreds of kilometres of pipeline throughout South Australia so that people could get on and develop this State.

By doing that he created an economy which had long-term benefits for the people. The types of programme instituted during the 1970s meant that we were spending more money than we earnt. We were spending it in non-productive areas, and today many of those programmes have turned out to be nothing more than pie-in-the-sky schemes or white elephants.

If the Premier is given a fair go, and if the Opposition acts responsibility, it will support the economic strategy which he is following and which will, in the long term, allow the Government to fund such urgent projects as I have mentioned. I have raised these matters not in criticism of the Government but to bring to the attention of the House the problems facing my constituents living in isolated areas. I hope that the various departments concerned can do whatever they can to assist these people.

There are problems in areas like Terowie, which rely on dam water. When the dams get down the water becomes discoloured and causes many problems.

The SPEAKER: Order! The honourable member's time has expired. The honourable member for Norwood.

Mr CRAFTER (Norwood): I wish to bring to the attention of the House the consequences of an example of Government indecision and confusion in administration of valuable Government property and the resultant effect that that has had on the community. I am referring to a building on The Parade, Norwood at the corner of The Parade and Sydenham Road known as 45 The Parade. That property was purchased in 1978 by the former Government for the purposes of the Environment Department. That building since that time has been vacant, unused and, in fact, is now very much in a derelict condition.

It is my advice that the Government is no further down the road to a satisfactory use for that building. It is causing, as I have suggested, some concern in the local community, and no doubt it would cause concern in the wider community if it was well known that the Government had left idle this building for such a long period. One can only conclude that this is the result of Government mismanagement and indecision. It is an occurrence which happens when the Government cuts back on funds for public buildings, on the maintenance of public buildings and on the proper housing and accommodation of important areas of Government activity.

I understand that the building was purchased at public auction for a little over $400 000 in 1978 which would, of course, be a substantially greater amount in today's money terms. The building was purchased to provide a central depot and workshop complex for the National Parks and Wildlife Division of the Environment Department and for accommodation for relocation of some units of the Environment Department. I understand that the Noise Control Unit was to be located at that site and that the property was to service the Environment Department head office for vehicle maintenance, garaging and other storage requirements. Development of the property had been the subject of assessment in 1978 and 1979 by private consultations and the Public Buildings Department. At the time there was a change of Government, plans had been prepared for the calling of tenders for the necessary building alterations to be undertaken.

As time went by and it was obvious that there was no intention to develop that site for that original purpose, I took the matter up with the responsible Minister (as I thought he was)—the Minister for the Environment. I did so after receiving numerous representations from local business people and residents in that area as well as people connected with the Norwood Football Club, which is adjacent to the property. There was indeed strong criticism of the Government's management of the site. There had been a great deal of vandalism; cars of workers and residents parked nearby had been damaged. A great deal of graffiti had been placed on the building and it was in a very unsightly condition indeed.

Further, there were expectations in the local business community that this site would be developed and that it would house many new workers in the area. There was great disappointment to the local business people when the site was not developed as originally planned, and the fillip that the local community could have expected did not eventuate. Further, there was the general run-down in the environment of that precinct, which is a most attractive area of Norwood. Many people claim (and I agree with them) that that detracted from the pleasantness of the area. I believe that arrangements could have been entered into with the Government to provide parking space on the vacant allotment adjacent to the building also owned by the Government for shoppers and persons attending the Redlegs Club and the Norwood Oval for functions and sporting events. However, it seems that only in recent times has that parking area been made available for such purposes. My letter to the Minister in March this year brought a very brief response. He stated:

> In reply I advise that the Government has a committee looking at uses for this building and a decision on its future is expected to be made later this year.

Having written a detailed letter about vandalism and other concerns of the local community, I was not satisified with that response, and I wrote again to the Minister, who then referred this matter to the Premier. It appears that the Premier has some interest in this matter, being the Minister reponsible for emergency services in this State. In my subsequent letter to the Minister, I stated that it was well known in the local community that the Government was considering placing emergency services in this building. The Premier replied in an undated letter, which I received in early June this year, and stated:

> Part of the site at the back of the property is under consideration in relation to an Emergency Operations Centre, and the Director-General, Public Buildings Department, has been in touch with the Corporation of the City of Kensington and Norwood regarding the matter. However, a definite decision has not been made and, as far as I am aware, no work has been carried out on the site, unless it is in relation to a soil test.
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> If the proposal is developed further, it is possible that the front section of the site facing The Parade will be made available for some other purpose. The site was originally purchased for the use of the National Parks and Wildlife Service, but is held in the name of the Minister of Public Works. It is likely that any development of the site would involve demolition of the structures already there.

That was a very vague letter indeed, and one could presume that there were no definite plans for that site. In my earlier correspondence to the Minister I asked him why he had not told the local community about plans for this site so that the community could be involved in the decision-making process. In particular, I asked him why he would not make available the information sought by the local member of Parliament. All this became patently clear the week before last when a submission on behalf of the Premier's Department was placed before the Norwood council to erect on that site a nuclear fall-out shelter.

We continually hear from the Premier, the Deputy Premier and members opposite words of advice about how safe the nuclear fuel cycle is and in particular how safe it is to export uranium to other countries. Yet the Premier's Department is planning to build a nuclear fall-out shelter right in the heart of this city and in my district, without telling anyone in the community prior to its lodging plans with the local council seeking approval. Naturally, the council rejected this proposal out of hand. The *Messenger* newspaper the week before last in the Burnside and Norwood *News Review* stated:

Kensington-Norwood council has vetoed State Government plans to build a nuclear fall-out shelter in Norwood. The hermetically-sealed underground room would have been capable of protecting between 20 and 30 people for about two weeks before they would need to re-emerge from the bunker.

It would have included a decontamination area with facilities for destroying 'contaminated clothing', special air-conditioning, and equipment for detecting radioactive fall-out.

The bunker plans were part of a Premier's Department request to use Government-owned land at the corner of Sydenham and Beyer Streets, Norwood, to build a State Emergency Service Headquarters and an emergency operations centre underneath. The operations centre is a nuclear fall-out shelter.

This was the first that the community heard about the proposal, a community which, through its council, has expressed great concern about the nuclear fuel cycle, and in particular about any activity in that council area that would attract attention to it because of the nuclear fuel cycle. So, the council has very rightly referred this matter back to the Premier's Department seeking definitive answers to the many questions it has raised. There is now great concern about this matter.

The SPEAKER: Order! The honourable member's time has expired.

Motion carried.

At 10.30 p.m. the House adjourned until Thursday 12 November at 2 p.m.