HOUSE OF ASSEMBLY

Thursday 25 February 1988

The SPEAKER (Hon. J.P. Trainer) took the Chair at 11 a.m. and read prayers.

HOUSING TRUST RENTS

Mr MEIER (Goyder): I move:

That this House urges the South Australian Housing Trust to reassess the method by which rents are assessed for persons on a service pension whereby child allowances are taken into consideration by the trust, thereby forcing the service pensioners' child or children to pay a share of the rent.

This motion relates directly to poverty in South Australia, because the South Australian Housing Trust is at fault. We are probably all aware, but I would like to remind members of the House, as Randall Ashbourne stated in an article in the *Sunday Mail* of last year that, according to an analysis of 1986 census data, South Australia is the State with the highest level of poverty, with 33.4 per cent of households receiving an annual income below the poverty line. That is not a very positive aspect and it is certainly a tragedy for what was a great State. Perhaps I can refer to some of the comments made last year by members of the Government. The member for Mawson said:

In the past 10 years the number of children in Australia's poorest families has more than doubled.

I think we need to remember that, at the next State election, the Australian Labor Party will have been in office in this State for 20 out of the 25 years, so we know who is responsible. Last year the member for Adelaide said:

It is not simply that the incidence of poverty in our community is increasing; its distribution is changing.

Following the result of the recent Federal by-election for the seat of Adelaide, the member for Adelaide must be shaking in his shoes, because he recognises (and I acknowledge this) that Labor has abysmally failed the people of this State. It is a tragedy that members opposite do not address the real problems of poverty and many other areas. This motion deals with one particular aspect of poverty to which the Labor Government closes its eyes.

Mr Lewis: Turning its back on it, too.

Mr MEIER: Turning its back on it. Members would well recall before the last Federal election the Prime Minister saying that he would get rid of poverty in this country by, I think, the year 1990. Many of his fellow colleagues, members of the Labor Party, shuddered when they heard that statement, because they felt that he could not do it. Members of the Liberal Party wondered what magical cure he had, and we are still wondering. The Prime Minister announced that he would give a special extra monetary supplement to those families where poverty was seen to exist. I suppose that we would have to applaud that statement, but the question is: will money itself overcome poverty?'

The child allowance is the item that now accommodates the extra payment made to people who have a low income. We are well aware of previous allowances that are still current, such as the family allowance. Most members with families would also be receiving that allowance if their children are still relatively young. We would be aware of allowances such as the domiciliary care allowance and the handicapped child allowance. All of these allowances—family allowance, domiciliary care allowance and the handicapped child allowance—are not taken into consideration by the Housing Trust in determining rents, and quite rightly. However, the child allowance for service pensioners is taken into account.

In the case that has come to my attention of a Mr Bruce E. Cunningham of Moonta, he is a returned Vietnam veteran on a service pension. Unfortunately, he is a partial quadriplegic, so he does not have the opportunity to earn, and the opportunity will not be there in the future. He is confined to a wheelchair. I have had quite a long chat with Mr Cunningham and I realise the situation he is in. He has two children, Rebecca and Leigh, about the ages of five and two. They are actually now paying rent, because the Housing Trust takes their allowance into consideration when charging rent.

So, here we have the ultimate. We know that the Labor Government is a high taxing Government: we have seen that time and time again. It is re-emphasised in this case, and the people of South Australia and Australia are waking up. Now we see that the Labor Government is prepared to tax anyone and anything. And 'anyone' happens to be children, children five years or younger in this case, but they could have been 12 years or 14 years.

The Hon. H. Allison interjecting:

Mr MEIER: My colleague the member for Mount Gambier interjects and says, 'Keating has saved $1 billion this financial year from pensioners.' Hit the small people! That is the word of the Labor Government. Hit them; if they have any spare money—let's tax it! 'We need it,' says the Government, 'because we are a big government and we do not want the individual to have too many rights or too many opportunities.' It is absolutely disgraceful!

I certainly wish that the Minister of Housing and Construction was in the Chamber listening to this debate. I brought this matter to his attention in a letter dated 5 October 1987 in which I detailed the situation as it applied to Mr Cunningham. I received a reply from the Minister (Hon. Terry Hemmings) and he makes a very interesting comment. I think all members would be interested in this. He said:

When assessing applications for reduced rents, the trust takes into account the total gross income of the tenant and spouse from all sources. The trust is consistent with all other housing authorities in that it includes additional pension for children as income. However, specific allowances such as family allowance, domiciliary care allowance and handicapped child allowance are excluded from income for rent determination purposes. The situation of all tenants on reduced rents is reviewed regularly.

What a contradiction is made there! He says, for a start, 'We take into account the income of children,' but then he says, 'There are some incomes of children that we do not take into account.' It is just not good enough. I urge this House and, in particular, the Minister, to reconsider the situation. If the Labor Party is genuine about trying to fight poverty, if it is genuine about having a concern for children, and if it is genuine about not seeing children taxed, it has only one option, and that is to vote for this motion. It has no other option. If any member on that side does not vote for the motion but, in future, attacks policies of the Liberal Party or any other Party because they feel that they are looking after the well-off people, they will be shown to be more hypocrital than they already are. I hope that they will consider this motion and look at the arguments that I have put forward.

I have received a few letters, but unfortunately time does not allow me to read them all into *Hansard*. I hope that the Minister will come into this House and reply to the comments that I have made so far.

Mr Lewis: He doesn't even answer questions, let alone reply to comments.

Mr MEIER: As the member for Murray-Mallee said, the Minister does not answer questions let alone reply to other

matters. Unfortunately, that seems to be the case. Let us be quite clear on this issue. Mr Cunningham is not looking for any additional payout. He is quite satisfied with the amount of money that he receives, although it is in the low income bracket. He has a Housing Trust house, with which he is very pleased. I give the Housing Trust credit for making modifications to the house at Moonta to accommodate his wheelchair. As Mr Cunningham, in his letter to me of 21 September, said:

I am a service pensioner confined to a wheelchair and aged 40, with a very dedicated wife aged 31 and two children aged 5 years and 10 months.

He goes on to detail the various matters to which I have already referred. However, it is relevant to point out the following:

I would like you to raise the matter in the House, why the SAHT when conducting six monthly related CPI reviews class the child allowance as assessable income and exempts the family allowance (child endowment) as assessable income? But, they are both paid for the benefit of my children for their needs, not to subsidise the trust rent. For example, the service pension combined per week is equal to $187; child allowance of $17 each per week is equal to $34; the total amount reviewed six monthly is equal to $221.

I appreciate that, since these figures were given, there has been an increase. If Mr Hawke is serious about his promise to the nation and if this Government is serious about looking after the underprivileged, then without doubt, it will have to support this motion. I look forward to the Minister's response in relation to the Housing Trust exempting child income, which is paid by the Federal Government, from assessable income in determining Housing Trust rents.

Ms LENEHAN secured the adjournment of the debate.

COMMISSIONER FOR EQUAL OPPORTUNITY

Ms LENEHAN (Mawson): I move:

That this House deplores the public attacks of the member for Davenport on the Commissioner for Equal Opportunity and expresses its support for the Commissioner's efforts in giving effect to the policies of the Parliament as expressed through the Equal Opportunity Act 1984.

This motion condemns the member for Davenport for his publicity-seeking by way of an outrageous and uninformed attack on the Office of the Commissioner for Equal Opportunity and, in particular, a personal attack on the Commissioner, who is a statutory officer carrying out the forms of specific legislation of the State and the Federal Parliaments. It has become almost a sport of the Opposition to attack female senior public servants and statutory officers either because they are appointed to senior positions or because they carry out their professional duties efficiently and effectively. In his band wagon attack on the Commissioner, the member for Davenport, through a news article entitled 'Tiddy should go—Evans', has sunk to an all time low by accusing the Commissioner of blackmailing employers. What the member has demonstrated through his personal attack on the Commissioner is, first, a lack of knowledge of the Equal Opportunity Act 1984 and the Commonwealth Sex Discrimination Act 1984.

Secondly, it demonstrates a complete ignorance and total disregard of both the historic and current position of women in the work force and, thirdly, a total lack of understanding of the important role and function of the commission, which has been in existence since 1976—a total of 11 years. To take each of these criticisms separately, it must initially be pointed out that the honourable member clearly does not understand the legislation under which the Office of Equal Opportunity functions. So, for the benefit of the honourable member I will outline the similarities and differences of the principal legislative Acts which govern the operation of the office.

The South Australian Commission for Equal Opportunity administers a number of Acts, namely, the South Australian Equal Opportunity Act 1984, the Commonwealth Sex Discrimination Act 1984 and the Commonwealth Racial Discrimination Act 1975. Equal opportunity legislation and affirmative action legislation are two separate and distinct entities and should not be confused, as the member for Davenport has quite clearly done.

Affirmative action legislation is a Commonwealth law and is administered from Sydney. Its administration is not part of the duties of the South Australian Commissioner for Equal Opportunity, who refers complaints and inquiries to the affirmative action agency in Sydney. The affirmative action legislation is concerned only with employment: the South Australian Equal Opportunity Act has employment as one of its areas of jurisdiction, but only as one of seven.

The other areas are the provisions of goods and services, accommodation, sale of land, education, clubs and associations and advertising. The confusion between equal opportunity and affirmative action arises because they share the same basic philosophy about employment, which is that the criteria for selection and advancement in employment should be related to capacity to do the job and not to factors that are irrelevant to this, such as, with rare exceptions, the gender of the applicant, of the job, or of the worker.

Affirmative action is not about forcing employers to accept people just because they are women if those women are unable to do the job. It is about ensuring that women have access to the opportunities that will let them compete equally for jobs and within jobs. The parallel is often drawn with an athletics race. As stated in the speech by Mr Robert Bailey, when he was Deputy Chairperson of the Human Rights Commission of Australia, equal opportunity is about making sure that people are all able to come to the starting line. It does not mean that all people are able to win the race; rather, it means that they can start in the race and that they are entitled to fair treatment along the way.

The main emphasis has been on equality of opportunity in employment. The capacity to obtain employment and, through it, to obtain resources to dispose of at one's own will is so important that it rightly has the first place. Australian administrations, together with administrations throughout the developed world, are aiming, to revert to the analogy of the race for a moment, to ensure that everyone has had an opportunity to train for the race before it begins and, once it gets going, that no unfair obstacles are placed in the way by giving certain preferred people the inside running through overt or covert assistance. Affirmative action means helping everyone to start the race and to run in it.

Let us have a look at the legislation in short. The affirmative action legislation, the Equal Opportunity for Women Act 1986, was developed in consultation—and may I remind the honourable member about this—with employers, trade unions, women's groups and other organisations. It requires employers with 100 or more employees to, firstly, develop an affirmative action program setting objectives for improving the employment opportunities for women within the organisation; secondly, appoint a senior executive as affirmative action coordinator; thirdly, provide a public report giving a breakdown of employees by sex and job classification; and finally, provide a confidential report for the Director of the Affirmative Action Agency detailing progress of the program. For the benefit of the honourable member I point out that the legislation will be enacted in stages.

Four separate dates have been set for companies of various sizes and higher education institutions: 1 October 1986 for higher education; 1 February 1987 for private companies with 1 000 or more employees; 1 February 1988 for companies with between 500 and 999 employees; and 1 February 1989 for companies with between 100 and 499 employees. So where is the validity in the member for Davenport's claim that 'Small employers would be reluctant to increase their staff'?

Does the member for Davenport consider that a business employing between 500 and 999 workers is a small employer? What a ridiculous suggestion! I am sure that no member of this House would consider such an employer to be a small establishment. The member for Davenport also claimed in his inaccurate and misleading statement that 'The legislation would restrict employers in the choice of a suitable job applicant and place more people on the unemployment scrap heap. From the outline that I have given it is obvious that the exact opposite will be the case.

Quite simply, as the writer of the article has correctly stated, the Act requires employers to change their recruitment policies to select the most appropriate person for the job on the basis of his or her ability and merit—not on preconceived and outmoded sex stereotypes and unfounded prejudices, which quite obviously the member for Davenport would like us to use as selection criteria. The legislation opens up employment to a much wider range of potential employees who have been traditionally discriminated against within the workforce. I put it to the House that in fact the legislation does the exact opposite to what the member for Davenport claims in this quite emotive and ridiculous article.

This leads me to the second criticism: the member for Davenport's lack of knowledge and understanding in respect to the historic and current position of women in the workforce. Well documented information shows that, historically, and following an analysis of productive work, there is a U shaped pattern from a relatively high level of employment in the pre industrial household economy to a lower level in the industrial economy, which rises again to a higher level with the development of a modern tertiary white collar sector.

One group which has been particularly exploited within the paid workforce is working class women whose position with lower paid wages was cemented by the segregation of jobs into male and female. That resulted in female wages being set at 54 per cent of the minimum male wage. I am sure that my colleagues from the trade union movement support that statement. Many women who were sole supporters of children were forced into dire and unrelenting poverty by this grossly discriminatory situation. Traditionally, beliefs about women as only homemakers and child carers extended into the workforce so that the jobs that seemed suitable for women were serving and nurturing jobs such as teaching, nursing or secretarial work. This became so institutionalised that it seemed to be natural. I put it to the House that it is not natural, as was seen during the Second World War when men left the workforce and women moved in to do male jobs.

At the end of the war women returned to the home, even though new levels of general health meant that they were not needed to keep children alive (as had been the situation in our early history) until a boom economy and a labour shortage once again drew them back. But by then it was only into jobs institutionalised by stereotyping as being appropriate for females.

Despite widespread social change for women from the 1970s the situation in employment has in some ways remained unaltered, with women almost totally absent from top management and clustered in sex typed, low paid, low status and frequently non-permanent jobs. Rather than the situation improving, patterns of discrimination are being reinforced by recruitment, promotion and retrenchment procedures in a context of declining numbers of overall jobs. The need for affirmative action programs is clear when the current situation for women is studied. The following is quoted from figures published in the *Bulletin* of 23 February 1988:

> Women are much worse off than men when it comes to employment. For instance, women's average annual earnings are 60 per cent those of men: $12 370 against $20 530.
>
> About 75 per cent of women work in four main areas: community services (29 per cent), retailing (22 per cent), finance/property services (13 per cent), and manufacturing (11 per cent). Only four per cent of middle/top management are women.
>
> Only one in four working women has superannuation, while half the male workforce is covered. And while women make up 33 per cent of union membership, a mere 10 per cent of union officials are women.

Mr Lewis interjecting:

Ms LENEHAN: I did not notice the member for Murray-Mallee suggesting that the other statistics were as shocking, but that would be typical of the honourable member's discriminatory approach to the whole position of women in our community, and the women of South Australia are aware of that. The article continues:

> In nearly all professions, women's starting salaries are lower than men's and the trend continues through their working life, with teaching and journalism notable exceptions. Women dentists, for instance, are paid 85 per cent of men's salaries. And on the home front, 88 per cent of sole parents with dependent children are women—279 000 of them.

So it is clear that women are a section of the community in dire need of help. And yet our economy is organised in a way that disadvantages them; it forces them to work because they need the money and then denies them the money they would gain had they simply been born male. This is not fair. And that is why there is still a need for affirmative action legislation, and for equal opportunity legislation. And that is why there is still a need for people to administer that legislation.

This leads to my third point of criticism of the member for Davenport's personal attack on the Commissioner. It demonstrates a total lack of understanding of the role and function of the office and of the Commissioner herself. As previously stated, the Commissioner is responsible for a number of Acts. Under the South Australian Equal Opportunity Act, the Commissioner for Equal Opportunity has several statutory duties. One is to investigate and endeavour to resolve complaints from South Australian citizens who believe they have been discriminated against on one of six grounds covered by the legislation. I just remind members of those grounds, which include not only sex, which seems to be the preoccupation of the member for Davenport (and we know that means a person's gender), but also marital status, sexuality, pregnancy, physical impairment and race. Section 11 requires the Commissioner, as follows:

> . . . foster and encourage amongst members of the public informed and unprejudiced attitudes with a view to eliminating discrimination on the grounds of sex, sexuality, marital status, pregnancy, race or physical impairment.
>
> (2) The Commissioner may institute, promote or assist in research, the collection of data and the dissemination of information relating to discrimination . . .

And the grounds are then listed. Section 13 requires the Commissioner to publicly foster positive attitudes to people who have intellectual disabilities.

In conclusion, I wish to quote from the latest Happy Valley council contact newsletter in which the member for

Davenport, in answering his question 'Males inflict more violence—why', states:

> For some [males] who cannot handle our changed society, the profile—

and wait for this—

> of women's rights, support services and female aggressiveness, it is frightening.

The honourable member goes on to state that there was a need for high profile agencies to help females but that now the most vocal of the butch-type lesbians are not only harming the genuine women's cause but breeding male hatred. Surely the member for Davenport is not seriously suggesting that male violence is something which has occurred only since the introduction of women's support services and public recognition that women are equal before the law and should have access to equality of opportunity in employment, education and training. What an outrageous and ridiculous claim! However, instead of blaming women for what has been an historical and cultural sex-role stereotyping and conditioning which has consistently encouraged and rewarded aggressive, macho and even violent male behaviour, the member for Davenport should welcome and support women's equality and the efforts by many sections of our community, including the Commissioner, to break down and change these destructive practices and cultural mores which have resulted in, among other things, violence, inequality and discrimination.

I agree with the member for Davenport that men who are isolated, lonely and destitute should be given support services. No-one would disagree with that. Indeed, every person in our community who is lonely, isolated or destitute should agree with that. But to blame women for their plight and to seek to denigrate women merely exposes the lack of understanding and the lack of genuine compassion which the member for Davenport has displayed.

I believe the irony must be pointed out that the kind of verbal violence and intimidation which the member for Davenport has heaped upon the Commissioner for Equal Opportunity in particular, and on women in our society in general, really tends to highlight the fact that we have to go back to the cause of this type of—if you like—violence (and in this case it is expressed in a verbal form: not for a moment am I suggesting in a physical form, but nonetheless it is a form of violence) and, instead of seeking to blame those people who have traditionally been the victims in our community, we should be working together to resolve the problems of violence and inequality in employment. I urge the House to support this motion.

Mr S.G. EVANS (Davenport): I have no alternative but to respond to a prepared speech of that type. The honourable member made one statement in her speech to which I will not refer in detail but, if she or some of her colleagues want to swap notes at some time, and if she wants to start that sort of campaign in the House, I will answer it with all the details available, because people are not involved in this sort of thing without information being passed on that may be of some embarrassment to them. I advise the honourable member to use a bit of commonsense in the future.

Members interjecting:

Mr S.G. EVANS: My statement about Ms Tiddy was not against women in general, and it was not about the rights or wrongs of equal opportunity. My statement was that Ms Tiddy had threatened the employers by saying, 'If you don't abide by the law you will either be named in Parliament or prosecuted in the courts.' That is the point I was making. It is not the job of a person appointed to a senior position to say, 'If you don't abide by the law you will pay the penalty.' The Commissioner of Police does not say that. That was the sole objection I made.

Members interjecting:

The SPEAKER: Order!

Mr. S.G. EVANS: The honourable member also said that women's earnings are a long way below men's. That is not accurate—

Ms Lenehan interjecting:

The SPEAKER: Order!

Mr S.G. EVANS:—and it is against the honourable member's own argument. What she meant to say was that what women receive in payment for the work they do is a long way below what men receive. The honourable member is arguing that women do not earn as much as men. I say that they do, in many cases, but are not paid what they should be paid. She herself was arguing against the equal opportunity argument.

The honourable member said that I am to blame. I ask her to cite one other case in all the time that I have been in this Parliament where I have attacked a senior female Government official. She made that accusation and it is an untruth. That was the tenor of the first part of her speech and she knows it is not true.

Ms Lenehan interjecting:

The SPEAKER: Order! I call the honourable member—

Mr Oswald interjecting:

The SPEAKER: Order! While calling the House to order, the Chair does not take kindly to being proffered advice of that nature by the honourable member for Morphett. I recall having pointed that out to the honourable member on more than one occasion. I would have thought that someone in his position of responsibility would bear that in mind. The honourable member for Mawson should be aware that it is not an accepted practice to continue a barrage of interjections while another member is speaking. The Chair is aware that when the member for Mawson was making her contribution some time ago she was on the receiving end of unwarranted interjections from some members opposite. However, two wrongs do not make a right. I ask her to desist, particularly bearing in mind that as the mover of this motion she will have the right to reply at a later stage. The honourable member for Davenport.

Mr S.G. EVANS: I have never made any allegations against any other senior female public official with status and a position such as that held by Ms Tiddy. The honourable member claimed that most single parents with dependent children are female: that is an historical fact, and I have never argued against that. Men were denied the privilege and honour of bearing children. Nature never gave us that right. If men had been given that right, many single parents would be men. Science may change things in the future and some men are seeking to have children by all sorts of methods. However, as men were denied the privilege, women have a closer relationship with their children. They carry the child for nine months, and I give them credit for the suffering they go through in that respect.

We have gone too far with this equal opportunity business. For example, a firm selling male clothing in this State has female fitters. Men do not wish to be measured by a female fitter. Likewise, why should male fitters work in a female apparel shop? The honourable member referred to my statement in the Happy Valley *Contact*. Of course, a statement I made appeared there, but it was nothing along the lines of what the honourable member has implied.

Not once in that article did I say that women's services should be decreased in any way, shape or form. The honourable member should read the article. I did not attack services that are available for women. What I said in that

article was that in many cases men in this society are lost and that there are no support services for them with the same high profile that women's services have so that men know where they can go.

Ms Lenehan interjecting:

Mr S.G. EVANS: The honourable member is right about the violence question: men do inflict violence on women. Why is that so? It is because since the beginning of time, when man left the tribal state, all the plays and books that have been written—and now in modern times we have radio plays, films and videos—males have been depicted in violent situations. It is the male that creates the violence in those situations, and people sit and read or watch these forms of entertainment and say, 'That is great,' and they applaud it. Because, say, two in 100 000 males lose control of their brain and turn to a knife, a gun, gas, or whatever, to kill or harm another person we start to squeal. At the same time, women in all these situations are, in the main, shown to be the scheming and cunning negotiators behind the scenes. Women are also shown as having the capacity to take into their confidence a female friend. Women have been trained and conditioned over the centuries to have confidence in each other and to talk about their personal problems.

Through our style of education in the Western world, and in the Eastern world just as much, men do not talk about their personal problems. It is considered to be not manly, not macho enough, and men are made to feel they can't and shouldn't do it. This is the nub of the problem and it is what I was talking about in that article. We must be prepared to challenge and test the amount of violence that is shown and the displaying of the male role model whereby if he is cornered he should belt someone up or kill them. We take that as entertainment and think it is great, whether it is seen in a theatre or in a private home, where violence is viewed so often these days.

That was the theme of the article, and the member for Mawson is intelligent enough to know that, but she chose not to acknowledge it. The only attack that I have made on the equal opportunities scene was because Commissioner Tiddy said that if business houses did not front up they would be named in Parliament and prosecuted in the courts. That is not her role. Commissioner Tiddy's role is to look at a case when it is reported to her. There is no doubt in my mind that there is a need for equal opportunities legislation, to assist both men and women. An article in the *News* of 8 January this year stated:

> The majority of men join with women in celebrating the marvellous progress made over the past decade in bringing about equality between the sexes.

I believe that that is true. The article continued:

> But now that most Australian women can chose whether to pursue a high flying career or be a traditional housewife the campaign for equality is silly.

I do not think it is silly, and believe that it must still continue. It continued:

> Today the question can be asked, 'Can taxpayers afford the luxury of an Equal Opportunities Commission, which has little better to do than chase silly, petty causes?'.

That is not my criticism; that was in the *News*. I make the point that all the member for Mawson's comments were about equality for women. There was not one comment about the need for equality for men. The member for Mawson said that the headline to my article 'Tiddy should go' was terrible, but what about Commissioner Tiddy's headline 'Jobs for the boys over'. But 'jobs for the girls' is over, too. If some girl is nice and pretty and offers a few fringe benefits to the secretary of a company, and gets promotion, why should she get a benefit over someone else? Equal opportunity is about men, also, having the same promotional opportunities as women.

If that is not the case, and the member for Mawson says that equal opportunity is for women only and not for men, then so be it. Until the member for Mawson made her attack, it was not my intention to speak to this motion. Anyone in this community who believes that a Ms Tiddy, a Mr Brown, a Mr O'Reilly, a Mr Hill or Ms Anything is the best employee for any other person's business, bring them forward, but they cannot do that. It is a lot of hogwash to suggest that anyone can make a judgment as to who is the best person to take the job. To suggest that it should be advertised first within the company and, if you do not find someone there, then advertise outside, is nonsense. What if in the first place the person outside is better than anybody inside? It shows how stupid the whole thing is in the beginning. I believe in equal opportunity. It is about time that we had the same support services for men as we have for women. Perhaps one day, when men have the opportunity to bear children, there may be just as many single parent males as there are females.

The Hon. LYNN ARNOLD secured the adjournment of the debate.

ARRIVAL AND DEPARTURE TAXES

Mr MEIER (Goyder): I move:

> That this House calls on the Government to immediately urge the Federal Government to remove the arrival and departure taxes on tourists into and out of South Australia (and by implication the rest of Australia) because of the untold damage it is causing to this State's tourist industry.

This House recognises that it was a Liberal Government that was successful in establishing an international airport at Adelaide, and what a great move that was. It is well and truly acknowledged that at the time we would have preferred a larger terminal, and since then a lot of debate has ensued on that matter but, thankfully, we have the international airport. Look what it has done for South Australia!

The Hon. H. Allison interjecting:

Mr MEIER: As the member for Mount Gambier interjects, the Grand Prix probably would not have come to this State if we did not have the international airport. Over the past few years I have been quite amazed to see the number of tourists in our city streets. Only in the past week or so I have noticed a lot of people who I presume come from Japan wandering around the city. Last week I approached one of those people who was looking at a map. I inquired whether or not I could be of any assistance.

Unfortunately, that person was not able to speak any English and he indicated that it was quite all right. It is very pleasing that people from overseas are seeing what we have here and that encouragement has been given, in particular, through the international airport and other services that have been established. So, it is an industry that is performing well. In fact, I suppose we could look at it as one of the very few boom industries that this State has at present, and what a pity it is that we do not have many more boom industries.

But, what has the Federal Government's attitude been to this boom industry? It has recognised that it is working well and that money is coming in to Australia. It has therefore decided to implement typical Labor Party policy and tax it, because it is Labor policy in so many areas where things are going well to try to bring it down to knee height—down to the typical socialist level. To do that, it has to be taxed.

So, the poor old tourist industry has become a new victim through the arrival tax.

People might say, 'Hang on; you have had the departure tax for a lot longer; and that is $20 compared to the arrival tax of only $5.' But, there is a very important difference: the departure tax has been used specifically to help pay for the upgrading of airports across Australia. From that point of view, it is a positive move, although as you note I have included it in my motion, because I feel that it needs re-examination. However, what is happening with the new $5 tax? In keeping with a classic labor initiative, it goes into Consolidated Revenue, probably never to be seen to help the tourist industry. What a tragedy!

The Government should be aware that, if it was not for the high influx of tourists into Australia, the country's balance of payments would be much worse than it is now. One would think that, at least with the economic troubles that we are experiencing and the mess that the labor Government has got us into, it would be saying 'Let us try to promote certain industries.' I will give credit again to Senator Button who, on many occasions, has advocated a regeneration of our industries. I can only support him on that. His ideas are good, but they seem to be only ideas. Nothing is eventuating.

The increase in overseas exports has come primarily from the primary industries—from the agricultural industries. Whilst that certainly has been an advantage to us, what is happening to other industries? One thinks of the car industry, which was going along satisfactorily. But, the Hawke Government then said, 'We will bring in the fringe benefits tax, and that will also apply to people who get free cars.' What has happened since that tax was introduced? The car manufacturing industry has been brought to its knees. Manufacturers are only just struggling.

But what about car dealers? In many cases, they have gone through the hoop. We can think of certain dealers in country towns who have had to just shut their doors. I know quite a few dealers in the electorate of Goyder who have indicated to me that to keep going they are living on borrowed capital or that they are having to take money from assets that they have accumulated. It is tragic, and the Government does not seem to acknowledge that there is a crisis in the car industry. That industry certainly has the potential to be booming, because our dollar is so low that we can export to just about any other country, and we have a very good product at a very competitive price. I congratulate the Ford Motor Company on its having taken the initiative to export its small convertible. We want a lot more of that.

I return to the motion. The Government is taxing another booming industry, and that is the best way to ensure that the tourism industry starts to level out and decline. It is also the best way for potential tourists to this country to look to other countries and say, 'Why should we pay all the extra taxes to get into and out of Australia? Why not go somewhere else?'

Several years ago I was privileged to take a trip to London. Whilst there I went to the Australian Embassy and was informed that Britain did not have an arrival or departure tax. I was told that Britain did not have to stoop to Third World status. I questioned this person a little more and was told that if I were to travel around the world, I would find that only Third World countries have arrival and departure taxes: developed countries do not have them. I suppose that we could have predicted an arrival tax when Mr Keating made his classic statement some time ago that Australia was in danger of becoming a banana republic. Unfortunately, that danger has increased, and another of the Hawke Ministers—I think it was the assistant Treasury spokesman—said that Australia was going down the Argentinian road. What does that do for the image of Australia overseas when Ministers make statements of that sort? It is tragic for Australia.

A couple of weeks ago I had the opportunity to speak with a senior banking official in this city, and I asked him what he thought might happen to interest rates and to the level of the Australian dollar. He said that it will depend entirely on how Federal Government Ministers behave and what sort of statements they make. He also said that, if Keating comes out with another banana republic statement, interest rates will certainly go up and the Australian dollar will drop in value. It is tragic that the Hawke Government does not seem to be learning. Thankfully, the people of Australia are learning. They showed that through the Adelaide by-election, and they will show it through the New South Wales election. Let us hope that Mr Hawke will decide, once again, to go to the polls early, as he seems to have a habit of doing.

It seems that last month approximately 96 000 people failed to pay the arrival tax. That shows that the Government did not get its act together before it implemented the tax. The Government did not say, 'Too bad. We will have to reassess how to collect the tax.' It appears that the airlines may be liable for $1.5 million in back taxes. Which airline will be hurt most of all? You guessed it, Australia's airline, Qantas, because it carries most of the travellers. The Hawke Government cannot resist hitting Australia's own key airline. Why does it have to do that? If I had the answer, I would not have placed this motion on the Notice Paper. The Chairman of the Australian Tourism Industry Association (Sir Frank Moore) said:

> Putting charges on the arrival and departure of tourists is like singling out the performing export industries and then taxing them in a discriminatory manner so that their competitive edge is eroded.

I agree with him. Sir Frank also indicated that the Government collects almost $1 000 in taxes and other charges from each overseas traveller to visit Australia. If that is the case, we are doing very nicely. Why should the Government have to continue to increase taxes? It has shown that it is determined to hit the poor, the middle class person and the wealthy person in some cases, and now it has shown that it is prepared to hit anyone who is prepared to come into this country, but only if they enter through an airline, not by ship.

I hope that all members will support this motion. In particular, I want to emphasise that we have heard little or nothing from our Premier and our Government as to whether they object to the tax.

To conclude, I wish to emphasise that it is very important for our Premier and for this Government to take up this issue at Federal level. I realise that we in South Australia cannot do it alone: too many other factors would be involved in collecting the air fares. However, why should this State not lead the way, especially since this State is probably benefiting as much as if not more than any other State from tourism, and especially at this time, with the New South Wales election before us? We could well see the New South Wales Premier backing Premier Bannon to see that the $5 arrival tax is withdrawn and that further consideration also be given to the departure tax.

In my remarks so far I think that I have made fairly clear that this tax is doing harm to a booming industry. If the Government is true to its word that it wants to see South Australia progress—and there is no doubt that the Opposition wishes to see South Australia progress: we have seen it suffer for too long—then the Government, through the

Premier or a Minister that he delegates, must make representations to the Prime Minister or to the appropriate Minister at Federal Government level. For this reason, I urge all members to support my motion.

Mr FERGUSON secured the adjournment of the debate.

ELECTORAL ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 26 November. Page 2195).

Mr BECKER (Hanson): I support the Bill. In doing so I reiterate my position. I have always believed that voluntary voting should prevail in South Australia, as is the case with enrolment. We are advised that when one turns 21 years of age one must enrol, and when one turns 18 years of age one can elect to enrol if one wishes. As everyone knows, however, if one enrols one must vote. If one does not enrol the chances of being found out are pretty slim, and one can get away with it for quite a number of years, as many people do who move from address to address because of their occupation. They do not want to be bothered with the humbug of voting.

The most recent example of those who did not bother to vote can be found in the Adelaide by-election, which has been held since the member for Davenport introduced this Bill. I refer to an article in the *Advertiser* of 8 February by Sally Morrell headed, '10 000 to be asked: Why didn't you vote?' The article states:

About 10 000 voters in Saturday's by-election—about 13 per cent of voters—failed to vote and notices asking them to explain why will be sent out this week, according to the Australian Electoral Officer for South Australia, Mr Ian Spencer.

I checked with the Electoral Office and was told that some 11 200 people did not vote, which represents about 16 per cent of the 73 000 people who are on the Adelaide electoral roll. The article continues:

'By-elections usually do not attract the turnout that full Federal elections do,' he said. 'We don't really know why, but you can only summise that people don't treat them as seriously as full elections.'

I can assure Mr Spencer that people in this State—and I think people across the country—have had just about enough of politics. They are sick and tired of reading about it in page after page of newspapers and hearing about it on all news services and radio bulletins—politics, politics, and more politics! That is all they get. Nothing else seems to exist in this State—be it sport or any other matter of interest.

Mr Ferguson: You contribute to it.

Mr BECKER: The member for Henley Beach says that I contribute to it. I agree. While his lot contribute, I will contribute. So it will be tit for tat as long as there is breath in my body. From time to time I think that the people of this country deserve a break from politics and politicians. I think we are receiving a fair warning that the public are becoming quite disillusioned at being forced to go out to vote. The article continues:

Mr Spencer said the weather should not have played a part in the lack of a full voter turnout because, although there was some early rain, it did clear to a fine day.

I can vouch for that because I was drenched in the morning at the polling booth where I was handing out how to vote cards, as was everyone else who was there. The article continues:

Electoral officers will begin scanning the electoral rolls today to find out who did not cast their vote in the by-election. A notice will then be sent out asking the reason why the elector failed to vote.

'We are fairly tough but we have got to be tough,' Mr Spencer said. The reasons that are acceptable to the District Returning Officer are governed by the Electoral Act and include overseas travel and being stationed in the Antarctic.

That is a great example! In actual fact, what happens and what is expected is that the vast majority of people who did not vote will be able to come up with an excuse, for example, they could not get away from their employment or they were delayed at work. Of course, we also had the stupid Saturday afternoon shop trading hours which did not help. Other people, unfortunately, are hospitalised just before polling day. A number of people would be travelling overseas and would not be able to make arrangements to vote. In fact, that is one of the ploys of the Labor Party. At election time people are often away on holidays and no arrangements are made for these people at all. Of course, they are told that they can have a postal vote if they want one but, by the time the arrangements are made, the election is over.

Many people are interstate at election time, travelling around in caravans or holidaying in remote places. Another important reason is that many people do not vote for religious reasons. All these excuses are acceptable under the Electoral Act, so it may be that only 2 000 or 3 000 people will be harassed by the Electoral Office and by the Government, which in turn gives the impression that people are being harassed by politicians. These people receive a notice asking them to please explain why they did not vote. The article continues:

If the reason given by the elector is not acceptable to the DRO then he or she is asked to pay a $20 penalty and appear before Mr Spencer, or can take the matter to court. If the court case is lost, the elector can be liable to pay a $50 fine and costs.

After the 1987 Federal election about 150 voters in the Adelaide electorate received $20 penalties and about 35 had court cases pending, Mr Spencer said.

About 2 374 electors, 4.03 per cent of the total number of voters in Saturday's by-election, cast an informal vote.

If we add that to the 16 per cent who did not vote, the figure is now 20 per cent of people totally disillusioned with the system who did not vote at all. Clearly 20 per cent is the figure now. I believe that that has been the figure for some time. Many people are in unfortunate circumstances, do not want to vote, or vote informally. The article continues:

Mr Spencer said the figure was lower than it had been in the last Federal election, where 6 per cent cast an informal vote. A survey would be carried out why the votes were informal, he said.

A lot of time and money could be saved on that. I refer to the time and cost involved in chasing up the people who did not vote. As I say, they are harassed for an expiation fee of $20 or $50 or whatever it might be, plus costs. It is time that we in this modern society grew up and, as suggested by the member for Davenport, accepted that we should do away with compulsory voting. About 59 000 people in the last State election did not vote. About 30 000 'please explain' notices were sent out and are being followed through. I understand that in 1982 no-one was summonsed, although 8 000 expiation notices were sent out. It is just sheer harassment of those people in the community who do not want to vote or cannot be bothered with voting.

I can understand the objection to voluntary voting by some political Parties. They would take local government figures as an example where in some areas only 10 or 12 per cent of the people vote. Obviously, they are the only people interested in a specific issue in the area at the time. It is also a reflection of the efforts of the candidates in those elections; those who claim that they are against vol-

untary voting are the lazy ones and are frightened of work, as the member for Davenport says, and I agree with him.

It is the work of people who get out in the community and make representations and encourage people to vote who get the results, and that is the case in any industry or occupation. There is no harm in it; it is the greatest thing that we have devised in our modern society. Most countries in the world have voluntary voting, as outlined by the member for Davenport. There is nothing wrong with those democracies and societies. They work extremely well. If people feel strongly on an issue, they will turn out and vote.

Members may believe that voting figures in the Adelaide by-election were down considerably. There is no doubt that issues were created and the people who voted made their intention clear, as we found in the informal vote (only 4 per cent, compared to 6 per cent informal in the general election). I will not go into the politics of that by-election, except to say that many people in the area felt strongly (which is why they voted) and that there was a significant change in voting patterns. If it was the typically dull and lackadaisical by-election, that we have seen in the past, the position would not be so clear. The Labor Party is hoping that the Port Adelaide by-election will be entirely different.

Why should people be forced to vote? Why should they be made to put numbers in boxes? We have seen legislation changed because people put crosses in the wrong place. Some people can count only to one if there are, say, three or five candidates; some people can only go to nine in the case of 10 candidates, and some people cannot count at all. A large percentage of the community can neither read nor write, and that matter is often overlooked in our society.

Why should those people be harassed or embarrassed by the whims of Parliament and forced to go and register a vote one way or another? I can see no counter argument whatsoever. I have read the usual dry old arguments that come up time after time. However, it all comes down to the hard cold fact of whether you want to work for parliamentary representation or just coast along and let the compulsion of the voters carry the day. I urge all members to support the proposition put by the member for Davenport.

Mr S.G. EVANS (Davenport): I am amazed that the ALP opposes this proposition. It is a proposition where we say to individuals, 'If you wish to go and vote, you may.' I know the reason for the opposition: I know it is harder work for a politician if we have voluntary voting. A lot of the ALP members are fearful of that sort of exercise, because once they get into a safe seat they can sit back and forget about it.

I believe the principle that people should not be forced to vote is very high and should be respected. I know that voluntary voting will eventually be supported—society will bring that about. The member for Albert Park said that there is no multitude of people walking into his office asking for voluntary voting. I challenge him to go out and openly ask people whether or not they believe in voluntary or compulsory voting. If the honourable member has the initiative—and I know he works fairly well in his electorate and I give him credit for that—to go out and ask that question, I believe he will be surprised at the answer. I have tried that exercise in my area. I ask members to support the Bill.

The House divided on the second reading:

Ayes (13)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker, and Blacker, Ms Cashmore, Messrs Eastick, S.G. Evans (teller), Ingerson, Lewis, Oswald, and Wotton.

Noes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold, Bannon, Blevins, De Laine, Duigan (teller), M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Rann, Robertson, Slater and Tyler.

Majority of 13 for the Noes.

Second reading thus negatived.

SHOP TRADING HOURS

Adjourned debate on motion of Mr S.J. Baker:

That this House condemns the Minister of Labour and the Premier for subverting the will of the Parliament by issuing proclamations to force retail trading on Saturday afternoons and demands that no further action be taken to extend Saturday trading beyond the month of February until such time as—

(a) an inquiry has been conducted by the Minister of Consumer Affairs and a report presented to Parliament on the following matters:

(i) the impact of increased costs associated with Saturday afternoon trading on the profitability of retail traders in shopping centres and shopping malls and the likely effect on prices of retail goods;

(ii) the future of Thursday night and Friday night shopping in the longer term; and

(iii) the problems facing motor dealers unable to purchase or sell vehicles on Saturday afternoons;

(b) legislative changes have been made which remove the right of managers of shopping centres and malls to force retail traders to open on Saturday afternoons and which ensure full and adequate protection from landlord intimidation; and

(c) Government support for wage demands by the Shop Assistants Union (SDA) currently before the State Industrial Commission, has been withdrawn.

(Continued from 11 February. Page 2699.)

Mr OSWALD (Morphett): It is interesting how issues move fast in the public arena. Before this motion was moved the Government was hot to force through, against the wishes of the community and the Parliament, extended shopping hours for Saturday afternoons. Since it has been moved and since the Adelaide by-election the Government has sniffed the winds and we saw it back off. We again saw the Government back off yesterday in relation to the marinas. I wonder why it is clearing the decks of controversial matters.

From the contented grins I am getting from members opposite, I do not think there is much doubt about why it is clearing the decks—for something that is going to happen perhaps in about 12 months time. I support the motion. The issue of shopping hours is important. I refer members and readers of *Hansard* to a major contribution I made on 25 November which appears at page 2109 of *Hansard.* Members should bear in mind that small business provides three or four things. First, it provides capital investment. Once that capital investment has been made and a business set up, it provides a service to the community, employment, and a basic tax revenue base for the Government. In return, that business is entitled to make a profit on its investment. However, it can only make a profit if it has a cash turnover and that has to be generated by customer traffic. There is a fine line between cash turnover and profitability in business overheads.

There are only a certain amount of consumer dollars to go around. The problem with weekend trading is that this fixed amount of dollars will be spent over six days. If a business opens for longer hours the overheads are greater and the profitability is less. That is the problem that small business people have. Large stores can justify it for a time.

We saw this occur in Port Pirie where K-Mart opened for extended hours. This forced small businesses out of the main shopping centres of Port Pirie because they could not cope with the overheads.

It is a potential problem at Glenelg, which area I represent. Businesses there are already labouring under the most extraordinary cost structures, and if the Marion Shopping Centre is allowed to open then many of those businesses will cease to exist. At Jetty Road, Glenelg, we will end up with a shopping centre comprised of food outlets, ice-cream parlours and the odd delicatessen. The speciality shops which have to compete against the shops at Marion and which provide a nucleus for Glenelg and a draw for the shopping public from around Glenelg will go out of business.

I do not think that members opposite really understand what running a business is all about, other than from their experience as customers. None of them has ever been a proprietor of a business and had to rely on balancing that fine line of cash turnover versus the customer traffic past the door. I shall just run through some of the expenses that these business people incur. They must pay WorkCover, council rates, which are going up all the time, water rates, which also are increasing all the time, and their general insurance rates, which are also going up all the time. They are forced to pay sales tax in advance of selling the goods. Further, they are faced with spiralling wages and they also have to meet spiralling land tax, which is a crippling cost on businesses. Also, Government licence fees are increasing. When they do have a small profit at the end of the year, the Commonwealth hits them with a high rate of personal income tax. Many businesses just cannot survive.

In an attempt to defuse the issue to a degree, just after Christmas the Minister said that the Government would legislate to make the opening of shops non-compulsory and that people with shops at, say, Marion, would not have to open on a Saturday if they did not want to. The Minister said that the Government would write into legislation a provision that these people would have a freedom of choice. The various commentators on the radio said, 'Ho-hum, that is the end of it; they have freedom of choice, so how can they complain about that?' I put it to the House that that is fine until a shop owner's lease comes up for renewal three years down the track. It cannot be written into legislation that the owners of a shopping centre will compulsorily renew that shop owner's lease. That cannot be done, so it was absolute nonsense for the Government to come up with this furphy.

It has been interesting to see how various Government members sat on the fence during the whole of this debate on shopping hours legislation. I get a great deal of correspondence passed to me from other electorates adjacent to mine in the western suburbs. I have one here from the member for Fisher. A constituent wrote to the member for Fisher pleading with him to oppose shopping hours, and in response, by way of a letter dated 28 January 1988, he stated:

> I am unaware of the current stage of this proposal other than what I have read in the newspapers.

If that is not sitting on the fence, I do not know what is.

Ms Lenehan: What was the date of that letter?

Mr OSWALD: It is 28 January 1988, with 'Our Reference M20.1'. Discussions were going on in Cabinet and the Party room, and members opposite knew what the trouble was. At that stage the Labor backbenchers were starting to stir. They were getting concerned. They were sick of sitting on the fence, playing one letter against another. I could refer to other letters which show the various attitudes that were being adopted. They were trying to put down a neutral position, knowing that it would be electoral suicide in the long-term to go down this Saturday afternoon track, forcing people who play sport to go back and work, and forcing small businesses to the wall. We all know that small businesses in this State are folding. Bankruptcies are at an all-time high—the highest level since the great depression. We know the impact of land tax and we know what is happening in the business community and how businesses are failing. The message was at last getting through. I submit that the business community is delighted that the Government no longer intends to proceed with this scheme of signing a proclamation every week to allow Saturday afternoon trading.

I noticed from articles in the press that large traders are about to lobby all individual members to get us into line. I can assure the large traders that they will waste their time if they call on me. Basically, at heart I am a small business person. I believe in the principle of small business. I do not believe in creating a scenario in this State where big business and the large conglomerates of the Myer-Coles size will be given an opportunity where they can engulf small business. They have the capital backing to open (and to stay open), to run at a loss (as did the Coles organisation in Port Pirie) for a couple of years until they force small businesses, which are just at the break-even or slight profit point, to go out of business. That is the ultimate aim of some of these big businesses: they phase out the small businesses. When they are gone, all the customer traffic comes to the big conglomerate.

My electorate comprises a population that is unable to travel across to Marion. They could get on to a bus, but for a lot of them that is inconvenient. I will not preside over the demise of these strip shopping centres such as Jetty Road, Norwood and others. At one stage Brighton had a successful shopping centre, but that has gone. If we are not careful, in 10 or 20 years time Jetty Road, Glenelg, could end up being another street of ice-cream parlours, delicatessens, and food outlets.

Members have to bear in mind the costs of running a business. In the eyes of some members of the Labor Party every businessman in Glenelg is a potential millionaire, if not already a millionaire. They think that they are very wealthy people, but they are not. Those small businessmen are providing employment and a service. They are making a small profit for themselves, and that is fair. None of us should do anything to bring about the demise of that type of business just to accommodate what the large Coles-Myer conglomerate wants to see happen for its own financial and fiscal gain. We have a responsibility to maintain the balance and the *status quo* in this State. I support the motion, and I urge other members to do likewise.

Mr S.J. BAKER (Mitcham): Given that this matter has been canvassed very heavily by people in their various areas who are upset by the proposition, I am astounded that we have not heard from one member of the Government. Let us make it quite clear that the Liberal Party announced a firm policy as to what it regarded as being appropriate for extended hours. We believe that, if extended trading hours do not come today, they will come tomorrow but, when they come—

Members interjecting:

Mr S.J. BAKER: —it has to be done properly. That means that little people in the system have to be protected, along with the consumers.

Members interjecting:

The SPEAKER: Order! The honourable member for Mitcham is not under any obligation to conduct a dialogue with members of the Government backbench, and I ask

them not to interject with that view in mind. The honourable member for Mitcham.

Mr S.J. BAKER: Instead of facing up to its responsibilities, the Government and in particular the Minister of Labour have gone outside the province of Parliament. A proclamation has been presented, because that will be the Minister of Labour's monument when he gets shifted from his portfolio. If the Minister of Labour had any modicum of sense or intelligence, he would have understood the storm that would erupt because of the way that he handled the situation.

Mr FERGUSON: On a point of order, I understand that Standing Orders do not allow members to reflect on other members of the House. I ask that the honourable member take cognisance of that situation.

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! In support of his point of order, can the honourable member for Henley Beach draw attention to the particular reference he has in mind?

Members interjecting:

The SPEAKER: Order!

Mr FERGUSON: I believe that the honourable member referred to the Minister of Labour and suggested that he did not have a modicum of sense. They are the words that he used, and I believe that they reflect on the Minister.

The SPEAKER: Order! The language used was not unparliamentary. On that basis, I cannot ask the honourable member to withdraw it. If it was offensive to a particular member, that member could rise to ask for a withdrawal of those words. The honourable member for Mitcham.

Mr S.J. BAKER: I will return to the point I was making. The Liberal Opposition has had a policy for three years. The sorts of things we would have been looking at if we were in Government to have some change in this area would have been to protect the people. There are different means of protection. For example, I made mention before—

Members interjecting:

Mr S.J. BAKER: The member for Hayward continues to interject. I noticed that she did not make one contribution during the debate: she likes to hide, like her fellow colleagues, behind the Minister of Labour. If members are going to contribute, they should stand up and make their points known, and not hide at the back. They should make a contribution. I will return to the debate. We were serious when we said we wanted extended trading hours, but the way this matter has been handled has been an absolute disgrace to this Parliament, to this Government, and to the Minister of Labour, because he knows that South Australia is going through its worst retailing performance probably since World War II.

He also knows that bankruptcies in the small retailing area are at an all time high. He knows that, if we extend trading hours without any tradeoffs, the prices of goods will go up. He knows that, if the wage case succeeded in the courts, the poor consumers would be paying increased bills. Together with extended trading hours and the cost of the wage case, we are talking about an 8 per cent escalation in costs. He knows that, but he has decided to ignore all those facts. He knows that he decided he would do it. This is the Minister's baby. He was going to walk over anybody and anything to achieve this end. Well, the people who are getting walked on are suddenly reacting, and that is the problem the Government finds itself in. The little people are suddenly reacting: they are saying, 'The Bannon Government is not really looking after us and has never looked after us.'

I would like the House to note clearly that, when the Minister asked his representative in the Industrial Court to refuse to continue with the case, he then knew that the legislation that had been introduced and will be reintroduced would never pass the Parliament. He knew that. He deliberately said, 'Under the pressure that is out there and because the Premier is starting to feel a bit of pain, we have to stop this right now, but we want to stop it in a way that the Liberals are made to bear the blame.' We have stated right from the very beginning the conditions upon which we believe the Parliament is competent to pass legislation. We made it quite clear before this House. Not one of those pre conditions was fulfilled.

The Hon. T.M. McRae interjecting:

Mr S.J. BAKER: The member for Playford says it is a smart trick. Let me tell him who does not make much of a contribution in this House—occasionally he interjects—that it is not a smart trick to try to save small business in this State. It is not a smart trick to try to save the consumers from paying higher prices. It is not a smart trick to stop people going bankrupt. We have seen the twisting and the turning of the Minister of Labour on this matter and, with the pain that has been borne by the Premier, we have started to see the Government withdrawing, retracting. It wants to ensure, however, that it is not it that bears the pain and the blame. It wants the Liberal Party to do that, because it knows that there will be a lot of people disaffected on both sides of the fence because of the way in which the Government has handled this situation.

If that is the way it is going to be, that is the way it will have to be. Before Christmas, the Opposition asked the Minister to institute a study, given the problems in the market today. We asked the Minister what will happen. There is plenty of evidence interstate, we have estimates of costs, and it can be estimated what a wage rise will cost. We asked the Minister to tell the public of South Australia what the changes will mean to them. He refused.

The Hon. T.M. McRae: How can you until you have the Victorian result? You are just a smart alec.

Mr S.J. BAKER: The member for Playford interjects again. I say to him that it does not take a mathematical genius to estimate the cost, whether it be on the basis of a full or half wage case. We asked the Minister to find out what the price will be. The Opposition suggested that the price could be variable, depending on the decision of the Industrial Court, but evidence could be put before the Parliament. The Minister and the Premier have acted despicably in this whole affair. They have been quite willing to ensure that the consumers in this State pay the highest prices in Australia. A recent survey published in the *News* or the *Advertiser* revealed that the price of groceries in South Australia is much higher than it is elsewhere. We know that, if this additional cost is placed on top of that, the price of goods in this State will be well in advance of that in other States, and those goods must be paid for by the poor of this State.

I remind members of a recently produced document which showed that South Australia has the highest percentage of people in poverty; yet the Bannon Government says, 'We really don't care about you lot out there. We don't give a damn about small business in this State, but we are going to head off down this track. We are going to deny the Parliament and the people.'

I commend the motion to the House, because it sets down important preconditions. I know that extended trading eventually will come into this State and that, if we are in government, we will have open consultative processes. We will ensure that people do not have to work 55 and 60

hours a week keeping their shops open for the same amount of trade. We will ensure that the landlords in this town can tell shopkeepers to close on Mondaydays or Tuesdaydays if there is Saturday afternoon shopping. When we get into government—it is obvious that this Government is incapable of acting properly—we will see proper change in this State. It will be with the agreement of all the parties concerned, because it will be done properly. It will not be done at a price that people cannot afford, but with the agreement of the small business community, which recognises that they work far too long for too little profit. I commend the motion to the House.

The House divided on the motion:

Ayes (15)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, and Blacker, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Ingerson, Lewis, Meier, Oswald, and Wotton.

Noes (27)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold (teller), Bannon, Blevins, Crafter, De Laine, Duigan, M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Rann, Robertson, Slater, and Tyler.

Majority of 12 for the Noes.

Motion thus negatived.

REMUNERATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 October. Page 1493.)

The Hon. LYNN ARNOLD (Minister of Employment and Further Education): I move:

That this matter be adjourned.

The House divided on the motion:

Ayes (26)—Mr Abbott, Mrs Appleby, Messrs L.M.F. Arnold (teller), Bannon, Blevins, De Laine, Duigan, M.J. Evans, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes, Payne, Peterson, Plunkett, Rann, Robertson, Slater, and Tyler.

Noes (15)—Messrs Allison, P.B. Arnold, D.S. Baker, S.J. Baker, Becker, and Blacker, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans (teller), Ingerson, Lewis, Meier, Oswald, and Wotton.

Majority of 11 for the Ayes.

Motion thus carried.

KALYRA HOSPITAL

Adjourned debate on motion of Mr S.G. Evans:

That, in the opinion of this House, the Government's recent decision on Kalyra Hospital is unjustified and should be reversed.

(Continued from 26 November. Page 2190.)

Ms LENEHAN (Mawson): I rise to oppose the motion, and I do so on the basis that the Minister of Health has clearly stated on behalf of the State Government that the Government is not prepared to reverse its decision to withdraw funding from the Kalyra Hospital. Before explaining some of the reasons for this decision, I will give some background to the decision. First, the decision was recommended by Health Commission officers who have an in-depth knowledge and understanding of the Kalyra Hospital services. The decision to withdraw funding, as members would know, was not taken lightly.

The eventual relocation of services from Kalyra has been discussed between senior Health Commission officers and senior trust representatives on several occasions, particularly between 1981 and 1983. I do not have to remind members that that is the period during which the now Opposition was in Government. The decision to withdraw support from Kalyra and relocate its services was part of the South Australian Health Commission's strategy to achieve savings of $9 million in a budget of $900 million in 1987-88.

To achieve the savings required, the Health Commission reviewed the entire spectrum of our health services and the decisions made to those areas that had the least impact on patient and client services. In the case of Kalyra the opportunity existed to provide the same level of service to the community whilst contributing $1 million per annum to the required savings. This decision, one would have imagined, would have been supported by the Opposition simply on the basis of good management practice, because the same level of service could be provided at a much reduced cost.

In addition, the Health Commission was facing a long-term need to replace Kalyra hospital, or at a minimum to refurbish the facility substantially to enable it to continue for the next 20 to 25 years. The replacement cost would be many millions of dollars. A substantial refurbishment, which would meet normal standards and guidelines and therefore last for 20-25 years, would cost approximately $3 million. That is the background to the decision taken by this Government and by the Minister of Health.

I would like to turn briefly to what has happened in the two areas for which Kalyra has been responsible, that is, the rehabilitation and convalescent service and the hospice service. The rehabilitation and convalescent service was transferred to Julia Farr Centre on 1 February this year, with the commencement of orientation for staff transferring from Kalyra Hospital. Admissions to the first 23 bed ward commenced on 8 February 1988, and I understand that the second 23 bed ward was made available for admissions on 22 February this year.

As to the hospice service, formal agreement between the Health Commission and the Repatriation Commission on the provision of this service at the Repatriation Hospital, Daw Park, has been reached. The detailed financial arrangement between the commission and the Department of Veterans Affairs will be developed over the next two months. Refurbishment of Daw House, the building in which the hospital unit will be located, has already commenced and is scheduled for completion in late June 1988, with the transfer of services in early July 1988.

As part of the relocation of services the Government agreed to provide continued employment for staff in line with the statement of general principles. This undertaking has been pursued with significant efforts from the commission and staff of other health units in addressing general and specific staffing issues and in order to minimise any adverse impacts on staff, and to do this in a sensitive manner.

As a result, and with the exception of staff operating the hospice, the remaining Kalyra staff have been substantially placed either at Julia Farr Centre or at other health units. I understand that, for a small number of unplaced staff who are remaining, action is continuing on the placement of these staff. While both the commission and the department agree that the management of the hospice unit must be by the Repatriation General Hospital, a number of issues relating to differences in the current conditions of service for Kalyra hospice staff and Commonwealth conditions of service have been raised and are subject to current negoti-

ations between the commission, Department of Veterans Affairs, the Royal Australian Nursing Federation and Kalyra staff. The Department of Veterans Affairs has appointed Dr Ian Maddox as interim director of the hospice unit. Dr Maddox will work closely with officers of the commission, Repatriation General Hospital and other interested parties in the relocation of issues arising and the development of the unit.

[Sitting suspended from 1 to 2 p.m.]

PETITION: PAROLE SYSTEM

A petition signed by 1 160 residents of South Australia praying that the House urge the Government to amend the current parole system was presented by Mr Blacker.

Petition received.

PETITION: SHOP TRADING HOURS

A petition signed by 292 residents of South Australia praying that the House reject any proposal to extend retail trading hours was presented by Mr Groom.

Petition received.

QUESTIONS

The SPEAKER: I direct that the following answer to a question without notice be distributed and printed in *Hansard.*

STORMWATER DRAIN

In reply to **Mr GREGORY** (10 February).

The Hon. G.F. KENEALLY: Highways Department officers have had discussions with the property owner of 38 Golden Grove Road, Modbury North, regarding working methods and access to the property during the installation of the stormwater drain. Work for the installation of the drain is scheduled to commence on 22 February 1988. Departmental officers will liaise with the property owner as work proceeds.

QUESTION TIME

MAGISTRATES

Mr OLSEN: Can the Premier say what strategies his Government intends to adopt to ensure waiting times for appearances before magistrates courts are reduced, given the current grave morale problems evident amongst the magistracy? I refer to a letter from the State's Chief Magistrate, Mr Manos, to the Town Clerk of Port Lincoln in which he refers to the Government's refusal to provide additional magisterial resources. Mr Manos refers to court waiting times of up to 22 weeks, and his letter states:

> I can assure you that I am worried sick in endeavouring to—
> *(a)* retain magistrates in the magistracy—five have resigned in the last 10 months;
> *(b)* obtain sufficient suitable magistrates;
> *(c)* allocate equitably resources at my disposal.
> At present I have to 'rob Peter to pay Paul' to assist any court.

He concludes as follows:

> I respectfully suggest that you redirect your concerns to Treasury and the Government, and hope that you have more success that I.

The Hon. J.C. BANNON: I imagine that an identical question is being addressed to my collegue the Attorney-General in another place and I think that it would be better directed to him because he has direct responsibility for courts. I am happy to respond to the Leader of the Opposition particularly in the light of the criticism that he has made about increased spending and employment that we have put into the Courts Department over the past few years. In fact, that is what has happened: the Opposition has attacked us and criticised us for it. I am very interested to see the complete double flip, where he is now criticising us for not putting enough resources in.

Mr Olsen interjecting:

The Hon. J.C. BANNON: I concede that there are not enough. We have a problem that is twofold, and there may be other aspects that my colleague the Attorney-General could develop further. Interestingly enough, one is the shortage of people ready, willing and able to take on these positions: that is, it is not just a question of having the resources for more magistrates or judges. It is also having practitioners available for appointments to those positions. Lawyers are in a buyers market at the moment, and there is a tremendous shortage of qualified solicitors. They can earn far more in private practice than they can in the magistracy or in a judge's service. That is one of the big problems.

We found that situation when attempting to overcome a backlog in the Industrial Court. The Government has recently agreed on two extra judges appointments in order to deal with that, and the resources have been made available. To address this problem, an agreement has been reached that further resources, over and above the budget for courts this year, shall be provided in order to increase the strength of the judiciary. It will not overcome all the problems that are referred to by Mr Manos, and I am surprised that he was saying that the Government will not provide these resources. It is not a case of the Government will not; it is a case of what it is possible for us to provide. We are working to provide these resources. We have substantially increased them over recent years and we have done that in the face of Opposition criticism in relation to that area of expenditure.

PETROLEUM EXPLORATION

Mr KLUNDER: Can the Minister of Mines and Energy inform the House of the anticipated level of petroleum exploration in South Australia this year, and how these figures compare with exploration levels in recent years? From newspaper reports, including this morning's *Advertiser* which reports a flow of 238 000 cubic metres per day from a test bore at the Challum 5 well in the Cooper Basin, it appears that there has been an increased interest in petroleum exploration, and I would appreciate a more accurate picture than can be gathered from incidental reports.

The Hon. R.G. PAYNE: I thank the honourable member for his very important question, because the future of the State is very greatly tied up in this matter. I am pleased to report to the House that we have embarked this year on what is likely to be our most intensive petroleum exploration effort ever. My department now expects a total of 99 appraisal and exploration wells to be drilled during 1988: more than double the figure drilled in 1986 and almost one third up on the 67 wells drilled last year.

The Hon. E.R. Goldsworthy: What about drilling outside the Cooper Basin?

The Hon. R.G. PAYNE: The drilling outside the Cooper Basin never took place during the time of the previous

Minister, and the drilling that has taken place outside the Cooper Basin in the Otway Basin under our regime has been successful, so I would have thought the honourable Deputy Leader would have stayed a little quiet on that.

While we would like to see more seismic surveys carried out to ensure that we have adequate targets for future exploration, about 5 500 kilometres of seismic will be shot this year. That is up about 1 000 kilometres on last year, and is a very important effort. The total cost of this year's exploration program is expected to reach almost $109 million compared with $66.8 million last year and $76.7 million in 1986. The majority of drilling and seismic will be undertaken in the Cooper and Eromanga Basins and, for the edification of the former Minister, the honourable Deputy Leader, the Cooper Basin partners have scheduled 95 wells during 1988. It is quite clear that the gas contractors have been facilitated and matters brought to the fruition stage under the present Administration. That will be just as galling to the Deputy Leader as many other things have been during the past few years. As members would be aware, and I adverted to this earlier, there is increasing interest in the Otway basin following the gas discovery near Penola, and there is potential for additions to the current exploration program for that reason. There is a modest improvement in offshore activities in the South-East, with a 725 kilometre seismic survey now being shot off Beachport in the South-East. That will be followed by more than 600 kilometres of seismic to be shot in Spencer Gulf.

In addition, a bid for another offshore permit in the South-East will be invited in a few weeks time and, because of the success onshore in the Otway basin, I think that we can anticipate a very interesting level of bidding for that offshore area.

Mr SPENCER RIGNEY

The Hon. E.R. GOLDSWORTHY: Will the Premier intervene in the case of Spencer Rigney, an Aboriginal man currently facing eviction from his home of the past 14 years, to ensure that he receives justice? I ask the Premier to intervene in this matter, given the total indifference revealed yesterday by the Minister of Housing and Construction to this man's plight.

The SPEAKER: Order! The honourable Deputy Leader is clearly introducing comment; he must not do so. The honourable Deputy Leader.

The Hon. E.R. GOLDSWORTHY: Let me rephrase my explanation. The Minister of Housing and Construction was not prepared to intervene yesterday. In answer to specific questions about the Government's failure over the past five years to resolve this matter, the Minister confirmed that he did not attend a meeting with Mr Rigney scheduled yesterday at a time convenient to the Minister; he criticised the media for pursuing the matter; and he further alluded to the possible shredding of documents under a previous administration: a pure figment of his imagination, and an absolute fabrication.

The SPEAKER: Order! If the Deputy Leader finds it totally impossible to give an explanation without introducing comments of that nature, the Chair is left with no alternative but to withdraw leave.

The Hon. E.R. GOLDSWORTHY: I apologise—

The SPEAKER: Order! I will give the Deputy Leader one last chance.

The Hon. E.R. GOLDSWORTHY: Thank you, Mr Speaker. In deference to you, Sir, I personally have trouble separating fact from comment. He did not, however, provide any information on the Government's intentions—

The SPEAKER: Order! I ask members on my right to cooperate with the smooth operation of the House.

The Hon. E.R. GOLDSWORTHY: He did not, however, provide any information on the Government's intentions with regard to Mr Rigney's possible eviction, nor did he indicate when a decision will finally be reached in a case which has been dragging on for five years. The Premier should be aware that after Mr Rigney's wife was served with notice to quit the premises, she subsequently suffered a stroke and has died.

I advise the Premier that in recent months, and in the absence of a satisfactory conclusion to this sorry case, Mr Rigney has suffered considerable physical and mental anguish, and the community at Narrung hold grave fears for his health.

The Hon. T.H. HEMMINGS: I am sure that the Premier will be only too pleased to allow me to put the case, as I did yesterday, to put the true facts before the House. May I say that in the 10 years during which I have been in this Parliament I have become well used to the style the Deputy Leader uses in this House, whether he is in Opposition or during that very short time when he was in Government, and I have never known until now how low the Deputy Leader is prepared to stoop. He implied that the cause of the death of Mr Rigney's wife could be clearly brought back to—

Mr S.J. BAKER: On a point of order, Sir—

Members interjecting:

The SPEAKER: Order!

Mr S.J. BAKER: Standing Orders say something about imputed motives. I believe that clearly the Minister has transgressed.

The SPEAKER: Order! The Chair cannot accept that there is any imputation in the Minister's remarks as regards motives.

The Hon. T.H. HEMMINGS: I can only say that the Deputy Leader is echoing some of the things that have been said on Leigh Hatcher's radio program. It seems that Mr Rigney and his advisers, certain sections of the media and definitely members opposite—namely, the member for Murray-Mallee and the member for Goyder—have taken up this matter involving Mr Spencer Rigney and the Aboriginal Housing Board and Mr Rigney's claim that he has ownership of the house at Narrung. As I said yesterday, all the evidence that has come to light shows the exact opposite: it shows that he is a tenant. As a result, considerable doubts have been raised in the minds of the public as to Mr Rigney's accepted status as a tenant. I think that perhaps it is appropriate that I table the relevant documents (although that is not normally done) to clearly establish beyond doubt Mr Rigney's position, despite the fact that some genuine people in the community (and I accept that) thought that Mr Rigney had ownership of the house.

Despite the politicising of this matter by members opposite, I think that I can lay this matter to rest as far as Mr Rigney's status as a tenant is concerned if I table those documents. Therefore, I table the following documents for the information of members: the title of the property in question and a letter to Mr Rigney from the Manager of the South Australian Housing Trust dated 23 July 1973 re his rental application.

I also table a letter to Mr Rigney from the General Manager, South Australian Housing Trust, dated 18 October 1973 advising Mr Rigney that his application had been successful and advising the date his tenancy would commence and the rent he would pay; the conditions of tenancy document signed by Mr Rigney, dated 29 October 1973; a request for rent reduction dated 19 October 1973; a hand-

written letter from Mr Rigney to the Housing Trust dated 16 February 1975 referring to the fact that his rent is in arrears; and a letter to Mr Roy Abbott from the Director-General of Community Welfare, Ian S. Cox, dated 18 August—

Members interjecting:

The SPEAKER: Order! Ministers should refer to other members by their title and not by their given or Christian names.

Members interjecting:

The SPEAKER: Order!

The Hon. T.H. HEMMINGS: There is a letter to my colleague the Minister of Marine.

Members interjecting:

The SPEAKER: Order!

The Hon. T.H. HEMMINGS: The letter from the Director General of Community Welfare, Ian S. Cox, is dated 18 August 1982. They do not like it, Sir, do they? These documents confirm that Mr Rigney was paying rent as a tenant. The February 1975 letter to the trust said, and I quote:

I regret that I got behind in my rent.

Later in the letter Mr Rigney says:

I have always paid my arrears, like I done this time, and I hope that this will explain why I got behind with my rent. I'm asking that you will give me another chance to prove that I'm a worthy tenant.

The Government would be willing to reconsider, if he can furnish evidence that discloses on the face of it that he was enticed or otherwise encouraged to enter into a contractual arrangement with the trust that was of a different legal order from that which the trust maintains. How he chooses to provide this evidence is up to Mr Rigney and his legal counsel. He can furnish this evidence to either the trust or the Aboriginal Housing Board or he can approach my office and ask for an independent arbitrator that is mutually acceptable to both parties, or he can seek the assistance of the Ombudsman as an independent arbitrator who is responsible to Parliament and not the Minister. Mr Rigney can choose not to accept any of these offers and take such legal proceedings as he may be advised. Alternatively if Mr Rigney does not wish to pursue any of these avenues then I would advise him to discuss his situation with the Aboriginal Housing Board and to recommence his rental payments with the addition of a small margin each payment to pay off his arrears of over $6 000.

DEPARTMENT OF ENVIRONMENT AND PLANNING

Mr ROBERTSON: Can the Minister for Environment and Planning say whether there are any structural changes planned in the Department of Environment and Planning? If so, what are the reasons for these changes? Further, what effect will these changes have on the efficient running of the department?

The Hon. D.J. HOPGOOD: There has been some discussion about changes within the department from people outside, particularly in the environment movement who are used to dealing with officers in particular positions. Therefore, perhaps it is time that I explained to the honourable member that the scheme I am about to outline should be in place by about the third or fourth week of March. Perhaps if I just answer the second part of the question first. It has long been a concern of mine and it has been a topic of some consideration outside that one of the problems of the structure of the department, which has largely been bequeathed to me, is that many people are in line positions and there are few people who are in a position or who have the luxury of forming part of a think tank.

So, people tend to respond very much to action-orientated concerns without being able to develop a more long-term policy. The key to the changes that we are proposing is the creation of a small environment division that would have placed on it the responsibility of looking at some of these long-term policy issues and some of the more global issues and, in return, there will be the dissemination to various other areas or into this new division of the existing Conservation Programs Divison.

The Environment Division will have the objective of providing a centre within the department for developing policy on major environmental issues, servicing the Environmental Protection Council, and will also manage our responsibilities within the national conservation strategy as well as generally acting as the environmental advocate within the Government. It will be headed by Mr Colin Harris, who is the current Director of the Conservation Programs Division.

The Conservation Land Management Division will be set up and will include the Native Vegetation and Aboriginal Heritage Branches of the present Conservation Programs Division. Mr Bruce Leaver will have the title of Director while retaining his position as Director of the National Parks and Wildlife Service. The present Pollution Management Division will be renamed the Environment Management Division and will have added to it the Coast Management Branch, because it will be given responsibility for marine pollution matters. A review of the activities of the Coast Protection Board has just been completed and will soon be available publicly for discussion. The State Heritage Branch will become part of the Planning Division. This will enable a much closer coordination of the development control aspects of the department's responsibility and the present important tasks of the Heritage Branch will be maintained. They are in essence the changes that will occur. As I have said previously, I believe that this will provide for a greater thrust in the policy area for the department and perhaps a stronger advocacy role that it can play.

HOUSING TRUST EVICTIONS

Mr D.S. BAKER: Can the Minister of Housing say why the Government is threatening to evict from her Housing Trust home of the past 30 years an Aboriginal woman of Millicent in circumstances which once again appear to have resulted from bureaucratic incompetence within the South Australian Housing Trust? I refer to the case of Mrs D. Gollan who, with her family, has lived in Olive Street, Millicent, since 1957. Mrs Gollan suffered a stroke in 1980, requiring her husband to give up his employment in order to provide around-the-clock care for her. This resulted in financial hardship, which in turn led to Mrs Gollan falling behind in her rental payments. She entered into an agreement with Ms Brenda Morony, a tenancy officer with Aboriginal Housing, that she would pay off these arrears at the rate of $5 per fortnight, to be paid in addition to the normal rental.

This has been occurring for the past two years and the Opposition has official Housing Trust receipts to show that Mrs Gollan has been making regular payments totalling $101 a fortnight, representing a weekly payment of $48 plus an extra $5 a fortnight for arrears. Despite this, Mrs Gollan was advised in writing by a recovery officer from Aboriginal Housing late last year that all arrears must be paid up, but that, if the Gollans' financial circumstances made this

impossible, they should explain their circumstances to the Aboriginal funded unit.

Representations made by me on behalf of the Gollans revealed that Mrs Gollan had in fact been paying $16 a fortnight more in rent than she was required to pay, given her pensioner status. She was, in fact, eligible for a rental rebate, but had been paying a full Housing Trust rent. The Housing Trust is now claiming that Ms Brenda Morony had no authority to agree to the rental arrears arrangement which has been applying—and has been adhered to—over the past two years, and the invalided Mrs Gollan has this week received a letter from the Housing Trust threatening eviction if $2 375 is not paid within days.

The Hon. T.H. HEMMINGS: I thank the honourable member for his question, which shows how typical is this attitude of the Opposition in dropping names, in this case that of an Aboriginal tenant. Opposition members never mention their friends in business circles. Whenever there is a hint of something like this from this side, we suffer an awful diatribe from the Opposition about using this place as a 'coward's castle'. However, Opposition members are perfectly prepared to do this. They do not worry about naming that particular tenant or causing her embarrassment with her neighbours. Let me go back: the fact that I have been in effect forced to table those documents regarding Mr Spencer Rigney was a result of pressure from the Opposition. I do not think the Leader agrees with this particular attack—

Members interjecting:

The SPEAKER: Order!

The Hon. T.H. HEMMINGS: —and knowing the way that the think tank of the Liberal Party works—

The Hon. E.R. GOLDSWORTHY: On a point of order, Mr Speaker, I ask whether there are any constraints on the way in which Ministers introduce extraneous material. You have been pretty tough on the Opposition in terms of questions and comments which you suggest are extraneous. Day after day we have Ministers introducing quite extraneous and false material—

Members interjecting:

The SPEAKER: Order! I ask the honourable Deputy Leader to resume his seat. Before dealing with the point of order raised by the honourable Deputy Leader, I would indicate that the Chair takes exception to the implication that the Chair is not being impartial in the application of Standing Orders, and before proceeding to deal with his point of order I ask him to withdraw the implication.

The Hon. E.R. GOLDSWORTHY: Mr Speaker, I withdraw whatever it is that is offending you but I simply ask for consistency in terms of the treatment of the Opposition and the Government.

The SPEAKER: Order! It is very difficult when the Deputy Leader, in the course of legitimately raising a point of order, acts in a way that is offensive to the Chair so that the Chair cannot proceed immediately to the point of order but is diverted by the disrespect that is shown to the Chair by the Deputy Leader. This particular point of order has been raised with the Chair on previous occasions. It is a very vexed question in relation to how much liberty is extended to Ministers in the course of their replies to questions. I intend to adhere to the precedents established by previous occupants of the Chair in that a certain deal more liberty is given to Ministers in the course of their replies to questions. Nevertheless, I ask the Minister to try to adhere to the spirit of the Standing Orders.

Mr S.G. EVANS: Mr Speaker—

The SPEAKER: The honourable Deputy Leader.

Members interjecting:

The SPEAKER: Order! I call the member for Murray-Mallee to order and I apologise to the Deputy Leader on this occasion for any slight that might have been implied. The honourable member for Davenport.

Mr S.G. EVANS: Sir, I hope that you would apologise for any slight upon me in that, too. I would like an issue cleared up. Are you saying in the ruling you gave that, as has been the practice in the immediate past, Ministers have unlimited scope in which to answer questions? That has been the practice.

The SPEAKER: Order! I gave a ruling on this matter on 7 August 1986 and I draw members' attention to that. The honourable Minister.

The Hon. T.H. HEMMINGS: Thank you, Mr Speaker. You have made it fairly clear for me to know exactly where I should go.

An honourable member: Back to England!

The Hon. T.H. HEMMINGS: It is fairly obvious—

Members interjecting:

The SPEAKER: Order! I call the House to order. I call the member for Bragg to order for defiance of the Chair's request for the House to come to order. The honourable Minister.

The Hon. T.H. HEMMINGS: Thank you, Sir. As I say, I am very pleased that you pointed me in the right direction. As I was saying, it is fairly obvious that the think tank is operating for those members opposite and I fully expect a stream of questions regarding evictions, etc. I remind members opposite to go back and look at the documents I tabled, to see whether they can do a quick reverse, and then they may be able to get somewhere.

With regard to my origins, let me remind the House that the *Sydney Morning Herald* recently found in a survey on English and Irish migrants that they are the most popular migrants in this country.

Members interjecting:

The SPEAKER: Order! I ask the Minister to return to the subject matter of the question.

Members interjecting:

The SPEAKER: Order! The Minister should be aware that his ethnic origins were not referred to in the original question. The honourable Minister.

The Hon. T.H. HEMMINGS: On the question of rent arrears, the Housing Trust and the Aboriginal Housing Board will always crack down on those people who owe money. We are in a tight financial situation where the money coming from the Federal Government is drying up. What is the member for Victoria saying—that because someone came to him and said, 'I owe $2 000,' I should wipe off the debt? That would not be a responsible attitude. The honourable member implies in the question that there is a different set of standards as between Aboriginal tenants and white tenants. I assure the honourable member and this House that the same criteria apply.

All members should know that, before evictions take place and before pressure is placed on those people in their electorates, every effort is made to ensure that they have a fair go. The problem with the Opposition is that it is very fashionable—and an interjection yesterday concerned Spencer Rigney—that in this bicentennial year we should let someone like Mr Rigney have his house. What a patronising attitude. We will treat all tenants, regardless of their race, who owe money to the trust in the same way.

MARINAS

Mr RANN: My question is directed to the Minister for Environment and Planning. Is the State Government considering legislating to prohibit marina developments along any part of the Adelaide foreshore? This morning's *Advertiser* and other media reports have stated that the State Government has banned marina developments between Port Adelaide and Marino, and a spokesman for the Glenelg Residents' Association (Mr Philip Crutchett) also urged the State Government to legislate so that our coastline would not come under any threat in the very unlikely event of a change of Government.

The Hon. D.J. HOPGOOD: I do not favour the course outlined by the Glenelg Residents' Association for a number of reasons, not the least of which is the problem of definition. If we turn our attention to the task of drafting a Bill along the lines indicated, we ought to ask ourselves what a marina is. Are we talking about facilities for ocean going craft and does that, for example, include the Edwards Street ramp at Brighton where my daughter and I used to swim when we were both very much younger? Does it include a sheltered launching facility such as that which was built under the previous Government at a southern beach? Or, are we only talking about the North Haven type of facility?

Many things like that would have to be considered before we would want to take the step of saying to developers, 'We will not even consider an approach from you in relation to these matters for that stretch of coastline.' The honourable member also gives me the opportunity of commenting on what was on the front page of this morning's *Advertiser*. That arose from a discussion that I had with Mr Rex Jory in my office yesterday afternoon. That report is absolutely accurate in every particular, except for that one aspect of it over which Mr Jory had no control whatsoever—and that is the headline. If one reads the article in full—and I make the point that what Mr Jory has to say when he quotes me is exactly what I did say—one will see the flavour of exactly what we were discussing at that particular point. The last and final point I make is that the spokesman for the Glenelg Residents' Association did not exactly convey a vote of confidence in members opposite—not at all.

What he seemed to be saying is, I guess, 'In any practical world there's always some chance that at some stage in the future the Liberals will get back in, so shouldn't you legislate to forestall any action that they might take?' I have indicated why I have to reject that suggestion. My simple advice to the people down there is to keep voting for us.

WILPENA DEVELOPMENT

The Hon. JENNIFER CASHMORE: What response does the Minister for Environment and Planning have to the concerns of the Antakirinja community, based at Port Augusta, that the Government is not properly or adequately consulting Aboriginal people about the proposed major tourist development in Wilpena Pound? The Minister has received a letter from Antakirinja Incorporated which expresses in the clearest of terms this community's concerns about the consultative process the Government has developed for the major proposal at Wilpena. To convey their feelings, I quote some relevant extracts from the letter, as follows:

> Our old men have got fed up with telling the Government people things only to find that they are being ignored. What is happening now is worse and that is that people that the Government are paying to advise them are only telling the Government what suits them and not what the people actually want and what is true.

I quote further:

> We say that you are being told a lot of silly talk by Government people who are telling you more what suits them than what is right.

Finally:

> . . . we must tell you that we have had enough of all this foolishness and if you refuse to hear us we will not just sit quietly, so please talk to us soon.

The letter makes clear that their anger is directed at certain activities of the Minister's Aboriginal Heritage Branch.

The Hon. D.J. HOPGOOD: Any Aboriginal groups who claim to have any particular spiritual affinity whith that area will be fully consulted in the process we are undertaking, which I expect would lead to the development of that area. If these people have not yet been consulted, I have no doubt that they will be. At the same time, I hope that these people will be in a position to state specifically their particular concerns and spiritual affinity with that area.

We would want to assure ourselves that, in speaking to people with spiritual affinity with particular areas which may be subject to development, we are indeed speaking with the correct community, the people who can validly make that claim. It is not clear to me from my reading of that letter that that has yet been verified. I would be only too happy to receive such verification. I have no doubt that, since the consultative process will be properly carried out, verification if possible will be made available.

SUBMARINE PROJECT

Mr PETERSON: My—

Members interjecting:

Mr PETERSON: Looking after the Port, as always! I will look after the Port, all right.

The SPEAKER: Order! The member for Semaphore has the call for a question, not a grievance debate.

Mr PETERSON: My question is for the Minister for Environment and Planning. Will an environmental impact study be carried out in relation to the effects of the submarine construction project at Osborne, on the Port River? I have received a letter from the Port Adelaide Residents and Environmental Protection Group requesting this information and detailing concerns about, in particular, the use, storage and disposal of toxic and dangerous materials, the composition and disposal of any effluent, the noise levels and the effect on the river, mangroves and marine life. With the history of ongoing pollution of the Port River and the industrial pollution of residential areas on the peninsula, which is now subject to investigation by the South Australian Health Department, any further potential for pollution must be assessed and eliminated.

The Hon. D.J. HOPGOOD: The area is zoned for general industry. Since what we are talking about is a project which comes under that heading it is, of course, a permitted use in that zoned area. Therefore, there is no formal requirement under the Planning Act for any application to be advertised, because no consent use is involved and there is no right of appeal by a third party. I considered this whole matter late last year and determined that, in the light of those aspects of the Planning Act, no environmental impact statement need be prepared. However, there was a requirement that the air pollution potential of the project should be assessed under (I think) either section 48 or 48a of the Planning Act. That has been completed at this stage to the satisfaction of my officers. Where further studies must be undertaken I will endeavour to keep the honourable member and the House informed.

POLICE PRESENCE

Mr INGERSON: My question is to the Minister of Emergency Services. What does the Government estimate to be the total cost to sporting and cultural organisations of the Government's new plan to make these bodies pay for the presence of police officers—a service which historically has been provided by Government in return for taxes paid by the community? The Opposition has been informed that the 'user pays' system will apply to all sporting grounds where admission is charged, and will include all traffic police and ground police at an estimated rate of $22 per hour per officer.

I have been advised that a conservative estimate of this cost to certain sporting organisations is: $175 000 for the South Australian National Football League this season; $7 000 for the South Australian Cricket Association for one-day games; and $10 000 for Test cricket matches. It has been put to me that, on this basis, the cost of police presence at events such as the Grand Prix could be of the order of $30 000 a day.

The Hon. D.J. HOPGOOD: Someone has obviously plucked those figures out of the air.

Members interjecting:

The Hon. D.J. HOPGOOD: Yes they are. Someone has simply plucked the figures out of the air. A notional amount was included in the budget for this arrangement, and I believe that I gave that information to the Estimates Committee (and I can obtain it once again). The information was based on certain assumptions which may or may not be correct. The Police Commissioner and his officers have been negotiating with various promoters and sporting organisations, but discussions have not yet been completed. Therefore, the figures to which the honourable member refers are rubbery in the extreme.

As far as I am aware, not all sporting organisations in this State have been approached because I believe that most of them will not be affected by this initiative. We are talking about events which attract very large numbers of people or which, by their very nature, pose particular problems. Of course, as we have indicated all along it is always open to promoters to make their own arrangements if they so wish. However, if they wish to come into the scheme we are negotiating about the matter.

Members interjecting:

The Hon. D.J. HOPGOOD: We have had all this out before. The general principle has long been argued. It is not unreasonable to ask promoters of something like an AC DC concert to either absorb the few cents per ticket that would be involved or indeed add those few cents to the price of a ticket—

Members interjecting:

The SPEAKER: Order!

The Hon. D.J. HOPGOOD: —where people are quite happy to pay $20 or something like that to attend a concert. I fail to see why the general taxpayer in, say, the electorates of Victoria or Alexandra should have to contribute to the extraordinary policing effort that may be involved in a pop concert that could benefit only the electors of metropolitan Adelaide, due to the tyranny of distance. That is exactly the situation.

Members interjecting:

The SPEAKER: Order! I would hate to have to levy members here to maintain order in the House. The honourable Deputy Premier.

The Hon. D.J. HOPGOOD: I think you would do pretty well out of it, if I may say so. It would be an interesting initiative. That is the present position. There is no net conclusion to the negotiations that have taken place, although I believe that they are reasonably close to conclusion and, once we have the whole system together, I would make the point to the honourable member that it is by no means certain that there will be a standard charge. I believe that there will be a negotiating situation that will proceed because this sort of thing will be specific to the event involved.

O-BAHN DEVELOPMENT

Ms GAYLER: Can the Minister of Transport, as the Minister responsible for the O-Bahn, advise the House what progress has been made in planning for the continuation of the cycle path and park along the northeast busway now that the contracts have been let for the construction of stage 2 along the final stretch to Tea Tree Gully? I understand that part of the design of the O-Bahn and the Torrens Linear Park was for paved bicycle tracks along the landscaping adjacent to the actual busway. I know that a contract was recently awarded to Beton Pty Ltd for the actual busway track which leads to my electorate, and now the prospect appears for a start on the path for pedestrians and cyclists.

The Hon. G.F. KENEALLY: I thank the honourable member for her question and of course I acknowledge her continued interest in the development of the O-Bahn, Torrens Linear Park and also the very healthy recreational activity that is associated with the pathways that go along the linear park adjacent to the O-Bahn. I imagine that all healthy people in Adelaide at one time or another have either run, walked or cycled along those pathways and that all the rest of the people of Adelaide, including me and other members in this Chamber, ought to concern themselves with more healthy activity and drink in the benefits of the Torrens Linear Park by walking or jogging along the track.

The Hon. Frank Blevins interjecting:

The Hon. G.F. KENEALLY: Yes, it would certainly help the coffers of the STA and the State Government a little more if people were to look at Linear Park from a bus but, if people wish to see it in a more healthy way, they can certainly walk or cycle through it. It is because of the honourable member's interest and the interest of the members for Florey and Todd, who have also raised this matter with me, that I am able to inform the House that a tender has been let to Civil Tech Pty Ltd for the formation of 5.2 kilometres of paths and some associated work.

This contract is for the path along the River Torrens Linear Park, taking off from Paradise and continuing close to Tea Tree Plaza. It will link into the existing cycle tracks that follow the busway to Paradise. I am advised that although the paths will be available for use from the month of May, the final bitumen seal will not be laid until the end of the year. Total spending will be of the order of $155 000.

Those who participate in the marathon have to run over the dirt track but at the end of the year they will have a good solid bitumen track on which to run. The Premier, being a keen marathon runner, will be pleased, I am sure. The busway project team is preparing a modest brochure within the limited resources that we have to outline the access to bicycle tracks and walking trails. I understand that the Department of Recreation and Sport, as it always does in these circumstances, is working on a colour brochure to cover the complete bicycle and pedestrian path. I look forward to the citizens of Adelaide taking full advantage of what is really an incredibly attractive part of our city, one that is widely praised by visitors to our society and one that not enough of our people take advantage of.

PAROLE CONDITIONS

Mr BECKER: Can the Minister of Correctional Services say whether the Government intends to release convicted murderer Alfred David Hein within the next few weeks as has been reported and, if it does, what conditions will apply to that release? Hein was gaoled at the Governor's pleasure following the brutal murder of Glenelg taxi driver Joan Mann in 1975. During the course of his detention Hein has escaped twice. The Opposition has been informed that Hein suffers from schizophrenia and that his impending release from prison is causing great concern in the community. Despite any recommendation from the Parole Board, Hein can be released only if the Government approves.

The Hon. FRANK BLEVINS: As the honourable member says, there has been a recommendation from the Parole Board to the Government that Mr Hein be released, and the Government is considering that recommendation. I do not have details of the parole conditions in my head, but I can certainly get a copy of them to the honourable member this afternoon.

ABERFOYLE PARK CHILD-CARE CENTRE

Mr TYLER: Can the Minister of Children's Services say whether a minimum standard exists for playgrounds in child-care centres? Constituents have approached me concerning the inadequate playground facilities existing at the Aberfoyle Park Child-Care Centre. My constituents consider that the playground is extremely unsafe and, because of drainage problems, it is often unusable. My constituents have further informed me that a minimum standard exists for playgrounds in kindergartens and they argue that, as child care centres cater for younger children for longer periods of time, such a standard should exist for their playgrounds, also.

The Hon. G.J. CRAFTER: I thank the honourable member for his question and I appreciate his concern for those younger people in his electorate. The Children's Services Act of 1985 sets out guidelines and regulations covering those standards for outdoor areas. These are part of the child care centre licensing requirements. The Children's Services Office polices these regulations as well as providing information and support for child-care management committees in order to obtain the necessary standards. Such support is provided through an advisory service within the CSO, which is committed to ensuring high standards of safety for the children in its care. In addition, the CSO consults with the Australian Standards Association before making recommendations about outdoor areas and equipment. I understand that the CSO is aware of the concern about the child-care centre to which the honourable member has referred in his electorate and has been pleased to work with the local Happy Valley council and the management committee of the child-care centre to develop the outdoor area there. I understand that a works program is under way and it is expected that it will be completed soon.

ISLAND SEAWAY

The Hon. TED CHAPMAN: Will the Minister of Marine try to arrange for the motor vessel *Island Seaway* to approach its berthing facility at Kingscote from the north side rather than from the south for the next few trips, so that when it initially hits the Kingscote jetty, as invariably occurs, it may have the effect of straightening the jetty temporarily to its original position and overcome the list to its port side which ironically has been the case with the ship itself in recent weeks? I understand from a report received last evening that the issue was a matter of concern that was discussed at some length at the Kingscote council chambers yesterday. I am also informed by an islander well experienced in these matters—

Members interjecting:

The Hon. TED CHAPMAN: How did you guess!

Members interjecting:

The SPEAKER: Order! The honourable member for Alexandra has the floor.

The Hon. TED CHAPMAN: I have been informed that not only is the Kingscote jetty in urgent need of major repair following the recent batterings by the *Island Seaway* and longer term deterioration, but that an ardent protector of the Government and Chairman of the Kangaroo Island Transport Committee (Councillor Jack Meakins) is now joining with his council colleagues, other islanders, and me, in calling on the Government to undertake a major jetty repair outlined in my question.

The Hon. R.K. ABBOTT: The Opposition should be grateful that the Government decided to build the *Island Seaway*; had we not done so they would have had no questions to ask in Parliament.

Members interjecting:

The SPEAKER: Order!

The Hon. R.K. ABBOTT: And the member for Alexandra, in his typical grandstanding form, is continuing to do that. In order to simplify berthing at Kingscote, extra facilities are shortly to be installed on the bridge wings. Currently the ship's master directs operations from a central console. Fendering on the Kingscote jetty has been improved to maximise the absorption of berthing forces and to eliminate the possibility of further minor damage to the ship's hull.

I understand that most of that work has been completed, and it is absolutely untrue to say that the steering mechanism of the *Island Seaway* is faulty. That is not so. In fact, it is downright mischievous to say that, as it causes unnecessary concern to passengers and users of the vessel.

ELIZABETH ROAD SAFETY TRAINING CENTRE

Mr M.J. EVANS: Will the Minister of Transport give urgent reconsideration to retaining, and possibly upgrading, the Road Safety Training Centre at Elizabeth? I am advised that the centre is due to close on 30 June this year. Up to 13 000 schoolchildren a year are trained there and I am further advised that local schools hold it in high regard as a road safety measure.

The Hon. G.F. KENEALLY: I agree with the honourable member. My understanding of the use of the Road Safety Centre at Elizabeth would indicate that schools and parents within that region do hold in high regard the work that is done at the centre. It is not true to say that the Government has decided to close the centre. The Government is considering the future of the centre and, as a consequence, no bookings have been taken after 1 June of this year. We would expect within a month to have looked at the options available to the Government and to have made a decision.

The Road Safety Centre is on land that belongs to the Housing Trust and, appropriately, we are paying rent. The Government will speak to the Education Department with regard to more appropriate land that may be available within that region and to see whether or not a different concept

can be developed which will provide the traditional services and, perhaps, look at further services that may be appropriate. There are, of course, many of those.

A number of other children's road safety centres (Jamestown, Whyalla and Port Pirie are three that come to mind and also Mount Gambier) run at minimal cost to the Road Safety Division because there is considerable assistance from service clubs and local councils in terms of rental and facilities. The assistance given certainly makes the cost burden somewhat more acceptable, I would imagine.

There is a perception within the community that this type of road safety education must benefit young people, and I support this. Nevertheless, the experts seem to differ as to whether a significant benefit, in road safety terms, flows from the programs. It is my view that the community in South Australia would support the continuation of these programs. That would, of course, be a consideration in looking at the future development in the Elizabeth area.

To sum up, the Government has not made a decision to close the centre; we have made a decision not to accept bookings after 1 June so that we can consider its future. We are in a position now of having to expend significant capital funds to bring the Road Safety Centre up to scratch, so it is an appropriate time to reconsider our future options for the area. I assure the honourable member that we are very conscious of the needs of the community, and as soon as I am able to give him a report I will do so.

BUSHFIRE RISKS

The Hon. B.C. EASTICK: My question is directed to the Minister for Environment and Planning. In view of an assessment by the Director of the Country Fire Services which is strongly critical of the Government's failure to minimise bushfire risks on land it owns, particularly in national parks, what action will be taken? I refer to public evidence that Mr Macarthur has given to the select committee which deals with the Electricity Trust's responsibilities in relation to bushfires. Mr Macarthur was asked, 'Where do you think South Australia would rate in relation to the other States on attitude to fire prevention?', and he replied, 'At the bottom of the list.'

This question was asked in the context of attitudes of both private landholders and public authorities. However, in answer to other questions about the bushfire management practices of public authorities, he made plain his view that they leave much to be desired. A significant proportion of the major bushfires in South Australia so far this year have originated on Government owned land or have been rendered much more difficult to control because of inadequate fire management and other hazard reduction work, particularly in national and conservation parks. A visit to the Mount Remarkable area gives due testimony to that.

The Hon. D.J. HOPGOOD: Since Mr Macarthur has never put that to me in those terms, I think that the first thing I should do is check very carefully the transcript when such can be made available to me by the select committee. At this stage I cannot, under Standing Orders, require that the transcript be made available to me, but if it is within the select committee's power to send a transcript to me I will be only too happy to examine it and to meet with Mr Macarthur to determine whether what is in the transcript is what he intended to say. The honourable member stops short from actually quoting Mr Macarthur or ascribing to him the exact accusation that national parks were not doing a good job.

The Hon. E.R. Goldsworthy interjecting:

The Hon. D.J. HOPGOOD: If members look closely at the explanation that the honourable member has put in *Hansard* this afternoon, they will see that he did not quite say that—and I suspect that Mr Macarthur did not quite say that, either. However, as I say, I am only too happy to discuss the matter with Mr Macarthur because he has never levelled that accusation at me. His indication to me is that there are very good relations between the CFS and the National Parks and Wildlife Service, and at least two of his senior officers are former officers of the NPWS.

TECHNICAL AND FURTHER EDUCATION ACT AMENDMENT BILL (1988)

The Hon. LYNN ARNOLD (Minister of Employment and Further Education) obtained leave and introduced a Bill for an Act to amend the Technical and Further Education Act 1976. Read a first time.

The Hon. LYNN ARNOLD: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill is intended to correct a structural contradiction between the principal Act and the Regulations under the Act. In 1986 advice from the South Australian Council of Technical and Further Education was accepted concerning improvements to the formal constitution of the membership of college councils to provide for a process of establishment which would allow appropriate structures to individual colleges and flexibility to meet changing needs and emphases.

Changes to the existing regulations were proposed to formalise the process of local participation whereby each retiring council will be responsible for recommending a structure appropriate to the interests of the particular college for the next term of office and later nominate the members to fill those vacancies. However, I have been advised that regulations prescribing the membership of college councils are contradictory with the Act which provides that the membership will be determined by the Minister.

The Bill is introduced to amend that one section of the Act in order to allow for the constitution of the membership of college councils to be prescribed by regulation.

Clauses 1 and 2 are formal. Clause 3 makes the necessary amendment to section 28 of the principal Act.

Mr S.J. BAKER secured the adjournment of the debate.

WRONGS ACT AMENDMENT BILL

The Hon. G.J. CRAFTER (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Wrongs Act 1936. Read a first time.

The Hon. G.J. CRAFTER: I move:

That this Bill be now read a second time.

It proposes an amendment to the Wrongs Act 1936 regarding injuries arising from a motor accident. The amendment is consequential to the amendment to the Motor Vehicles Act 1959 dealing with compulsory third party insurance. The amendment will ensure that the meaning of a motor accident for the purposes of the Act is consistent with the

coverage of the compulsory third party insurance scheme under the Motor Vehicles Act 1959.

This Bill provides for a date of operation of 8 February 1987, that is, the date that the Wrongs Act Amendment Act 1986 and the Motor Vehicles Act Amendment Act (No. 4) 1986 came into operation. I commend this Bill to members. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the Bill will be taken to have come into operation on 8 February 1987. Clause 3 amends section 35a of the principal Act to provide that for the purposes of that section, injury caused by the opening or closing of a door of a motor vehicle may be regarded as arising from a motor accident.

Mr INGERSON secured the adjournment of the debate.

MOTOR VEHICLES ACT AMENDMENT BILL (1988)

The Hon. G.J. CRAFTER (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Motor Vehicles Act 1959. Read a first time.

The Hon. G.J. CRAFTER: I move:

That this Bill be now read a second time.

It proposes an amendment to the Motor Vehicles Act 1959 regarding coverage under the Compulsory Third Party Bodily Injury Insurance Scheme. A consequential amendment will also be made to the Wrongs Act 1936. I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Remainder of Explanation

In 1986 the Government amended the Wrongs Act 1936 and the Motor Vehicles Act 1959 in order to reduce the pressure on third party insurance premiums. Prior to the amendments, the Motor Vehicles Act 1959 provided for compulsory third party insurance protection against liability for death or bodily injury caused by, or arising out of the use of a motor vehicle. Such 'use' was not further defined. The 1986 amendments provided for a more restrictive interpretation of the words 'arising out of the use of a motor vehicle'. The reason for the amendment was that the courts had adopted a very expensive interpretation of the phrase which had placed a significant burden on the compulsory Third Party Fund.

As a result of the amendment, injuries sustained by a person, other than in consequence of the driving of the vehicle, the parking of the vehicle or the vehicle running out of control, are no longer covered by third party bodily injury insurance. At the end of 1987, the Insurance Council of Australia wrote to the Government requesting that consideration be given to extending the cover under the compulsory third party scheme. The Insurance Council cited an example of a situation which would previously have been covered but which would now fall outside the scheme namely a cyclist who is injured by the driver of a car negligently opening the car door into the cyclist's path. A number of representations were received expressing support for the view that such a situation should be covered by the compulsory third party scheme.

In the past two months, the Government has held discussions with the Insurance Council of Australia and the State Government Insurance Commission to discuss the need for further amendments in this area. As a result of these discussions, the Government proposes to amend the Motor Vehicles Act 1959 to provide that injuries caused as a consequence of the opening or closing of a vehicle door are covered under the compulsory third party scheme.

In addition, the Government has been advised that members of the insurance industry will examine reinsurance arrangements for comprehensive and third party property damage motor vehicle insurance policies with a view to providing protection against liability for injuries not covered by the statutory scheme, arising out of the use of a motor vehicle.

The Bill provides for a date of operation of 8 February 1987, that is, the date that the Wrongs Act Amendment Act 1986 and the Motor Vehicles Act Amendment Act (No. 4) 1986 came into operation. As a general rule the Government does not support the use of retrospective provisions unless special circumstances exist. In the present case, the Government considers that there are special circumstances as there is a public expectation that injuries caused as a result of the opening and closing of vehicle doors would be covered under the compulsory third party scheme and because drivers may have had difficulty insuring against this liability during the past year. I commend this Bill to honourable members.

Clause 1 is formal. Clause 2 provides that the Bill will be taken to have come into operation on 8 February 1987. Clause 3 amends section 99 of the principal Act to provide that for the purposes of Part IV of the Act, death or bodily injury caused by or arising out of the opening or closing of a door of a motor vehicle may be regarded as being caused by or as arising out of the use of a motor vehicle.

Mr INGERSON secured the adjournment of the debate.

BARLEY MARKETING ACT AMENDMENT BILL (1988)

The Hon. M.K. MAYES (Minister of Agriculture) obtained leave and introduced a Bill for an Act to amend the Barley Marketing Act 1947. Read a first time.

The Hon. M.K. MAYES: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Its purpose is to replace section 19c of the principal Act. Section 19c was inserted to protect the Australian Barley Board from claims by the holders of mortgages, bills of sale, liens or other charges in respect of barley or oats where the board makes payment to the grower contrary to the security. It is impossible for the board to establish from which property grain has been harvested and it must rely on information given to it, usually by the grower. It is therefore possible for the board, through no fault of its own, to make payment to the wrong person. Conversely it is possible that the board could make payment to a lender whose security has been discharged without the board's knowledge.

Although existing section 19c achieves this it goes further than is desirable. The effect of the section is to discharge the security with the result that the board should pay the

price of grain to the grower even when it knows of the existence of a security over the grain. The new provision avoids that problem by providing that the holder of the security does not have a claim if the board acts honestly. Subclause (2) provides that the security is not discharged.

Clause 1 is formal. Clause 2 replaces section 19c of the principal Act.

Mr GUNN secured the adjournment of the debate.

SUPERANNUATION BILL

In Committee.

(Continued from 24 February. Page 3072.)

Clause 27—'Retirement.'

Mr S.J. BAKER: According to the second reading explanation, employees can, if they have served the full term of 35 years, receive up to seven times their final salary in a lump sum benefit. I wish to question this because, as far as I am aware, under existing taxation arrangements in this country there is a rule that 6.125 per cent of the average salary over the last three years is the maximum superannuation benefit payable. Recently a person from a bank rang me, very upset that this limit had been imposed upon him when he was just about to retire. I have not looked into the Taxation Act: that was the information with which I was provided some three months ago. I am not sure of its currency today. Can the Minister tell me the situation in relation to this provision?

The Hon. FRANK BLEVINS: It does not apply to Government schemes. I have no idea why, but it does not apply.

Mr S.J. BAKER: That raises a very serious question. As far as I was aware the Government scheme did not apply, but the principle is set out in the Taxation Act, in the same way as Parliamentarians have been brought under the auspices of the Taxation Act in ways in which we never have previously. I presume that the same provisions will apply to public sector schemes. What implications does that have for the superannuation scheme we are talking about here?

The Hon. FRANK BLEVINS: I do not think it has any that concern the Committee. If the Federal Government at some stage chooses to change the rules on superannuation by way of taxation and other variations to the present rules then, obviously, the Government will have to abide by those rules, and any superannuation fund would have to take into account the guidelines or rules set down by the Federal Government. It is not something over which we have any control nor something with which we have any difficulty. Just flicking through my notes and looking at some of the schemes in other States, I see that some of the lump sum benefits go to more than eight times final salary, so ours is pretty modest by comparison.

Clause passed.

Clause 28—'Resignation and preservation.'

Mr S.J. BAKER: I move:

Page 14, after line 3—Insert subclause as follows:

(1a) A contributor cannot make an election under subsection (1) *(b)* or *(c)* unless he or she has been an active contributor for at least five years.

Page 15, lines 4 and 5—Leave out subparagraph (ii) and substitute:

(ii) an employer component which will, subject to subsection (6), be the lesser of—

— the amount of the employee component;

— 10 per cent of the amount of the employee component for each complete year for which the contributor has been an active contributor of five years.

The Minister would be well aware that my amendment fits in with the recommendation of the Agars committee. There is a complication in superannuation because we have two sets of principles prevailing in the marketplace. One is the principle that has been set down by the national wage case that there shall be negotiated 3 per cent superannuation for employees. We know that under that provision the union movement has desired that 3 per cent to be made completely portable. As far as I am aware, where those determinations have been made, that will be the case.

However, when we actually address private employer schemes where there is an employee contribution which may be equal to the employer contribution, or the employer contribution may be 1½ times or twice the employee contribution, the standard practice of all private firms has been to put down a minimal period of service before employees can benefit from the employer's scheme. The reason is quite obvious. Not only is the employee getting the benefit of the earnings of the fund which is being set up, but the real benefit shall flow after a period of service with the company. To do otherwise would be to treat it as virtually another salary component.

Clause 28 allows a person who resigns from the Public Service to do one of three things. First, that person can take the contributions with the interest or what is standing to that person's credit in the fund and do what he will with it, subject to the taxation laws of the country. The second option available is to preserve his benefit in the fund and let it accrue within the fund. The third proposition is that a person may take the moneys out of the fund along with the employer contribution and place it with an approved superannuation fund.

Members would well recognise that a person who has served, for example, two years and paid superannuation for that period would then get a bonus from the employer of twice his contribution, and could then move into another scheme with no guarantee that he was not actually receiving an additional benefit which was never envisaged. We believe in the principle of portability, but this section causes some severe problems, particuarly in relation to private sector schemes where the employees are contributing.

The reason it causes problems is that there is no guarantee that, once the money has left the hands of the superannuation fund, it will indeed be invested with another superannuation fund for the lifetime of that employee. Indeed, there are many employees who may serve two or three years in a particular form of employment and who could then take out the money and take the gift of the Government, which is a two for one contribution under those circumstances.

I refer to recommendations 41 to 44 of the Agars committee which particularly address the questions I am raising here through this amendment. It is important that, in terms of portability, the scheme should be fair. I have already mentioned that portability is part and parcel of the national wage negotiations, but that principle has definitely not been accepted as far as employee/employer schemes are concerned. I have already outlined my misgivings with this proposition.

The Hon. FRANK BLEVINS: I reject the amendment. It is true that the Agars committee recommended the preserved benefits option only be available to people resigning with at least five years' membership, but I reject that. I feel that that is discriminatory and I see no reason why someone who has served less than five years should not also have the preserved benefit. I think it is illogical not to. I would point out that in the private sector more and more schemes are getting rid of the old five year rule. As the member for

Mitcham would know, superannuation is a very dynamic area and is constantly changing.

What were pretty standard schemes 10 years or five years ago are no longer standard schemes, but are seen as old fashioned. Mobility of the work force is all the vogue these days, and I think that it is perfectly appropriate that someone has the right to benefits when they have less than five years service.

Mr S.J. BAKER: I was interested in the fact that the Minister did not address the question which is one of the most basic, and that is the question of costs. For those people who are particularly mobile it is a windfall gain which was never envisaged in the way the scheme operates today or in the way the Agars committee reported to the Minister. A simple fact of life is that people should not be getting a windfall gain because they are mobile. I will relate it back to my circumstances—because they are close to my heart—o having served State, Commonwealth and then State again.

I received very little return on the moneys that I invested. I would have been absolutely delighted if I had walked out with the interest that had accrued on my contributions over that period, and if I had the further bonus of a double employer contribution after the first year that would have made me ecstatic. It is like winning a lottery. It is a method by which people can obtain an additional benefit well and truly above salary, and it is not a small benefit. If a person's standard contribution is 6 per cent of salary of, say, $30 000, they will pay $1 800 into the scheme each year. After two years their contributions plus their build-up in the scheme would total well over $4 000. Under the circumstances outlined in the Bill that person would walk out with a further bonus of $8 000.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: Well perhaps the Minister could clarify the situation, because that is the way the Bill reads.

The Hon. FRANK BLEVINS: I will do my very best. The benefit put in by the employer cannot be collected at the end of two years—it may be at the end of 32 years, when the person finally retires. The benefit is not there to pick up after only a short time—as in the case of the honourable member. After such a short period you would only be entitled to exactly what you were entitled to before. You can preserve the total benefit, that is, your contribution and the contribution of the employer, and it will be available when you finally retire at age 65 or whatever. At that stage the benefit that you accumulated during the period you were employed in the public sector—whether it be two years, five years or whatever—would be payable. At the end of two years, if you decide to leave, you do not get the two for one in your pocket and then off you go up the road. It is there as a pension payable at the end of your working life. I hope that is clear.

If an individual wants to leave after two years, the employer contribution is not paid; all they receive is their own contributions plus interest. So you have not lost anything, but you will be no better off. However, when you are old and grey, because it is a lump sum scheme, you will receive a lump sum from the South Australian Public Service a couple of decades down the track when you finally retire. That is the way it works.

The cost will be minimal. Most people will choose, as did the honourable member, to pick up their own contributions plus whatever small interest rate applies. Of course, there are those who leave the Public Service and do not return, and I am sure that the member for Mitcham has no expectation of rejoining, nor would he want to. As I have said, the cost will be absolutely minimal. It is a voluntary scheme and we expect, based on experience, that most people who stay in the scheme for only a short time will not preserve the benefit, including the employer's benefit. Instead, they will take their own contributions plus the small amount of interest that would apply. The Agars committee recommended a scheme which in total cost would be no higher than 12 per cent of payroll. If we include this minor provision, the overall cost is still within the range recommended by the Agars committee.

Mr S.J. BAKER: I think the Minister has misunderstood an important part of what I have said. While that may apply for the preservation of benefits and build-up in the scheme, I will not argue that point because it would have to be taken out some time after the age of 55 under this legislation. However, for a mobile person this scheme is an absolute bonus, because all they would have to do would be to satisfy the superannuation fund that they were taking out their $4 000 in accrued contributions plus interest and transferring it into another approved scheme. They would then have $12 000 which could be drawn out within one or two years. That is an extraordinary benefit. In fact, I would want to be in that type of scheme, and I know that many of my colleagues with whom I worked would want to be in that type of scheme, because they are mobile and they know that many of the places in which they will work over the years have superannuation provisions.

If a worker is very mobile and spends only two or three years working for the same employer and they go from this State scheme into another scheme they will take with them three times the amount they should be due to receive. If they leave the new scheme after one or two years, they can walk out with their contributions plus the accrued amount in the fund.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: How can the Minister preserve the integrity of the fund when a person can walk away with $12 000 after contributing only $4 000? They can leave the South Australian Superannuation Fund, invest that money in, say, the Elders superannuation scheme and then after one year they can say, 'I would like my contributions.' They can then take that money plus the interest. Can the Minister explain?

The Hon. FRANK BLEVINS: Very easily. The South Australian Superannuation Fund would not release the funds on that basis. It must have a guarantee from the scheme to which the funds are being transferred that those funds will be preserved until age 55.

Mr S.J. Baker: That's not what the Bill says.

The Hon. FRANK BLEVINS: You are misreading it. The Bill refers to an approved fund. One of the criteria for approving the fund is that—

Mr S.J. Baker: That's not what it says.

The Hon. FRANK BLEVINS: If the honourable member believes that he is better at drafting these provisions than the people who assist me, he is most welcome to move an amendment. I can assure the honourable member that an approved fund will be one that will guarantee that funds will not be released to a person leaving the scheme until age 55. I point out that an approved fund is one that has reciprocal rights so, if someone is joining our scheme, the same situation applies. At the moment the only funds that we can think of that will be eligible to be an approved fund are other Government schemes.

Amendments negatived.

Mr D.S. BAKER: This is the second clause that I think should be considered very carefully—the other is clause 25. Last night the Minister gave me information which I believe was completely contrary to the intent of clause 25, but I

will deal with that at the third reading stage. I am one of the first to recognise the benefits of superannuation. I do not think that anything we do should detract from the rights of employees to have superannuation. However, I think it goes beyond that in this clause because it allows benefits to accrue after someone has left the Public Service. In fact, years after someone has left the Public Service the taxpayer is committed to some quite dramatic payouts. I have prepared some figures on this: perhaps the Minister will comment on whether or not he thinks they are accurate. As happens, and as the member for Mitcham said, people are mobile these days. I looked at the case of someone who decided at 45 years of age to leave the Public Service and get out. Assuming the person started at age 20 on a salary of $15 000, which is quite sensible in this day and age, by the age of 45 his total contribution would be $37,500.

If he leaves for another job at 45 probably in private enterprise, he might not need the money and he can elect to preserve it in the fund under this provision until he is aged 65 years. If he took the payout when he left his employment with the Public Service, having obtained compound interest of 9 per cent since he was 20 years of age, he would have a payout of $116 000 on his input and $232 000 from the Government, which would give him a total payout of about $350 000.

He is no longer working for the Public Service, but he can preserve his entitlement in the fund and, if he leaves it for another 20 years, he does not have to take it out until he is 65 years. Also, the Bill provides that the Government or the employer can pay out no more than two to one—

The Hon. H. Allison: It used to be 2.5—

Mr D.S. BAKER: Yes. If he leaves it in still at 9 per cent per annum, at age 65 the payout when he is not working for the Public Service is $423,000 and the taxpayers' payout is $850 000, making a total payout of just over $1.3 million. I agree that that employee should have the ability to take the payout when he finishes working for the Public Service and transfer it to another fund. I agree totally because it relates to service within his employment. However, I do not believe that the taxpayers of South Australia would think it reasonable or fair if my figures are correct that they should have to pick up an extra $850 000 from taxpayers' funds to pay compound interest on that investment.

The situation gets worse if the starting salary was $20 000 and the employee retires from the Public Service at age 45. The payout at 65 years under this preservation provision is $1.7 million. We have to be fair and reasonable, but I do not believe that anyone would agree that under this provision taxpayers have an obligation through the Government of the day picking up that sort of payout for such people. I am not trying to stop the benefits from this legislation accruing to members of the Public Service but, when people leave the service, the Minister and the fund should have some say about what happens to the money. Can the Minister explain whether that can happen? Does he agree with my figures?

The Hon. FRANK BLEVINS: I do not agree with those figures at all. Funnily, I have something of a sense of *deja vu*. I have been listening to these extrapolations to the absurd for 10 years in another place. Portability and preservation of benefits is on the verge of becoming standard procedure. In fact, any new scheme that is established will include portability and preservation. It is very cheap; it is not a large part of the cost of any superannuation scheme. In fact, a rough calculation on this scheme is that it is something in the order of .5 or .75 of a per cent.

It is not a big deal financially, but in equity and for the very good social reason of having people with the ability to move between the private sector, the public sector, one public sector employer or several private sector employers, it is important. If the member for Victoria has some difficulty with preservation and portability, he has to come to terms with it because it is becoming standard. It is quite properly encouraged to be a standard arrangement in any superannuation fund.

The old style superannuation fund that tied an employee to an employer and heavily penalised him from leaving one employer and going to another is gone and the Federal Government quite properly is encouraging arrangements such as those in this scheme, which is by no means a trail blazer: it is just a modern superannuation scheme that is appropriate for the 1990s and beyond. If the member for Victoria does not like it, I can only say that he has not caught up with what is happening to superannuation funds over the last couple of years or so and the necessity for arrangements such as this.

Mr D.S. BAKER: I agree totally with the portability aspects, and I will try to put it into simple financial language for the Minister. My concern has nothing to do with portability. If at the retirement age of 45 the contributor has paid in and the fund has earned 9 per cent so that he has accrued about $116 000, under clause 28 (6) the employer component cannot exceed twice the amount that would have constituted the employee component. Therefore, it will be about $232 000 at age 45. I agree totally with that.

That money should then be funded and he has owing to him $350 000, which he can put in and leave in the fund. However, I object to his not taking it. The fund will pay compound interest from then on. I object to his not taking the employer's contribution, thus allowing the employee contribution to build up over the next 20 years at a compound interest rate in the fund which does not have to be funded by the Government until he is 65 years of age.

That is when we get the big blow-out of the taxpayers' dollar. We are not trying to take any money away from anyone. Put simply, when a person is not working for the Government, should the taxpayer have to keep funding out of the taxpayers' dollar at a rate of two to one? It is a simple premise. The matter could be overcome by funding the scheme at point of retirement or resignation.

That is what would happen in any private fund, because such schemes are totally funded all the time. The Minister has already rejected that for funding the scheme—that is his philosophy, but it is costing the State a lot of money. If that is his philosophy, he can stick to it. This is a simple financial case under which I believe contributors are receiving a benefit that is not morally or legally due. I am only asking the Minister to comment and try to understand that very reasonable point.

The Hon. FRANK BLEVINS: I understand it and I disagree with what the honourable member has said.

Mr S.J. BAKER: I concur with the comments made by the member for Victoria. The Minister has said that the term 'approved scheme' will apply only to a very selective scheme. Before the Bill is considered in another place, could attention be paid to the wording so that the provision clearly states that the fund or scheme must be specified by regulation and so that guidelines are laid down to specify which schemes should be included: for instance, that a contributor cannot get any benefit until he or she retires completely from the work force? Otherwise, the way the clause reads is a nonsense.

The Hon. FRANK BLEVINS: It is not a nonsense. The principle is clear and there is no problem. However, I shall have the comments of the members for Victoria and Mitcham examined and, if it is deemed necessary to specify

the type or style of fund that will be an approved fund, that matter will be considered. I have not thought whether it will be necessary to do that by regulation, but I will think about it.

Mr D.S. BAKER: My point is based on the basic principles of justice. I understand that the Minister will consider my proposition with a view to having an amendment moved in another place. If the figures that I have put before him are found to be correct, I hope that he will have the scheme funded at the point of retirement of a person seeking preservation. If the Minister is agreeable, I shall talk with him on this matter. We are merely trying to make the scheme fair and reasonable for both parties, but it should not be made so one-sided that the taxpayer, who after all has no say, is severely disadvantaged. The employee would not be disadvantaged by my proposition.

The Hon. FRANK BLEVINS: It is a question of whether one wants to fund all or part of the scheme or not at all. I believe that there is no need to fund the scheme. I know the advantages of funding all or part of a scheme, but Government schemes are not funded. Indeed, I am persuaded by the arguments advanced that there is no need to fund public sector schemes. The arguments are even stronger for the view that it is nonsense to fund public schemes. However, I shall have the honourable member's remarks examined and see whether anything can be done to allay his fears.

Clause passed.

Clause 29—'Retrenchment.'

Mr S.J. BAKER: Clause 29 (2) provides that a lump sum payment will be made up of two components, one of which shall be an employer component which will, subject to subclause (3), be equal to twice the amount of the employee component. Then, subclause (3) provides for an option of a sum much greater than twice the employee component. The wording should be something like 'a maximum of double the employee contribution' and then further qualifications could be stipulated. I am not happy with the wording of the clause, which is certain to be the subject of disagreement in another place.

Clause passed.

Clause 30—'Disability pension.'

Mr S.J. BAKER: Although I have no amendment on file, I am concerned about the wording of this clause. Subclause (1) provides:

> Subject to this section, a contributor who is temporarily or permanently incapacitated for work, and has not reached the age of 55 years, is entitled to a disability pension.

It is important to understand those words because we are talking not about worker's compensation but about some debilitating disease or serious accident incurred away from the workplace. There is a practice among some sections of the work force to allow sick leave credits to run down to zero. They are treated as a right rather than preserved until a serious illness occurs.

I have two major concerns. The first is that the disability pension will be regarded as a safety net by those people who abuse the sick leave privilege. My second concern is that no medical review panel is provided for in the Bill. In this regard, I refer the Minister to recommendations 31 and 32 of the Agars committee report. The Agars committee said that we should have an expert medical panel.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: I take the Minister's point and interjection. He states that there will be a panel. I do note that some provisions through this legislation refer to a medical practitioner, and not to the right of a board to sit in judgment on particular cases of concern to the board. Therefore, I would have a preference for actually writing into the legislation a medical review board of some sort. That was my question.

Perhaps the Minister can respond to this sick leave dilemma. We may be creating a situation that we do not wish to create. There are certainly genuine cases of people who have run through sick leave credits and, because of serious injury or illness outside the workplace, they are placed in a difficult situation. But by placing safety nets there we may create another set of problems and may induce people to take up disability pensions, because they would be incapacitated during genuine illness, as a means of topping up.

I have had two cases brought to my attention by people who have suffered illness and have been left without salary, wage or whatever for quite a period of time—quite genuine cases—because the board has been making up its mind. These cases have concerned me from a number of points of view, particularly this provision which does not discriminate between those who do try to do the right thing and those who do not.

The Hon. FRANK BLEVINS: I believe subclause (4) covers the point made by the member for Mitcham. I will not read it out because of the time constraints. It certainly has nothing whatsoever to do with sick leave, lack of it, or the amount of it. The board clearly will not pay a pension if it appears that the duration of the incapacity is likely to be less than six months. It has nothing whatsoever to do with sick leave. Sick leave is dealt with under another Act of Parliament and people are able to take or accrue sick leave only within that provision or any other agreement they may have with an employer.

Clause 30 passed.

Clause 31—'Termination of employment on invalidity.'

Mr S.J. BAKER: I, too, have done some calculations and found what I believe is an anomaly in clause 31 in the way in which the formula has been worked out. I found that under the formula provided, a person who is not fully incapacitated and of a younger age is likely to receive, in relative terms and sometimes in absolute terms, a higher lump sum payout than an older person in the work force. I have worked through the formula with a set of figures that proved this point. The Minister may well have to look at the formula if indeed I am correct.

I worked through the formula using the proposition of a person who had been invalided at 50 years of age and a person who had been invalided at 20, both of whom earned $2 000 a year, and I discovered that the person who had been totally incapacitated (and we are talking about these people getting workers compensation) at 50 years of age would have exhausted the X factor, which is two times the salary contribution, and therefore would have a maximum benefit of 3.86 times the final salary. I took the case of a person who was aged 23, who had been in the Public Service for a period of five years and who would have accumulated 60 points and had a 50 per cent incapacity.

When I did the calculations the older person on the salary of $20 000 a year received a sum of 3.86 times $20 000, that just happens to be $77 200 as a lump sum payout. However, when I did the calculations for the person with a 50 per cent incapacity, and remembering that that person was still receiving workers compensation benefits, the lump sum payout was $82 000. I found that that was a huge anomaly, that the person who had been contributing, perhaps in the case of the 50 year old, for 30 years was to receive less in lump sum form than a person who had been in the system for some five years. I ask the Minister to explain that anomaly.

The Hon. FRANK BLEVINS: Superficially, there may well be an anomaly. I am not in a position to confirm that that is the case. I will give the question very careful attention and get a written response back to the honourable member. However, I agree on the surface that there is at least a query that warrants an answer.

Clause passed.

Clause 32—'Death of contributor.'

Mr S.J. BAKER: I move:

Page 17, after line 42—Leave out 'or an eligible child'.

The reason for this amendment is that there is an anomaly in the Act. When we are talking about the death of a contributor, the only thing that is allowed under this provision in the case of an eligible child is in respect of a very small pension. The case which has been left out of this clause deals with the proposition of a person who is not survived by his or her spouse and that person has died or been divorced, and we have been left with a child, or more than one child, who must be sustained in some fashion and the pension benefit payable under this clause is simply not enough to sustain the food component of that child.

Further on in the legislation, we find that the child can then only benefit from the estate once it has completed the period of pension, either after the age of 16 or, in the case of tertiary students, after the age of 25. I note that the Minister does have an amendment which is also proposed to overcome the difficulty in this clause. However, I move the amendment standing in my name.

The Hon. FRANK BLEVINS: I reject the honourable member's amendment and thank him for drawing the Government's attention to the point. It is my intention to move an amendment to this clause to correct, in what I believe is a more appropriate manner, the point that the honourable member brought to my attention.

Amendment negatived.

The Hon. FRANK BLEVINS: I move:

Page 19, lines 12 to 15—Leave out all words in these lines and insert:

(a) where the contributor is survived by a spouse, then—

(i) if there are no more than three eligible children:
P = A X .05 X FS:

or

(ii) if there are more than three eligible children:
P = I/n (A X .15 X FS);

(b) where the contributor is not survived by a spouse, then—

(i) if there are no more than three eligible children:
P = A X .15 X FS

(ii) if there are more than three eligible children:
P = I/n (A X .45 X FS)

This amendment is very important, and I thank the member for Mitcham for drawing to the Government's attention a problem which we agree must be corrected. The question of orphans was not adequately catered for in this circumstance, and I believe that my amendment does that in a more appropriate manner than did the amendment put forward by the member for Mitcham.

Amendment carried.

Mr S.J. BAKER: I will not proceed with the next amendment I have on file.

Mr D.S. BAKER: I want clarification about the theoretical standard and contributor points on the death of a contributor. As the Minister knows, an employee can contribute from 1.5 per cent to 9 per cent of salary. In the case of someone who has contributed at the higher rate (that is, 9 per cent) and not the theoretical rate, what happens when that person dies? That person has contributed more than is allowed for under the theoretical standard. What happens to those extra funds? Are those extra points allowed, or is that contribution lost?

The Hon. FRANK BLEVINS: Even in death one cannot win. That money will be returned to the beneficiaries.

Clause as amended passed.

Clauses 33 and 34 passed.

Clause 35—'Retrenchment.'

Mr S.J. BAKER: The question of age runs right through the Act. What is the normal retiring age for State Government employees who are on workers compensation? What does the Minister regard as being the retiring age for employees carrying out their normal duties as a result of the change in this Act? Under workers compensation rules, people are entitled to receive workers compensation until their retirement or they reach their normal retirement age. Will the Minister clarify whether the Government has put on notice that the normal retiring age from the Public Service for all purposes will be 60 years for males and females, or is there a difference in the treatment between workers compensation and pensions?

The Hon. FRANK BLEVINS: We have not put anyone on notice about the retiring age. It has absolutely nothing to do with this at all. As much as I understand the question, I do not see any inconsistency between this and workers compensation. I admit that I found a great deal of difficulty understanding the question. I will have it examined, if it helps the member for Mitcham, and provide him with a more detailed response if my response during the Committee stage is inadequate.

Mr S.J. BAKER: So that the Minister can understand the question: rather than worrying about 60 or 65 years as being the retiring age (because other activities may overtake us), what does the Government regard as being the time at which workers compensation shall come to an end for an employee?

The Hon. FRANK BLEVINS: It is 65 years in the case of a male and 60 years in the case of a female. I think that is the law.

Clause passed.

Clauses 36 to 38 passed.

Clause 39—'Resignation and preservation of benefits.'

The Hon. FRANK BLEVINS: I move:

Page 26, line 36—Leave out '55' and insert '60'.

This amendment will allow members who resign rather than retire between the ages of 55 and 60 to preserve their accrued superannuation. Unlike the new scheme, members of the old scheme are entitled to a pension and cannot roll it over to an approved deposit fund. This amendment provides the facility for the very small group of people who are members of the old scheme to preserve their entitlement with this fund where they leave between the ages of 55 and 60 and move into some other employment.

Amendment carried.

The Hon. FRANK BLEVINS: I move:

Page 8, line 7—After 'will' insert 'subject to subsection (8),'.

The amendment corrects a technical error in the drafting. It will prevent incorrect benefits being provided to former members who have preserved their entitlement and retire between the ages of 55 and 60.

Amendment carried.

The Hon. FRANK BLEVINS: I move:

Page 28, after line 15—Insert subclause as follows:

(8) Where a retirement pension calculated under subsection (7) exceeds the pension to which the contributor would have been entitled if he or she had continued in employment from the date of resignation to the date on which the retirement pension first became payable under this section and had contributed to the fund at the standard contribution rate over that period, the pension will be reduced to that latter amount.

I should have moved this amendment with the previous one, and it does what I previously stated.

Amendment carried; clause as amended passed.

Clause 40 passed.

Clause 41—'Medical examination, etc., of invalid pensioner.'

Mr S.J. BAKER: I made the point earlier, when we were talking about disability and invalidity, about the need for an expert medical panel. I believe there should be a similar point in this area where practitioners, rather than a single practitioner, are involved, should there be any difficulty with the cases in contention. It may well be that few cases would fall within this category. However, we tend as members of Parliament to get stories from a variety of people about those who are ripping off the system. I am invariably told about these stress cases which are suddenly so debilitating that people are in bed 24 hours a day and then, the day after they have received their workers compensation payment, they are out in another job. I presume that those cases are very few and far between. Unfortunately, some of the heaviest costs to private enterprise and to Government relate to those injuries which are very difficult to define and which in some cases have a wonderful habit of disappearing after the payment has been made. That is why I believe that when we are talking about medical examinations we should be talking about a group or panel rather than a single practitioner.

Clause passed.

Clauses 42 to 45 passed.

Clause 46—'Division of benefit where deceased contributor is survived by lawful and putative spouses.'

Mr S.J. BAKER: I have an amendment standing in my name.

The CHAIRMAN: It seems to me that if the honourable member canvasses the new clause and opposes the existing clause we can put the question at the same time.

Mr S.J. BAKER: I move:

Leave out this clause and insert new clause 46 as follows:

Division of benefit between lawful and putative spouse

46. (1) If it appears that a deceased contributor is survived by a lawful spouse and a putative spouse, the Board will refer the matter to the Supreme Court.

(2) On a reference under subsection (1), the Court may—

(a) determine that one of the spouses should take the benefit to which a surviving spouse is entitled under this Act to the exclusion of the other;

or

(b) determine that the benefit should be shared between them on a basis fixed by the Court.

This involves a very important principle. We have proposed that a court should determine the rights between two disputing parties. I do not believe that the board is the proper place to determine the legality of a putative spouse. Secondly, we should not be putting into legislation an equality when the Agars committee had difficulty with this matter and suggested that a lump sum benefit should be shared between the two parties on the basis of the time they have spent with the contributor.

The courts come up with formulas which reflect a very wide range of criteria as to who should be the beneficiary of an estate. This is an estate: it is provided in the first instance to a spouse. Where there is a conflict of interest involving a putative spouse, it is appropriate that in each case the court shall determine the relative proportions of the payments involved.

We do not believe that any legislation should put into place an equality between a spouse and a putative spouse. We believe that it is wrong in law and not in the best interests of any legislation or any board to be able to say, 'Here's what we are proposing, but if you want to fight it out you go to the Supreme Court.' The amendment provides that the matter shall be referred to the Supreme Court for determination. We will not then get into this enormously difficult area where we start at square one, with lawyers on both sides grappling for the money over the dead body of a former public servant. We think that this is an infinitely wise suggestion, which we commend to the Government.

It takes away the need for a board to make a determination. The board would have to say, 'Here's the money; take it. We will give you half each and if you don't like it you can go and fight it out.' That is not in keeping with the sentiment expressed by the Agars committee or in keeping with any force of law connected with this matter, and I would ask that the clause be opposed and the new clause standing in my name be inserted.

The Hon. FRANK BLEVINS: I reject the amendment. The position is quite clear. Anyone who can sort this out in these modern times would need to have the wisdom of Solomon. However, I believe that we have come pretty close in saying that the appropriate carve-up is fifty-fifty and, if either party has any objection, take it to the Supreme Court where it will be fought out by lawyers in what some of us would consider to be a quite distasteful way. I would be sorry if that were to happen on too many occasions, as I am sure all members would be.

The Opposition is proposing that on every occasion there is both a putative and a legal spouse the matter will go to the Supreme Court and will be fought out by the lawyers. The difference between us is that we believe that we can avoid on a number of occasions any reference at all to the Supreme Court; that it will be seen by the parties to be an equitable arrangement the board has made under the Act; and there will be very few Supreme Court actions taken by beneficiaries. The member for Mitcham is attempting to make that fight mandatory before the Supreme Court. I think that that is unwise.

Mr S.J. BAKER: The Minister is wrong on a number of counts when he waves his arms and says, 'On all occasions we are going to have a fight in the Supreme Court.' First, we will not have too many occasions because there will not be a large number of people who fit within this category. As the Minister well knows, the age of divorce is here, and no longer is there a desire to maintain a legal marital relationship when people separate and commence cohabiting with someone else. They reach agreement—

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: You are going to file an agreement before the Supreme Court before there is any need to have a hearing. The two parties will get together and say, 'We will have to have a good argument about this because we might be arguing about $55 000 or $100 000.' At that point they might realise that the difference between 40 per cent and 60 per cent will be eaten up by lawyers' fees, anyway. Through a process of determination, the Minister says that he believes that half and half is correct, but we are saying that it is not correct. It should be determined on the basis of merit.

The Hon. Frank Blevins: By a court.

Mr S.J. BAKER: By the court.

The Hon. Frank Blevins: That's right: send every case to court.

Mr S.J. BAKER: The court can accept an agreement placed before it on the basis that an equitable agreement can be reached. I would imagine, and I hope, that in most cases that would happen. Where there is aggravation it will go to court, anyway. All we have done is put a threatening situation before two people who may well have not come together in an antagonistic situation by saying, 'One of you is deserving of half, despite the fact that you put up with the old bugger for 30 years, while the other one is also

deserving of half even though you had him for only five years.' The irony is that one can become very antagonistic about that principle.

We are not trying to create aggravation. In fact, in many ways I think that this provision will decrease the amount of aggravation in the system. If the Minister can suggest another means of reaching a determination on the basis of true justice, I will be happy to hear it. We are not happy with the current provision and we believe it needs to be changed. We are proposing an opportunity for change, but I understand that the Minister will reject it.

The Hon. FRANK BLEVINS: The honourable member is absolutely correct: the Minister will reject it. That does not alter the fact that we are trying to avoid litigation. We are making a fairly arbitrary decision by telling the parties, 'If you do not agree with a 50/50 split, either party can take it to court.' In my view that will avoid a number of court cases. The Opposition is suggesting that every case should go before the court—I think that is undesirable. If a way can be found to avoid that, all the better. I make it clear that the member for Mitcham is insisting that on every occasion involving a spouse and a *de facto* the carve-up of this part of the estate should be decided in the Supreme Court. I think that is undesirable.

Mr S.J. BAKER: If the Minister had really considered the question of equity why did he not take up the proposition of the Agars committee, which said that, because of the dilemma being faced, the people sharing in a lump sum estate shall be the legal spouse and the putative spouse and it shall be in proportion to the time that they have spent with the contributor? That can be tested before the Supreme Court if either party feels disaffected. That approach is far more equitable than the provision in the Bill. At least that approach adheres to a set of principles which are laid down. The Minister has said, 'It will be divided up with each receiving half—we will give them an equal share.' The Minister has made a determination knowing full well—

Mr D.S. Baker: He's the judge and the jury.

Mr S.J. BAKER: Yes, irrespective of the merits of the case. The Minister knows that any deviation from the mean of 50 per cent would have to be quite large before people would achieve true justice from the system. It may well be that the balance of reason in the other place will agree with the Agars committee. The Minister is keen to see that both parties share equally and, if they are not happy with that, they can then take it up with the courts. It may be that the balance of reason in another place will agree with the Agars recommendation. If so, that will certainly sit a lot easier with me.

Amendment negatived; clause passed.

Clauses 47 to 54 passed.

New clause 54a—'Confidentiality.'

Mr M.J. EVANS: I move:

Page 33, after clause 54—Insert new clause as follows:

54a (1) A member or former member of the Board of the Trust, or a person employed or formerly employed in the administration of this Act, must not divulge information as to the entitlements or benefit of any person under this Act except—

(a) to, or with the consent of, that person;

(b) to that person's employing authority;

(c) to any other person for purposes related to the administration of this Act;

or

(d) as may be required by a court.

Penalty: $10 000.

(2) This section does not prevent the disclosure of statistical or other information related to contributors generally or to a class of contributors rather than to an individual contributor.

The amendment will protect the confidentiality of information about individuals in the fund. I believe that this is an important principle which has been included in a number of Acts passed by this Parliament over the past two years. I commend the amendment to the Committee as a measure for privacy and for securing individual records.

New clause inserted.

Clauses 55 to 57 passed.

The CHAIRMAN: I rule that the honourable member for Mitcham's amendment after clause 57 to be out of order.

Clause 58 passed.

Schedule 1—'Transitional provisions.'

Mr S.J. BAKER: How many new scheme contributors are there at the moment?

The Hon. FRANK BLEVINS: About 300.

Schedule passed.

Remaining schedules (2 and 3) and title passed.

Bill read a third time and passed.

GAS BILL

Adjourned debate on second reading.

(Continued from 18 February. Page 2888.)

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): The Opposition supports the passage of this Bill so that it can be referred to a select committee. As all members would know, the Bill is to effect a merger between Sagasco and SAOG. It really is a step down the track towards privatisation. Of course, the Government will deny that and give it some other fancy name, such as rationalisation or commercialisation.

In fact, it is a step down the road to privatisation and in due course I will be surprised if the Government does not sell off some of its shares. It will claim that it is not privatisation because it has a large majority interest in the holding company, but the Gas Company is freed up. Restrictions on dealing in Gas Company shares is removed. We are out on the Stock Exchange, and the Minister's second reading explanation states:

The merger arrangements which have been announced now make these restrictions unnecessary—

that is in relation to shareholdings because they will be traded freely on the stock market—

as the Government will hold a majority of shares in the new company . . .

The new company will be entirely free to act commercially and as such will be subject to, and governed by, the Companies Code and the Stock Exchange regulations.

So, the way is open down the track for the Government to sell off more of its stake. I must remark on the conversion of both Federal and State Governments to the concept of privatisation. I will not detain the House, except to read a couple of headlines indicating the size of this conversion. It rivals that of Paul on the road to Damascus: the light suddenly dawned.

I know that I have said that before, but I can think of no more colourful way of describing what happened to the Government before and after a State election and subsequently a Federal election. During the State election here the Prime Minister was reported under a headline 'Hawke raps privatisation as "ideological clap-trap" '. Now we know that he is enmeshed in a factual row particularly with the hard Left members to sell to his own Party this concept of privatisation. That was in November 1985. It led to a more recent headline of 16 February, this month, only a week old, '$1 000 million bill to stay public'. The report states:

New moves within the ALP to thwart the Hawke Government's controversial privatisation plans will cost Australian taxpayers $1 000 million if they succeed.

The man up front here is no-one other than Senator Evans, who wants to sell off Qantas and Australian National. It is wonderful and pleasing to see that the Labor Party is so flexible that in such a short space of time it can change its tack. Premier Bannon was no less eloquent during the course of the election campaign earlier when he was seeking, along with his union buddies, to mislead the public and he was very scathing in his remarks about privatisation.

I do not think members really need the headlines to indicate what Premier Bannon had to say about privatisation when he was quite scathing. In the report headed 'Bannon keeps the pressure on privatisation policies', it states:

> The South Australian Government yesterday continued its hard line against the Liberal Party's controversial privatisation policy.

Of course, we have had the privatisation of Amdel since that statement not so long ago and now we are taking a fair step down the path. The Minister's speech is predictable, and I can save the time of the House because I can say it for him. It will be like this, 'The Deputy Leader is talking nonsense. We are not on about privatisation. We are on about something different. Before we called it "commercialisation" but you can take my word for it that it is not privatisation.' It is certainly privatisation and it is going down the track that we advocated. We all know that. So, save your breath, Minister. The fact is that the Minister is well and truly down the track and we believe that he is going in the right direction. Of course, in the fullness of time as he woos more and more of the union movement to this point of view, more and more of the Government's majority stake in this holding company will be offered to the public.

I do not want to prolong the debate. The Bill is going to a select committee and I trust that we will get some evidence in relation to the details of this merger. One feature of the Bill which interests me is the valuation placed on SAOG. I remember the big weapon that the Government trundled out was a document supported in one or two quarters that the Liberal Party had grossly overvalued this SAOG asset. It seems strange to me that the Government announced this amalgamation in March last year. It was announced a fortnight before the independent arbitrator came down with a gas price for Cooper Basin gas.

Of course, SAOG has a partiuclar interest in this, as we know. It has a large stake in the Cooper Basin, so any current gas price arbitrated by the independent arbitrator would have a significant influence on the current capital value of SAOG. The Government chose to announce this merger knowing full well that the value of gas was to be arbitrated, and if one averages the price of South Australian gas, it did not move much but New South Wales gas encountered an increase and the average overall was a 28 per cent increase.

From the calculations made at that time it gave SAOG a $10 million increase in revenue per year. So, the timing seemed a bit strange to me. Here we had the SAOG and SAGASCO merger announced on the eve of the independent arbitration which would indicate what SAOG's gas was worth, as we know, one of its prime products for sale. A major question that I have about this legislation (others will emerge) relates to the true valuation of SAOG. Of course, that will determine what has been done for the shareholders of the Gas Company.

Mr D.S. Baker: That's very important.

The Hon. E.R. GOLDSWORTHY: I think it is important. SAOG is a public asset we were told was grossly overvalued. We were trying to get top price for the public's asset. I do not know the precise answer, but I hope that we can get evidence before the committee from people independent of SAOG and SAGASCO. I seek truly independent evidence about what that asset is worth to the public. I notice in its December meeting the Gas Company shareholders had no problem in approving the deal.

I also know that in my time as Minister a number of schemes were put to me that would allow the Gas Company to cash in on what was stated as a 51 per cent legal ownership of SAOG. That would not stand up. Both political Parties understood that, and the Gas Company was looking for a compromise. A compromise in those circumstances is pretty tricky. It came to me in a scheme which I rejected, and the principals of the Gas Company know this, because it involved a fancy arrangement dreamed up by former Minister Hugh Hudson and his then advisers. Legally, it gave majority ownership of SAOG for about $25 000 for 51 per cent of the asset.

That was counterbalanced by the fact that they had minority voting rights. Although legally they had 51 per cent stake in the oil company, they could not do anything with it because they were outvoted on the controlling board. It was a very strange arrangement, I might say, dreamed up by former Minister Hugh Hudson who was a highly intelligent man but who, in my humble judgment, if he could he would make a simple thing complicated. An intelligent man with a memory like an elephant. I would not accuse the current Minister of that.

To his credit, the current Minister tries to keep things simple. In this case the clever Mr Hudson tried to fix some angle, in this case, to beat Loan Council borrowing strictures. If he could, he would do it and in my judgment he mucked it up. To the credit of the present Minister, I do not think that he has a memory like an elephant. Indeed, he is lucky that he did not go off to the London School of Economics; no doubt he came up through the school of hard knocks and at least he tries to keep matters relatively simple. However, it was a much up: he messed it up. In other words, the Gas Company had 51 per cent ownership at law of this enormously valuable oil company which it had bought for $25 500.

Mr Becker: A good deal.

The Hon. E.R. GOLDSWORTHY: A wonderful deal. How silly can one get! However, this was counterbalanced by the majority of votes lying with PASA, a Government instrumentality. The Gas Company considered that it was liable at law. It was sitting on this asset and legally bound to do the right thing by its shareholders. So, it came up with a scheme that would give it a little more from the sale of the asset.

I for one rejected that, and I believe that the Labor Party shared my view. It certainly indicated that then and has done so since. Whether or not the shareholders of the Gas Company have done well (and I suspect that they have) depends on a realistic valuation of the people's public asset, the oil company. So, I am arguing in this case not about the principle of privatisation but whether the public of South Australia, as against the Gas Company shareholders, have got a good deal. That depends entirely on the true value of that oil and gas company. If the calculations are done in terms of the Government's deal, a value of a little over $100 million is put on it. However, I do not know the answer to that.

This Bill will go to a select committee where we will have the opportunity to hear evidence from people who should know the answers and whether or not the Bill needs amending. Because of the guillotine motion, I do not wish to delay the House and will content myself by saying that Opposition members support the second reading of the Bill so that we

may get answers to some of the questions that we wish to ask.

Mr BECKER (Hanson): This is an incredible piece of legislation. It is incredible because we are to lose a good old South Australian company that has served the State for 127 years, and because of the explanation given to Parliament by the Minister. We have been told that the South Australian Gas Company Act of 1861 and the Gas Act of 1924 are to be repealed and incorporated in the new Act. The legislation will facilitate the so-called merger of the South Australian Gas Company and the South Australian Oil and Gas Corporation. I do not go along with that merger. It is more like a Ned Kelly takeover because the Government is getting hold of the company, bringing in the corporation, taking 82 per cent of the shares for the State, and letting the Gas Company shareholders have 17.8 per cent of the shares of the new company. Therein lies the whole story.

Why does the legislation need to go to a select committee? Why are we not informed in the Minister's second reading explanation of the details of the merger and the financial arrangements? I am disappointed. Not often do we get legislation concerning which we cannot understand the Minister's second reading explanation, but in this case we have not been told what are the terms and conditions of the operation or who is getting what. It is assumed that we know what is happening and that we can read the details in the press and take the matter from there. However, that is not the way in which legislation should be presented to Parliament.

Anyone who studies the stock market will understand that a merger or takeover of this kind has familiar undertones. At present, Elders Resources is involved in a reverse takeover of New Zealand Forests Products: the little one is taking over the thumping great giant. I often wonder whether it would have been a good idea in this case for the Gas Company to do the taking over and, if necessary, to go to the public for additional funds. Certainly, many questions need answering in relation to this legislation.

I now refer to the Memorandum of Understanding involving the State of South Australia, the Gas Company, and the State Government Insurance Commission. This document should have been part of the Minister's second reading explanation of the Bill. The memorandum states:

> On 14 April the Premier announced a proposal . . . to merge the activities and assets of Sagasco and South Australian Oil and Gas Corporation Pty Ltd.

The nominee of the Government of South Australia was to receive 56 166 583 fully paid ordinary shares in the capital of Sagasco following subdivision of Sagasco shares on a 5 for 1 basis. So, the Government's nominee would hold 82 per cent of the issued capital of Sagasco. The Government's nominee is the South Australian Financing Authority and I am suspicious whenever I hear that authority mentioned. The interest bill for the Gas Company is $8.2 million and, bearing in mind that the funding is to come from SAFA, I assure members that the interest bill will climb dramatically. Clause 5 of the Memorandum of Understanding states:

> By virtue of its holding of B class shares in the capital of Sagasco pursuant to the the South Australian Gas Company Act 1861, SGIC holds voting control at a general meeting of Sagasco, but as it is to be regarded as an associate of the Government of South Australia it will not vote upon certain of the resolutions to be proposed at the general meeting of the shareholders of Sagasco.

Clause 3 (this really tricked me) of the memorandum, which deals with actions by the Government, states:

> In order to give effect to the proposal, and for other purposes, the Government of South Australia intends, *inter alia*, to:
>
> *(a)* use its best endeavours to ensure that Sagasco will not be subject to Loan Council restrictions in seeking to borrow money as outlined in the letter of the Premier to Sagasco of 29 September 1987,
>
> *(b)* revoke the declaration of SAOGC as a semi-government authority for the purposes of the Government Financing Authority Act 1982.

Those two instructions are clear and definite as to how the Government is to facilitate this takeover. The memorandum continues:

> *(c)* procure the transfer of the SAOGC shares to Sagasco, without causing default under the terms of the debenture presently given by SAOGC to SAFA as security for certain moneys lent to SAOGC and if necessary ensuring that SAOGC is permitted access to capital markets both in Australia and overseas for the purposes of discharging its obligations to SAFA.

Those are strong and wide powers for SAFA. The memorandum continues:

> *(d)* take all other steps as may be reasonable and appropriate to facilitate the transaction, including introduction of the legislation into the Parliament.
>
> 3.2. The legislation will include the provisions listed in the schedule to this memorandum.
>
> 3.3. The Government of South Australia:
>
> *(a)* will not introduce the legislation unless those provisions which affect the position of Sagasco and the utility company (the Sagasco provisions) are acceptable to the Board of Directors of Sagasco (the board); and
>
> *(b)* will not recommend to the Governor that he proclaim the Sagasco provisions if the Sagasco provisions become part of an Act of the Parliament in a form inconsistent with this memorandum without the approval of the board.

That leaves very little room for Parliament to study and to put forward any recommendations. It will not recommend to the Governor that he proclaim the Sagasco provisions if Sagasco provisions become part of an Act of the Parliament in a form inconsistent with this memorandum.

The Parliament has no option, chance or opportunity to debate or consider any part of that agreement. The power of Parliament has gone. It has been lost by the simple writing of a document between the Premier and his so-called financial advisers, and the South Australian Gas Company. Clauses 7.1 and 7.2 state:

> The parties acknowledge that no binding legal obligation arises as between them or otherwise by virtue of execution of this memorandum. The State of South Australia acknowledges that the Deed of Indemnity referred to in clause 5 of this memorandum is legally binding and enforceable against it.

That statement was dated 25 November 1987. On 20 November 1987 the South Australian Gas Company advised its shareholders as follows:

> On 14 April 1987 your company and the South Australian Government ('the Government') announced a proposal to merge the business of the South Australian Gas Company ('Sagasco') and South Australian Oil and Gas Corporation Pty Ltd ('SAOG').
>
> The merger is to be effected by your company acquiring SAOG in consideration for an issue of new shares to the South Australian Government Financing Authority as the nominee of the Government. Following the merger, the Government will own 82.2 per cent of the greatly enlarged group and existing Sagasco shareholders will be entitled to the remaining 17.8 per cent.
>
> The merger is subject to shareholders approval and will be implemented in early 1988 by legislation, the general form of which is in accordance with a memorandum of understanding between your board and the Government which is available for inspection during normal business hours as Sagasco's office.

That agreement was dated 25 November; therefore, the agreement was signed five days after a notice was sent to the shareholders. What a great deal that was! A report to the shareholders of SAOG at that time states:

> At the time the proposal was announced, the share price of Sagasco increased from $9.80 to $14.20. In your directors' opinion, this significant enhancement in the market value of your investment was a direct result of the announcement and reflects the market's view of the value added by the proposal.

What no-one was told, and what the legislation does not tell us is the fate of the shares in the new company. The memorandum states:

The proposed merger is to be effected as follows:

- The authorised capital of Sagasco will be increased from $2.5 million to $100 million;
- A 5 for 1 share split of Sagasco's issued share capital will take place to create 12 329 250 total issued shares, with a par value of 10 cents each.

Previously, shareholders of the Gas Company had shares of 50 cents. So all the Government has done is split those shares into 10 cent shares—five for one—big deal! The statement goes on:

- Sagasco will issue 56 166 583 new Sagasco shares to a nominated government instrumentality in exchange for the issued shares in SAOG owned by the Pipeline Authority of South Australia.

I believe that the shareholders were not given a chance or a fair and reasonable deal if that is all they got at this stage. Yet, we have heard evidence to the contrary: that the South Australian Oil and Gas Corporation was disposed of at much lower valuation. The following article appeared in the *Advertiser* of Saturday 25 April 1987 under the heading 'South Australia to loose $200 million if oil, gas bodies merge: MLC':

South Australia would lose about $200 million in the planned Government merger of the South Australia Oil and Gas Corporation and Sagasco, a Liberal member of the Legislative Council, Mr Davis, said yesterday. He said the Government had sold SAOG for $106 million as part of the merger, yet he estimated that, after yesterday's gas price increase, the company was worth $300 million. An independent share analyst, Mr Allan Webber, supported Mr Davis's claim. Mr Davis said the increased value of the Corporation since the price rise made the merger deal a scandal. . . . Sagasco shares already have jumped $4 to $13.50 in the week since the merger was announced.

That was Mr Davis's view of the transaction. Baker Hindmarsh Partners, one of the few share brokers that I contacted who could tell me anything about the deal, stated:

The new company will be dominated by its oil and gas production and exploration activities which represent in excess of 80 per cent of the new company's value. It offers an exciting new entry into the highly regarded Cooper Basin fields at a time when other listed companies are being removed from the public arena by takeover. This entry offers moderate to large interests in the mature production areas as well as in large tracts of exploration acreage in this same basin.

It goes on to make an assessment of Sagasco shares. It states:

The value of Sagasco itself is believed to be considerably understated in its accounts with a net asset backing of greater than $20 per share seeming more realistic than the $5.88 shown.

That was for the year ending 30 June 1986. In actual fact, for the year ending 30 June 1987, the net asset backing per unit or share is $7.08. Baker Hindmarsh research goes on to deal with the fixed assets of the company, It states:

The fixed assets of $72.5 million include freehold land of $0.4 million with plant, distribution system and buildings valued at $126 202 million prior to depreciation of $54 075 million. No provision is made for revaluation of buildings or other fixed assets and they are carried in the accounts at cost. The company has about ten properties located in the country, suburban Adelaide and Waymouth Street, Adelaide, and each was purchased many years ago. They are represented in the accounts at about $1 million and at current values could be expected to add at least $15 million to the assets of the company. No figure is attached to the establishment of a pipeline network . . . Thus the net assets of Sagasco are understated by at least $20 million and probably are worth an additional $50 million above book values. Using the lower figure the net assets per share are worth a minimum $14.10 and more realistically are worth about $26.00 per share.

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

That the time for moving the adjournment of the House be extended beyond 5 pm.

Motion carried.

Mr BECKER: That gives the House some idea of the difficulty that analysts have in trying to arrive at a satisfactory valuation for Sagasco: let alone the South Australian Oil and Gas Corporation, which issue has been touched on by the Deputy Leader. The South Australia Gas Company, in its information memorandum sent to all shareholders, stated that it has used an independent valuer—a highly reputable investment bank—Capel Court to make an analysis. Capel Court stated:

We have undertaken a detailed analysis of SAOG and have provided our valuation in Appendix A.

Based on our view of the probable scenario for future energy price movements and economic parameters, we have assessed the value of SAOG's net assets to be between $125 and $150 million.

Due to SAOG's involvement in the petroleum and natural gas industries, the value of its net assets is highly dependent upon the future price of crude oil, the effective base upon which most other petroleum prices are determined. Therefore, interpretation of the valuation results should be considered in this context.

In addition, subsequent to the setting of the terms of the proposed allotment and the announcement of the merger proposal, an arbitration award was brought down on 24 April 1987 concerning sales under a natural gas sales contract with the Australian Gas Light Company (AGL) and which also affects the gas sales prices for South Australian sales.

We have incorporated the new price in our valuation. As well, the Commonwealth Government announced on 21 June 1987 the complete deregulation of the marketing of indigenous crude oil in Australia, as from 1 January 1988. Our valuation has taken into account the implications of this deregulation.

It is a speculative deal, particularly when you are assessing oil and gas exploration and trying to place values on what is under the ground, what you can bring up to the ground and what you are likely to get in the future. It makes it extremely difficult to place an assessment on the whole of the transaction. But, there is no doubt that the market itself could not decide in 1987 what the true value of Sagasco shares was because they varied between $6.50 and $13.20.

The Hon. E.R. Goldsworthy interjecting:

Mr BECKER: Rumours have always been floating around of attempts by predators to move into the South Australian Gas Company. We know what happened some years ago when the SGIC was brought in to buy 25 000 shares and was given 51 per cent of the voting rights. I realise and understand that it is a difficult area. However, it is Parliament's responsibility to protect the interests of existing shareholders. We have an obligation, and there is legislation to protect those shareholders. The Government has taken the unusual step to control the operations of Sagasco, particularly in relation to the dividend paid. At least the new company will be given some freedom and, with its profits controlled by the long-term Commonwealth loan plus 2 per cent, at least the dividends can be more flexible and rewarding for shareholders. However, there must be some growth.

I do not like the fact that the Government will own 82.2 per cent of the company. I think that it should have given Sagasco shareholders a greater opportunity and it should have been satisfied with 15 per cent. It already has a 15 per cent share of Santos. Why the Government needs such a great hold on these operations, I do not know. That can be looked at by the select committee, which can also look at the 15 per cent restriction on Santos.

The Government has complete control over the future of this company, and over oil and gas exploration in South Australia through Santos because of the licensing structure. That provides more power than having shares in the company. The Government then controls the price and, therefore, the profit. The Government will have the opportunity to use part of the excess profit if it wants to. One only has to look at the balance sheet to see that Sagasco has unap-

propriated profits of some $15 million. However, shareholders, who have $1.2 million in the company, never got a pennyworth of value—they never got any credit—from that $15 million.

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

The Hon. R.G. PAYNE (Minister of Mines and Energy): I sincerely thank the Deputy Leader of the Opposition who adhered 100 per cent to the arrangement that we had. I point out to the member for Hanson that he could have found out what was involved in the transaction by reading clauses 21 and 22 of the Bill, instead of reading the memoir that was available to shareholders in the Gas Company.

Mr Becker interjecting:

The Hon. R.G. PAYNE: Already we are getting the normal response from the member for Hanson. When caught out his normal response is to bluster. That has already happened, and I have only been on my feet for about two minutes.

Mr Becker interjecting:

The DEPUTY SPEAKER: Order!

The Hon. R.G. PAYNE: He wants more than one go, Mr Deputy Speaker. I do not think that that is allowed under Standing Orders, either. I know that the Deputy Leader would be disappointed if I did not respond to his comments on privatisation. I seriously disillusion and disappoint him. I am not going to say what he said I would say. What I am going to say is this. Prior to the merger going through we owned SAOG, and there is a company called Sagasco. When the merger goes through, and if the Parliament agrees, the Government will have an 82 per cent interest in Sagasco Holdings and will then have SAOG and Sagasco in its pocket. If that is privatisation then I guess that is what we are doing, but I do not see it that way at all. It seems to me that we are considerably increasing our asset base. The Government is still in there with its 82 per cent interest.

The Hon. E.R. Goldsworthy interjecting:

The DEPUTY SPEAKER: Order!

The Hon. R.G. PAYNE: I suppose it can be described as privatisation, depending on what is in the eye of the beholder, but I do not see it that way. I will not use the term 'commercialisation' in this case because I do not believe it is that. It is a realisation by the Government of the asset value in the organisations concerned. The member for Hanson implied that Sagasco does not get a good enough deal out of it. I do not know why—

Mr Becker interjecting:

The DEPUTY SPEAKER: Order! Will the honourable Minister resume his seat. The honourable member for Hanson has already made a 20 minute speech, and he will have another opportunity to speak when this Bill comes back with the select committee report. I ask him to show consideration to the speaker now on his feet. The honourable Minister.

The Hon. R.G. PAYNE: Another point that was not canvassed was that, after the merger goes through, the constant threat that Sagasco has been under for quite a few years of being infiltrated in various ways (despite the best efforts of legislation from this Parliament in relation to the extent of separate shareholdings, and so on) will be removed, because the controlling interests will be held clearly by the Government on behalf of the people.

The Deputy Leader waxed biblical and said that he saw me as being Paul on the road to Damascus. I have been called almost everything in this Chamber and described in many different ways and—

The Hon. E.R. Goldsworthy interjecting:

The DEPUTY SPEAKER: Order! I call the Deputy Leader to order.

The Hon. R.G. PAYNE: —to be described as being Paul on the road to Damascus was somewhat pleasing.

The Hon. E.R. Goldsworthy interjecting:

The DEPUTY SPEAKER: Order!

The Hon. R.G. PAYNE: Two or three points need to be put on the record. The proposed merger does not involve a sale of Government assets. The Government does not receive any cash from this proposed merger, and there will be no decrease in the value of assets owned by the Government. In fact, as I pointed out, that value is likely to be increased over time. Management and employees will benefit from the merger; the work force as a whole and the management structure should benefit from the merger because there will be increased flexibility and growth opportunity. There will be no job loss from the merger, and in these times when there are deals involving companies I think it is rather unique and quite unusual because all one hears about now are raiders taking over some outfit and leaving the residue—that seems to be the way they regard the work force—to sort out the fact that they are no longer employed. There will be no job losses as a result of the merger, and I am proud of that on behalf of the Government. I thank the Deputy Leader for his cooperation. He adhered 100 per cent to our arrangement. I ask members to support the Bill.

Bill read a second time and referred to a select committee consisting of Messrs D.S. Baker, Goldsworthy, Gregory, Hamilton, and Payne; the committee to have power to send for persons, papers and records, and to adjourn from place to place; the committee to report on 22 March.

ADJOURNMENT

At 5.10 p.m. the House adjourned until Tuesday 1 March at 2 p.m.